

**COUNCIL AUDITOR'S OFFICE
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JEA
Comparison of Budgets
Approved FY 2018/19 to Proposed FY 2019/20
Energy, Water & Wastewater and District Energy System
(000s)

	Energy		Water & Wastewater		District Energy		Transfers	Total	City
	Operating Budget	Capital Budget	Operating Budget	Capital Budget	Operating Budget	Capital Budget	In/Out	Budget	Contribution
FY 2018/19 Budget	\$ 1,286,304	\$ 334,588	\$ 528,379	\$ 248,461	\$ 9,257	\$ 5,108	\$ (468,693)	\$ 1,943,403	\$ 117,648
FY 2019/20 Proposed	\$ 1,249,529	\$ 261,000	\$ 494,451	\$ 260,000	\$ 9,045	\$ 3,830	\$ (445,410)	\$ 1,832,445	\$ 118,824
\$ Increase (Decrease)	\$ (36,776)	\$ (73,588)	\$ (33,927)	\$ 11,539	\$ (212)	\$ (1,278)	\$ 23,284	\$ (110,959)	\$ 1,176
% Increase (Decrease)	(2.86%)	(21.99%)	(6.42%)	4.64%	(2.29%)	(25.02%)	4.97%	(5.71%)	1.00%

Notes:

(1) Changes in the employee cap are as follows:

	Budget FY 2018/19	Proposed FY 2019/20	Increase (Decrease)
Energy System	1,553	1,527	(26)
Water & Wastewater System	599	625	26
District Energy System	6	6	-
Total JEA	<u>2,158</u>	<u>2,158</u>	<u>-</u>

(2) Detail of City Contribution:

	Budget FY 2018/19	Proposed FY 2019/20	Increase (Decrease)
Energy System	\$ 92,952.15	\$ 93,870.97	\$ 918.82
Water & Wastewater	\$ 24,695.39	\$ 24,953.04	\$ 257.65
Totals	<u>\$ 117,647.54</u>	<u>\$ 118,824.01</u>	<u>\$ 1,176.47</u>

**Calculation of JEA Energy Contribution
For Fiscal Year 2019-2020**

	Total	Less Interchange	Net kWh
Month	kWh Sales (1)	kWh Sales (2)	Sales
May 2018	916,940,757	9,344,000	907,596,757
June	1,092,622,387	2,754,000	1,089,868,387
July	1,233,307,313	2,774,000	1,230,533,313
August	1,178,350,447	1,038,000	1,177,312,447
September	1,193,100,677	666,000	1,192,434,677
October	1,158,481,417	673,000	1,157,808,417
November	948,610,476	29,441,000	919,169,476
December	925,532,396	17,314,000	908,218,396
January 2019	998,041,514	7,179,000	990,862,514
February	901,223,637	3,056,000	898,167,637
March	850,900,248	2,142,000	848,758,248
April	857,753,330	1,514,000	856,239,330
Totals	12,254,864,599	77,895,000	12,176,969,599
		(3)	0.007468
			\$ 90,937,609

Notes:

- (1) kWh sales information is based on JEA's CMFTR124 monthly reports.
- (2) Interchange, the sale of electricity to other utilities, is not included in the contribution formula.
- (3) The current City contribution formula is based on multiplying 7.468 mills times total electric kWh sales less interchange sales for the twelve months (12) ending April of each year.
- (4) Pursuant to Ordinance § 106.218, one quarter of a mill or \$3,044,242 has been dedicated to the JPA for port expansion.

**Calculation of JEA Water & Wastewater Contribution
For Fiscal Year 2019-2020**

	Water Consumption	Sewer Consumption	Adjustment Total	Total Net Consumption
Month	kGals (1)	kGals (1)	kGals (3)	kGals
May 2018	3,438,729	2,289,805	(182,702)	5,545,832
June	3,259,217	2,261,350	(131,196)	5,389,371
July	3,361,461	2,266,356	(164,072)	5,463,745
August	3,154,571	2,188,454	(123,687)	5,219,338
September	3,268,934	2,155,983	(180,676)	5,244,241
October	3,572,568	2,374,406	(220,213)	5,726,761
November	3,120,912	2,066,518	(170,096)	5,017,334
December	2,919,697	2,108,220	(115,756)	4,912,161
January 2019	2,953,562	2,210,173	(60,370)	5,103,365
February	2,584,773	1,947,579	(60,170)	4,472,182
March	2,825,548	2,059,735	(81,428)	4,803,855
April	3,197,731	2,203,280	(168,599)	5,232,412
Totals	37,657,703	26,131,859	(1,658,965)	62,130,597
			(2)	0.3892000
				\$ 24,181,228

Notes:

- (1) Consumption information taken from JEA's CMFTR124 monthly reports.
- (2) The current City contribution is based on multiplying 389.20 mills times total water/sewer kGal sales less reuse sales for the twelve (12) months ending April of the prior year.
- (3) Adjustments include Summer Discount, Water Large (large industrial customer), Sewer LTD (wholesale sewer rate) and Water Reuse Consumption.

JEA Contribution Calculation

A Millage Calculation

Energy	\$	90,937,609	79%
Water		24,181,228	21%
	\$	115,118,837	

B Floor (prior Year plus 1%)

Base Year	FY 2015/16	\$	114,187,538
	FY 2016/17		115,329,413
	FY 2017/18		116,482,708
	FY 2018/19		117,647,535
	FY 2019/20		118,824,010
	FY 2020/21		120,012,250

Conclusion

The millage calculation of \$115,118,837 is less than the minimum payment of \$118,824,010; therefore, the minimum payment of \$118,824,010 is the recommended budget for FY 2019/20 for the Energy and Water & Wastewater Systems.

Recommended Budget FY 2019/20

Energy	\$	93,870,968.24	79%
Water		24,953,042.19	21%
	\$	118,824,010	

Notes:

A = Calculated as 7.468 mills times gross kilowatt-hours delivered by JEA to users of electricity in JEA's service area (less interchange sales) plus the amount calculated by multiplying 389.20 mills by the number of kGals of potable water and sewer service (excluding reclaimed water sales) provided to consumers during the twelve (12) month period ending April 30 of the previous year.

B = Notwithstanding the contribution calculated, JEA shall pay the City each fiscal year, from 2016/2017 through 2022/2023, an additional amount if necessary, to ensure a minimum annual increase of 1% using the fiscal year 2015-2016 combined assessment of \$114,187,538 as the base year.

Although the annual transfer of available revenue from JEA to the City is based upon formulas that are applied specifically to the respective utility systems operated by JEA, JEA's Charter allows it to utilize any of its revenues regardless of source to satisfy its total annual obligation to the City.

JEA
Analysis of Proposed FY 2019/20 Energy System Operating Budget
FY 2018/19 Budget Compared to FY 2019/20 Proposed Budget
(000s)

					\$ and % Increase (Decrease) Proposed Budget Over	
	2018/19 Original Budget	8 Months Actual Thru May	12 Months FY 2018/19 Projected	2019/20 Proposed Budget	2018/19 Original Budget	2018/19 Original Budget
Fuel Related Revenue & Expenses						
Revenue						
Fuel Related Revenue	\$ 422,782	\$ 244,139	\$ 396,233	\$ 410,913	\$ (11,870)	(2.81%)
Net Fuel Related Revenues	<u>\$ 422,782</u>	<u>\$ 244,139</u>	<u>\$ 396,233</u>	<u>\$ 410,913</u>	<u>\$ (11,870)</u>	<u>(2.81%)</u>
Expense						
Fuel Related and Purchased Power	\$ 438,299	\$ 278,107	\$ 418,948	\$ 392,127	\$ (46,172)	(10.53%)
Transfer To/(From) Rate Stabilization	(16,151)	(34,293)	(23,239)	18,169	34,320	(212.50%)
Uncollectible Accts.	634	325	524	616	(18)	(2.81%)
Net Fuel Related Expenses	<u>\$ 422,782</u>	<u>\$ 244,139</u>	<u>\$ 396,233</u>	<u>\$ 410,913</u>	<u>\$ (11,870)</u>	<u>(2.81%)</u>
Fuel Fund Surplus (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Base Rate Revenue & Expenses						
Revenues						
Base Rate Revenue	\$ 821,193	\$ 475,837	\$ 771,276	\$ 799,728	\$ (21,465)	(2.61%)
Investment Income	11,601	8,897	12,764	11,378	(222)	(1.92%)
Other Revenues	30,728	126,587	136,830	27,509	(3,219)	(10.47%)
Total Operating Revenues	<u>\$ 863,522</u>	<u>\$ 611,321</u>	<u>\$ 920,870</u>	<u>\$ 838,616</u>	<u>\$ (24,906)</u>	<u>(2.88%)</u>
Expenses						
Operating & Maintenance	\$ 221,286	\$ 141,700	\$ 221,848	\$ 269,859	\$ 48,573	21.95%
Environmental Charge	8,040	4,640	7,533	7,814	(226)	(2.81%)
Conservation Charge	7,590	4,094	6,843	7,174	(416)	(5.49%)
Natural Gas Pass Through Expense	2,418	536	1,339	961	(1,457)	(60.26%)
Non-Fuel Purchased Power	73,565	54,228	96,315	73,738	174	0.24%
Emergency Contingency	5,000	-	5,000	5,000	-	0.00%
PSC Fees	206	142	206	200	(6)	(3.00%)
Uncollectible Accts.	1,232	626	1,021	1,200	(32)	(2.61%)
Total Operating Expenses	<u>\$ 319,337</u>	<u>\$ 205,966</u>	<u>\$ 340,104</u>	<u>\$ 365,946</u>	<u>\$ 46,608</u>	<u>14.60%</u>
Operating Income	<u>\$ 544,185</u>	<u>\$ 405,355</u>	<u>\$ 580,766</u>	<u>\$ 472,670</u>	<u>\$ (71,514)</u>	<u>(13.14%)</u>
Non-Operating Revenues/(Expenses)						
Debt Service	\$ (203,669)	\$ (241,848)	\$ (307,390)	\$ (138,050)	\$ 65,619	(32.22%)
Operating Capital Outlay	(183,116)	(58,000)	(115,976)	(176,749)	6,366	(3.48%)
Renewal & Replacement- Elec. Sys.	(64,448)	(42,965)	(64,448)	(64,000)	448	(0.70%)
Interlocal Agreement	-	-	-	-	-	
Contribution to City's General Fund	(92,952)	(61,968)	(92,952)	(93,871)	(919)	0.99%
Total Non-Operating Revenues/(Expenses)	<u>\$ (544,185)</u>	<u>\$ (404,782)</u>	<u>\$ (580,766)</u>	<u>\$ (472,670)</u>	<u>\$ 71,514</u>	<u>(13.14%)</u>
Surplus/(Deficit)	<u>-</u>	<u>\$ 573</u>	<u>-</u>	<u>-</u>	<u>-</u>	
MWH Sales (000's)	13,180	7,578	12,320	12,810	(370)	(2.81%)
# of Accounts	472,032	477,190	480,490	482,893	10,861	2.30%

JEA
FY 2018/19 Original Budget Vs. FY 2019/20 Proposed Budget
Revenue and Expense Variance Overview - Energy System

	Increase/(Decrease)	
	(000s)	%
Fuel Related Revenues:		
Fuel Related Revenue The decrease reflects a change in the MWh sales projection from 13,180,028 in FY 2018/19 to 12,810,000 in FY 2019/20. The fuel rate remains \$32.50 per kWh.	\$ (11,870)	(2.81%)
Fuel Related Expenses:		
Fuel Related and Purchased Power The decrease reflects a change in the MWh sales projection from 13,180,028 in FY 2018/19 to 12,810,000 in FY 2019/20, lower solid fuel prices, and lower natural gas prices. The fuel rate remains \$32.50 per kWh.	\$ (46,172)	(10.53%)
Transfer To(From) Rate Stabilization The increase in the contribution is due to lower fuel expenses from lower sales assumptions, utilizing natural gas hedges, and lower solid fuel expenses.	\$ 34,320	(212.50%)
Base Related Revenues:		
Base Rate Revenue The decrease reflects a change in the MWh sales projection from 13,180,028 in FY 2018/19 to 12,810,000 in FY 2019/20. The yield per kWh sold increased slightly to \$61.76 per kWh for FY 2019/20 vs. \$61.62 for FY 2018/19.	\$ (21,465)	(2.61%)
Other Revenues Based on historical trends and assumptions of demand by potential customers coming on board for FY 2019/20, the natural gas retail sale projections were decreased. Additionally, transmission services (sales for resale, territorial, and off system) are declining due to competitively priced, inexpensive generation capacity that has recently been added inside of Florida (this will also impact purchases of JEA power by out-of-state utilities).	\$ (3,219)	(10.47%)
Base Related Expenses:		
Operating & Maintenance The net increase is primarily caused by increases of \$25.9 million for other services and charges, \$18.6 million for benefits, \$6.1 million in lower capitalization expenses, \$5.8 million for salaries, and \$935,000 for insurance premiums. The increase is partially offset by a \$9.7 million increase in water billing credits for costs attributable to the Water & Wastewater System. (DETAILED BREAKOUT GIVEN ON NEXT TWO PAGES)	\$ 48,573	21.95%
Natural Gas Pass Through Expense Since this expense is a pass through, the \$1,457,000 decrease is related to the projected decline in sales and sales revenue noted above.	\$ (1,457)	(60.26%)
Non-Operating Revenues/(Expenses)		
Debt Service The decrease is due to lower debt principal payments related to the FY 2016/17 debt restructuring and the FY 2018/19 implementation of an accelerated (early) debt repayment strategy known as the Strategic Timely Asset Realignment Plan (STAR).	\$ 65,619	(32.22%)

JEA
Analysis of Operating and Maintenance Expense
Energy System
FY 2018/19 Budget Compared to FY 2019/20 Proposed Budget
(000s)

	2018/19 Original Budget	8 Months Actual Thru May	12 Months FY 2018/19 Projected	2019/20 Proposed Budget	\$ and % Increase (Decrease) Proposed Budget Over	
					2018/19 Original Budget	2018/19 Original Budget
Salaries	\$ 129,435	\$ 78,516	\$ 124,687	\$ 135,196	\$ 5,761	4.45%
Employee Benefits	50,722	33,651	55,568	69,319	18,597	36.67%
Supplies	17,052	16,174	26,832	17,080	28	0.16%
City Services	1,325	530	776	1,208	(117)	(8.82%)
Other Intercompany Charges	578	831	1,246	1,259	680	117.63%
Other Services & Chgs.	114,576	63,667	102,145	140,460	25,884	22.59%
Other Contingencies	2,000	61	61	2,000	-	0.00%
City Legal Services	1,590	788	1,200	1,590	-	0.00%
Property & Casualty Insurance	10,226	7,096	8,710	11,161	935	9.14%
Interest on Customer Deposits	1,161	1,064	1,596	1,550	389	33.51%
Operating Reserve	2,000	-	-	2,000	-	0.00%
Expense Credits	(80,694)	(52,499)	(81,975)	(89,369)	(8,675)	10.75%
Trf. to WIP- Salaries	(20,852)	(3,430)	(11,640)	(16,800)	4,052	(19.43%)
Trf. to WIP- Emp. Benefits	(7,833)	(4,747)	(7,358)	(6,795)	1,038	(13.26%)
O & M Expense	\$ 221,286	\$ 141,702	\$ 221,848	\$ 269,859	\$ 48,573	21.95%

JEA
FY 2018/19 Original Budget Vs. FY 2019/20 Proposed Budget
Expenditure Variance Overview - Energy System

	Increase/(Decrease)	
	(000s)	%
Operating & Maintenance		
Salaries	\$ 5,761	4.45%
The increase is primarily due to the addition of \$3.4 million for estimated general increases of 3%, \$1.5 million in bargaining unit step increases per contractual agreements, and \$700,000 in overtime expenses.		
Employee Benefits	\$ 18,597	36.67%
The increase is primarily due to increases of \$10.3 million for the Total Market Compensation Strategy (estimated, awaiting JEA Board approval) and \$5.2 million for increased health insurance costs.		
Other Intercompany Charges	\$ 680	117.63%
The increase is due to an increase in the 1 year Treasury bill yield used to calculate the carrying charge for Energy System inventory. A rate of 1.24% was used for the FY 2018/19 Budget vs. a rate of 2.47% for the FY 2019/20 budget.		
Other Services & Charges	\$ 25,884	22.59%
The increase is mostly due to increases of \$8.0 million in legal expenses primarily related to the Plant Vogtle litigation, \$3.1 million for costs associated with the new JEA headquarters building, \$3.0 million for the corporate strategy initiative, \$2.2 million for landscaping contracts, \$1.8 million for the 5 to 5 employee suggestion incentive program, \$1.7 million for vehicle maintenance, and \$1.2 million for GPS upgrades.		
Property & Casualty Insurance	\$ 935	9.14%
The increase is due to an increase of \$537,365 for general liability and worker's compensation insurance and an increase of \$397,635 for cyber liability insurance.		
Interest on Customer Deposits	\$ 389	33.51%
The increase is due to energy customer deposits (projected) comprising a larger percentage of JEA's total customer deposits in FY 2019/20. The projection is based on the actual percentage of deposits, by system, in FY 2018/19 and anticipated customers, by system, in FY 2019/20.		
Expense Credits	\$ (8,675)	10.75%
Expense credits are used to recognize Energy System O&M costs that are not attributable to the operation and maintenance of the Energy System. The net increase of \$8.7 million is mostly due to a \$9.7 million increase in water billing credits for work attributable to the Water & Wastewater System. This is partially offset by a \$1.4 million decrease in capitalized administrative overhead.		
Trf. to WIP- Salaries	\$ 4,052	(19.43%)
The decrease is due a projected decrease in capital projects in FY 2019/20. The Transfers to WIP - Salaries captures the employee salaries charged to capital project work orders, and is a credit to the operating fund.		
Trf. To WIP-Emp. Benefits	\$ 1,038	(13.26%)
The decrease is due a projected decrease in capital projects in FY 2019/20. The Transfers to WIP - Emp. Benefits captures the employee benefits charged to capital project work orders, and is a credit to the operating fund.		

JEA
Analysis of Proposed FY 2019/20 Capital Budget
Energy System
FY 2018/19 Budget Compared to FY 2019/20 Proposed Budget
(000s)

					\$ and % Increase/(Decrease)	
					Proposed Budget Over	
	2018/19	8 Months	12 Months	2019/20	2018/19	2018/19
	Original	Actual	Projected	Proposed	Original	Original
	Budget	Thru May	FY 2018/19	Budget	Budget	Budget
Capital Funds						
Renewal & Replacement Deposits	\$ 64,448	\$ 42,965	\$ 64,448	\$ 64,000	\$ (448)	(0.70%)
Construction Fund Investment Income	-	-	-	-	NA	NA
Debt	-	-	-	-	NA	NA
Other Proceeds*	87,024	81,480	129,159	20,251	(66,774)	(76.73%)
Operating Capital Outlay	183,116	58,000	115,976	176,749	(6,366)	(3.48%)
Total Capital Funds	\$ 334,588	\$ 182,445	\$ 309,583	\$ 261,000	\$ (73,588)	(21.99%)
Capital Projects						
Generation Projects	\$ 113,000	\$ 78,996	\$ 99,769	\$ 68,740	\$ (44,260)	(39.17%)
Transmission & Distribution	137,221	74,326	153,207	140,556	3,335	2.43%
Other	84,367	29,123	56,607	51,704	(32,663)	(38.72%)
Total Capital Projects	\$ 334,588	\$ 182,445	\$ 309,583	\$ 261,000	\$ (73,588)	(21.99%)
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	

* Funding from prior year remaining balances

Note: Detail listing of Capital Projects can be seen on the next six pages.

