

# **OFFICE OF THE COUNCIL AUDITOR**

## **FY 2012/2013 PROPOSED BUDGET**

### **FINANCE COMMITTEE MEMBERS**

**John R. Crescimbeni - Chair**

**Greg Anderson - Vice Chair**

**Lori N. Boyer**

**Dr. Johnny Gaffney**

**Bill Gulliford**

**Stephen C. Joost**

**Clay Yarborough**



**Meeting #5  
(Independent Authorities)  
August 23, 2012**

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**JEA  
COMPARISON OF BUDGETS  
ELECTRIC AND WATER & SEWER AND DISTRICT ENERGY SYSTEM  
APPROVED FY 2011/12 TO PROPOSED FY 2012/13  
(000's)**

	<b>Electric</b>		<b>Water &amp; Sewer</b>		<b>District Energy Chilled Water</b>		<b>Transfers In/Out</b>	<b>Total Budget</b>	<b>City Contribution</b>
	<b>Operating Budget</b>	<b>Capital Budget</b>	<b>Operating Budget</b>	<b>Capital Budget</b>	<b>Operating Budget</b>	<b>Capital Budget</b>			
<b>FY 2011/12 Budget</b>	\$ 1,477,855	\$ 165,000	\$ 403,832	\$ 146,000	\$ 9,106	\$ 1,850	\$ (250,752)	\$ 1,952,892	\$ 104,188
<b>FY 2012/13 Proposed</b>	\$ 1,398,969	\$ 175,000	\$ 411,718	\$ 147,000	\$ 8,975	\$ 1,083	\$ (258,708)	\$ 1,884,038	\$ 106,688
<b>\$ Increase (Decrease)</b>	\$ (78,887)	\$ 10,000	\$ 7,885	\$ 1,000	\$ (131)	\$ (767)	\$ (7,955)	\$ (68,854)	\$ 2,500
<b>% Increase (Decrease)</b>	(5.34%)	6.06%	1.95%	0.68%	(1.44%)	(41.46%)	(3.17%)	(3.53%)	2.40%

**Notes:**

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

	<b>Budget FY 2011/12</b>	<b>Proposed FY 2012/13</b>	<b>Increase (Decrease)</b>
Electric System	1,641	1,641	-
Water & Sewer System	512	512	-
District Energy System	5	5	-
Total JEA Employees	2,158	2,158	-
 SJRP Joint Venture	 302	 302	 -
Total JEA/SJRP	2,460	2,460	-

(2) Detail of City Contribution:

	<b>Budget FY 2011/12</b>	<b>Proposed FY 2012/13</b>	<b>Increase (Decrease)</b>
Electric System	\$ 83,037	\$ 83,969	\$ 932
Water & Sewer System	21,150	22,718	1,568
Totals	\$ 104,188	\$ 106,688	\$ 2,500

## Contribution Calculation

### A Millage Calculation

Electric	\$	67,646,775	78.706%
Water		18,302,342	21.294%
	\$	<u>85,949,117</u>	

### B Floor (prior year plus \$2,500,000)

FY 2007/08	\$	94,187,538
FY 2008/09		2,500,000
FY 2009/10		2,500,000
FY 2010/11		2,500,000
FY 2011/12		2,500,000
FY 2012/13		2,500,000
	\$	<u>106,687,538</u>

### Recommended Budget FY 2012/13

<b>Electric</b>	\$	83,969,075	78.706%
<b>Water</b>		22,718,463	21.294%
		<u>106,687,538</u>	

#### Notes:

**A** = Calculated as 5.513 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 2.149 mills by the number of cubic feet of potable water and sewer service (excluding reclaimed water sales) provided to consumers during the most recent twelve (12) month period ending April 30 of the previous year.

**B** = Notwithstanding the contribution cap calculated in Part A above, JEA shall pay the City each fiscal year, from 2008/2009 through 2015/2016, an additional amount if necessary, to ensure a minimum annual increase of \$2,500,000 using the fiscal year 2007-2008 combined assessment of \$94,187,538 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's Charter does not currently require a contribution from the District Energy System (Chilled Water).

#### Conclusion:

The minimum payment of \$106,687,538 is greater than the millage calculation of \$85,949,117 therefore, the calculation floor in the amount of \$106,687,538 is the recommended amount to budget for FY 2012/13 for the Electric and Water/Sewer Systems contribution to the City.

**CALCULATION OF JEA ELECTRIC CONTRIBUTION  
FOR FISCAL YEAR 2012/2013**

	Total	Less Interchange	Net kWh
Month	kWh Sales (1)	kWh Sales (2)	Sales
May 2011	1,009,620,694	7,898,000	1,001,722,694
June	1,219,272,370	14,870,000	1,204,402,370
July	1,179,165,725	11,468,000	1,167,697,725
August	1,346,913,598	12,465,000	1,334,448,598
September	1,276,448,780	6,725,000	1,269,723,780
October	1,021,262,108	11,805,000	1,009,457,108
November	824,007,837	24,168,000	799,839,837
December	927,755,603	2,935,000	924,820,603
January 2012	985,243,388	8,931,000	976,312,388
February	858,735,649	7,010,000	851,725,649
March	874,997,296	2,307,000	872,690,296
April	864,126,833	6,557,000	857,569,833
<b>Revenues</b>	<b>12,387,549,881</b>	<b>117,139,000</b>	<b>12,270,410,881</b>
		(3)	0.005513
			<u><u>\$ 67,646,775</u></u>

**CALCULATION OF JEA WATER/SEWER CONTRIBUTION  
FOR FISCAL YEAR 2012/2013**

	Water (1) Consumption (Hundred Cubic Feet)	Sewer (1) Consumption (Hundred Cubic Feet)	Less Reuse (2) Consumption (Hundred Cubic Feet)	Total Net Consumption (Hundred Cubic Feet)
MONTH				
May 2011	5,011,622	3,092,439	214,509	7,889,552
June	5,804,110	3,465,953	253,114	9,016,949
July	4,813,042	2,894,719	196,604	7,511,157
August	4,972,587	3,056,896	195,974	7,833,509
September	5,204,869	3,128,270	225,311	8,107,828
October	4,252,314	2,700,609	168,998	6,783,925
November	3,887,605	2,491,455	158,615	6,220,445
December	3,847,175	2,638,039	131,909	6,353,305
January 2012	3,911,047	2,678,141	128,807	6,460,381
February	3,514,631	2,441,188	126,860	5,828,959
March	3,843,242	2,704,779	113,001	6,435,020
April	4,166,561	2,723,718	164,523	6,725,756
	<u>53,228,805</u>	<u>34,016,206</u>	<u>2,078,225</u>	<u>85,166,786</u>
				100
				8,516,678,600
				<u>0.002149</u> (3)
				<u><u>\$ 18,302,342</u></u>

**Notes:**

- (1) kWh sales information is based on JEA's CMFT124 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 5.513 mills times total electric kWh sales less interchange sales for the twelve months (12) ending April of the prior year.  
(4) Pursuant with Ordinance Code106.218 - One quarter of a mill or \$3,067,603 has been dedicated to the JPA for port expansion.

**Notes:**

- (1) Consumption information taken from JEA's CMFT124 monthly reports - includes Total Water/Sewer, Water Large (large industrial customer), Sewer LTD (wholesale sewer rate), and Water Reuse Consumption.  
(2) Reclaimed Water is not included in the contribution formula.  
(3) The current City contribution is based on multiplying 2.149 mills times total water/sewer sales less reuse sales for the twelve (12) months ending April of the prior year.

**JEA**  
**ANALYSIS OF PROPOSED FY 2012/13 ELECTRIC OPERATING SYSTEM BUDGET**  
**FY 2011/12 BUDGET COMPARED TO FY 2012/13 PROPOSED BUDGET**  
**(000'S)**

						% Increase (Decrease) Proposed Budget Over	
	2011/12 Original Budget	2011/12 Revised Budget	Actual Thru May	JEA 2011/12 Projected	2012/13 Proposed Budget	2011/12 Original Budget	JEA 2011/12 Projected
<b>Fuel Related Revenue &amp; Expenses</b>							
<b>Revenue</b>							
Fuel Related Revenue	\$ 639,457	\$ 639,457	\$ 354,324	\$ 571,441	\$ 567,598	(11.24%)	(0.67%)
Transfer To Fuel Recovery	(23,636)	(23,636)	(26,599)	(31,070)	-	(100.00%)	(100.00%)
<b>Net Fuel Related Revenues</b>	<u>\$ 615,821</u>	<u>\$ 615,821</u>	<u>\$ 327,725</u>	<u>\$ 540,371</u>	<u>\$ 567,598</u>	<u>(7.83%)</u>	<u>5.04%</u>
<b>Expense</b>							
Fuel Related and Purchased Power	\$ 615,924	\$ 615,924	\$ 285,155	\$ 467,974	\$ 572,627	(7.03%)	22.36%
Transfer To/(From) Rate Stabilization	(3,123)	(3,123)	10,031	70,959	(7,300)	133.74%	(110.29%)
Uncollectible Accts.	3,020	3,020	557	1,438	2,270	(24.82%)	57.88%
<b>Net Fuel Related Expenses</b>	<u>\$ 615,821</u>	<u>\$ 615,821</u>	<u>\$ 295,743</u>	<u>\$ 540,371</u>	<u>\$ 567,598</u>	<u>(7.83%)</u>	<u>5.04%</u>
<b>Fuel Fund Surplus (Deficit)</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 31,981</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>NA</u>	<u>(48.84%)</u>
<b>Base Rate Revenue &amp; Expenses</b>							
<b>Revenues</b>							
Base Rate Revenue	\$ 779,930	\$ 779,930	\$ 427,346	\$ 717,153	\$ 774,900	(0.64%)	8.05%
Investment Income	1,871	1,871	1,202	1,825	1,943	3.89%	6.46%
Other Revenues	80,234	80,234	60,978	84,676	54,528	(32.04%)	(35.60%)
<b>Total Operating Revenues</b>	<u>\$ 862,035</u>	<u>\$ 862,035</u>	<u>\$ 489,526</u>	<u>\$ 803,654</u>	<u>\$ 831,371</u>	<u>(3.56%)</u>	<u>3.45%</u>
<b>Expenses</b>							
Operating & Maintenance	\$ 187,900	\$ 187,900	\$ 101,744	\$ 173,806	\$ 192,215	2.30%	10.59%
Environmental Charge	8,123	8,123	4,461	7,470	8,046	(0.95%)	7.71%
Conservation Charge	8,256	8,256	3,875	6,966	8,147	(1.32%)	16.95%
Non-Fuel Purchased Power	183,341	183,341	116,524	177,638	170,807	(6.84%)	(3.85%)
Operating Capital Outlay	67,581	66,920	45,027	66,920	63,587	(5.91%)	(4.98%)
Emergency Contingency	5,000	5,000	0	0	5,000	0.00%	NA
PSC Fees	236	236	151	228	220	(6.96%)	(3.55%)
Uncollectible Accts.	4,126	4,126	672	2,126	3,138	(23.94%)	47.59%
<b>Total Operating Expenses</b>	<u>\$ 464,562</u>	<u>\$ 463,901</u>	<u>\$ 272,455</u>	<u>\$ 435,634</u>	<u>\$ 451,160</u>	<u>(2.88%)</u>	<u>3.56%</u>
<b>Net Income From Operations</b>	<u>\$ 397,473</u>	<u>\$ 398,133</u>	<u>\$ 217,071</u>	<u>\$ 368,020</u>	<u>\$ 380,211</u>	<u>(4.34%)</u>	<u>3.31%</u>
<b>Other Deductions</b>							
Debt Service	\$ 224,194	\$ 224,194	\$ 134,277	\$ 199,245	\$ 214,413	(4.36%)	7.61%
Contingencies & Working Capital	15,000	15,000	4,300	9,835	14,599	(2.67%)	48.43%
Renewal & Replacement- Elec. Sys.	75,242	75,902	50,602	75,902	67,231	(10.65%)	(11.42%)
<b>Total Other Deductions</b>	<u>\$ 314,435</u>	<u>\$ 315,096</u>	<u>\$ 189,178</u>	<u>\$ 284,982</u>	<u>\$ 296,243</u>	<u>(5.79%)</u>	<u>3.95%</u>
<b>Net Income Before City Contribution</b>	<u>\$ 83,037</u>	<u>\$ 83,037</u>	<u>\$ 27,893</u>	<u>\$ 83,038</u>	<u>\$ 83,969</u>	<u>1.12%</u>	<u>1.12%</u>
Contribution to City's General Fund	<u>\$ 83,037</u>	<u>\$ 83,037</u>	<u>\$ 55,358</u>	<u>\$ 83,038</u>	<u>\$ 83,969</u>	<u>1.12%</u>	<u>1.12%</u>
<b>Base Rate Surplus (Deficit)</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (27,465)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>NA</u>	<u>NA</u>
<b>Budget Surplus (Deficit)</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,516</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>NA</u>	<u>NA</u>
<b>MWH Sales (000's)</b>	13,316	13,316	7,359	12,291	13,190	(0.95%)	7.31%
<b># of Accounts</b>	423,190	423,190	423,315	422,717	424,831	0.39%	0.50%