JEA	
Energy System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
GENERATION	
Brandy Branch - B52, B53 Advanced Gas Path Upgrade - Spare Parts	20,000
Greenland - 2X1 Combined Cycle Completion	11,500
Northside Generation Station - Byproduct Storage Area II	6,100
Greenland - CT2 - Hot Gas Path Inspection #1	5,800
Northside Generation Station - N00 Limestone Utilization Improvement Phase 2 and 3	2,925
Northside Generation Station - Units 1, 2, and 3 Capital Improvement Projects	2,200
Northside Generation Station - Steam Plant General Capital Improvements	2,000
Brandy Branch - Greenland General Capital Improvements	2,000
Northside Generation Station - CT6 Major Inspection	2,000
Northside Generation Station - N36 Major Outage	2,000
Northside Generation Station - N01 Circulating Water Piping Replacement	1,793
Brandy Branch - B52, B53 HRSG Transition Duct Liner	1,659
Brandy Branch - B50 HRSG Personnel Elevators	1,374
Northside Generation Station - N03 Condenser Waterbox Liner Replacement	1,300
Brandy Branch - B52, B53 Selective Catalytic Reduction Catalyst Replacement	982
Northside Generation Station - Circulating Fluidized-Bed Boiler Simulator Replacement	948
Northside Generation Station - N01, N02 Expansion Joints Installation	734
Kennedy - K30 - Control Room Upgrade	638
Northside Generation Station - N02 Cyclone Crossover Expansion Joint Repair	617
Northside Generation Station - N03 River Water Booster Pump Replacement	554
Greenland - CT1 - Hot Gas Path Inspection #1	433
Kennedy - B50, G60 and K30 Plant Alarm and Public Address System	337
Northside Generation Station - N33, N34, N35, N36 Electrical Equipment Upgrades	320
Northside Generation Station - N03 Inverter and Battery Charger Replacement	317
Northside Generation Station - N03 Feedwater Heater Instrument Upgrade	209
GENERATION SUBTOTAL	68,740

JEA	
Energy System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
TRANSMISSION AND DISTRIBUTION	
Electric Meters - 2-Way Meter Conversion	15,500
Electric Distribution Maintenance Capital Upgrades	13,000
System Average Interruption Duration Index (SAIDI) Improvement Plan	11,300
Commercial - New Electric Service Additions	10,500
Nocatee 230 - 26 kV Substation	9,590
Greenland to Bartram 230 kV Circuit 909 Addition	7,822
Commercial - Development Driven Projects - Electric	7,000
Pole Replacement Program	4,500
Dinsmore 230 - 26 kV Substation	4,200
Eagle 138 - 13.8 kV Substation	4,100
CEMI-5 Electric Distribution Betterment	3,000
General Underground Network and Commercial Repair and Replace and Upgrades	3,000
Circuit 679 Underground Cable Reconductor	2,860
Joint Participation Electric Relocation Projects	2,500
Dinsmore Solar Feeders 423, 424	2,530
Westlake Solar Feeders 339, 340	2,387
500 kV Transmission Line Upgrades	2,000
Church St Feeders 181-186 13kV Reconductor from Substation to Riverside Ave	2,000
Electric Meters - Growth	1,760
Electric Distribution System Improvements	1,737
Energy Management System - Outage Management System Integration	1,700
Park and King 4kV Substation Rebuild	1,500
Substation Repair and Replace Projects - Transformer Replacements	1,400
230kV Breaker Replacement	1,000
Distribution System - Pole Removal	1,000
230kV Circuit 915 Partial Rebuild	1,000
Steelbald Substation Solar T3 Replacement	950

JEA	
Energy System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
Transmission Lines Protection and Control Updates - Protection and Controls	950
69kv - 663 line rebuild	900
Transmission Circuit 838 Structure 7, 8, 9, and 10 Replacement	900
Brandy Branch Substation Solar T2 Addition	880
26kV Feeder Circuit Breaker Replacement	800
General Distribution Improvements	750
Transmission and Substation Class Circuit Breaker Replacement Program	750
Kennedy Substation Control Cable and Protection System Replacement	720
General Substation Improvements	700
Cecil Commerce Center North Solar T2 Addition - Substation Project	600
Nocatee Substation Distribution Feeders	580
Transmission Outdoor Potential Device Replacement	541
Westlake Substation Solar T3 Addition	537
Steelbald Solar Feeders 344, 345	525
Dinsmore 230 kV Circuit 937/955 Interconnect	504
Underground Cable Replacement Program - Existing Developments	500
4kV Rehab – Distribution Projects	500
230KV_138KV_69 kV Insulator Refurbishment	500
Transmission Circuit 677 Structure 45 and 62 Replacement	483
Transmission Capacitor Bank Controls Replacement	468
SJRPP 230kV Circuit 934 Re-Termination to Northside Substation	441
Nocatee 230 - 26 kV Substation - Protection and Controls	376
Bartram 298: Feeder Extension in Transmission Right of Way to Bartram Park	372
Transmission Circuit 830 Structure 42, 43, and 44 Replacement	366
230 KV_138KV_69 kV Pole Refurbishment	350
Bartram 230 kV Circuit 909 Interconnect	339
4kV Conversion - Fairfax and 21st and Hubbard	330
Dinsmore Distribution Feeders	321
Beeghly 391 26KV Underground Feeder Tie	318

JEA	
Energy System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
General Transmission Improvements	300
Southside Capacitor Bank Replacement	300
Circuit 679 Underground Cable Reconductor - Protection and Controls	276
Energy Management System - EMS - Base Upgrade Project	250
Automatic Recloser Deployment	235
Electric Meters - Replacement	225
Capital Tools and Equipment - Underground Network and Service Centers	215
Park and King 4kV Substation Rebuild - Protection and Controls	200
Cecil Commerce Center North Solar Feeders 371, 372	200
230kV Breaker Replacement - Protection and Controls	190
Eagle 138 - 13.8 kV Substation - Protection and Controls	190
13kV Electric Distribution Network Improvements	179
General Protection System Improvements Transmission	175
26KV Reconductor Circuit 417, 418 - Woodley Rd from New Kings Rd to Old Kings Rd	150
Bartram 230 kV Bay and Breaker Addition for Circuit 909	150
General Transmission Improvements	100
Energy Management System - EMS - Remote Terminal Units Upgrade Project	100
Dinsmore 230 - 26 kV Substation - Protection and Controls	100
69kv - 663 line rebuild - Protection and Controls	100
Transmission Circuit 832, 835, 836, 839 Angle Pole Replacement	95
Capital Tools and Equipment	80
Ritter Park 429 Reconductor	71
Church Street Pipe Type Cable Pump Replacement	65
Mill Cove High Pressure Fluid-filled Pipe Type Cable Pump Replacement	65
Eagle 138kV Circuit 847 Interconnect	60
Overhead-Underground Conversion in Neighborhoods	60
Electric Customer Service Response Tools and Equipment	55
Park and King 4kV Distribution Feeder Getaway Rebuild	50
Steelbald Solar Center - Protection and Controls	45

JEA	
Energy System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
Nocatee 230 kV Circuit 909, 917 Interconnect	42
Brandy Branch Substation Solar T2 Addition - Protection and Controls	33
Cecil Commerce Center North Solar- Protection and Controls	31
Westlake Solar Center - Protection and Controls	22
Bartram 298 - Feeder Extension in Transmission Right of Way - Protection and Controls	10
TRANSMISSION AND DISTRIBUTION SUBTOTAL	140,556
ENERGY OTHER	
Technology Services Projects - Electric	16,200
Capital Administrative Overhead - Electric	11,400
Fleet - Replacement - Electric	7,800
Streetlight Improvements	5,500
Facilities - Westside Service Center Administrative and Warehouse Space	2,929
Facilities - Commonwealth Service Center - Interior and Roof Upgrades	2,000
Facilities - Northside Generation Station - Training Center	783
Fleet - Expansion - Electric	698
Security - Facilities - Electric	620
Facilities - Commonwealth Service Center Drainage and Parking Issues – Electric	462
Facilities - Roof Replacements - Electric	450
Facilities - Heating, Ventilation, and Air - Electric	430
Facilities - Building Upgrades - Electric	425
Security - Identity Management System Upgrades	292
Facilities - Paving and Site Improvements - Electric	250
Facilities - Electric Vehicle Charging Base Infrastructure - Electric Sites	250
Security - Physical Security Perimeter Electronic Visitor Logs	250
Security - Conservation Center Enhancements	209
Facilities - Southside Service Center HVAC Safety Restroom and Door Upgrades	200
Facilities - Lighting - Electric	200
Security - Fencing - Electric	130

JEA	
Energy System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
Facilities - Plumbing and Fire System Upgrades - Electric	100
Laboratory Equipment Upgrades - Electric	76
Utility Locate Group - Capital Equipment - Electric	50
ENERGY OTHER SUBTOTAL	51,704
GRAND TOTAL	261,000

JEA
Analysis of Proposed FY 2019/20 Water & Wastewater System Operating Budget
FY 2018/19 Budget Compared to FY 2019/20 Proposed Budget
(000s)

					\$ and % Increase (Decrease)	
					Proposed Budget Over	
	2018/19 Original Budget	8 Months Actual Thru May	12 Months FY 2018/19 Projected	2019/20 Proposed Budget	2018/19 Original Budget	2018/19 Original Budget
Operating Revenues						
Water & Sewer Revenues	\$ 457,316	\$ 287,178	\$ 433,985	\$ 450,737	\$ (6,579)	(1.44%)
Investment Income	6,319	5,144	7,250	4,308	(2,010)	(31.81%)
Capacity & Extension Fees	24,500	18,669	27,901	27,600	3,100	12.65%
Contributed Capital	-	30	30	-	NA	NA
Other Revenues	40,244	125,703	143,164	11,806	(28,438)	(70.66%)
Total Operating Revenues	\$ 528,379	\$ 436,724	\$ 612,330	\$ 494,451	\$ (33,927)	(6.42%)
Operating Expenditures						
Operating & Maintenance	\$ 161,842	\$ 101,826	\$ 159,348	\$ 185,621	\$ 23,779	14.69%
Uncollectible Accts.	686	323	764	541	(145)	(21.15%)
Emergency Contingency	1,000	-	-	1,000	-	0.00%
Total Operating Expenses	\$ 163,528	\$ 102,149	\$ 160,112	\$ 187,162	\$ 23,634	14.45%
Operating Income	\$ 364,851	\$ 334,575	\$ 452,218	\$ 307,290	\$ (57,561)	(15.78%)
Non-Operating Revenues/(Expenses)						
Debt Service	\$ (120,136)	\$ (176,967)	\$ (215,532)	\$ (78,536)	\$ 41,600	(34.63%)
Interlocal Payments	-	(15,521)	(15,521)	-	NA	NA
Capacity Fee Transfer	(24,500)	(18,699)	(27,931)	(27,600)	(3,100)	12.65%
Operating Capital Outlay	(171,967)	(88,701)	(144,986)	(150,937)	21,030	(12.23%)
Renewal & Replacement Fund	(23,552)	(15,702)	(23,552)	(25,264)	(1,711)	7.27%
Contribution to City's General Fund	(24,695)	(16,464)	(24,695)	(24,953)	(258)	1.04%
Total Non-Operating Revenues/(Expenses)	\$ (364,851)	\$ (332,053)	\$ (452,218)	\$ (307,290)	\$ 57,561	(15.78%)
Surplus/(Deficit)	\$ -	\$ 2,521	\$ -	\$ -	\$ -	
Water Sales (kGals)	42,000,000	24,008,035	36,622,000	39,900,000	(2,100,000)	(5.00%)
Sewer Sales (kGals)	34,650,000	20,076,485	30,577,000	33,180,000	(1,470,000)	(4.24%)
Number of Accounts	640,707	649,981	656,487	659,769	19,062	2.98%

JEA
FY 2018/19 Original Budget Vs. FY 2019/20 Proposed Budget
Revenue and Expense Variance Overview - Water & Wastewater System

	<u>Increase/(Decrease)</u>	
	<u>(000s)</u>	<u>%</u>
Revenues:		
Investment Income	\$ (2,010)	(31.81%)
The net decrease is due to lower projected cash balances. The decrease is offset by a higher projected interest rate than was projected in the FY 2018/19 budget.		
Capacity & Extension Fees	\$ 3,100	12.65%
The increase reflects the current trend of construction activity.		
Other Revenues	\$ (28,438)	(70.66%)
The decrease is due to the FY 2018/19 budget including an additional \$28.4 million in surplus revenues from FY 2016/17. There were no surplus revenues to include in the FY 2019/20 budget.		
Expenditures:		
Operating & Maintenance	\$ 23,779	14.69%
The increase is primarily due to increases of \$12.9 million in other services and charges, \$7.5 million in employee benefits, and \$2.0 million for lower capitalization of employee salaries and benefits. (DETAILED BREAKOUT GIVEN ON THE NEXT TWO PAGES).		
Debt Service	\$ 41,600	(34.63%)
The decrease is due to lower debt principal payments related to the FY 2016/17 debt restructuring and the FY 2018/19 implementation of an accelerated (early) debt repayment strategy known as the Strategic Timely Asset Realignment Plan (STAR).		
Capacity Fee Transfer	\$ (3,100)	12.65%
The increase reflects the current trend of construction activity.		
Operating Capital Outlay	\$ 21,030	(12.23%)
The decrease is due to lower projected operating income for FY 2019/20 providing less available funding for contribution to Operating Capital Outlay.		
Renewal & Replacement Fund	\$ (1,711)	7.27%
The amount for Renewal & Replacement is calculated at 5% of the prior years estimated revenues. The contribution has increased from FY 2018/19 due to higher estimated revenues, but will be adjusted when actual data is known.		

JEA
Analysis of Operating and Maintenance Expense
Water & Wastewater System
FY 2018/19 Budget Compared to FY 2019/20 Proposed Budget
(000s)

	2018/19 Original Budget	8 Months Actual Thru May	12 Months FY 2018/19 Projected	2019/20 Proposed Budget	\$ and % Increase (Decrease) Proposed Budget Over	
					2018/19 Original Budget	2018/19 Original Budget
Salaries	\$ 53,867	\$ 36,965	\$ 54,864	\$ 54,706	\$ 839	1.56%
Employee Benefits	20,415	13,103	21,337	27,917	7,502	36.75%
Supplies	14,875	9,420	15,521	15,417	543	3.65%
Other Services & Charges	89,488	55,552	87,259	102,432	12,944	14.46%
Contracts and Contingencies	500	30	30	500	-	0.00%
Purchased Water & Treatment	41	15	15	41	-	0.00%
Property Insurance	1,687	1,065	1,578	2,071	384	22.75%
Operating Reserves	1,250	-	-	1,250	-	0.00%
Interest on Customer Deposits	193	68	239	137	(55)	(28.78%)
Expense Credits	(7,233)	(5,078)	(8,206)	(7,610)	(377)	5.21%
Transfers to WIP Salaries	(9,734)	(7,198)	(9,720)	(8,066)	1,668	(17.14%)
Transfers to WIP Emp. Benefits	(3,507)	(2,116)	(3,569)	(3,174)	333	(9.50%)
Total O & M Expense	\$ 161,842	\$ 101,826	\$ 159,348	\$ 185,621	\$ 23,779	14.69%

JEA
FY 2018/19 Original Budget Vs. FY 2019/20 Proposed Budget
Expense Variance Overview - Water & Wastewater System

	Increase/(Decrease)	
	(000s)	%
Operating & Maintenance		
Employee Benefits The increase is primarily attributed to increases of \$4.7 million for the Total Market Compensation Strategy (estimated, awaiting JEA Board approval), \$2.1 million for health insurance, and \$700,000 for other benefit costs such as life insurance, 401a contribution, etc..	\$ 7,502	36.75%
Other Services and Charges The increase is primarily due to increases of \$9.7 million in water billing credits for costs incurred by the Energy System, \$2.5 million for water/sewer resiliency assessments (including \$1.3 million for pump and generator leases), and \$2.4 million for Septic Tank Phase Out.	\$ 12,944	14.46%
Property Insurance The increase is due to the addition of cyber liability insurance, increases for general liability insurance, and an increase for worker's compensation insurance.	\$ 384	22.75%
Trf. to WIP - Salaries The decrease is due a projected decrease in capital projects in FY 2019/20. The Transfers to WIP - Salaries captures the employee salaries charged to capital project work orders, and is a credit to the operating fund.	\$ 1,668	(17.14%)
Transfers to WIP - Emp. Benefits The decrease is due a projected decrease in capital projects in FY 2019/20. The Transfers to WIP - Emp. Benefits captures the employee benefits charged to capital project work orders, and is a credit to the operating fund.	\$ 333	(9.50%)

JEA
Analysis of FY 2019/20 Proposed Capital Budget
Water & Wastewater System
FY 2018/19 Budget Compared to FY 2019/20 Proposed Budget
(000s)

					\$ and % Increase (Decrease)	
					Proposed Budget Over	
	2018/19	8 Months	12 Months	2019/20	2018/19	2018/19
	Original	Actual	FY 2018/19	Proposed	Original	Original
	Budget	Thru May	Projected	Budget	Budget	Budget
Capital Funds						
Debt	\$ -	\$ -	\$ -	\$ -	NA	NA
Other Proceeds*	28,441	-	30,142	56,199	27,758	97.60%
Renewal & Replacement Deposits	23,552	15,702	23,552	25,264	1,711	7.27%
Operating Capital Outlay	171,968	88,701	144,956	150,937	(21,031)	(12.23%)
Contributed Capital	-	30	30	-	NA	NA
Capacity Fees	24,500	18,669	27,901	27,600	3,100	12.65%
Total Capital Funds	\$ 248,461	\$ 123,102	\$ 226,582	\$ 260,000	11,539	4.64%
Capital Projects						
Water	\$ 71,300	\$ 32,355	\$ 61,322	\$ 74,581	3,281	4.60%
Sewer	144,657	52,634	129,115	161,716	17,059	11.79%
Other	32,504	11,664	36,145	23,703	(8,801)	(27.08%)
Total Capital Projects	\$ 248,461	\$ 96,653	\$ 226,582	\$ 260,000	11,539	4.64%
Surplus/(Deficit)	\$ -	\$ 26,449	\$ -	\$ -	\$ -	

* Funding from prior year remaining balances

Note: Detail listing of Capital Projects can be seen on the next seven pages

JEA	
Water & Wastewater System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
WATER	
Water Delivery System Repair and Replace	4,800
Greenland Water Treatment Plant - Expansion from 6.0 to 9.0 MGD	4,800
Water Meters - Replacement	3,600
Beverly Hills Water Main Replacement	3,600
Lofton Oaks Water Treatment Plant Improvements	3,200
Southside Integrated Pipe System - Bartram - US1 - Old St Augustine Rd to US 1	3,151
RiverTown Water Treatment Plant - New 6.0 MGD Water Treatment Plant	2,990
Highlands Water Treatment Plant - Alternative Treatment	2,800
Cecil Water Treatment Plant - Ground Storage Tank and High Service Pump	2,600
Water Meters - Growth	2,350
Joint Project - FDOT - Lane Ave S - Water Main Replacement	2,350
Southside Integrated Pipe System - Main St Water Treatment Plant - 1st St to Franklin St - New Transmission	2,206
McDuff Water Treatment Plant - High Service Pump Replacement	2,199
Well Rehabilitation and Replacement Program	2,000
Water Meters - Large Water Meter Replacement	2,000
Ponte Vedra Blvd 6" Cast Iron Replacement	1,914
Nassau Regional Water Treatment Plant - Well No. 3	1,821
Owens Rd - Ranch Rd to Max Leggett Pkwy - New	1,787
Norwood Water Treatment Plant - High Service Pump Replacement and Expansion	1,525
Southside Integrated Pipe System - Deerwood - Southside Blvd Intertie to Deerwood III Water Treatment Plant	1,504
Development Driven Projects - Water	1,380
Emory Circle - From Cornell Rd along Rollins Ave and Tulane Ave to Emory Circle	1,329
Southside Integrated Pipe System - Old St Augustine Rd to US1 Booster Pump Station	1,327
East 1st St to Main St to East 4th St - Raw Water	1,156
Galvanized Pipe Replacement Program	1,000
Joint Project - St. Johns River Water Management District - Alternative Water Supply - Pilot Plant	1,000