**JEA**  
**FY 2011/12 Original Budget Vs. FY 2012/13 Proposed Budget**  
**Revenue Variance Overview - Electric System**

	Increase/(Decrease)	
	(\$000's)	%
<b>Revenues:</b>		
<b>Fuel Related Revenue</b>	\$ (71,860)	(11.24%)
This decrease is attributed to the JEA Board approved \$4.14 fuel rate decrease effective July 1, 2012 through September 30, 2013.		
<b>Transfer To Fuel Recovery</b>	\$ 23,636	(100.00%)
In January of FY 2012 JEA reached the end of a planned 7 year, \$252 million, repayment to the base side for fuel side expense in years prior to 2005 . Additionally, in FY 12 the JEA Board voted to accelerate by one year the final repayment of a \$35 million base side loan to pay fuel expense from FY 2010. The FY 2013 budget does not include any recovery revenues.		
<b>Base Revenue</b>	\$ (5,030)	(0.64%)
This decrease is primarily attributed to FY 2013 lower budgeted sales.		
<b>Other Revenues</b>	\$ (25,706)	(32.04%)
This decrease is due to the elimination of any recovery revenues (\$23.6 million were budgeted in FY 2012). Additionally, transmission service revenues are budgeted \$2 million less than FY 12 due to lower consumption. Other Revenue includes budget items such as Transmission Service Fees, Billing Late Fees, and Pole Attachment Fees.		
<b>Expenses:</b>		
<b>Net Fuel Related Expenses</b>	\$ (48,223)	(7.83%)
The decrease is attributed to continued projection of lower fuel costs and projected lower sales.		
<b>Conservation Charge</b>	\$ (109)	(1.32%)
Customers are currently charged \$0.01 for each residential kWh in excess of 2,750 kWh in each monthly billing cycle, which is decreasing due to lower projected unit sales.		
<b>Non-Fuel Purchased Power</b>	\$ (12,534)	(6.84%)
The decrease is primarily due to \$8.7 million in decreased expenses for operating and capital outlay for Plant Scherer. The remainder is due to decreased renewal & replacement at SJRPP of nearly \$4 million.		
<b>Operating Capital Outlay</b>	\$ (3,994)	(5.91%)
Reflects pricing philosophy target of 5% of prior year fuel variable rate and base rate revenues, and JEA will issue no new debt in FY 2013 ("Pay Go").		
<b>Debt Service</b>	\$ (9,781)	(4.36%)
Reflects no new debt and lower bond buy-back in FY 2013.		
<b>Renewal &amp; Replacement</b>	\$ (8,011)	(10.65%)
Reflects pricing philosophy target of 5% of prior year total revenues, and JEA will issue no new debt in FY 2013 ("Pay Go").		