JEA	
Water & Wastewater System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
St Johns Forest Wells	1,000
Main Extensions and Taps – Water	825
Pages Dairy Rd - Felmor Rd to Chester Ave - Water Main Transmission	798
Well Rehabilitation and Maintenance - Fairfax Wells	774
Water Plant Capital Renewal and Replacement	750
Large Diameter Pipe Program - Palm Avenue Water Main Replacement	734
US1 South Water Repump Facility	725
Large Diameter Pipe Program - King St and Shircliff Way Water Main Replacement	710
Joint Participation Projects - Water	700
Joint Project - FDOT - Beaver St WM Replacement - Edgewood Ave N to McDuff Ave N	574
Large Diameter Pipe Program - 103rd St (Cecil Field) Water Main Replacement to Cecil Commerce	553
Lakeshore Water Treatment Plant - Reservoir Rehabilitation	538
Jammes Rd - Wilson Blvd to Harlow Blvd	520
Large Diameter Pipe Program - Water Transmission Replacement	493
Hampton Falls Dr - San Pablo to Suni Pines Connection - 12 inch Water Main Replacement	455
Well Field Repair and Replace	450
Joint Project - FDOT - I10 Widening - I295 to I95 - Water Main Replacement	398
Southside Integrated Pipe System - Greenland - Southside Blvd - Deerwood 3 to Greenland	362
Large Diameter Pipe Program - Boulevard St Water Main Replacement - 7th St to 11th St	333
Water Treatment Plants - Sodium Hypochlorite Storage Tank Upgrades	275
Joint Project - COJ - Riverview Watermain Phase 2	271
Ponce De Leon Water Treatment Plant - Well No 3 Replacement and Raw Water Main	258
Nocatee - Conservation Trail Phase 1A and 1B - Water Main	237
Mandarin Road Loop Connection - Water Main Transmission	237
Integrated Water Supply Testing Evaluation and Rehabilitation (iWATER)	194
Harbor Island Drive Water Main Replacement	175
Pritchard Rd - Old Plank Rd to Cisco Dr W - Transmission	150
Bay St to Talleyrand Ave - Water Main Transmission	110

JEA	
Water & Wastewater System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
Grid - Cost Participation - Water	100
Water Treatment Plant Reservoir Repair and Replace	100
Rivertown - Main St Extension - Water Main	90
Bernita St Water Main Replacement: Commerce St to Monterey Water Treatment Plant	72
Joint Project – FDOT- SR202 - JTB at San Pablo Rd	48
Main St Water Treatment Plant - Ozone Generator - Addition	42
Joint Project - COJ - Lower Eastside Drainage Improvements (First St - APR Blvd to Van Buren)	37
Joint Project - JTA - Collins Rd	28
South Grid Water Quality - Well Improvement	26
Large Diameter Pipe Program - Joint Project - JTA - 8th St - Mt Herman St to Boulevard St	22
Joint Project - JTA - Alta Drive Roadway Improvements	20
Chaffee Rd - Westmeadows Dr S to Samaritan Wy - New Transmission	5
Joint Project - FDOT - SR 200 (A1A) I-95 to Still Quarters Rd - Sect 1	3
WATER SUBTOTAL	74,581
SEWER	
Greenland Water Reclamation Facility - 6.0 MGD	13,530
Buckman Water Reclamation Facility - Biosolids Conversion - Process Facility	12,800
Resiliency - Pump Stations, Plants, Electrical Reliability	8,750
Bradley Road Pump Station Improvements	8,593
Southwest Water Reclamation Facility - Expansion from 14 to 18 MGD	6,956
Buckman Water Reclamation Facility - Disinfection System Replacement	4,712
Pumping Stations - Capital Equipment Replacement	4,500
Joint Project - St. Johns River Water Management District - Gate Pkwy - Glen Kernan to T-Line - New Transm	4,493
Large Diameter Pipe Program - Walnut St Trunkline Replacement: 32nd St PS to 16th St E	4,435
Buckman Water Reclamation Facility - Blower System Improvements	4,170
4511 Spring Park Rd Lift Station	3,813
West Grid - Lenox to Timuquana - Force Main and Pump Station Improvements	3,637

JEA	
Water & Wastewater System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
5th St W - Imeson Rd to Melson Ave - Force Main Transmission	3,359
Sewer Collection System Repair and Replace	3,200
District II Water Reclamation Facility - Primary Clarifier No. 2 and 3 Rehabilitation	3,151
Sewer Collection System Trenchless Repair and Replace	3,000
US 1 - Greenland Water Reclamation Facility to CR 210 - Reclaim Transmission	2,840
Nocatee South Reclaim Storage Tank and Booster Pump Station	2,720
Argyle Forest Booster Station and Related Stations Upgrades	2,701
Southwest - 5104 118th St - Class III/IV Pump Station	2,636
Water Reclamation Facilities - Capital Equipment Replacement	2,500
District II - Pulaski Rd Booster Wastewater Pump Station	2,477
Buckman - 5307 Buffalo Ave - Class III/IV Pump Station	2,450
District II - Robena Rd Booster Wastewater Pump Station	2,275
Southwest - 6217 Wilson Bv - Class III/IV Pump Station	2,074
T - Line - JTB to Town Center Pkwy - Force Main Transmission	1,963
Buckman Water Reclamation Facility - 1MW Gas Scrubber, Generator, Transformer, and Circuit	1,950
Greenland - Burnt Mill Pump Station - Force Main Transmission	1,804
Nassau - Radio Av - Raw Water Storage Tank and Booster Pump Station - Reclaim	1,708
Joint Project - FDOT - I10 Widening - I295 to I95 - Force Main Replacement	1,596
Gate Parkway to Burnt Mill Rd - Transmission - Reclaim	1,584
Large Diameter Pipe Program - Large Diameter Cured in Place Piping	1,505
CR210 - Old Dixie Hwy to Twin Creeks - Transmission - Reclaim	1,500
Arlington East Water Reclamation Facility Upgrades - Odor Control	1,498
Large Diameter Pipe Program - Gravity Sewer Replacement	1,450
Arlington East Water Reclamation Facility Upgrades - Aeration Basin and Blowers	1,440
Nassau Regional Water Reclamation Facility - Expansion to 4 MGD	1,379
District II - 11308 Harts Rd - Class III/IV	1,367

JEA	
Water & Wastewater System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
Development Driven Projects - Reclaim	1,350
District II - 10800 Key Haven Bv - Class III/IV	1,220
Twin Creeks Reclaim Water Storage Tank and Booster Pump Station	1,210
Supervisory Control and Data Acquisition Remote Terminal Unit and Control Panel Upgrades	1,200
Oldfield Crossing - Pump Station Upgrades	1,200
Trednick Pkwy - Millco Rd to Mill Creek Rd - Transmission - Reclaim	1,160
Southwest - Robitzsch Lane - Class III/IV Pump Station	1,177
Large Diameter Pipe Program - Boulevard St Force Main Replacement - Boulevard PS to 16th St	1,000
Development Driven Projects - Sewer	955
Large Diameter Pipe Program - SW Service Area Infiltration and Inflow Analysis and Remediation	954
Monterey - 5838 Pompano - Class III/IV - Pump Upgrade	950
Arlington East Water Reclamation Facility - Secondary MCC Replacement	935
Buckman Water Reclamation Facility - Biosolids Process Renewal and Replacement	800
Arlington East - 9247 Baymeadows Rd - Class III/IV - Pump Upgrade	796
Main Extensions and Taps – Sewer	725
Collins Rd, Whispering Pines Dr to Blanding Blvd - Force Main Replacement	700
Arlington East - 8751 Bayleaf Dr - Class III/IV - Pump Upgrade	675
Monterey - 3254 Townsend Rd - Class III/IV - Pump Upgrade	622
Large Diameter Pipe Program - Ductile Iron Force Main Replacement	495
Nassau Raw Water Main - Radio Av to Harts Rd - Transmission - Reclaim	475
Development Driven Projects - Pump Stations	430
Large Diameter Pipe Program - South Shores Sub-Aqueous Force Main Rehabilitation	420
Joint Participation Projects - Sewer	400
Arlington East Water Reclamation Facility - Secondary Clarifier Addition	335
Old Middleburg Rd - Argyle Forest Blvd to Maynard Pl - Force Main Transmission	300
Large Diameter Pipe Program - Air Release Valve Replacement	300
Large Diameter Pipe Program - Arlington East Water Reclamation Facility - Parallel Sludge Transfer Line	300
Davis - Gate Pkwy to RG Skinner - Transmission - Reclaim	250
Wastewater Odor Control - All Plants and Pump Stations	250
Nocatee - Conservation Trail Phase 1A and 1B - Reclaim Main	233

JEA	
Water & Wastewater System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
Monterey - 7732 Merrill Rd - Class III/IV - Pump Upgrade	218
Large Diameter Pipe Program - Bernita St Force Main Replacement: Macy Ave to Monterey	212
CR210 - South Hampton to Ashford Mills - Transmission - Reclaim	203
Rivertown - Main St Extension - Force Main - Sewer	198
Arlington East Water Reclamation Facility Upgrades - Influent Structure	187
Buckman Water Reclamation Facility - Operations/Maintenance/Warehouse Bldgs	183
Nocatee - Conservation Trail Phase 1A and 1B - Force Main	173
Southwest - 7703 Blanding Bv - Class III/IV Pump Station	161
Wastewater Large Capital Improvements	160
Supervisory Control and Data Acquisition (SCADA) Renewal and Replacement	150
Eastport Rd - Emuness Rd to Sara Dr - Force Main Distribution	141
Nassau - Radio Ave - Class III/IV - New Pump Station	106
Timawatha Ave - Force Main Replacement	104
Grid - Cost Participation - Reclaim	100
Grid - Cost Participation - Force Main	100
Diesel-driven Backup Pump Repair and Replace	100
Waste Water Pumping Station Safety Improvements - Guard Rail Installation	100
Arlington East Water Reclamation Facility - Return Activated Sludge Valve Control Study	100
Buckman Water Reclamation Facility - Primary Clarifier Rehabilitation	94
Mandarin Water Reclamation Facility - Filter Feed Pump No 1 Replacement	92
Rivertown - Main St Extension - Reclaim Main	80
Ponte Vedra Water Reclamation Facility - UV Disinfection System Improvements	78
Air Relief Valves Repair and Replace	70
Manhole Supervisory Control and Data Acquisition (SCADA) Repair and Replace	50
Reuse Facility - Capital Equipment Replacement	50
Reuse Delivery Repair and Replace	50
Harbor Island Drive Pipe Force Main Replacement	45
Joint Project - COJ - Lower Eastside Drainage Improvements (First St - APR Blvd to Van Buren)	45

JEA	
Water & Wastewater System	
FY 2020 Capital Budget	
(000s omitted)	
Project Title	FY 20
Joint Project - JTA - Alta Drive Roadway Improvements - Sewer	20
Joint Project - FDOT- SR202 - JTB at San Pablo Rd - Sewer	10
Joint Project - FDOT - SR 200 (A1A) I-95 to Still Quarters Rd - Sect 1 - Sewer	3
SEWER SUBTOTAL	161,716
WATER OTHER	
Technology Services Projects - Water	11,100
Capital Administrative Overhead - Water	5,280
Fleet - Replacement - Water	1,266
Facilities - Buckman - New Administration Building	1,031
Security - Facilities - Water	635
Facilities - Heating, Ventilation, and Air - Water	520
Facilities - Roof Replacements - Water	400
Facilities - Building Upgrades - Water	400
Facilities - Electric and Lighting Systems - Water	400
Facilities - Springfield Lab Hood Upgrade	400
Facilities - EV Charging Base Infrastructure - Water Sites	393
Fleet - Expansion - Water	372
Facilities - Plumbing Upgrades - Water	250
Facilities - Paving and Site Improvements - Water	250
Laboratory Equipment Upgrades - Water	225
Security - Arlington East Water Reclamation Facility Fence Upgrade	205
Facilities - DII Water Reclamation Facility - New Warehouse	165
Easement Location and Acquisitions - Water	150
Security - Fencing - Water	100
Facilities - JEA Tower - Building Renovations - Water	61
Utility Locate Group - Capital Equipment - Water	50
Facilities - Main St Lab Emergency Generator Project	50
WATER OTHER SUBTOTAL	23,703
GRAND TOTAL	260,000

JEA
Analysis of Proposed FY 2019/20 District Energy System Operating Budget
FY 2018/19 Budget Compared to FY 2019/20 Proposed Budget
(000s)

					\$ and % Increase (Decrease)	
					Proposed Budget Over	
	2018/19 Original Budget	8 Months Actual Thru May	12 Months FY 2018/19 Projected	2019/20 Proposed Budget	2018/19 Original Budget	2018/19 Original Budget
Operating Revenues						
Revenues	\$ 9,257	\$ 5,287	\$ 8,756	\$ 9,045	\$ (212)	(2.29%)
Investment Income	-	99	99	-	-	
Total Operating Revenues	<u>\$ 9,257</u>	<u>\$ 5,386</u>	<u>\$ 8,855</u>	<u>\$ 9,045</u>	<u>\$ (212)</u>	<u>(2.29%)</u>
Operating Expenditures						
Operating and Maintenance	\$ 5,128	\$ 2,734	\$ 4,799	\$ 5,164	\$ 36	0.71%
Total Operating Expenditures	<u>\$ 5,128</u>	<u>\$ 2,734</u>	<u>\$ 4,799</u>	<u>\$ 5,164</u>	<u>\$ 36</u>	<u>0.71%</u>
Net Operating Income	<u>\$ 4,129</u>	<u>\$ 2,652</u>	<u>\$ 4,056</u>	<u>\$ 3,880</u>	<u>\$ (249)</u>	<u>(6.02%)</u>
Other Deductions						
Debt Service	\$ (3,020)	\$ (2,014)	\$ (3,020)	(3,021)	(1)	0.02%
Rate Stabilization - Debt Management		\$ 2,737	2,737		NA	NA
Renewal & Replacement	(443)	(295)	(443)	(435)	8	(1.71%)
Operating Capital Outlay	<u>(666)</u>	<u>(2,737)</u>	<u>(3,330)</u>	<u>(424)</u>	<u>242</u>	<u>(0)</u>
Total Other Deductions	<u>\$ (4,129)</u>	<u>\$ (2,309)</u>	<u>\$ (4,056)</u>	<u>\$ (3,880)</u>	<u>\$ 249</u>	<u>(6.02%)</u>
Budget Surplus/(Deficit)	<u>\$ -</u>	<u>\$ 343</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

JEA
Analysis of Operating and Maintenance Expense
District Energy System
FY 2018/19 Budget Compared to FY 2019/20 Proposed Budget
(000s)

	2018/19 Original Budget	8 Months Actual Thru May	12 Months FY 2018/19 Projected	2019/20 Proposed Budget	\$ and % Increase (Decrease) Proposed Budget Over	
					2018/19 Original Budget	2018/19 Original Budget
Salaries	\$ 550	\$ 297	\$ 478	\$ 542	(8)	(1.38%)
Employee Benefits	188	97	157	217	29	15.45%
Supplies	136	53	98	128	(8)	(5.59%)
Other Services & Chgs.	4,004	2,230	3,859	4,047	43	1.06%
Intercompany Charges	100	36	70	70	(30)	(30.00%)
Property Insurance	50	32	48	60	10	19.75%
Operating Reserve	100	-	100	100	-	0.00%
Expense Credits	-	(12)	(12)	-	NA	NA
Total O & M Expense	\$ 5,128	\$ 2,734	\$ 4,799	\$ 5,164	0.72%	7.62%

JEA
FY 2018/19 Original Budget Vs. FY 2019/20 Proposed Budget
Expense Variance Overview - District Energy System

	<u>Increase/(Decrease)</u>	
	<u>(000s)</u>	<u>%</u>
Operating & Maintenance		
Employee Benefits The increase is due to higher projected health insurance costs.	\$ 29	15.45%
Intercompany Charges The decrease is due to lower projected Intercompany Charges which is based upon current trends.	\$ (30)	(30.00%)
Property Insurance The increase is due to the addition of cyber liability insurance, a projected increase in general liability insurance, and a projected increase in worker's compensation insurance.	\$ 10	19.75%

JEA
Analysis of Proposed FY 2019/20 District Energy System Capital Budget
FY 2018/19 Budget Compared to FY 2019/20 Proposed Budget
(000s)

	2018/19 Original Budget	8 Months Actual Thru May	12 Months FY 2018/19 Projected	2019/20 Proposed Budget	\$ and % Increase (Decrease) Proposed Budget Over	
					2018/19 Original Budget	2018/19 Original Budget
Capital Funds						
Debt	\$ -	\$ -	\$ -	\$ -	-	NA
Other Proceeds*	3,999		-	2,970	(1,029)	(25.73%)
Renewal & Replacement	443	295	443	435	(8)	(1.74%)
Operating Capital Outlay	665	2,737	3,330	424	(241)	(36.24%)
Total Capital Funds	<u>\$ 5,108</u>	<u>\$ 3,032</u>	<u>\$ 3,773</u>	<u>\$ 3,830</u>	<u>(1,278)</u>	<u>(25.02%)</u>
Capital Projects						
District Energy System Projects	<u>\$ 5,108</u>	<u>\$ 392</u>	<u>\$ 1,107</u>	<u>\$ 3,830</u>	<u>(1,278)</u>	<u>(25.02%)</u>
Surplus/(Deficit)	<u>\$ -</u>	<u>\$ 2,640</u>	<u>\$ 2,666</u>	<u>\$ -</u>	<u>\$ -</u>	

* Funding from prior year remaining balances

Capital Budget:

Description	FY 20
Springfield - Additional Back-up Generator	2,950
Facilities - District Energy System (DES)	780
Security - District Energy System (DES)	100
District Energy Total	<u>3,830</u>

**JEA
CONSOLIDATED OPERATING BUDGET
FISCAL YEAR 2020**

	Energy System	Water & Wastewater System	District Energy System	Total
FUEL RELATED REVENUES & EXPENSES:				
FUEL REVENUES:	\$ 410,912,768	\$ -	\$ -	\$ 410,912,768
Total Net Revenues	\$ 410,912,768	\$ -	\$ -	\$ 410,912,768
FUEL EXPENSES:				
Fuel & Purchased Power	\$ 410,912,768	\$ -	\$ -	\$ 410,912,768
FUEL SURPLUS/(DEFICIT)	\$ -	\$ -	\$ -	\$ -
BASE RELATED REVENUES & EXPENSES				
BASE OPERATING REVENUES:				
Base Rate Revenues	\$ 791,145,587	\$ 423,697,334	\$ 9,044,699	\$ 1,223,887,620
Environmental Charge Revenue	7,814,100	27,039,600	-	34,853,700
Conservation Charge & Demand Side Revenue	768,600	-	-	768,600
Other Revenues	26,509,115	11,806,041	-	38,315,156
Natural Gas Pass Through Revenue	1,000,000	-	-	1,000,000
Total Base Related Revenues	\$ 827,237,402	\$ 462,542,975	\$ 9,044,699	\$ 1,298,825,076
BASE OPERATING EXPENSES:				
Operating and Maintenance	\$ 269,858,935	\$ 180,791,924	\$ 5,164,460	\$ 455,815,319
Environmental	7,814,100	4,828,763	-	12,642,863
Conservation & Demand-side Management	7,173,600	-	-	7,173,600
Natural Gas Pass Through Expense	960,991	-	-	960,991
Non-Fuel Purchased Power	73,738,390	-	-	73,738,390
Non-Fuel Uncollectibles & PSC Tax	1,399,517	540,884	-	1,940,401
Emergency Reserve	5,000,000	1,000,000	-	6,000,000
Total Base Related Expenses	\$ 365,945,533	\$ 187,161,571	\$ 5,164,460	\$ 558,271,564
BASE OPERATING INCOME:	\$ 461,291,869	\$ 275,381,404	\$ 3,880,239	\$ 740,553,512
NON-OPERATING REVENUE:				
Investment Income	11,378,365	4,308,356	-	15,686,721
Transfer To/From Fuel Recovery	-	-	-	-
Capacity Fees	-	27,600,000	-	27,600,000
Total Non Operating Revenues	\$ 11,378,365	\$ 31,908,356	\$ -	\$ 43,286,721
NON-OPERATING EXPENSES:				
Debt Service	138,049,892	78,536,036	3,020,550	219,606,478
Total Non Operating Expenses	\$ 138,049,892	\$ 78,536,036	\$ 3,020,550	\$ 219,606,478
BASE INCOME BEFORE TRANSFERS	\$ 334,620,342	\$ 228,753,724	\$ 859,689	\$ 564,233,755
City Contribution Expense	93,870,968	24,953,042	-	118,824,010
Interlocal Payments	-	-	-	-
Renewal and Replacement Fund	64,000,000	25,263,781	435,426	89,699,207
Operating Capital Outlay	176,749,374	137,326,064	424,263	314,499,701
Environmental Capital Outlay	-	13,610,837	-	13,610,837
Capacity Fees	-	27,600,000	-	27,600,000
Operating Contingency	-	-	-	-
Total Non-Fuel Expenses	\$ 334,620,342	\$ 228,753,724	\$ 859,689	\$ 564,233,755
SURPLUS/(DEFICIT)	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 1,249,528,535	\$ 494,451,331	\$ 9,044,699	\$ 1,753,024,565
TOTAL APPROPRIATIONS	\$ 1,249,528,535	\$ 494,451,331	\$ 9,044,699	\$ 1,753,024,565
BUDGETED EMPLOYEE POSITIONS	1,527	625	6	2,158
BUDGETED TEMPORARY HOURS	104,000	20,800	0	124,800