**JEA**  
**ANALYSIS OF OPERATING AND MAINTENANCE EXPENSE**  
**ELECTRIC SYSTEM**  
**FY 2011/12 BUDGET COMPARED TO FY 2012/13 PROPOSED BUDGET**  
**(000's)**

	<b>2011/12 Original Budget</b>	<b>2011/12 Revised Budget</b>	<b>Actual Thru May</b>	<b>JEA 2011/12 Projected</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) Proposed Budget Over</b>	
						<b>2011/12 Original Budget</b>	<b>JEA 2011/12 Projected</b>
<b>Salaries</b>	\$ 119,863	\$ 118,714	\$ 72,123	\$ 113,191	\$ 116,734	(2.61%)	3.13%
<b>Employee Benefits</b>	42,364	42,542	24,997	41,584	45,699	7.87%	9.90%
<b>Supplies</b>	12,966	12,768	9,061	13,383	16,203	24.96%	21.07%
<b>City Services</b>	3,840	3,600	2,979	4,262	4,730	23.18%	10.97%
<b>Other Intercompany Charges</b>	2,100	2,100	1,152	1,852	1,800	(14.29%)	(2.79%)
<b>Other Services &amp; Chgs.</b>	86,770	88,897	46,583	79,458	90,429	4.22%	13.81%
<b>Other Contingencies</b>	2,700	2,700	-	2,500	1,935	(28.33%)	(22.59%)
<b>City Legal Services</b>	1,000	1,000	670	1,000	1,000	0.00%	0.00%
<b>Property &amp; Casualty Insurance</b>	5,374	5,374	3,523	5,315	6,625	23.28%	24.65%
<b>Interest on Customer Deposits</b>	100	100	7	40	100	0.00%	149.64%
<b>Operating Reserve</b>	2,000	1,281	-	1,281	2,000	0.00%	56.13%
<b>Expense Credits</b>	(66,570)	(66,570)	(43,019)	(65,210)	(68,682)	3.17%	5.33%
<b>Trf. to WIP- Salaries</b>	(18,309)	(18,309)	(12,034)	(18,372)	(19,011)	3.84%	3.48%
<b>Trf. to WIP- Emp. Benefits</b>	(6,298)	(6,298)	(4,299)	(6,479)	(7,346)	16.65%	13.40%
<b>O &amp; M Expense</b>	<u>\$ 187,900</u>	<u>\$ 187,900</u>	<u>\$ 101,744</u>	<u>\$ 173,806</u>	<u>\$ 192,215</u>	<u>2.30%</u>	<u>10.59%</u>



**JEA**  
**FY 2011/12 Original Budget Vs. FY 2012/13 Proposed Budget**  
**Expenditure Variance Overview - Electric System**

	Increase/(Decrease)	
	(\$000's)	%
<b>Operating &amp; Maintenance</b>		
<b>Benefits</b>	\$ 3,335	7.87%
Primarily attributed to increases in: Pension is budgeted at 20.81% for FY 2013 vs. 17.52% in FY 2012		
<b>Supplies</b>	\$ 3,237	24.96%
The increase is due to various reliability and maintenance programs including the NS 1 & 2 Generating Unit outage and radiator replacements for transformers.		
<b>City Services</b>	\$ 890	23.18%
Increased cost due to fuel pricing, assumes 1,220,000 gallons at \$3.80 per gallon vs. 1,220,000 gallons budgeted at \$3.15 per gallon in the current year.		
<b>Other Contingencies</b>	\$ (765)	(28.33%)
Due to a decrease in potential labor agreements and adjustments cost. JEA is at impasse with one union and has not begun negotiations for FY 2013 union contracts.		
<b>Property &amp; Casualty Insurance</b>	\$ 1,251	23.28%
The increase is due to a change within the majority of property insurance companies due to the frequency and severity of weather related disaster property damage on a worldwide basis. These catastrophic losses are affecting the insurance marketplace on a worldwide basis because insurance companies either insure the damage directly or reinsure each other. Commercial insurance rates for property, liability and workers' compensation began increasing in mid-year of 2011. Another reason insurance premium rates are increasing is due to low interest rates that impact investment income of insurance companies.		
<b>Expense Credits</b>	\$ (2,112)	3.17%
Expense credit means an amount set aside as an offset against an appropriation, representing an intrafund or interfund transfer of revenues and/or expenses. For example, water billing credits are recorded as an expense credit against the electric operating fund to properly charge the cost spent by electric system employees working on water and sewer related activities to the water and sewer operating fund.		
<b>Transfers to WIP Salaries</b>	\$ (702)	3.84%
Transfers to WIP Salaries are capitalized salaries captured in the Operating Budget. It represents the salaries charged to capital project workorders and is a credit to the operating fund.		
<b>Transfers to WIP Emp. Benefits</b>	\$ (1,049)	16.65%
Transfers to WIP Employee Benefits are capitalized benefits captured in the Operating Budget. It represents the benefits charged to capital project workorders and is a credit to the operating fund.		

**JEA**  
**ANALYSIS OF PROPOSED FY 2012/13 CAPITAL BUDGET**  
**ELECTRIC SYSTEM**  
**FY 2011/12 BUDGET COMPARED TO FY 2012/13 PROPOSED BUDGET**  
**(000'S)**

	<b>2011/12 Original Budget</b>	<b>2011/12 Revised Budget</b>	<b>Actual Thru May</b>	<b>JEA 2011/12 Projected</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) Proposed Budget Over</b>	
<b>Capital Funds</b>						<b>2011/12 Original Budget</b>	<b>JEA 2011/12 Projected</b>
<b>Renewal &amp; Replacement Deposits</b>	\$ 75,242	\$ 75,902	\$ 50,602	\$ 75,902	\$ 67,231	(10.65%)	(11.42%)
<b>Construction Fund Investment Income</b>	40	40	8	12	-	(100.00%)	(100.00%)
<b>Debt Proceeds</b>	-	-	-	-	-	NA	NA
<b>Other Proceeds</b>	22,137	22,137	-	-	44,182	99.58%	NA
<b>Operating Capital Outlay</b>	67,581	66,920	45,027	66,920	63,587	(5.91%)	(4.98%)
<b>Total Capital Funds</b>	<u>\$ 165,000</u>	<u>\$ 165,000</u>	<u>\$ 95,637</u>	<u>\$ 142,834</u>	<u>\$ 175,000</u>	<u>6.06%</u>	<u>22.52%</u>
<b>Capital Projects</b>							
<b>Generation Projects</b>	39,927	41,927	21,062	29,485	52,062 (1)	30.39%	76.57%
<b>Transmission &amp; Distribution</b>	85,198	83,198	37,959	68,605	85,659 (1)	0.54%	24.86%
<b>Other</b>	39,875	39,875	14,389	29,881	37,279 (1)	(6.51%)	24.76%
<b>Total Capital Projects</b>	<u>\$ 165,000</u>	<u>\$ 165,000</u>	<u>\$ 73,410</u>	<u>\$ 127,972</u>	<u>\$ 175,000</u>	<u>6.06%</u>	<u>36.75%</u>
<b>Surplus (Deficit)</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 22,227</u>	<u>\$ 14,863</u>	<u>\$ 0</u>	<u>0.00%</u>	<u>(14.23%)</u>

**NOTE (1) See detailed listing of Capital Projects on the next four pages.**

JEA  
Electric System  
FY2013 Capital Budget  
(000's Omitted)

	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
Description	FY13		FY13	
<b>ELECTRIC SYSTEM DISTRIBUTION PROJECTS</b>				
Electric Distribution Maintenance Capital Upgrades	\$7,800			
COM - New Electric Service Additions	6,000			
Electric Meter Replacement	4,050			
Underground Cable Replacement Program - Existing Developments	3,969			
Joint Participation Electric Relocation Projects	3,324			
Pole Replacement Program	3,100			
COM - Development Driven Projects - E	3,000			
Electric Distribution System Improvements	3,000			
General Underground Network and Commercial R&R and Upgrades	2,500			
Automatic Recloser Deployment	2,200			
General Distribution Improvements	2,200			
Kennedy 463, 464, 465, 466 26KV Feeders	1,965			
Distribution System - Pole Removal	1,840			
Bartram 297 26kv Feeders	1,792			
Paper Insulated Lead Cable Replacement Program	1,600			
Avenue "B" 3201, 3202 and Cleveland 3601, 3602 4kv Conversions	1,554			
Electric Meter Growth	1,552			
Garden City 498 26kv Reconductor Braddock Rd From Transmission Easement to Lem Turner Rd	1,253			
JP - FDOT - SR 23 Outerbeltway - E	776			
Capital Tools and Equipment - Electric	640			
Southbank - UG Network - PILC Recabling	595			
JP - FDOT - 9B Phase 2 - US1 Interchange - E	500			
26kV Reliability Improvement - Distribution Feeder Relay System Replacement	450			
Electric Customer Service Response Lateral & Quick Response Work	382			
Lane 438 26kv Reconductor	377			
Southbank 13kV Feeders and Feeder Rebuild	365			
Enterprise 1, Rosselle 2, 4 - 4kV Conversion	230			
Edison 1,2 McDuff 5 - 4kV Conversion	184			
Normandy 363-362 Tie Cahoon Road-Beaver to Ramona	183			
4kV Conversion - Cedar Hills and Oak Hill	182			
Beaver 2, McDuff 3, 8 - 4kV Conversion	168			
Electric Customer Service Response Tools and Equipment	140			
JP - FDOT - I-10 - Marietta Interchange - E	120			
Rosselle 1, 5, College Circuit 3, 4, McDuff 2 - 4kV Reconductor	100			
4kV Conversion - Fairfax and 21st & Hubbard	79			

JEA  
Electric System  
FY2013 Capital Budget  
(000's Omitted)