JEA
CONSOLIDATED CAPITAL BUDGET
FISCAL YEAR 2020

	Energy System	Water & Wastewater System	District Energy System	Total
CAPITAL FUNDS:				
Renewal & Replacement Deposits	\$ 64,000,000	\$ 25,263,781	\$ 435,426	\$ 89,699,207
Operating Capital Outlay	176,749,374	137,326,064	424,263	314,499,701
Environmental Capital Outlay	-	13,610,837	-	13,610,837
Capacity Fees	-	27,600,000	-	27,600,000
Debt Proceeds	-	-	-	-
Other Proceeds	20,250,626	56,199,318	2,970,311	79,420,255
Total Capital Funds	<u>\$ 261,000,000</u>	<u>\$ 260,000,000</u>	<u>\$ 3,830,000</u>	<u>\$ 524,830,000</u>
CAPITAL PROJECTS:				
Generation Projects	\$ 68,740,000	\$ -	\$ -	\$ 68,740,000
Transmission & Distribution Projects	140,556,000	-	-	140,556,000
District Energy Projects	-	-	3,830,000	3,830,000
Water Projects	-	74,581,000	-	74,581,000
Sewer Projects	-	161,716,000	-	161,716,000
Other Projects	51,704,000	23,703,000	-	75,407,000
Total Capital Projects	<u>\$ 261,000,000</u>	<u>\$ 260,000,000</u>	<u>\$ 3,830,000</u>	<u>\$ 524,830,000</u>

JEA
Comparison of Budgets
Energy and Water & Wastewater and District Energy System
Approved FY 2018/19 to Proposed FY 2019/20

Recommendation:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2019/20 BUDGET
PUBLIC WORKS
STREETS & HIGHWAYS 5-YEAR ROAD PROGRAM (S/F 141)**

PROPOSED BUDGET BOOK – Page # 63

BACKGROUND:

Funding budgeted in the Streets & Highways 5-Year Road Program is used for road and drainage projects and debt service in accordance with the Better Jacksonville Plan and the interlocal agreement, as amended, between the City and the Jacksonville Transportation Authority (JTA). Effective September 1, 2016 with the extension of the Local Option Gas Tax, the allocation of the 5th and 6th Cent Gas Tax between JTA and the City is split 50/50. This is an “all years” subfund.

REVENUE:

1. State Shared Revenue:

- The budgeted amount of \$4,815,393 represents 50% of the 5th and 6th Cent Gas Tax revenues. These revenues are impacted by the consumption of gasoline, which is directly affected by the state of the economy, tourism, and the infusion of more gasoline-efficient vehicles and hybrids. The increase of \$31,932 is based on actuals.

2. Investment Pool/Interest Earnings:

- The increase of \$127,664 is due to using unappropriated investment earnings from prior years to fund capital projects in FY 2019/20. (See Recommendations.)

3. Contribution From Local Units:

- This budgeted amount represents the City's portion that is distributed from the fiscal agent to the City and is used to fund capital projects. However, the budgeted amount of \$9,828,148 is overstated by \$5,012,755. (See Recommendations.)

EXPENDITURES:

1. Capital Outlay:

- This expenditure represents the City's portion of the 5th and 6th Cent Gas Tax that is used to fund capital projects. As discussed above in Revenues, the budgeted amount is overstated by \$5,012,755. (See Recommendations.) This funding is proposed to be used to fund a portion of the FY 2019/20 Capital Improvement Projects as noted below.

Project Title	FY 2019/20 Proposed
Cedar Point Road Bridges	\$ 1,500,000
Jork Road Bridge	1,250,000
Countywide Intersection Imp & Bridge Rehab – Bridges	1,137,755
Railroad Crossings	1,125,000

Total \$ 5,012,755

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2019/20 BUDGET
PUBLIC WORKS
STREETS & HIGHWAYS 5-YEAR ROAD PROGRAM (S/F 141)**

PROPOSED BUDGET BOOK – Page # 63

2. Grants, Aids & Contributions:

- Per the interlocal agreement with JTA, 50% of the 5th and 6th Cent gas tax is transferred to a fiscal agent for the payment of debt service and distribution to JTA.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this subfund.

RECOMMENDATIONS:

1. We recommend reducing the Contribution from Local Units revenue by \$5,012,755 from \$9,828,148 to \$4,815,393 and reducing Capital Outlay expenditures by \$5,012,755 from \$10,025,510 to \$5,012,755 to correct the overstatement. This will balance revenues and expenditures.
2. The Interest Earnings were budgeted in the wrong project. We recommend transferring the Interest Earnings appropriation to the correct project – Cedar Point Road Bridges. This will balance revenues and expenditures within all projects.

This will have no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2019/20 BUDGET
PUBLIC WORKS
LOCAL OPTION ½ CENT TRANSPORTATION (S/F 142)**

PROPOSED BUDGET BOOK – Page # 292-293

BACKGROUND:

The local option half-cent sales tax for transportation was approved by referendum in 1988. The sales tax is first used to make all debt service payments due on Transportation Sales Tax Revenue bonds and then is distributed pursuant to the terms and conditions of the interlocal agreement, as amended, between the City and the Jacksonville Transportation Authority (JTA). The funding provides for the construction and maintenance of the City's roads and bridges as well as the operation and maintenance of the City's mass transit system.

REVENUE:

1. Local Option Sales Tax:

- The budgeted amount represents the revenues estimated to be generated from the local option half-cent sales tax. While the revenue is budgeted to increase 0.6% over the FY 2018/19 approved budget, the FY 2018/19 budget was an increase of 5.34% over FY 2017/18 actuals. (See Recommendation.)

EXPENDITURES:

1. Grants, Aids & Contributions:

- The local option half-cent sales tax for transportation is a pass-through to the JTA. The funding will be used to make debt service payments and support mass transit operations.

SERVICE LEVEL CHANGES:

None.

CAPITAL OUTLAY CARRYFORWARD:

None.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this subfund.

RECOMMENDATION:

We recommend increasing the tax revenue to be generated from the local option half-cent sales tax by \$2,525,461 from \$97,865,803 to \$100,391,264 and increasing the grants, aids and contributions by the same \$2,525,461 to balance revenues and expenditures. This recommendation is based on actual tax collections and average annual growth rates. This will have no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2019/20 BUDGET
PUBLIC WORKS
LOCAL OPTION GAS TAX (S/F 143)**

PROPOSED BUDGET BOOK – Page # 64

BACKGROUND:

The Local Option Gas Tax is the tax of six cents on every gallon of motor fuel sold in Duval County. The gas tax revenue is split between the City and the Jacksonville Transportation Authority (JTA) in accordance with the Interlocal Agreement. In FY 2013/14, City Council approved an extension of the Local Option Gas Tax until August 31, 2036 with Ordinance 2013-820-E in which the City receives one cent and JTA receives the remaining five cents of the gas tax. Eligible uses of funding are: public transportation operations and maintenance, pedestrian safety improvements, drainage projects, street lighting, traffic signs and signals, bridge maintenance and operation, and debt service for transportation capital projects. This is an “all years” fund.

REVENUE:

1. Local Option Fuel Tax:
 - The budgeted amount represents the revenues estimated to be generated from the local option gas tax. The increase is based on actual growth of this revenue.
2. Contribution from Local Units:
 - This line represents the City’s portion that is distributed from the fiscal agent to the City and is used to fund capital projects. However, the budgeted amount of \$11,098,212 is overstated by \$5,549,106. (See Recommendations.)

EXPENDITURES:

1. Capital Outlay:
 - This expenditure represents the one cent of Local Option Gas Tax retained for City use. As discussed above in Revenue, the budgeted amount of \$11,098,212 is overstated. (See Recommendations.) The amounts below represent the proposed funding by project from the local option gas tax.

S/F	Dept.	Project Name	Expenditures
143	PW	Deerwood Park Blvd. Bridge	\$2,000,000
143	PW	Roadway Resurfacing	889,285
143	PW	Pavement Markings	750,000
143	PW	Flasher Clocks for School Zones	500,000
143	PW	Gate Parkway Traffic Calming	250,000
143	PW	Traffic Signalization – Enhancements	50,000
143	PW	Biscayne Blvd. Sidewalk	528,900
143	PW	Lenox Avenue Sidewalk	251,350
143	PW	Roadway Safety Project – Ped Crossings	228,771
143	PW	Tiger Hole Road Sidewalk	100,800

Total \$5,549,106

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2019/20 BUDGET
PUBLIC WORKS
LOCAL OPTION GAS TAX (S/F 143)**

PROPOSED BUDGET BOOK – Page # 64

2. Grants Aids & Contributions:

- Per the interlocal agreement between the City and JTA that extended the Local Option Gas Tax until August 31, 2036, the City will send to the fiscal agent all funds collected from the Local Option Gas Tax and the fiscal agent will remit the City's portion (one of the six cents) back to the City.

SERVICE LEVEL CHANGES:

None.

CAPITAL OUTLAY CARRYFORWARDS:

None.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this subfund.

RECOMMENDATIONS:

1. We recommend reducing the Contribution from Local Units revenue and the Capital Outlay expenditure by the same \$5,549,106 to \$5,549,106 to correct the over budgeting. This will balance revenues and expenditures.
2. We recommend aligning project revenues and expenditures within the same accounts. This has no effect on project funding.

This will have no impact on Special Council Contingency.

**Jacksonville Transportation Authority
Comparison of Budgets
2019/20 to 2018/19
Operating and Capital Budgets**

	Bus		Connexion		Skyway		Ferry		General Fund		Transfers Out	Total Budget
	Operations	Capital	Operations	Capital	Operations	Capital	Operations	Capital	Operations	Capital		
Approved FY2019	\$ 106,397,939	\$ 49,994,101	\$ 16,330,146	\$ 1,019,700	\$ 7,346,447	\$ 174,533	\$ 2,917,068	\$ 3,675,058	\$ 2,299,330	\$ 9,833,000	\$ (18,805,345)	\$ 181,181,977
Proposed FY2020	\$ 110,161,814	\$ 13,865,037	\$ 19,569,058	\$ 1,684,755	\$ 7,070,409	\$ 30,179,646	\$ 3,038,145	\$ -	\$ 2,712,516	\$ -	\$ (21,044,847)	\$ 167,236,533
Dollar Increase/(Decrease)	\$ 3,763,875	\$ (36,129,064)	\$ 3,238,912	\$ 665,055	\$ (276,038)	\$ 30,005,113	\$ 121,077	\$ (3,675,058)	\$ 413,186	\$ (9,833,000)	\$ (2,239,502)	\$ (13,945,444)
Percentage Increase/(Decrease)	3.5%	(72.3%)	19.8%	65.2%	(3.8%)	17191.7%	4.2%	(100.0%)	18.0%	(100.0%)	11.9%	(7.7%)

Employee Headcount			
Budget	Original FY 2019 FT	Proposed FY 2020 FT	Increase (Decrease)
Non-Union			
Engineering (Const & Capital Prog)	11	11	0
Automation	0	4	4
Corporate	107	110	3
Bus	93	97	4
Skyway	13	13	0
Connexion	10	10	0
Ferry	0	0	0
Total	234	245	11
Union			
Bus Operators	386	386	0
Bus Supervisors/Dispatchers	29	30	1
Bus Maintenance	109	109	0
Skyway Maintenance	26	26	0
Connexion Maintenance	16	16	0
Ferry Maintenance	0	0	0
Customer Service	8	8	0
Total	574	575	1

Grand Total **808 820 12**

Amounts flowing through the City of Jacksonville to Jacksonville Transportation Authority:	
City Contribution (Connexion)	\$ 1,462,795
Sales Tax (General Fund)	2,032,848
Local Option Gas Tax (Bus) *	19,613,005
Sales Tax (Bus) *	69,528,041
	\$ 92,636,689

* - See Recommendations

JTA Vehicle Fleet Totals		
Vehicle Type	FY 2018/19	FY 2019/20
Buses*	208	213
Community Shuttle	26	25
Connexion (CTC)	96	96
Non-Revenue Support	80	80
Total	410	414

* Bus Fleet Breakdown		
Bus Type	FY 2018/19	FY 2019/20
Active Fleet	155	160
Contingency	10	10
First Coast Flyers	43	43
Total Buses	208	213

Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
Bus Division

	2018/19 Original Budget	6 Months Actuals FY 2018/19	12 Months Projected FY 2018/19	2019/20 Proposed Budget	Increase/(Decrease) 2019/20 Proposed Budget over 2018/19 Original	
Operating Revenues						
Federal, State & Local Grants	\$ 5,916,748	\$ 3,362,313	\$ 6,724,625	\$ 6,611,142	\$ 694,394	11.74%
Local Option Gas Tax	19,075,373	9,673,837	19,147,674	19,613,005	537,632	2.82%
Net Sales Tax - Operating	65,885,836	31,503,920	65,707,840	69,528,041	3,642,205	5.53%
Passenger Fares	11,249,246	5,137,485	10,474,971	10,588,584	(660,662)	(5.87%)
Federal Preventative Maintenance	3,403,401	1,701,702	3,403,401	2,818,268	(585,133)	(17.19%)
Non-Transportation Revenue	866,179	555,290	960,581	1,001,805	135,626	15.66%
Interest Earnings	1,156	-	-	969	(187)	(16.18%)
Total Operating Revenues	\$ 106,397,939	\$ 51,934,548	\$ 106,419,092	\$ 110,161,814	\$ 3,763,875	3.54%
Operating Expenditures						
Salaries and Wages	\$ 36,341,910	\$ 18,416,136	\$ 36,832,271	\$ 38,003,477	\$ 1,661,567	4.57%
Fringe Benefits	18,885,188	8,727,255	18,704,510	19,525,766	640,578	3.39%
Fuel and Lubricants	4,971,240	2,398,252	4,946,504	4,822,814	(148,426)	(2.99%)
Materials and Supplies	4,480,886	2,228,751	4,457,502	4,855,176	374,290	8.35%
Services	15,002,025	6,715,613	14,931,225	15,690,222	688,197	4.59%
Insurance	622,023	189,290	528,580	585,312	(36,711)	(5.90%)
Travel/Training/Dues & Subscriptions	535,303	161,762	473,524	527,707	(7,596)	(1.42%)
All Other/Miscellaneous	2,137,376	1,161,794	2,073,589	2,181,493	44,117	2.06%
Contingency	4,616,643	-	-	2,925,000	(1,691,643)	(36.64%)
Transfer to Connexion	11,113,296	5,316,368	10,832,737	13,054,062	1,940,766	17.46%
Transfer to Skyway	6,083,606	2,630,160	5,460,321	6,464,409	380,803	6.26%
Transfer to Ferry	1,608,443	583,255	1,291,510	1,526,376	(82,067)	(5.10%)
Total Operating Expenditures	\$ 106,397,939	\$ 48,528,636	\$ 100,532,273	\$ 110,161,814	\$ 3,763,875	3.54%
Surplus/(Deficit)	\$ -	\$ 3,405,911	\$ 5,886,819	\$ -	\$ -	N/A

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
Bus Division - Variance Overview**

Revenues	Increase/(Decrease)	
	\$	%
Federal, State & Local Grants The increase is primarily due to a FDOT additional Block grant funding estimate of approximately \$628,000.	\$ 694,394	11.74%
Local Option Gas Tax The increase is based on JTA estimates for the Local Option Gas Tax.	\$ 537,632	2.82%
Net Sales Tax - Operating The increase is based on JTA estimates for the 1/2 Cent Sales Tax.	\$ 3,642,205	5.53%
Passenger Fares FY 2019/20 passenger fares are being decreased based on FY 2018/19 actuals.	\$ (660,662)	(5.87%)
Federal Preventative Maintenance The decrease is due to a larger allocation from operations to the capital budget.	\$ (585,133)	(17.19%)
Non-Transportation Revenue The increase is primarily due to increased advertising and rental revenue with the anticipated opening of the Jacksonville Regional Transportation Center (JRTC).	\$ 135,626	15.66%
Expenditures	Increase/(Decrease)	
	\$	%
Salaries and Wages This increase is due to a 2% performance based salary increase for non-union employees, an increase in the JTA Administration budget allocation, and an average 4% salary increase for union employees.	\$ 1,661,567	4.57%
Fringe Benefits The increase is due to anticipated increases in pension (3%) and health insurance costs (8%).	\$ 640,578	3.39%
Materials and Supplies The increase is mainly due to projects and repairs for the Myrtle campus, as well as the anticipated need for janitorial & custodial supplies with the completion of the JRTC building.	\$ 374,290	8.35%
Services The increase is primarily due to anticipated costs for additional security personnel (First Coast Security) requirements at the JRTC building.	\$ 688,197	4.59%
Contingency The decrease is due to a reduced overall contingency and greater allocation of the contingency funds to other divisions.	\$ (1,691,643)	(36.64%)
Transfer to Connexion This funding is necessary to balance the CTC budget and support expenses in CTC operations. The increase is due an to expected contract increase with MV Transportation.	\$ 1,940,766	17.46%

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
Connexion Division**

	2018/19 Original Budget	6 Months Actuals FY 2018/19	12 Months Projected FY 2018/19	2019/20 Proposed Budget	Increase/(Decrease) 2019/20 Proposed Budget over 2018/19 Original	
Operating Revenues						
Federal, State & Local Grants	\$ 334,892	\$ 296,789	\$ 443,578	\$ 781,186	\$ 446,294	133.27%
Passenger Fares	1,041,361	558,461	1,116,922	1,110,608	69,247	6.65%
State Transportation Disadvantaged Funds	1,596,992	1,164,555	1,629,110	2,028,458	431,466	27.02%
City of Jacksonville (Paratransit Contribution)	1,443,605	847,388	1,443,605	1,462,795	19,190	1.33%
Clay County (Paratransit Contribution)	-	-	-	48,000	48,000	N/A
Federal Preventative Maintenance	800,000	400,000	800,000	1,083,949	283,949	35.49%
Non-Transportation Revenue	-	15	15	-	-	N/A
Transfer from Bus Operations	11,113,296	5,316,368	10,832,737	13,054,062	1,940,766	17.46%
Total Operating Revenues	\$ 16,330,146	\$ 8,583,576	\$ 16,265,967	\$ 19,569,058	\$ 3,238,912	19.83%
Operating Expenditures						
Salaries and Wages	\$ 2,921,545	\$ 1,368,307	\$ 2,856,614	\$ 2,868,699	\$ (52,846)	(1.81%)
Fringe Benefits	1,134,979	507,256	1,064,512	1,237,161	102,182	9.00%
Fuel and Lubricants	992,297	696,108	1,042,216	1,446,660	454,363	45.79%
Materials and Supplies	931,080	348,736	742,472	955,911	24,831	2.67%
Services	9,704,009	5,543,672	10,321,159	12,225,241	2,521,232	25.98%
Insurance	14,585	2,461	4,922	6,029	(8,556)	(58.66%)
Travel/Training/Dues & Subscriptions	81,775	22,770	45,540	77,874	(3,901)	(4.77%)
All Other/Miscellaneous	207,719	94,266	188,532	205,483	(2,236)	(1.08%)
Contingency	342,157	-	-	546,000	203,843	59.58%
Total Operating Expenditures	\$ 16,330,146	\$ 8,583,576	\$ 16,265,967	\$ 19,569,058	\$ 3,238,912	19.83%
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	N/A

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
Connexion Division - Variance Overview**

JTA is designated as the Duval County Transportation Coordinator, which JTA has named the Connexion Division. The Americans with Disabilities Act (ADA) of 1990 requires public transit agencies that provide fixed-route service to provide "complementary para-transit" services to people with disabilities who cannot use the fixed-route bus or rail service because of a disability. The ADA regulations specifically define a population of customers who are entitled to this service as a civil right.