	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
Description	FY13		FY13	
Cecil Field 389 26kv Reconductor Chaffee Rd From Normandy Bv to Switch Cab at 1509 Chaffee Rd	64			
26KV Reconductor Beeghly 391-Owens Rd from Duval to JIA Sub	48			
Dinsmore Dist Feeders	39			
Point Meadows Substation Dist Feeders	36			
Oakwood 558, Robinwood 553 - 26 kV Reconductor	36			
UGCR - Woodlake Apartments	31			
26KV Reconductor Circuit 417 - 418 - Woodley Rd from New Kings Rd to Old Kings Rd	17			
<b>ELECTRIC SYSTEM DISTRIBUTION PROJECTS Total</b>	<b>\$58,441</b>	<b>(1)</b>		
<b>ELECTRIC SYSTEM SUBSTATION &amp; TRANSMISSION</b>				
Kennedy Substation T-14 Additions and T-12 Upgrade	\$4,136			
Transmission - Duval to Jax Heights 230 kV Circuit 954 Addition	3,726			
Cecil Commerce Center North Substation	3,000			
Substation R&R Project - Transformer Replacements	2,300			
Transmission - Circuits 631, 677, 692, 832, 690/691, 691/693, 826, 852 and 685 Static Wire Replacement	1,914			
General Substation Improvements	1,519			
Firestone 230 - 69 kV Autotransformer Addition	1,328			
Transmission - Northern Part of the GEC to Nocatee 230 kV T-Line - Real Estate	1,300			
Point Meadows 230 - 26 kV Substation	949			
Transmission - Fulton Cut Reconductor Circuits 840, 918, 926, 938, 934 and 935	899			
230KV_138KV_69 kV Insulator Refurbishment	875			
Dinsmore 230 - 26 kV Substation	855			
Transmission - Circuits 821 - 822 - 853 Structure Rebuild – Electric Improvements	639			
230 KV_138KV_69 kV Pole Refurbishment	625			
General Transmission Improvements	500			
Substation - Jax Heights 230 kV Circuit 954 Interconnect and Termination Bay	452			
McDuff Substation 13 kV Switchgear Cubicle Retrofill	437			
Randall St CT PT Control Cable and Protection System	415			
Energy Management System - EMS - Enhancement Project	400			
General Protection System Improvements Transmission	300			
Energy Management System - EMS - Base Upgrade Project	191			
Circuit Breaker Upgrade at Firestone 69 kV Substation	157			
Circuit Breaker Upgrade at Georgia Street 69 kV Substation	120			
OM - General Transmission Improvements	100			
Energy Management System - EMS - RTU Upgrade Project	53			
Transmission - Point Meadows 230 kV Circuit Interconnect	28			
<b>ELECTRIC SYSTEM SUBSTATION &amp; TRANSMISSION Total</b>	<b>\$27,218</b>	<b>(2)</b>	<b>85,659</b>	<b>=(1)+(2)</b>

JEA  
Electric System  
FY2013 Capital Budget  
(000's Omitted)

	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
Description	FY13		FY13	
<b>ELECTRIC SYSTEM GENERATION PROJECTS</b>				
BBCT2 Major	\$12,300			
BBCT3 Major	12,300			
Northside Units 1, 2, & 3 Capital Improvement Projects	4,000			
BBCT3 Compressor Upgrade "Package III"	3,700			
Steam Plant General Capital Improvements	3,000			
BB - NS - GEC General Capital Improvements	3,000			
BBCT2 Compressor Upgrade (Package III)	2,700			
NSCT4 Hot Gas Path Inspection #1 - Turbine Wheel Replacement	2,500			
Kennedy Generating Station - Waterfront and Tunnel Rehabilitation	2,063			
Potential Gas Line Capacity Upgrade	2,000			
GE7FA CT ETS Control System Upgrade	1,400			
NS 1 & 2 Limestone Crushing System	899			
BGS Combined Cycle Simulator	515			
NS-2 B Vortex Finder Replacement	344			
BBGS Shared Services Building Addition	324			
NS Street Sweeper Replacement	257			
NS 1 & 2 Primary Air Windox Diffuser Reinstallation	229			
NS 1 & 2 Service Water System Upgrade	222			
NS-3 Boiler Safety Relief Valve Vent Stack Replacement	160			
NS Multilin Relay Replacement	89			
NS 1 & 2 ID Fan Lube Oil Conditioning Skids Installation	44			
NS Potable Water System Installation	16			
<b>ELECTRIC SYSTEM GENERATION PROJECTS Total</b>	<b>\$52,062</b>	<b>(3)</b>	<b>52,062</b>	<b>=(3)</b>
<b>ELECTRIC OTHER CAPITAL PROJECTS</b>				
TS - Projects - E	\$12,360			
Capital Administrative Overhead- Electric	8,800			
Fleet Replacement - Electric	8,000			
230 kV Substation Security Upgrades	1,138			
Facilities Paving, Fencing & Site Improvements – Electric	1,005			
Fleet Expansion – Electric	982			
Facilities Improvements - Building Upgrades - Electric	915			
Southside Substation - Geotechnical Upgrades (Design Only)	500			
Facilities Heating, Ventilation, & Air - Electric	425			
Facilities Roof Replacement - E	390			
Facilities Security - Electric	368			
CIP Version 5 PACS (Physical Security - Doors & Cameras)	368			

JEA  
Electric System  
FY2013 Capital Budget  
(000's Omitted)

	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
Description	FY13		FY13	
Continuous Control Monitoring Software	350			
CIP Version 5 Remote Access	273			
Reed Island Real Estate Acquisition	250			
Facilities Improvements - Lighting - Electric	225			
Security - Blount Island Substation	216			
Facilities Improvements - Elevators - Electric	200			
CIP Version 5 Implementation	189			
Facilities Improvements, Plumbing and Fire System Upgrades - Electric	155			
CIP Version 5 Routable Substaion Communications	95			
Laboratory Equipment Upgrades - E	50			
Utility Locate Group - Capital Equipment - Electric	25			
<b>ELECTRIC OTHER CAPITAL PROJECTS Total</b>	<b>\$37,279</b>	<b>(4)</b>	<b>37,279</b>	<b>=(4)</b>
<b>Grand Total</b>	<b>\$175,000</b>		<b>175,000</b>	

**JEA**  
**ANALYSIS OF PROPOSED FY 2012/13 WATER & SEWER SYSTEM OPERATING BUDGET**  
**FY 2011/12 BUDGET COMPARED TO FY 2012/13 PROPOSED BUDGET**  
**(000's)**

	<b>2011/12 Original Budget</b>	<b>2011/12 Revised Budget</b>	<b>Actual Thru May</b>	<b>JEA 2011/12 Projected</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) Proposed Budget Over</b>	
<b>Revenues</b>	<b>2011/12 Original Budget</b>	<b>2011/12 Revised Budget</b>	<b>Actual Thru May</b>	<b>JEA 2011/12 Projected</b>	<b>2012/13 Proposed Budget</b>	<b>2011/12 Original Budget</b>	<b>JEA 2011/12 Projected</b>
<b>Water &amp; Sewer Revenues</b>	\$ 382,152	\$ 382,152	\$ 250,926	\$ 381,368	\$ 391,522	2.45%	2.66%
<b>Investment Income</b>	1,932	1,932	1,736	2,600	1,419	(26.54%)	(45.41%)
<b>Capacity &amp; Extension Fees</b>	8,000	8,000	6,723	9,576	7,000	(12.50%)	(26.90%)
<b>Contributed Capital</b>	-	-	5	5	-	NA	(100.00%)
<b>Other Revenues</b>	11,748	28,198	28,508	32,404	11,777	0.25%	(63.66%)
<b>Total Revenues</b>	<u>\$ 403,832</u>	<u>\$ 420,282</u>	<u>\$ 287,898</u>	<u>\$ 425,954</u>	<u>\$ 411,718</u>	<u>1.95%</u>	<u>(3.34%)</u>
<b>Operating Expenses</b>							
<b>Operating &amp; Maintenance</b>	119,199	119,199	74,731	116,756	123,780	3.84%	6.02%
<b>Uncollectibles</b>	1,911	1,911	583	1,219	2,009	5.17%	64.88%
<b>Emergency Contingency</b>	1,000	1,000	-	-	1,000	0.00%	NA
<b>Capacity Fee Transfer</b>	8,000	8,000	6,728	9,395	7,000	(12.50%)	(25.49%)
<b>Operating Capital Outlay</b>	81,590	80,787	49,829	79,705	100,414	23.07%	25.98%
<b>Total Operating Expenses</b>	<u>\$ 211,700</u>	<u>\$ 210,897</u>	<u>\$ 131,871</u>	<u>\$ 207,074</u>	<u>\$ 234,204</u>	<u>10.63%</u>	<u>13.10%</u>
<b>Other Deductions</b>							
<b>Debt Service</b>	138,358	154,808	107,137	150,766	132,975	(3.89%)	(11.80%)
<b>Interlocal Payments</b>	14,700	14,700	14,609	14,609	-	(100.00%)	(100.00%)
<b>Contingencies &amp; Working Capital</b>	-	-	4,300	7,661	1,771	NA	(76.88%)
<b>Renewal &amp; Replacement Fund</b>	17,924	18,727	12,484	18,459	20,051	11.86%	8.62%
<b>Total Other Deductions</b>	<u>\$ 170,982</u>	<u>\$ 188,235</u>	<u>\$ 138,531</u>	<u>\$ 191,496</u>	<u>\$ 154,796</u>	<u>(9.47%)</u>	<u>(19.16%)</u>
<b>Contribution to City's General Fund</b>	<u>21,150</u>	<u>21,150</u>	<u>14,100</u>	<u>21,150</u>	<u>22,718</u>	<u>7.42%</u>	<u>7.42%</u>
<b>Budget Surplus (Deficit)</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,395</u>	<u>\$ 6,235</u>	<u>\$ 0</u>	<u>(99.59%)</u>	<u>(100.00%)</u>
<b>Water Sales (ccf)</b>	48,974,307	48,974,307	31,302,837	48,278,691	49,207,519	0.48%	1.92%
<b>Sewer Sales (ccf)</b>	33,994,360	33,994,360	23,031,816	34,910,976	34,773,087	2.29%	(0.39%)
<b>Number of Accounts</b>	544,989	544,989	548,467	550,467	555,267	1.89%	0.87%

ccf = one hundred cubic feet

**JEA**  
**FY 2011/12 Original Budget vs. FY 2012/13 Proposed Budget**  
**Revenue Variance Overview - Water and Sewer System**

	Increase/(Decrease)	
	(\$000's)	%
<b>Revenues:</b>		
<b>Water &amp; Sewer Revenues</b> Reflects increased consumption and increased upper tier volumetric rates.	\$ 9,370	2.45%
<b>Capacity &amp; Extension Fees</b> Reflects the continued slow return of activity within the construction industry trends. JEA anticipates an even slower amount of construction activity for FY 13.	\$ (1,000)	(12.50%)
<b>Expenses:</b>		
<b>Capacity Fee Transfer</b> Attributed to reduced fees collected due to the slower activity in the construction industry.	\$ (1,000)	(12.50%)
<b>Operating Capital Outlay</b> Increased environmental capital transfer (\$23M vs. \$22M) and fully funded OCO.	\$ 18,824	23.07%
<b>Debt Service</b> Reflects no new debt and no bond buy-back in FY2013	\$ (5,384)	(3.89%)
<b>Renewal &amp; Replacement Fund</b> Reflects bond covenant requirements to contribute a minimum of 5% of prior year gross Water and Sewer revenues.	\$ 2,127	11.86%