Revenues	Increase/(Decrease)	
	\$	%
Federal, State & Local Grants	\$ 446,294	133.27%
The increase is mainly due to JTA adding Connexion service in Clay county, which is funded through FDOT grants.		
State Transportation Disadvantaged Funds	\$ 431,466	27.02%
JTA has also been designated as the community transportation coordinator for Clay County and has added service in Clay County, which is funded through the State of Florida Trip & Equipment grant.		
Federal Preventative Maintenance	\$ 283,949	35.49%
The increase is primarily due to anticipated needs for increased Connexion operations.		
Transfer from Bus Operations	\$ 1,940,766	17.46%
This funding is necessary to balance the Connexion budget and support expenses in Connexion operations. The increase is due to the anticipated contract increase with MV Transportation.		
Expenditures	Increase/(Decrease)	
	\$	%
Salaries and Wages	\$ (52,846)	(1.81%)
The decrease was due to a higher vacancy rate percentage used to calculate administrative salaries for unfilled positions.		
Fringe Benefits	\$ 102,182	9.00%
The increase was based on a higher percentage of salaries used to calculate fringe benefits.		
Fuel and Lubricants	\$ 454,363	45.79%
The increase is due to anticipated trip activity resulting in a greater fuel expense.		
Services	\$ 2,521,232	25.98%
The increase is due to a contract rate increase with MV Transportation as well as a projected growth in revenue hours and miles to support projected ridership. Also included in this line, are the costs for operating the Connexion service in Clay County.		
Contingency	\$ 203,843	59.58%
The increase is primarily due to a larger contingency allocation to Connexion due to the anticipated increase in transportation costs.		

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
Skyway Division**

	2018/19 Original Budget	6 Months Actuals FY 2018/19	12 Months Projected FY 2018/19	2019/20 Proposed Budget	Increase/(Decrease) 2019/20 Proposed Budget over 2018/19 Original	
Operating Revenues						
Federal, State & Local Grants	\$ -	\$ 27,805	\$ 55,611	\$ 70,644	\$ 70,644	N/A
Federal Preventative Maintenance	1,100,000	550,000	1,100,000	433,580	(666,420)	(60.58%)
Non-Transportation Revenue	162,841	13,057	26,114	101,776	(61,065)	(37.50%)
Transfer from Bus Operations	6,083,606	2,630,160	5,460,321	6,464,409	380,803	6.26%
Total Operating Revenues	\$ 7,346,447	\$ 3,221,023	\$ 6,642,045	\$ 7,070,409	\$ (276,038)	(3.76%)
Operating Expenditures						
Salaries and Wages	\$ 2,658,865	\$ 1,334,860	\$ 2,619,720	\$ 2,409,901	\$ (248,964)	(9.36%)
Fringe Benefits	1,430,698	667,184	1,334,368	1,349,924	(80,774)	(5.65%)
Fuel and Lubricants	11,773	3,090	6,181	10,377	(1,396)	(11.86%)
Materials and Supplies	854,813	369,125	788,251	1,055,767	200,954	23.51%
Services	1,299,106	511,483	1,222,966	1,162,598	(136,508)	(10.51%)
Insurance	357,396	139,681	279,362	413,465	56,069	15.69%
Travel/Training/Dues & Subscriptions	41,570	9,793	19,586	32,867	(8,703)	(20.94%)
All Other/Miscellaneous	385,543	185,805	371,611	362,510	(23,033)	(5.97%)
Contingency	306,683		-	273,000	(33,683)	(10.98%)
Total Operating Expenditures	\$ 7,346,447	\$ 3,221,023	\$ 6,642,045	\$ 7,070,409	\$ (276,038)	(3.76%)
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	N/A

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
Skyway Division - Variance Overview**

Revenues	Increase/(Decrease)	
	\$	%
Federal Preventative Maintenance	\$ (666,420)	(60.58%)
The decrease is due to reduced anticipated needs for Skyway operations.		
Non-Transportation Revenue	\$ (61,065)	(37.50%)
The decrease is due to the partial parking lot closures while the JRTC is in the completion stage of construction.		
Transfer from Bus Operations	\$ 380,803	6.26%
This funding is necessary to balance the Skyway budget and support expenses in Skyway operations.		
Expenditures	Increase/(Decrease)	
	\$	%
Salaries and Wages	\$ (248,964)	(9.36%)
The decrease is primarily due to a combination of increased vacancy rates in administrative salaries and a reduction in projected overtime for union employees.		
Fringe Benefits	\$ (80,774)	(5.65%)
The decrease is based on fringe expense actuals over the past two years.		
Materials and Supplies	\$ 200,954	23.51%
The increase is due to anticipated repairs to an aging monorail system that would not be covered by a grant.		
Services	\$ (136,508)	(10.51%)
The decrease is primarily due to a reduction in the number of JSO officers and security due to the downsizing of the Rosa Parks location.		
Insurance	\$ 56,069	15.69%
The increase is due to a larger insurance requirement for the Convention Center station due to the completion of the JRTC building.		
Contingency	\$ (33,683)	(10.98%)
The decrease is due to the shifting of funding to program related expenses.		

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
Ferry Division**

	2018/19 Original Budget	6 Months Actuals FY 2018/19	12 Months Projected FY 2018/19	2019/20 Proposed Budget	Increase/(Decrease) 2019/20 Proposed Budget over 2018/19 Original	
Operating Revenues						
Federal, State & Local Grants	\$ -	\$ 189,193	\$ 253,386	\$ -	\$ -	N/A
Passenger Fares	1,308,625	618,232	1,226,463	1,511,769	203,144	15.52%
Non-Transportation		90	180	-	-	N/A
Transfer from Bus Operations	1,608,443	583,255	1,291,510	1,526,376	(82,067)	(5.10%)
Total Operating Revenues	\$ 2,917,068	\$ 1,390,769	\$ 2,771,539	\$ 3,038,145	\$ 121,077	4.15%
Operating Expenditures						
Salaries and Wages	\$ 243,547	\$ 109,356	\$ 238,713	\$ 227,902	\$ (15,645)	(6.42%)
Fringe Benefits	52,735	33,119	51,239	68,700	15,965	30.27%
Fuel and Lubricants	223,112	133,146	191,291	305,650	82,538	36.99%
Materials and Supplies	23,776	6,863	8,726	18,304	(5,472)	(23.01%)
Services	2,172,567	1,040,035	2,145,071	2,208,240	35,673	1.64%
Insurance	56,794	27,286	54,572	48,587	(8,207)	(14.45%)
Travel/Training/Dues & Subscriptions	12,572	3,504	7,008	10,974	(1,598)	(12.71%)
All Other/Miscellaneous	34,304	37,459	74,919	52,288	17,984	52.43%
Contingency	97,661	-	-	97,500	(161)	(0.16%)
Total Operating Expenditures	\$ 2,917,068	\$ 1,390,769	\$ 2,771,539	\$ 3,038,145	\$ 121,077	4.15%
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	N/A

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
Ferry Division - Variance Overview**

Revenues	Increase/(Decrease) \$ %
Passenger Fares	\$ 203,144 15.52%
The increase is primarily due to a trending increase in ridership and a full year of ferry operations.	
Expenditures	Increase/(Decrease) \$ %
Salaries and Wages	\$ (15,645) (6.42%)
This represents a portion of the JTA Administration budget allocation.	
Fringe Benefits	\$ 15,965 30.27%
This represents a portion of the JTA Administration budget allocation.	
Fuel and Lubricants	\$ 82,538 36.99%
This represents projected fuel costs to support ferry operations based on current year actuals.	
Services	\$ 35,673 1.64%
The increase is primarily due to contract increase with HMS Ferries to support operations.	
All Other/Miscellaneous	\$ 17,984 52.43%
The increase is due to rental space for Administrative offices in Mayport.	

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
General Fund**

	2018/19 Original Budget	6 Months Actuals FY 2018/19	12 Months Projected FY 2018/19	2019/20 Proposed Budget	Increase/(Decrease) 2019/20 Proposed Budget over 2018/19 Original	
Operating Revenues						
Net Sales Tax - Operating	\$ 2,032,848	\$ 1,016,424	\$ 2,032,848	\$ 2,032,848	\$ -	0.00%
Non-Transportation Revenue	67,332	135,673	146,346	111,004	43,672	64.86%
Interest Earnings	199,150	1,286,332	1,372,664	568,664	369,514	185.55%
Total Operating Revenues	\$ 2,299,330	\$ 2,438,429	\$ 3,551,857	\$ 2,712,516	\$ 413,186	17.97%
Operating Expenditures						
Salaries & Wages	\$ 696,437	\$ 383,441	\$ 766,882	\$ 924,240	\$ 227,803	32.71%
Fringe Benefits	428,339	188,741	377,481	421,214	(7,125)	(1.66%)
Materials and Supplies	79,524	2,395	4,791	22,250	(57,274)	(72.02%)
Services	518,227	433,141	966,281	1,141,002	622,775	120.17%
Insurance	18,052	124	247	363	(17,689)	(97.99%)
Training/Travel/Dues & Subscriptions	84,503	14,693	29,387	14,762	(69,741)	(82.53%)
All Other/Miscellaneous	101,444	24,717	61,245	130,185	28,741	28.33%
Contingency	372,804	-	-	58,500	(314,304)	(84.31%)
Total Operating Expenditures	\$ 2,299,330	\$ 1,047,251	\$ 2,206,314	\$ 2,712,516	\$ 413,186	17.97%
Surplus/(Deficit)	\$ -	\$ 1,391,178	\$ 1,345,543	\$ -	\$ -	N/A

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
General Fund - Variance Overview**

Revenues	Increase/(Decrease)	
	\$	%
Non-Transportation Revenue	\$	43,672
The increase is based on anticipated rental income for FY 2019/20.	64.86%	
Interest Earnings	\$	369,514
The increase is due to anticipated interest rate increases as projected by JTA's investment advisor.	185.55%	
Expenditures	Increase/(Decrease)	
	\$	%
Salaries & Wages	\$	227,803
The increase is primarily due to a 2% performance based salary increase as well as the hiring of additional non-union staff.	32.71%	
Materials and Supplies	\$	(57,274)
The decrease is due to less funding needed for materials and supplies based on actuals in FY 2018/19.	(72.02%)	
Services	\$	622,775
The increase is based on the projected need to develop designs, standards, and requirements for construction related to sustainable landscaping, waste diversion, and identifying and preparing a strategic plan for JTA's infrastructure across all properties for the next 20 years.	120.17%	
Insurance	\$	(17,689)
The decrease is based on projections received from JTA's insurance broker.	(97.99%)	
Training/Travel/Dues & Subscriptions	\$	(69,741)
The decrease is due to a reduction in travel requests for FY 2019/20.	(82.53%)	
All Other/Miscellaneous	\$	28,741
The increase is due to in-house employee training with JTA University. JTA University was developed by JTA for mandatory compliance and core training classes and also partners with outside educational organizations (Flagler College and Jacksonville University).	28.33%	

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Capital Budget
All Divisions**

	2018/19 Original Budget	2019/20 Proposed Budget	Increase/(Decrease) 2019/20 Proposed Budget over 2018/19 Original	
Capital Funds				
Federal Contributions	\$ 32,625,651	\$ 26,678,683	\$ (5,946,968)	(18.23%)
State Contributions	8,291,081	8,300,000	8,919	0.11%
JTA Local Match	<u>23,779,660</u>	<u>10,750,755</u>	<u>(13,028,905)</u>	<u>(54.79%)</u>
Total Capital Funds	<u><u>\$ 64,696,392</u></u>	<u><u>\$ 45,729,438</u></u>	<u><u>\$ (18,966,954)</u></u>	<u><u>(29.32%)</u></u>
Capital Projects				
Bus Division	\$ 49,994,101	\$ 13,865,037	\$ (36,129,064)	(72.27%)
Connexion Division	1,019,700	1,684,755	665,055	65.22%
Skyway Division	174,533	30,179,646	30,005,113	17191.66%
Ferry Division	3,675,058	-	(3,675,058)	(100.00%)
General Fund	<u>9,833,000</u>	<u>-</u>	<u>(9,833,000)</u>	<u>(100.00%)</u>
Total Capital Projects	<u><u>\$ 64,696,392</u></u>	<u><u>\$ 45,729,438</u></u>	<u><u>\$ (18,966,954)</u></u>	<u><u>(29.32%)</u></u>
Surplus/(Deficit)	<u><u>\$ -</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Capital Budget
All Divisions**

Capital Funds	Increase/(Decrease)	
	\$	%
Federal Contributions The decrease is primarily due to JTA not receiving the Low No Emission grant (\$1.3M), the Passenger Ferry Grant (\$3.4M) and the FHWA Ferry Boat Program grant (\$0.3M) for FY 2019/20.	\$ (5,946,968)	(18.23%)
JTA Local Match Funding is based on the amount of grant revenue requested and the match percentage required.	\$ (13,028,905)	(54.79%)
Capital Projects	Increase/(Decrease)	
	\$	%
Bus Division The decrease is primarily due to the BRT Southwest Corridor project being fully funded by the FTA in FY 2018/19.	\$ (36,129,064)	(72.27%)
Connexion Division The increase is primarily due to the Section 5310 grant (funds transportation needs of the elderly and individuals with disabilities) for eight paratransit vehicles and scheduling software.	\$ 665,055	65.22%
Skyway Division The increase is primarily due to the BUILD (Better Utilizing Investments to Leverage Development) Grant for the implementation of the first phase of the Ultimate Urban Circulator called the Bay Street Innovation Corridor.	\$ 30,005,113	17191.66%
Ferry Division No funding needed for the FY 2019/20 budget. These projects were completed in FY 2018/19.	\$ (3,675,058)	(100.00%)
General Fund No funding needed for the FY 2019/20 budget.	\$ (9,833,000)	(100.00%)

Jacksonville Transportation Authority
FY 2019/20 Capital Budget - Projects

Capital Projects	Federal Portion	State Cash	JTA Cash	JTA/Other In-Kind	Project Costs
Bus Division					
Access Management software			116,000		116,000
ADA Compliance/Transit Satellite Amenities	2,600,000	-	-	-	2,600,000
Application Portfolio Management Software			40,000		40,000
Backup Device Replacement	100,000	-	-	-	100,000
Bus Related - Shop Equipment	62,635				62,635
Bus Shelter Solar Lighting			25,000		25,000
Bus stop cleaning application	74,000				74,000
Bus Stops and Shelter Amenities			125,000		125,000
Digital Security Program Enhancements	120,000	-	-	-	120,000
Digital Slitter, Cutter and Creaser	100,000	-	-	-	100,000
Electric Vehicle for yard/platform management	11,775	-	-	-	11,775
Electrical Upgrades			50,000		50,000
ERP/Upgrade (12.2.x or CLOUD)			626,680		626,680
Flat Bed Printer	90,000	-	-	-	90,000
HVAC Improvements			60,000		60,000
JTA Safety & Security - 1% Mandate Minimum	144,527	-	-	-	144,527
Maintenance/Bus Lift Replacement	160,000	-	-	-	160,000
Mobile App Solutions Upgrade			100,000		100,000
Portable Motorola Radio's			460,805		460,805
Procurement Portal, Phase III	200,000	-	-	-	200,000
Punch In & Punch Out Time Clocks			52,515		52,515
Replace exhaust fans	180,000	-	-	-	180,000
Rpass (Fare Collection equipment) units upgrade			114,000		114,000
Service Station Improvements	300,000	-	-	-	300,000
St Johns County Bus Stop Amenities			75,000		75,000
Transit Oriented Development Planning	1,015,280	-	253,820	-	1,269,100
Rolling Stock (CNG Buses) 8 Total	5,128,000	-	-	-	5,128,000
Coil Inserter, Model: James Burn CB30QS			20,000		20,000
Passport Eligibility Revamp (Consumer Portal)			35,000		35,000
Unleaded Fuel Tank Conversion			50,000		50,000
Lighting - Replace with energy efficient lights			100,000		100,000
Tow truck for Vehicle Maintenance Department	650,000	-	-	-	650,000
Envelope Printer, Model: iJetColor 4.0	35,000				35,000
Support Vehicles (Road Supervisors)	250,000	-	-	-	250,000

**Jacksonville Transportation Authority
FY 2019/20 Capital Budget - Projects**

Service truck for Maintenance Department	90,000				90,000
Bus Paint Booth	250,000				250,000
Bus Division Total	11,561,217	-	2,303,820	-	13,865,037
Connexion Division					
Scheduling Software	377,801		41,978		419,779
Server Security and Support	13,500		1,500		15,000
Travel/Training	120,766		13,418		134,184
WiFi for Connexion Vehicles	300,000	-	-	-	300,000
Connexion Efare equipment upgrade			50,000		50,000
Paratransit Vehicles-Cutaways 8 Total	691,380	-	36,220	-	727,600
Transportal Software	34,373		3,819		38,192
Connexion Division Total	1,537,820	-	146,935	-	1,684,755
Skyway Division					
Kings Ave Station Escalator	879,646				879,646
Skyway HVAC System Upgrade	200,000	-	-	-	200,000
Bay Street Corridor, (Ultimate Urban Circulator-U2C)	12,500,000	8,300,000	8,300,000		29,100,000
Skyway Division Total	13,579,646	8,300,000	8,300,000	-	30,179,646
Total Capital Projects	26,678,683	8,300,000	10,750,755	-	45,729,438

**Jacksonville Transportation Authority
Analysis of FY 2019/20 Operating Budget
Administration/Corporate**

	2018/19 Original Budget	6 Months Actuals FY 2018/19	12 Months Projected FY 2018/19	2019/20 Proposed Budget	Increase/(Decrease) 2019/20 Proposed Budget over 2018/19 Original	
Operating Expenditures						
Salaries and Wages	\$ 9,403,209	\$ 4,206,021	\$ 8,412,042	\$ 9,641,069	\$ 237,860	2.53%
Fringe Benefits	2,036,082	1,273,821	2,547,641	2,906,252	870,170	42.74%
Materials and Supplies	1,018,006	206,608	413,216	774,337	(243,669)	(23.94%)
Services	7,762,479	3,366,590	7,033,179	7,473,517	(288,962)	(3.72%)
Insurance	14,527	6,507	13,014	15,821	1,294	8.91%
Travel/Training/Dues & Subscriptions	485,425	132,767	265,533	464,256	(21,169)	(4.36%)
All Other/Miscellaneous	1,326,619	602,023	1,204,047	1,111,977	(214,642)	(16.18%)
Total Operating Expenditures	\$ 22,046,347	\$ 9,794,336	\$ 19,888,672	\$ 22,387,229	\$ 340,882	1.55%

Corporate Operating Variance Overview

- 1) Contains functional areas such as Finance, Human Resources, Procurement, Grants, Customer Service, Information Technology, etc.
- 2) The Salaries & Wages increase is primarily due to a 2% performance based increase and the addition of seven new positions.
- 3) FY 2018/19 Fringe Benefits were budgeted at 22% of Salaries & Wages. Actuals show a trend of 30%; therefore, FY 2019/20 was budgeted at 30%.
- 4) Overall, Materials & Supplies and Services decreases are based on expected need for office equipment, partially offset by an increase in maintenance agreements and in-house printing supplies related to the JRTC.
- 5) The decrease in All Other/Miscellaneous is primarily due to not paying a full year of rental expense for the Corporate office at 121 West Forsyth Street due to JTA moving into the JRTC.

JTA Operations Budget	
Total Operating Budget	\$ 142,551,942
Total Transfers Out	(21,044,847)
Operating Contingency	(3,900,000)
Total	\$ 117,607,095

Percentage Dedicated to
Corporate Operations

19.04%

Division Allocation		
Bus	\$ 16,872,644	75.4%
Skyway	3,364,745	15.0%
CTC	1,107,464	4.9%
Ferry	529,205	2.4%
Engineering	513,171	2.3%
Total	\$ 22,387,229	100%

Jacksonville Transportation Authority
Jacksonville, Florida
Operations Budget
Fiscal Year 2019/2020

	<u>Bus</u>	<u>Connexion</u>	<u>Skyway</u>	<u>Ferry</u>	<u>General Fund</u>	<u>Total</u>
<u>Estimated Operating Revenues</u>						
Federal, State & Local Grants	\$ 6,611,142	\$ 781,186	\$ 70,644	\$ -	\$ -	\$ 7,462,972
Local Option Gas Tax	19,613,005	-	-	-	-	19,613,005
Net Sales Tax - Operating	69,528,041	-	-	-	2,032,848	71,560,889
Passenger Fares	10,588,584	1,110,608	-	1,511,769	-	13,210,961
State Transportation Disadvantaged Funds	-	2,028,458	-	-	-	2,028,458
City of Jacksonville (Paratransit Contribution)	-	1,462,795	-	-	-	1,462,795
Clay County (Paratransit Contribution)	-	48,000	-	-	-	48,000
Federal Preventative Maintenance	2,818,268	1,083,949	433,580	-	-	4,335,797
Non-Transportation Revenue	1,001,805	-	101,776	-	111,004	1,214,585
Interest Earnings	969	-	-	-	568,664	569,633
Transfer from Bus Operations to Connexion	-	13,054,062	-	-	-	13,054,062
Transfer from Bus Operations to Skyway	-	-	6,464,409	-	-	6,464,409
Transfer from Bus Operations to Ferry	-	-	-	1,526,376	-	1,526,376
Total Estimated Operating Revenues	\$ 110,161,814	\$ 19,569,058	\$ 7,070,408	\$ 3,038,145	\$ 2,712,516	\$ 142,551,942

SCHEDULE O

Operating Expenditures

Salaries and Wages	\$ 38,003,477	\$ 2,868,699	\$ 2,409,901	\$ 227,902	\$ 924,240	\$ 44,434,219
Fringe Benefits	19,525,766	1,237,161	1,349,924	68,700	421,214	22,602,765
Fuel and Lubricants	4,822,814	1,446,660	10,377	305,650	-	6,585,501
Materials and Supplies	4,855,176	955,911	1,055,767	18,304	22,250	6,907,408
Services	15,690,222	12,225,241	1,162,598	2,208,240	1,141,002	32,427,303
Insurance	585,312	6,029	413,465	48,587	363	1,053,756
Travel/Training/Dues & Subscriptions	527,707	77,874	32,867	10,974	14,762	664,184
All Other/Miscellaneous	2,181,495	205,484	362,508	52,286	130,186	2,931,958
Contingency	2,925,000	546,000	273,000	97,500	58,500	3,900,000
Transfer to Connexion	13,054,062	-	-	-	-	13,054,062
Transfer to Skyway	6,464,409	-	-	-	-	6,464,409
Transfer to Ferry	1,526,376	-	-	-	-	1,526,376
Total Operating Expenditures	\$ 110,161,814	\$ 19,569,058	\$ 7,070,408	\$ 3,038,145	\$ 2,712,516	\$ 142,551,942
Full Time Positions	714	35	57	0	14	820
Temporary Employee Hours	60,269	5,465	4,898	0	712	71,344

SCHEDULE P

**Jacksonville Transportation Authority
Jacksonville, Florida
Capital Budget
Fiscal Year 2019/2020**

	<u>Bus</u>	<u>Connexion</u>	<u>Skyway</u>	<u>Ferry</u>	<u>General Fund</u>	<u>Total</u>
<u>ESTIMATED REVENUES</u>						
Federal Grants	\$ 11,561,217	\$ 1,537,820	\$ 13,579,646	\$ -	\$ -	\$ 26,678,682
Grant Match (State)	-	-	8,300,000	-	-	8,300,000
Local Match (JTA)	2,303,820	146,936	8,300,000	-	-	10,750,756
Total Estimated Revenues	<u><u>\$ 13,865,037</u></u>	<u><u>\$ 1,684,755</u></u>	<u><u>\$ 30,179,646</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 45,729,438</u></u>

SCHEDULE Q

APPROPRIATIONS

Associated Capital Maintenance Parts	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ 200,000
Computer Equipment	220,000	-	-	-	-	220,000
Computer Software	856,680	457,971	-	-	-	1,314,651
Facilities Improvements	900,000	-	879,646	-	-	1,779,646
Office Furnishings & Equipment	245,000	-	-	-	-	245,000
Other Capital Projects	200,000	-	-	-	-	200,000
Paratransit Vehicles	-	727,600	-	-	-	727,600
Security Equipment	15,000	15,000	-	-	-	30,000
Shop Equipment	62,635	-	-	-	-	62,635
Support Vehicles	1,001,775	-	-	-	-	1,001,775
Transit Satellite Amenities	2,825,000	300,000	-	-	-	3,125,000
Ultimate Urban Circulator (U2C)	-	-	29,100,000	-	-	29,100,000
Miscellaneous Support Equipment	892,847	-	-	-	-	892,847
Fare Collection Equipment	249,000	50,000	-	-	-	299,000
Buses (CNG)	5,128,000	-	-	-	-	5,128,000
Travel/Training	-	134,184	-	-	-	134,184
Transit Oriented Development Planning	1,269,100	-	-	-	-	1,269,100
Total Appropriations	<u><u>\$ 13,865,037</u></u>	<u><u>\$ 1,684,755</u></u>	<u><u>\$ 30,179,646</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 45,729,438</u></u>

SCHEDULE R

**COUNCIL AUDITOR'S OFFICE
RECOMMENDATIONS
JACKSONVILLE TRANSPORTATION AUTHORITY
PROPOSED BUDGET FY 2019/20**

JTA concurs with all recommendations.

Recommendations:

1. We recommend increasing the "Local Option Gas Tax" revenue under Bus on Schedule O to \$19,939,279. This will bring JTA's budget in agreement with the City for this revenue stream.
2. We recommend decreasing the "Net Sales Tax – Operating" revenue under Bus on Schedule O to \$68,710,615. This will bring JTA's budget in agreement with the City for this revenue stream.
3. We recommend decreasing the "Contingency" expenditure line under Bus on Schedule O to \$2,433,848. This will balance JTA's revenues and expenditures.
4. There are a number of rounding errors in JTA's operating and capital schedules. We recommend correcting the rounding errors to balance revenues and expenditures.

Budget Line Item	Division Column	Corrected Amount
All Other/ Miscellaneous	Bus	\$2,181,493
All Other/ Miscellaneous	Connexion	\$205,483
Total Estimated Operating Revenues	Skyway	\$7,070,409
All Other/ Miscellaneous	Skyway	\$362,510
All Other/ Miscellaneous	Ferry	\$52,288
All Other/ Miscellaneous	General Fund	\$130,185
All Other/ Miscellaneous	Total	\$2,931,959
Local Match (JTA)	Connexion	\$146,935

5. We recommend increasing the "Federal Grants" and "Local Match (JTA)" revenues under Ferry on Schedule Q by \$3,935,313 and \$562,187, respectively, for a total of \$4,497,500. We also recommend adding and increasing the "New Building Facilities", "Dock Improvements", and "Sea Wall Construction (Bulkheads)" expenditures under Ferry on Schedule R by \$320,000, \$202,500, and \$3,975,000, respectively, for a total of \$4,497,500 in order to balance JTA's revenues and expenditures. This grant was awarded after JTA had submitted its budget to City Council on June 1, 2019.
6. We recommend removing and replacing Budget Ordinance Schedules O, P, Q, and R with Revised Schedules O, P, Q, and R to reflect the changes listed in the recommendations above.
7. We recommend amending the Budget Ordinance language related to JTA to reflect revised schedules and a revised sales tax revenue budget amount of \$70,743,463.

**Jacksonville Transportation Authority
Jacksonville, Florida
Operations Budget
Fiscal Year 2019/2020**

	<u>Bus</u>	<u>Connexion</u>	<u>Skyway</u>	<u>Ferry</u>	<u>General Fund</u>	<u>Total</u>
<u>Estimated Operating Revenues</u>						
Federal, State & Local Grants	\$ 6,611,142	\$ 781,186	\$ 70,644	\$ -	\$ -	\$ 7,462,972
Local Option Gas Tax	19,939,279	-	-	-	-	19,939,279
Net Sales Tax - Operating	68,710,615	-	-	-	2,032,848	70,743,463
Passenger Fares	10,588,584	1,110,608	-	1,511,769	-	13,210,961
State Transportation Disadvantaged Funds	-	2,028,458	-	-	-	2,028,458
City of Jacksonville (Paratransit Contribution)	-	1,462,795	-	-	-	1,462,795
Clay County (Paratransit Contribution)	-	48,000	-	-	-	48,000
Federal Preventative Maintenance	2,818,268	1,083,949	433,580	-	-	4,335,797
Non-Transportation Revenue	1,001,805	-	101,776	-	111,004	1,214,585
Interest Earnings	969	-	-	-	568,664	569,633
Transfer from Bus Operations to Connexion	-	13,054,062	-	-	-	13,054,062
Transfer from Bus Operations to Skyway	-	-	6,464,409	-	-	6,464,409
Transfer from Bus Operations to Ferry	-	-	-	1,526,376	-	1,526,376

Total Estimated Operating Revenues	<u>\$ 109,670,662</u>	<u>\$ 19,569,058</u>	<u>\$ 7,070,409</u>	<u>\$ 3,038,145</u>	<u>\$ 2,712,516</u>	<u>\$ 142,060,790</u>
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REVISED SCHEDULE O

Operating Expenditures

Salaries and Wages	\$ 38,003,477	\$ 2,868,699	\$ 2,409,901	\$ 227,902	\$ 924,240	\$ 44,434,219
Fringe Benefits	19,525,766	1,237,161	1,349,924	68,700	421,214	22,602,765
Fuel and Lubricants	4,822,814	1,446,660	10,377	305,650	-	6,585,501
Materials and Supplies	4,855,176	955,911	1,055,767	18,304	22,250	6,907,408
Services	15,690,222	12,225,241	1,162,598	2,208,240	1,141,002	32,427,303
Insurance	585,312	6,029	413,465	48,587	363	1,053,756
Travel/Training/Dues & Subscriptions	527,707	77,874	32,867	10,974	14,762	664,184
All Other/Miscellaneous	2,181,493	205,483	362,510	52,288	130,185	2,931,959
Contingency	2,433,848	546,000	273,000	97,500	58,500	3,408,848
Transfer to Connexion	13,054,062	-	-	-	-	13,054,062
Transfer to Skyway	6,464,409	-	-	-	-	6,464,409
Transfer to Ferry	1,526,376	-	-	-	-	1,526,376

Total Operating Expenditures	<u>\$ 109,670,662</u>	<u>\$ 19,569,058</u>	<u>\$ 7,070,409</u>	<u>\$ 3,038,145</u>	<u>\$ 2,712,516</u>	<u>\$ 142,060,790</u>
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Full Time Positions	<u>714</u>	<u>35</u>	<u>57</u>	<u>0</u>	<u>14</u>	<u>820</u>
Temporary Employee Hours	<u>60,269</u>	<u>5,465</u>	<u>4,898</u>	<u>0</u>	<u>712</u>	<u>71,344</u>

REVISED SCHEDULE P

**Jacksonville Transportation Authority
Jacksonville, Florida
Capital Budget
Fiscal Year 2019/2020**

	<u>Bus</u>	<u>Connexion</u>	<u>Skyway</u>	<u>Ferry</u>	<u>General Fund</u>	<u>Total</u>
<u>ESTIMATED REVENUES</u>						
Federal Grants	\$ 11,561,217	\$ 1,537,820	\$ 13,579,646	\$ 3,935,313	\$ -	\$ 30,613,996
Grant Match (State)	-	-	8,300,000	-	-	8,300,000
Local Match (JTA)	2,303,820	146,935	8,300,000	562,187	-	11,312,942
Total Estimated Revenues	\$ 13,865,037	\$ 1,684,755	\$ 30,179,646	\$ 4,497,500	\$ -	\$ 50,226,938
REVISED SCHEDULE Q						

APPROPRIATIONS

Associated Capital Maintenance Parts	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ 200,000
Computer Equipment	220,000	-	-	-	-	220,000
Computer Software	856,680	457,971	-	-	-	1,314,651
Facilities Improvements	900,000	-	879,646	-	-	1,779,646
Office Furnishings & Equipment	245,000	-	-	-	-	245,000
Other Capital Projects	200,000	-	-	-	-	200,000
Paratransit Vehicles	-	727,600	-	-	-	727,600
Security Equipment	15,000	15,000	-	-	-	30,000
Shop Equipment	62,635	-	-	-	-	62,635
Support Vehicles	1,001,775	-	-	-	-	1,001,775
Transit Satellite Amenities	2,825,000	300,000	-	-	-	3,125,000
Ultimate Urban Circulator (U2C)	-	-	29,100,000	-	-	29,100,000
Miscellaneous Support Equipment	892,847	-	-	-	-	892,847
Fare Collection Equipment	249,000	50,000	-	-	-	299,000
Buses (CNG)	5,128,000	-	-	-	-	5,128,000
Travel/Training	-	134,184	-	-	-	134,184
Transit Oriented Development Planning	1,269,100	-	-	-	-	1,269,100
New Building Facilities	-	-	-	320,000	-	320,000
Dock Improvements	-	-	-	202,500	-	202,500
Sea Wall Construction (Bulkheads)	-	-	-	3,975,000	-	3,975,000
Total Appropriations	\$ 13,865,037	\$ 1,684,755	\$ 30,179,646	\$ 4,497,500	\$ -	\$ 50,226,938
REVISED SCHEDULE R						

Jacksonville Aviation Authority
Comparison Of Budgets
Original Budget FY 2018/19 Versus Proposed Budget FY 2019/20

	<u>Operating & Non Operating</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Fund Transfers Out</u>	<u>Total</u>
FY 2018/2019 Original	\$ 62,341,428	\$ 13,274,160	\$ 42,242,802	\$ 28,550,079	\$ 146,408,469
FY 2019/2020 Proposed	\$ 68,864,661	\$ 7,455,338	\$ 46,645,974	\$ 39,967,408	\$ 162,933,381
\$ Increase (Decrease)	\$ 6,523,233	\$ (5,818,822)	\$ 4,403,172	\$ 11,417,329	\$ 16,524,912
% Increase (Decrease)	10.46%	(43.84%)	10.42%	39.99%	11.29%
		<u>FY 2018/19</u>	<u>FY 2019/20</u>	<u>Increase/Decrease</u>	
Full-time Positions		301	306	5	
Part-time Hours		5,220	8,340	3,120	

Jacksonville Aviation Authority
Analysis Of The FY 2019/20 Proposed Budget

	FY 2018/19 Original Budget	7 Months Actuals FY 2018/19	12 Months Projected FY 2018/19	FY 2019/20 Proposed Budget	Increase/(Decrease) FY 2019/20 Proposed Budget over FY 2018/19 Original	
OPERATING REVENUES						
Concessions	17,624,798	11,027,370	18,408,768	19,408,714	1,783,916	10.12%
Fees & Charges	18,889,398	13,006,530	21,784,534	20,175,208	1,285,810	6.81%
Space & Facility Rentals	29,260,213	17,203,157	27,247,266	32,942,656	3,682,443	12.59%
Parking	22,798,584	13,708,500	23,730,463	25,058,790	2,260,206	9.91%
Sale of Utilities	1,548,046	864,874	1,546,496	1,579,149	31,102	2.01%
Other Miscellaneous Operating Revenue	189,737	134,727	207,199	213,532	23,795	12.54%
TOTAL OPERATING REVENUES	90,310,776	55,945,157	92,924,726	99,378,049	9,067,272	10.04%
OPERATING EXPENDITURES						
Salaries	21,180,823	12,361,233	21,380,011	22,505,315	1,324,492	6.25%
Benefits	8,273,662	5,028,108	8,365,747	8,966,362	692,700	8.37%
Services & Supplies	17,676,899	9,954,962	16,881,109	20,585,957	2,909,058	16.46%
Repairs & Maintenance	3,396,350	1,931,549	2,257,885	5,527,925	2,131,575	62.76%
Promotion, Advertising and Dues	921,207	634,255	783,044	952,877	31,670	3.44%
Registrations & Travel	586,066	259,763	460,237	583,816	(2,250)	(0.38%)
Insurance Expense	1,385,975	828,388	1,435,380	1,519,450	133,475	9.63%
Cost of Goods for Sale	519,825	372,679	619,617	613,000	93,175	17.92%
Utilities, Taxes & Gov't Fees	4,780,794	2,582,769	4,738,461	4,846,199	65,405	1.37%
Operating Contingency	3,283,067	-	-	2,500,000	(783,067)	(23.85%)
TOTAL OPERATING EXPENDITURES	62,004,668	33,953,705	56,921,491	68,600,901	6,596,233	10.64%
INCOME FROM OPERATIONS	28,306,108	21,991,452	36,003,235	30,777,148	2,471,039	8.73%
NON-OPERATING REVENUES/(EXPENSES)						
Passenger Facility Charge Revenue	12,041,331	7,598,610	13,043,985	14,012,793	1,971,462	16.37%
Investment Income	1,204,000	2,018,165	3,498,657	2,308,000	1,104,000	91.69%
Other Revenue	609,560	139,700	376,232	588,560	(21,000)	(3.45%)
Debt Service	(13,274,160)	(17,627,420)	(20,200,376)	(7,455,338)	5,818,822	(43.84%)
Other Expense	(336,760)	(312,593)	(668,221)	(263,760)	73,000	(21.68%)
NET INCOME (LOSS) BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS						
	28,550,079	13,807,914	32,053,512	39,967,403	11,417,324	39.99%
Transfer (to)/from Operating Capital Outlay	(20,286,802)	(1,591,484)	(8,391,551)	(22,149,487)	(1,862,685)	9.18%
Transfer (to)/from Passenger Facility Charge Reserve	(2,543,161)	2,286,750	(3,682,902)	7,422,385	9,965,546	(391.86%)
Transfer (to)/from Retained Earnings	(5,720,116)	(14,503,180)	(19,979,059)	(25,240,301)	(19,520,185)	341.26%
SURPLUS/(DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -	-
Fulltime Positions	301	291	301	306	5	1.66%
Temporary Employee Hours	5,220	351	5,220	8,340	3,120	59.77%

Jacksonville Aviation Authority
Original Budget FY 2018/19 Versus Proposed Budget FY 2019/20

Revenue Overview	Increase/(Decrease)	
	\$	%
Concessions	\$ 1,783,916	10.12%
The increase is due to increased passenger traffic in the current year and increases that JAA anticipates in FY 2019/20. The increase is mostly comprised of increases of \$691,000 for rental cars, \$540,000 in food & beverage sales, \$226,000 in retail sales, and \$122,000 in off airport parking.		
Fees & Charges	\$ 1,285,810	6.81%
The increase is due to increases of \$831,000 in air cargo fees, \$513,000 in non-signatory airline landing fees, and \$101,000 in additional services from a cargo tenant for aircraft parking. The increase is partially offset by a \$537,000 decrease in signatory airline landing fees due to a rate reduction.		
Space & Facility Rentals	\$ 3,682,443	12.59%
The increase is due to increases of \$2.17 million in projected terminal rentals in FY 2019/20 due to a higher rate, \$359,000 in hangar space rentals at Cecil Field, \$350,000 in per use fees due to an increase in airline activity, and \$303,000 for rentals of air cargo facilities due to higher existing tenant rental rates and more space becoming available to lease.		
Parking	\$ 2,260,206	9.91%
In FY 2018/19 there were increases in parking rates and increased passenger volume at JIA. The increase in FY 2019/20 is due to projected increases of \$884,000 in fees for daily surface lot parking, \$730,000 in fees for economy lot 2 parking, \$332,000 in fees for daily garage parking, and \$170,000 in fees for economy lot 1 parking.		
Other Miscellaneous Operating Revenue	\$ 23,795	12.54%
The increase is due to an increase of \$17,000 in passenger pick up fees which is due to an increase in the fee and higher passenger volumes. Additionally, the FY 2018/19 budget did not include revenues from any Transportation Network Carriers (TNCs) such as UBER or LYFT.		

Jacksonville Aviation Authority

Original Budget FY 2018/19 Versus Proposed Budget FY 2019/20

Expenditure Overview	Increase/(Decrease)	
	\$	%
Salaries	\$ 1,324,492	6.25%
JAA is adding five, net, new positions in FY 2019/20. These additional positions increased base pay approximately \$390,000. An average wage increase of 3.58% is included at a cost of \$706,863.		
Benefits	\$ 692,700	8.37%
The increase is due to increases of \$363,226 in hospitalization insurance, \$339,717 increasing deferred compensation matches, \$257,269 in pension costs, and \$105,739 in payroll taxes because of wage increases. The increase is partially offset by a decrease of \$419,119 in vacation accrual because of a policy change to phase out the leave payout benefit.		
Services & Supplies	\$ 2,909,058	16.46%
The increase is due to increases of \$2.08 million in new service projects/contracts, \$380,000 for terrazzo floor cleaning, \$349,000 for camera system maintenance, \$172,000 for a 24/7 jet bridge maintenance contract, \$288,000 in operating supplies for Federal inspection services equipment upgrades, and \$157,000 for consulting.		
Repairs & Maintenance	\$ 2,131,575	62.76%
The increase is due to increases of \$1.55 million for 24 new maintenance projects with a cost greater than \$12,000, \$650,000 for HVAC systems, \$391,000 for jet bridge repairs, and \$320,000 for the hold baggage system.		
Promotion, Advertising and Dues	\$ 31,670	3.44%
The increase is mostly due to increased sponsorship costs of \$20,000.		
Insurance Expense	\$ 133,475	9.63%
The increase of \$133,475 is due to projected increases in property & casualty insurance, terminal liability insurance, and workers compensation insurance.		
Cost of Goods for Sale	\$ 93,175	17.92%
The increase reflects an anticipated increase in fuel sales.		
Operating Contingency	\$ (783,067)	(23.85%)
The decrease is a result of budgeting the Operating Contingency in line with prior years. The FY 2018/19 budget was increased due to JAA over budgeting Fire and Rescue services provided by the City. As a result, the Operating Contingency budget line was increased.		

Jacksonville Aviation Authority
Original Budget FY 2018/19 Versus Proposed Budget FY 2019/20

NON-OPERATING REVENUE (EXPENSE) OVERVIEW	Increase/(Decrease)	
	\$	%
Passenger Facility Charge (PFC) Revenue	\$ 1,971,462	16.37%
The increase is due to projected increases in enplanements in FY 2019/20.		
Investment Income	\$ 1,104,000	91.69%
The increase of \$1.1 million is due to higher rates of return on investments and higher balances in the investment accounts.		
Other Revenue	\$ (21,000)	(3.45%)
The decrease is due to \$75,000 reduction in timber sales at Herlong Airport and is offset by an increase of \$54,000 in timber sales at Jacksonville International Airport.		
Debt Service	\$ (5,818,822)	(43.84%)
The decrease is due to a scheduled reduction of the principal payment for the 2016 note in FY 2019/20.		
Other Expense	\$ (73,000)	(21.68%)
The decrease of \$73,000 is due to projected decline in timber expenses directly related to projected timber sales in FY 2019/20.		

Jacksonville Aviation Authority
Analysis Of Proposed 2019/2020 Capital Budget

	2018/2019 Original Budget	2019/2020 Proposed Budget	Increase/(Decrease) FY 2019/20 Proposed Budget over FY 2018/19 Original	
Capital Funds				
Federal Contributions	\$ 2,010,000	\$ 3,518,487	\$ 1,508,487	75.05%
State Contributions	6,048,000	3,728,000	(2,320,000)	(38.36%)
Tenant/Other Contributions	11,000,000	-	(11,000,000)	-
PFC	2,898,000	17,250,000	14,352,000	495.24%
Operating Capital Outlay	20,286,802	22,149,487	1,862,685	9.18%
Total Capital Funds	\$ 42,242,802	\$ 46,645,974	\$ 4,403,172	10.42%
Capital Projects				
Jacksonville International Airport	\$ 17,699,800	\$ 41,419,000	\$ 23,719,200	134.01%
Cecil Airport	12,561,502	967,000	(11,594,502)	(92.30%)
Cecil Spaceport	7,500,000	1,145,000	(6,355,000)	-
Jax Ex at Craig Airport	1,331,500	2,804,974	1,473,474	110.66%
Herlong Airport	3,150,000	310,000	(2,840,000)	(90.16%)
Total Capital Projects	\$ 42,242,802	\$ 46,645,974	\$ 4,403,172	10.42%
Surplus (Deficit)	\$ -	\$ -	\$ -	

**JACKSONVILLE AVIATION AUTHORITY
JACKSONVILLE, FLORIDA
FY 2019/2020 BUDGET**

OPERATING REVENUES	
Concessions	\$ 19,408,714
Fees & Charges	20,175,208
Space & Facility Rentals	32,942,656
Parking	25,058,790
Sale of Utilities	1,579,149
Other Miscellaneous Operating Revenue	213,532
TOTAL OPERATING REVENUES	\$ 99,378,049
OPERATING EXPENDITURES	
Salaries	\$ 22,505,315
Benefits	8,966,357
Services and Supplies	20,585,957
Repairs & Maintenance	5,527,925
Promotion, Advertising and Dues	952,877
Registrations & Travel	583,816
Insurance Expense	1,519,450
Cost of Goods for Sale	613,000
Utilities, Taxes & Gov't Fees	4,846,199
Operating Contingency	2,500,000
TOTAL OPERATING EXPENDITURES	\$ 68,600,896
OPERATING INCOME	\$ 30,777,153
NON-OPERATING REVENUES	
Passenger Facility Charge	\$ 14,012,793
Investment Income	2,308,000
Other Revenues	588,560
TOTAL NON-OPERATING REVENUES	\$ 16,909,353
NON-OPERATING EXPENDITURES	
Debt Service	\$ 7,455,338
Other Expenditures	263,760
TOTAL NON-OPERATING EXPENDITURES	\$ 7,719,098
NET INCOME BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS	\$ 39,967,408
Transfer (to)/from Operating Capital Outlay	\$ (22,149,487)
Transfer (to)/from Passenger Facility Charge Reserve	7,422,385
Transfer (to)/from Retained Earnings	(25,240,306)
SURPLUS/(DEFICIT)	\$ -
TOTAL REVENUES	\$ 116,287,402
TOTAL APPROPRIATIONS	\$ 116,287,402
FULLTIME POSITIONS	306
TEMPORARY EMPLOYEE HOURS	8,340

SCHEDULE G

**JACKSONVILLE AVIATION AUTHORITY
JACKSONVILLE, FLORIDA
FY 2019/2019/2020 BUDGET
CAPITAL**

REVENUES

Federal Contributions	\$ 3,518,487
State Contributions	3,728,000
Tenant/Other Contributions	-
PFC	17,250,000
Operating Capital Outlay	22,149,487
Total Revenues	<u>\$ 46,645,974</u>

APPROPRIATIONS AND RESERVES

CAPITAL PROJECTS

Jacksonville International Airport	\$ 41,419,000
Cecil Airport	967,000
Cecil Spaceport	1,145,000
Craig Airport	2,804,974
Herlong Airport	310,000
Total Appropriations	<u>46,645,974</u>

TOTAL APPROPRIATIONS AND RESERVES

<u>\$ 46,645,974</u>

SCHEDULE H

**Council Auditor's Office
Recommendations
Jacksonville Aviation Authority
Proposed FY 2019/20 Budget**

JAA concurs with all recommendations

1. We recommend an increase to the expenditure line "Services and Supplies" of \$115,677 for a revised total of \$20,701,634, and a decrease to the expenditure line "Operating Contingency" by the same \$115,677 for a revised total of \$2,384,323. The \$115,677 is the amount that JAA under budgeted for JIA fire/rescue services. JAA's budget was approved by its Board of Directors in June before the City budget was finalized; therefore, JAA did not have the final cost used by the City in preparing its budget for fire/rescue services at JIA. This amendment will result in JAA's budgeted cost for fire/rescue services equaling the City's budgeted revenues for providing the services.
2. Remove and replace Budget Ordinance Schedule G with Revised Schedule G to increase the Benefits expenditure line by \$5 and decrease the Transfer to Retained Earnings by the same amount. This correction was discovered after the budget was initially submitted. The recommendation in number 1 above will also be reflected in the Revised Schedule G.
3. Remove and replace Budget Ordinance Schedule H with Revised Schedule H which offers more line item detail of FY 2019/20 capital projects.

**JACKSONVILLE AVIATION AUTHORITY
JACKSONVILLE, FLORIDA
FY 2019/2020 BUDGET**

OPERATING REVENUES	
Concessions	\$ 19,408,714
Fees & Charges	20,175,208
Space & Facility Rentals	32,942,656
Parking	25,058,790
Sale of Utilities	1,579,149
Other Miscellaneous Operating Revenue	213,532
TOTAL OPERATING REVENUES	\$ 99,378,049
OPERATING EXPENDITURES	
Salaries	\$ 22,505,315
Benefits	8,966,362
Services and Supplies	20,701,634
Repairs & Maintenance	5,527,925
Promotion, Advertising and Dues	952,877
Registrations & Travel	583,816
Insurance Expense	1,519,450
Cost of Goods for Sale	613,000
Utilities, Taxes & Gov't Fees	4,846,199
Operating Contingency	2,384,323
TOTAL OPERATING EXPENDITURES	\$ 68,600,901
OPERATING INCOME	\$ 30,777,148
NON-OPERATING REVENUES	
Passenger Facility Charge	\$ 14,012,793
Investment Income	2,308,000
Other Revenues	588,560
TOTAL NON-OPERATING REVENUES	\$ 16,909,353
NON-OPERATING EXPENDITURES	
Debt Service	\$ 7,455,338
Other Expenditures	263,760
TOTAL NON-OPERATING EXPENDITURES	\$ 7,719,098
NET INCOME BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS	\$ 39,967,403
Transfer (to)/from Operating Capital Outlay	\$ (22,149,487)
Transfer (to)/from Passenger Facility Charge Reserve	7,422,385
Transfer (to)/from Retained Earnings	(25,240,301)
SURPLUS/(DEFICIT)	\$ -
TOTAL REVENUES	\$ 116,287,402
TOTAL APPROPRIATIONS	\$ 116,287,402
FULLTIME POSITIONS	306
TEMPORARY EMPLOYEE HOURS	8,340

REVISED SCHEDULE G

Jacksonville Aviation Authority
Capital Budget
For the Fiscal Year Ending September 30, 2020

Airport	Description	FUNDING SOURCES					Budget 2020 Total Capital Commitments
		JAA	PFC	FAA GRANTS	FDOT GRANTS	OTHER	
Jacksonville International Airport	Concourse B: Terminal Design and CMR Pre-Con Services	1,500,000	17,000,000		1,500,000		20,000,000
	Employee Parking Relocation (Economy 3)	7,000,000					7,000,000
	GA FIS	4,000,000					4,000,000
	Cargo Apron Expansion	1,305,000			1,305,000		2,610,000
	Surface Lot Rehabilitation Phase I	2,000,000					2,000,000
	Concourse B: Bypass Taxiway		250,000	750,000			1,000,000
	Twy H&R Rehabilitation	250,000		750,000			1,000,000
	Bag Claim Ceiling Rehabilitation	1,000,000					1,000,000
	Parking Canopies	500,000					500,000
	Landside Air Handler Replacement	500,000					500,000
	Air Cargo 4 Access Road Rehab	100,000		300,000			400,000
	Elevator Replacement	400,000					400,000
	IT Infrastructure Upgrade	250,000					250,000
	FIDS Upgrade	200,000					200,000
	JIA Small Cap	559,000					559,000
		19,564,000	17,250,000	1,800,000	2,805,000	-	41,419,000
Cecil Airport	Airport Drainage Rehabilitation	378,000			378,000		756,000
	Cecil Airport Small Cap	211,000					211,000
		589,000	-	-	378,000	-	967,000
Cecil Spaceport	Rocket Motor Test Facility	500,000			500,000		1,000,000
	Cecil Spaceport Small Cap	100,000			45,000		145,000
		600,000	-	-	545,000	-	1,145,000
Jacksonville Executive at Craig Airport	Design and Construct Wildlife Fence	150,000		1,350,000			1,500,000
	South Access Roadway (additional funding)	368,487		368,487			736,974
	Communication Fiber and Cameras	500,000					500,000
	JAXEx Small Cap	68,000					68,000
		1,086,487	-	1,718,487	-	-	2,804,974
Herlong Recreational Airport	Airfield Ramp Security Lighting (East/West FBO)	250,000					250,000
	Herlong Recreational Airport Small Cap	60,000					60,000
		310,000	-	-	-	-	310,000
	Total Capital	22,149,487	17,250,000	3,518,487	3,728,000	-	46,645,974

**JACKSONVILLE PORT AUTHORITY
COMPARISON OF BUDGETS
ANALYSIS OF FY 2019/2020 PROPOSED BUDGET**

	<u>Operating & Non-Operating</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total</u>
FY 2018/2019 Original	\$ 47,173,638	\$ 23,445,943	\$ 123,615,548	\$ 194,235,129
FY 2019/2020 Proposed	\$ 51,017,285	\$ 21,534,899	\$ 125,731,545	\$ 198,283,729
\$ Increase (Decrease)	\$ 3,843,647	\$ (1,911,044)	\$ 2,115,997	\$ 4,048,600
% Increase (Decrease)	8.15%	(8.15%)	1.71%	2.08%

	<u>FY 2018/19</u>	<u>FY 2019/20</u>	<u>Increase/Decrease</u>
Full-time Positions	171	171	-
Part-time Hours	7,020	8,320	1,300

Jacksonville Port Authority
Analysis of FY 2019/20 Proposed Budget

	2018/19 Original Budget	8 Months Actuals FY 2018/19	12 Months Projected FY 2018/19	2019/20 Proposed Budget	Increase/(Decrease) 2019/20 Proposed Budget over 2018/19 Original	
Operating Revenues						
Containers	\$ 35,732,071	\$ 24,142,570	\$ 50,998,880	\$ 37,613,128	\$ 1,881,057	5.26%
Autos	17,562,435	11,940,985	17,814,379	17,220,443	(341,992)	(1.95%)
Break Bulk	4,106,261	2,788,664	4,325,894	4,624,115	517,854	12.61%
Cruise	4,977,549	3,938,936	5,423,453	4,734,441	(243,108)	(4.88%)
Liquid Bulk	1,261,502	909,503	1,263,053	1,281,946	20,444	1.62%
Dry Bulk	2,045,168	1,364,403	1,983,588	2,097,777	52,609	2.57%
Other Operating Revenues	2,013,486	2,636,788	3,310,419	2,531,477	517,991	25.73%
Total Operating Revenues	\$ 67,698,472	\$ 47,721,849	\$ 85,119,666	\$ 70,103,327	\$ 2,404,855	3.55%
Operating Expenditures						
Salaries	\$ 12,509,010	\$ 8,362,699	\$ 12,444,184	\$ 12,858,037	\$ 349,027	2.79%
Employee Benefits	5,286,627	3,451,330	5,134,347	5,668,118	381,491	7.22%
Services & Supplies	5,377,747	2,900,769	4,782,196	5,030,072	(347,675)	(6.47%)
Security Services	4,623,625	2,962,116	4,575,995	5,488,926	865,301	18.71%
Business Travel & Training	514,153	219,755	432,619	616,041	101,888	19.82%
Promotion, Advertising, Dues	920,988	572,746	893,798	894,373	(26,615)	(2.89%)
Utility Services	1,144,114	743,662	1,126,657	896,084	(248,030)	(21.68%)
Repairs & Maintenance Projects	2,057,048	1,199,288	1,923,171	2,377,891	320,843	15.60%
Crane Maintenance Pass Thru	-	-	-	(600,000)	(600,000)	N/A
Berth Maintenance Dredging	4,010,850	3,476,742	7,224,136	6,861,326	2,850,476	71.07%
Other Operating Expenditures	234,297	145,381	229,145	233,475	(822)	(0.35%)
Total Operating Expenditures	\$ 36,678,459	\$ 24,034,488	\$ 38,766,248	\$ 40,324,343	\$ 3,645,884	9.94%
Operating Income	\$ 31,020,013	\$ 23,687,361	\$ 46,353,418	\$ 29,778,984	\$ (1,241,029)	(4.00%)
Non-Operating Revenues/(Expenditures)						
Debt Service	\$ (23,445,943)	\$ (15,097,596)	\$ (22,780,000)	\$ (21,534,899)	\$ 1,911,044	(8.15%)
Investment Income	355,398	564,616	788,664	740,930	385,532	108.48%
Shared Revenue from Primary Govt	2,561,851	1,509,726	2,440,478	1,704,067	(857,784)	(33.48%)
Contributions to Tenant	(1,901,700)	(1,375,302)	(1,932,887)	(1,559,325)	342,375	(18.00%)
Other Revenue	3,860	265	1,930	3,860	-	0.00%
Other Expenditures	(8,575)	(481)	(4,471)	(10,000)	(1,425)	16.62%
Total Non-Operating Revenues/(Expenditures)	\$ (22,435,109)	\$ (14,398,772)	\$ (21,486,286)	\$ (20,655,367)	\$ 1,779,742	(7.93%)
Net Income Before Capital Contribution	\$ 8,584,904	\$ 9,288,589	\$ 24,867,132	\$ 9,123,617	\$ 538,713	6.28%
Transfer to Operating Capital Outlay	\$ (8,584,904)	\$ (7,975,887)	\$ (23,135,978)	\$ (9,123,617)	\$ (538,713)	6.28%
Surplus/(Deficit)	\$ -	\$ 1,312,702	\$ 1,731,154	\$ -	\$ -	

Jacksonville Port Authority
FY 2018/19 Original Budget vs. FY 2019/20 Proposed Budget
Variance Overview

Revenues	Increase/(Decrease)	
	\$	%
Containers	\$ 1,881,057	5.26%
The increase is based off current year actuals and anticipated increases in FY 2019/20. This revenue also includes a 3-year prepaid lease payment from a new contract tenant and is partially offset by the expiration of a 12-year pre-paid lease of \$5.1 million which expired in FY 2018/19.		
Autos	\$ (341,992)	(1.95%)
The decrease is due to a reduction in autos processed per JPA's tenants.		
Break Bulk	\$ 517,854	12.61%
The increase is due to higher volumes primarily from the wood pulp business.		
Cruise	\$ (243,108)	(4.88%)
The decrease is due to the scheduled dry docking of the cruise ship resulting in three fewer cruise turns for FY 2019/20.		
Other Operating Revenues	\$ 517,991	25.73%
The increase is primarily due to additional revenue for dredge spoil fees and Transportation Worker Identification Credential (TWIC) escort fees based on actuals.		

Jacksonville Port Authority
FY 2018/19 Original Budget vs. FY 2019/20 Proposed Budget
Variance Overview

Expenditures	Increase/(Decrease)	
	\$	%
Salaries	\$ 349,027	2.79%
The increase is primarily due to a 3% salary increase for both union and non-union employees.		
Employee Benefits	\$ 381,491	7.22%
The increase is primarily due to an anticipated 7% increase in health insurance premiums.		
Services & Supplies	\$ (347,675)	(6.47%)
The decrease is primarily due to the termination of a subsidy paid to the Intermodal Container Transfer Facility (ICTF) operator, a reduction in gas, oil and grease, and a reduction in operating supplies. This is partially offset by increases in the Physical Oceanographic Real-Time System (PORTS) River Gauge System, increased consulting and legal fees, and an increase in the inspection of equipment and facilities due to bond compliance.		
Security Services	\$ 865,301	18.71%
The increase is primarily due to rate increases from re-negotiated security contracts and an increase in the cost per hour of off-duty JSO officers that was not budgeted in FY 2018/19.		
Business Travel & Training	\$ 101,888	19.82%
The increase is primarily due to focusing on international travel to Europe and Asia and a HR Employee Training Initiative.		
Utility Services	\$ (248,030)	(21.68%)
The decrease is due to the electricity now being paid by the tenant for the Blount Island Terminal cranes.		
Repairs & Maintenance Projects	\$ 320,843	15.60%
The increase is mainly due to (1) software maintenance costs for Marketing, Procurement, and a new billing system, (2) new A/C systems, (3) new asphalt at the Cruise Terminal, and (4) increases in terminal maintenance costs.		
Crane Maintenance Pass Thru	\$ (600,000)	N/A
This represents a pass through of maintenance costs for a tenant's exclusive use of three cranes on a reimbursement basis.		
Berth Maintenance Dredging	\$ 2,850,476	71.07%
The increase is due to increased dredging requirements at the terminals due to impacts from recent hurricanes and is based on actuals from FY 2017/18 and 2018/19.		

Jacksonville Port Authority
FY 2018/19 Original Budget vs. FY 2019/20 Proposed Budget
Variance Overview

Non-Operating Revenues/Expenditures	Increase/(Decrease)	
	\$	%
Debt Service	\$ 1,911,044	(8.15%)
The decrease is primarily due to the payoff of the State Infrastructure loan with the State of Florida and partially offset by the paydown of JPA's Line of Credit.		
Investment Income	\$ 385,532	108.48%
The increase is due to higher interest yields on cash balances.		
Shared Revenue from Primary Govt	\$ (857,784)	(33.48%)
Pursuant to the Interlocal Agreement, the City provides a contribution to JPA each year. Due to a projected decrease in the Communication Services Tax and increased debt service for bonds that were issued by the City on behalf of JPA, the contribution to JPA is also decreasing. It should also be noted that this year is the final payment for the debt issued by the City on behalf of JPA.		
Contributions to Tenant	\$ 342,375	(18.00%)
The decrease is due to the expiration of a tenant agreement in FY 2019/20.		

Jacksonville Port Authority
Analysis of FY 2019/20 Proposed Capital Budget

	2018/19 Original Budget	2019/20 Proposed Budget	Increase/(Decrease) 2019/20 Proposed Budget over 2018/19 Original	
Capital Funds				
State Funded	\$ 72,578,961	\$ 89,351,680	\$ 16,772,719	23.11%
Federal Funded	918,750	13,261,037	12,342,287	1343.38%
Customer Contribution	23,472,219	3,000,000	(20,472,219)	(87.22%)
JPA Operating Funds	8,584,904	9,123,617	538,713	6.28%
Cash Reserves	3,358,963	5,331,156	1,972,193	58.71%
JPA Financing	14,701,751	5,664,055	(9,037,696)	(61.47%)
Total Capital Funds	\$ 123,615,548	\$ 125,731,545	\$ 2,115,997	1.71%
Capital Projects				
Blount Island Marine Terminal	\$ 60,540,000	\$ 43,850,000	\$ (16,690,000)	(27.57%)
Dames Point Marine Terminal	2,810,000	3,200,000	390,000	13.88%
Talleyrand Marine Terminal	6,565,000	3,537,000	(3,028,000)	(46.12%)
Miscellaneous & Other Capital Projects	53,700,548	75,144,545	21,443,997	39.93%
Total Capital Projects	\$ 123,615,548	\$ 125,731,545	\$ 2,115,997	1.71%
Surplus/(Deficit)	\$ -	\$ -	\$ -	

**JACKSONVILLE PORT AUTHORITY
FY 2019/2020 BUDGET**

OPERATING REVENUES	
Containers	\$ 37,613,128
Autos	17,220,443
Break Bulk	4,624,115
Cruise	4,734,441
Liquid Bulk	1,281,946
Dry Bulk	2,097,777
Other Operating Revenues	2,531,477
TOTAL OPERATING REVENUES	\$ 70,103,327
OPERATING EXPENDITURES	
Salaries	\$ 12,858,037
Employee Benefits	5,668,118
Services & Supplies	5,030,072
Security Services	5,488,926
Business Travel & Training	616,041
Promotion, Advertising, Dues	894,373
Utility Services	896,084
Repairs & Maintenance Projects	2,377,891
Crane Maintenance Pass Thru	(600,000)
Berth Maintenance Dredging	6,861,326
Other Operating Expenditures	233,475
TOTAL OPERATING EXPENDITURES	\$ 40,324,343
OPERATING INCOME	\$ 29,778,984
NON-OPERATING REVENUES	
Investment Income	\$ 740,930
Shared Revenue from Primary Govt	1,704,067
Other Revenue	3,860
TOTAL NON-OPERATING REVENUES	\$ 2,448,857
NON-OPERATING EXPENDITURES	
Debt Service	\$ 21,534,899
Contributions to Tenant	1,559,325
Other Expenditures	10,000
TOTAL NON-OPERATING EXPENDITURES	\$ 23,104,224
NET INCOME BEFORE OPERATING CAPITAL OUTLAY AND CONTINGENCY	\$ 9,123,617
Transfer to Operating Capital Outlay	\$ (9,123,617)
SURPLUS/(DEFICIT)	\$ -
TOTAL REVENUES	\$ 72,552,184
TOTAL APPROPRIATIONS	\$ 72,552,184
Full Time Positions	171
Temporary Employee Hours	8,320

SCHEDULE I

Jacksonville Port Authority

FY 2019/2020 BUDGET

Location	Description	STATE	FEDERAL	TENANT CONTRIBUTION	JPA OPERATING FUNDS	CASH RESERVE	JPA FINANCING	Amount
Blount Island	Rehabilitate Berths 33 & 34	19,875,000			1,049,203	1,100,000	4,475,797	\$ 26,500,000
	Container Terminal Upgrades		12,000,000	3,000,000				\$ 15,000,000
	Breasting Dolphin - Berth 22	412,500			137,500			\$ 550,000
	Rehabilitate Railroad Tressel	250,000			250,000			\$ 500,000
	Demo Wash Rack & Pave Site	250,000			250,000			\$ 500,000
	Pile, Cap and Beam Rehab BIMT	300,000			100,000			\$ 400,000
	Tenant Asphalt Facility Rehab	87,500			87,500			\$ 175,000
	Restrooms near Berth 33/34	75,000			75,000			\$ 150,000
	Pave ditches Intermodal Drive	37,500			37,500			\$ 75,000
	Total Blount Island	\$ 21,287,500	\$ 12,000,000	\$ 3,000,000	\$ 1,986,703	\$ 1,100,000	\$ 4,475,797	\$ 43,850,000
Dames Point	August Drive Bridge Sheet Pile Wall Replacement Construction	1,100,000			47,256	1,052,744		\$ 2,200,000
	Asphalt Rehab Tenant					400,000		\$ 400,000
	Environmental Permitting/Auto Processing Facility - Phase 2				200,000			\$ 200,000
	Berth 18 Ro Ro Expansion - Design				200,000			\$ 200,000
	Cruise Terminal Baggage Screening Facility				200,000			\$ 200,000
	Total Dames Point	\$ 1,100,000	\$ -	\$ -	\$ 647,256	\$ 1,452,744	\$ -	\$ 3,200,000
Talleyrand	Rehabilitate Under Deck Concrete	750,000			250,000			\$ 1,000,000
	Pile, Cap and Beam Rehab TMT	750,000			250,000			\$ 1,000,000
	Westrock Property Improvements					1,000,000		\$ 1,000,000
	Resurface Leased Areas - TMT	100,000			100,000			\$ 200,000
	Rail Replacement	92,500			92,500			\$ 185,000
	Rehab Concrete Outfall Pipe @ 22+30	40,000			40,000			\$ 80,000
	South Rail Crossing Installation	72,000						\$ 72,000
	Total Talleyrand	\$ 1,804,500	\$ -	\$ -	\$ 732,500	\$ 1,000,000	\$ -	\$ 3,537,000
Port Related	Harbor Deepening - Contract C	65,000,000						\$ 65,000,000
	Upland Dredge Material Management Area Design & Construction				3,150,000			\$ 3,150,000
	Mile Point Navigation Project (Phase 2) Construction	86,742					1,188,258	\$ 1,275,000
	Miscellaneous Land Acquisition				100,000	1,000,000		\$ 1,100,000
	Harbor Deepening Monitoring Fees					778,412		\$ 778,412
	Capitalize In-House Engineering Services				400,000			\$ 400,000
	Strategic Master Plan Updating				300,000			\$ 300,000
	FY17 Federal Security Grant Projects							\$ -
	* Terminal Access Control Upgrades		300,000		100,000			\$ 400,000
	* Access Control - Visitor Management Software		127,500		42,500			\$ 170,000
	* CCTV Projects		106,037		35,346			\$ 141,383
	FY18 Federal Security Grant Projects							\$ -
	* Life Cycle Management - Portable Radios		187,500		62,500			\$ 250,000
	* TMT Upgrade - Main Gate & North Gate CCTV		150,000		50,000			\$ 200,000
	* Upgrade Mass Notification All Terminals		112,500		37,500			\$ 150,000
	* TMT Upgrade - Rail Yard CCTV		97,500		32,500			\$ 130,000
	* Cruise Terminal Active Shooter Monitoring/Alert System		75,000		25,000			\$ 100,000
	* PCOB Active Shooter Hardening/PA Alert System		60,000		20,000			\$ 80,000
	* Cruise Terminal VBIED mitigation barricades		45,000		15,000			\$ 60,000
	FY19 FSTED Security Grant							\$ -
	* Fixed Access Control Bio Metric Readers/Cameras/Pedestals/Bollards		29,250		9,750			\$ 39,000
	* License Plate Readers		24,938		8,313			\$ 33,250
	* Installation of Communication Fiber		18,750		6,250			\$ 25,000
	Total Port Related	\$ 65,159,680	\$ 1,261,037	\$ -	\$ 4,394,658	\$ 1,778,412	\$ 1,188,258	\$ 73,782,045
Other Capital	BLOUNT ISLAND							
	Elevator Safety Devices - All Cranes				85,000			\$ 85,000
	DAMES POINT							
	Bollard - between TRAPAC and Berth 18				100,000			\$ 100,000
	Golf Cart Replacements (3) Cruise Terminal				30,000			\$ 30,000
	TALLEYRAND							
	Drive for ZPMC (10486)				250,000			\$ 250,000
	Spare Impsa Crane motor				75,000			\$ 75,000
	Dock Bollard Replacement				50,000			\$ 50,000
	Impsa Crane Snag Load System Upgrade				20,000			\$ 20,000
	SECURITY/SECURITY OPERATIONS CENTER							
	Fire Alarm Tie In				50,000			\$ 50,000
	Parking Lot Light				7,500			\$ 7,500
	PCOB							
	Vehicle Purchases (need to split between locations)				300,000			\$ 300,000
	Replace Tour Bus				100,000			\$ 100,000
	Replace Air Handler Units 1 & 2				90,000			\$ 90,000
	Board Management Package				50,000			\$ 50,000
	IT Hardware/Software Upgrades				50,000			\$ 50,000
	Electronic Document Management System				50,000			\$ 50,000
	Internet Upgrades				35,000			\$ 35,000
	Bathroom Upgrade - 2nd Floor Womens				20,000			\$ 20,000
	Total Other Capital	\$ -	\$ -	\$ -	\$ 1,362,500	\$ -	\$ -	\$ 1,362,500
TOTAL CAPITAL PROJECTS		\$ 89,351,680	\$ 13,261,037	\$ 3,000,000	\$ 9,123,617	\$ 5,331,156	\$ 5,664,055	\$ 125,731,545

SCHEDULE J

**COUNCIL AUDITOR'S OFFICE
RECOMMENDATIONS
JACKSONVILLE PORT AUTHORITY
PROPOSED BUDGET FY 2019/2020**

JPA concurs with these recommendations.

RECOMMENDATIONS:

1. We recommend attaching Revised Schedule I to decrease the "Shared Revenue from Primary Govt" line under "Non-Operating Revenues" by \$66,506 from \$1,704,067 to \$1,637,561. This amount will be in agreement with the amount the City has budgeted to be paid to JPA. We also recommend that JPA decrease the "Debt Service" line under "Non-Operating Expenditures" by \$66,506 from \$21,534,899 to \$21,468,393. This will balance the revenues and expenditures for JPA's budget.
2. We recommend attaching Revised Schedule J (Capital) to correct rounding errors in the schedule.

**JACKSONVILLE PORT AUTHORITY
FY 2019/2020 BUDGET**

OPERATING REVENUES	
Containers	\$ 37,613,128
Autos	17,220,443
Break Bulk	4,624,115
Cruise	4,734,441
Liquid Bulk	1,281,946
Dry Bulk	2,097,777
Other Operating Revenues	2,531,477
TOTAL OPERATING REVENUES	\$ 70,103,327
OPERATING EXPENDITURES	
Salaries	\$ 12,858,037
Employee Benefits	5,668,118
Services & Supplies	5,030,072
Security Services	5,488,926
Business Travel & Training	616,041
Promotion, Advertising, Dues	894,373
Utility Services	896,084
Repairs & Maintenance Projects	2,377,891
Crane Maintenance Pass Thru	(600,000)
Berth Maintenance Dredging	6,861,326
Other Operating Expenditures	233,475
TOTAL OPERATING EXPENDITURES	\$ 40,324,343
OPERATING INCOME	\$ 29,778,984
NON-OPERATING REVENUES	
Investment Income	\$ 740,930
Shared Revenue from Primary Govt	1,637,561
Other Revenue	3,860
TOTAL NON-OPERATING REVENUES	\$ 2,382,351
NON-OPERATING EXPENDITURES	
Debt Service	\$ 21,468,393
Contributions to Tenant	1,559,325
Other Expenditures	10,000
TOTAL NON-OPERATING EXPENDITURES	\$ 23,037,718
NET INCOME BEFORE OPERATING CAPITAL OUTLAY AND CONTINGENCY	\$ 9,123,617
Transfer to Operating Capital Outlay	\$ (9,123,617)
SURPLUS/(DEFICIT)	\$ -
TOTAL REVENUES	\$ 72,485,678
TOTAL APPROPRIATIONS	\$ 72,485,678
Full Time Positions	171
Temporary Employee Hours	8,320

REVISED SCHEDULE I

Jacksonville Port Authority

FY 2019/2020 BUDGET

Location	Description	STATE	FEDERAL	TENANT CONTRIBUTION	JPA OPERATING FUNDS	CASH RESERVE	JPA FINANCING	Amount
Blount Island	Rehabilitate Berths 33 & 34	19,875,000			1,049,203	1,100,000	4,475,797	\$ 26,500,000
	Container Terminal Upgrades		12,000,000	3,000,000				\$ 15,000,000
	Breasting Dolphin - Berth 22	412,500			137,500			\$ 550,000
	Rehabilitate Railroad Trestle	250,000			250,000			\$ 500,000
	Demo Wash Rack & Pave Site	250,000			250,000			\$ 500,000
	Pile, Cap and Beam Rehab BIMT	300,000			100,000			\$ 400,000
	Tenant Asphalt Facility Rehab	87,500			87,500			\$ 175,000
	Restrooms near Berth 33/34	75,000			75,000			\$ 150,000
	Pave ditches Intermodal Drive	37,500			37,500			\$ 75,000
	Total Blount Island	\$ 21,287,500	\$ 12,000,000	\$ 3,000,000	\$ 1,986,703	\$ 1,100,000	\$ 4,475,797	\$ 43,850,000
Dames Point	August Drive Bridge Sheet Pile Wall Replacement Construction	1,100,000			47,256	1,052,744		\$ 2,200,000
	Asphalt Rehab Tenant					400,000		\$ 400,000
	Environmental Permitting/Auto Processing Facility - Phase 2				200,000			\$ 200,000
	Berth 18 Ro Ro Expansion - Design				200,000			\$ 200,000
	Cruise Terminal Baggage Screening Facility				200,000			\$ 200,000
	Total Dames Point	\$ 1,100,000	\$ -	\$ -	\$ 647,256	\$ 1,452,744	\$ -	\$ 3,200,000
Talleyrand	Rehabilitate Under Deck Concrete	750,000			250,000			\$ 1,000,000
	Pile, Cap and Beam Rehab TMT	750,000			250,000			\$ 1,000,000
	Westrock Property Improvements					1,000,000		\$ 1,000,000
	Resurface Leased Areas - TMT	100,000			100,000			\$ 200,000
	Rail Replacement	92,500			92,500			\$ 185,000
	Rehab Concrete Outfall Pipe @ 22+30	40,000			40,000			\$ 80,000
	South Rail Crossing Installation	72,000						\$ 72,000
	Total Talleyrand	\$ 1,804,500	\$ -	\$ -	\$ 732,500	\$ 1,000,000	\$ -	\$ 3,537,000
Port Related	Harbor Deepening - Contract C	65,000,000						\$ 65,000,000
	Upland Dredge Material Management Area Design & Construction				3,150,000			\$ 3,150,000
	Mile Point Navigation Project (Phase 2) Construction	86,742					1,188,258	\$ 1,275,000
	Miscellaneous Land Acquisition				100,000	1,000,000		\$ 1,100,000
	Harbor Deepening Monitoring Fees					778,412		\$ 778,412
	Capitalize In-House Engineering Services				400,000			\$ 400,000
	Strategic Master Plan Updating				300,000			\$ 300,000
	<u>FY17 Federal Security Grant Projects</u>							\$ -
	* Terminal Access Control Upgrades		300,000		100,000			\$ 400,000
	* Access Control - Visitor Management Software		127,500		42,500			\$ 170,000
	* CCTV Projects		106,037		35,346			\$ 141,383
	<u>FY18 Federal Security Grant Projects</u>							\$ -
	* Life Cycle Management - Portable Radios		187,500		62,500			\$ 250,000
	* TMT Upgrade - Main Gate & North Gate CCTV		150,000		50,000			\$ 200,000
	* Upgrade Mass Notification All Terminals		112,500		37,500			\$ 150,000
	* TMT Upgrade - Rail Yard CCTV		97,500		32,500			\$ 130,000
	* Cruise Terminal Active Shooter Monitoring/Alert System		75,000		25,000			\$ 100,000
	* PCOB Active Shooter Hardening/PA Alert System		60,000		20,000			\$ 80,000
	* Cruise Terminal VBIED mitigation barricades		45,000		15,000			\$ 60,000
	<u>FY19 FSTED Security Grant</u>							\$ -
	* Fixed Access Control Bio Metric Readers/Cameras/Pedestals/Bollards	29,250			9,750			\$ 39,000
	* License Plate Readers	24,938			8,312			\$ 33,250
	* Installation of Communication Fiber	18,750			6,250			\$ 25,000
	Total Port Related	\$ 65,159,680	\$ 1,261,037	\$ -	\$ 4,394,658	\$ 1,778,412	\$ 1,188,258	\$ 73,782,045
Other Capital	<u>BLOUNT ISLAND</u>							
	Elevator Safety Devices - All Cranes				85,000			\$ 85,000
	<u>DAMES POINT</u>							
	Bollard - between TRAPAC and Berth 18				100,000			\$ 100,000
	Golf Cart Replacements (3) Cruise Terminal				30,000			\$ 30,000
	<u>TALLEYRAND</u>							
	Drive for ZPMC (10486) crane				250,000			\$ 250,000
	Spare Impsa Crane motor				75,000			\$ 75,000
	Dock Bollard Replacement				50,000			\$ 50,000
	Impsa Crane Snag Load System Upgrade				20,000			\$ 20,000
	<u>SECURITY/SECURITY OPERATIONS CENTER</u>							
	Fire Alarm Tie In				50,000			\$ 50,000
	Parking Lot Light				7,500			\$ 7,500
	<u>PCOB</u>							
	Vehicle Purchases (need to split between locations)				300,000			\$ 300,000
	Replace Tour Bus				100,000			\$ 100,000
	Replace Air Handler Units 1 & 2				90,000			\$ 90,000
	Board Management Package				50,000			\$ 50,000
	IT Hardware/Software Upgrades				50,000			\$ 50,000
	Electronic Document Management System				50,000			\$ 50,000
	Internet Upgrades				35,000			\$ 35,000
	Bathroom Upgrade - 2nd Floor Womens				20,000			\$ 20,000
	Total Other Capital	\$ -	\$ -	\$ -	\$ 1,362,500	\$ -	\$ -	\$ 1,362,500
TOTAL CAPITAL PROJECTS		\$ 89,351,680	\$ 13,261,037	\$ 3,000,000	\$ 9,123,617	\$ 5,331,156	\$ 5,664,055	\$ 125,731,545

REVISED SCHEDULE J