**JEA**  
**ANALYSIS OF OPERATING AND MAINTENANCE EXPENSE**  
**WATER & SEWER SYSTEM**  
**FY 2011/12 BUDGET COMPARED TO FY 2012/13 PROPOSED BUDGET**  
**(000's)**

	<b>2011/12 Original Budget</b>	<b>2011/12 Revised Budget</b>	<b>Actual Thru May</b>	<b>JEA 2011/12 Projected</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) Proposed Budget Over</b>	
	<b>2011/12 Original Budget</b>					<b>2011/12 Original Budget</b>	<b>JEA 2011/12 Projected</b>
<b>Salaries</b>	\$ 37,414	\$ 37,241	\$ 24,762	\$ 37,765	\$ 38,063	1.73%	0.79%
<b>Employee Benefits</b>	13,079	13,104	8,749	13,887	13,903	6.30%	0.12%
<b>Supplies</b>	11,327	11,127	7,385	11,158	12,703	12.14%	13.84%
<b>Other Services &amp; Charges</b>	66,022	66,770	42,775	65,287	69,452	5.20%	6.38%
<b>Contracts and Contingencies</b>	500	500	0	500	267	(46.59%)	(46.59%)
<b>Purchased Water &amp; Treatment</b>	50	50	18	35	50	0.00%	42.53%
<b>Property Insurance</b>	1,879	1,879	1,221	1,847	1,828	(2.71%)	(1.03%)
<b>Operating Reserves</b>	1,000	600	0	600	1,250	25.00%	108.33%
<b>Interest on Customer Deposits</b>	0	0	(4)	(4)	0	NA	(100.00%)
<b>Expense Credits</b>	(2,778)	(2,778)	(1,884)	(2,810)	(3,095)	11.41%	10.14%
<b>Transfers to WIP Salaries</b>	(6,543)	(6,543)	(6,135)	(8,400)	(7,594)	16.05%	(9.60%)
<b>Transfers to WIP Emp. Benefits</b>	(2,751)	(2,751)	(2,157)	(3,109)	(3,047)	10.75%	(1.99%)
<b>Total O &amp; M Expense</b>	<u>\$ 119,199</u>	<u>\$ 119,199</u>	<u>\$ 74,731</u>	<u>\$ 116,756</u>	<u>\$ 123,780</u>	<u>3.84%</u>	<u>6.02%</u>

**JEA**  
**FY 2011/12 Original Budget Vs. FY 2012/13 Proposed Budget**  
**Expenditure Variance Overview - Water and Sewer System**

	Increase/(Decrease)	
	(\$000's)	%
<b>Operating &amp; Maintenance</b>		
<b>Salaries</b>	\$ 649	1.73%
Per JEA, the increase is due to increased overtime requests from Water/Sewer field projects that are currently under budgeted in FY 2012. These field projects require OT to complete and management anticipates the trend for these field projects requiring OT will continue in FY2013.		
<b>Employee Benefits</b>		
Primarily attributed to increases in Pension budgeted at 20.81% for FY 2013 vs. 17.52% in FY 2012	\$ 824	6.30%
<b>Supplies</b>	\$ 1,375	12.14%
Primarily due to increase in basic plant supplies such as UV lights, ballasts and replacement parts, pumps, valves used to treat wastewater.		
<b>Expense Credits</b>	\$ (317)	11.41%
Expense credit means an amount set aside as an offset against an appropriation, representing an intrafund or interfund transfer of revenues and/or expenses. For example, electric billing credits are recorded as an expense credit against the water and sewer operating fund to properly charge the cost spent by Water & Sewer employees working on electric system related activities to the electric system operating fund.		
<b>Transfers to WIP Salaries</b>	\$ (1,050)	16.05%
Transfers to WIP Salaries are capitalized salaries captured in the Operating Budget. It represents the salaries charged to capital project workorders and is a credit to the operating fund.		
<b>Transfers to WIP Emp. Benefits</b>	\$ (296)	10.75%
Transfers to WIP Employee Benefits are capitalized benefits captured in the Operating Budget. It represents the benefits charged to capital project workorders and is a credit to the operating fund.		

**JEA**  
**ANALYSIS OF PROPOSED FY 2012/13 CAPITAL BUDGET**  
**WATER & SEWER SYSTEM**  
**(000's )**

	<b>2011/12 Original Budget</b>	<b>2011/12 Revised Budget</b>	<b>Actual Thru May</b>	<b>2011/12 Projected</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) Proposed Budget Over</b>	
						<b>2011/12 Original Budget</b>	<b>JEA 2011/12 Projected</b>
<b>Capital Funds</b>							
<b>Debt Proceeds</b>	\$ -	\$ -	\$ -	\$ -	\$ -	NA	NA
<b>Other Proceeds</b>	38,454	38,391	0	14,801	19,535	(49.20%)	31.99%
<b>Renewal &amp; Replacement Deposits</b>	17,924	17,924	12,484	18,459	20,051	11.86%	8.62%
<b>Operating Capital Outlay</b>	81,590	81,653	49,829	79,705	100,414	23.07%	25.98%
<b>Contributed Capital</b>	-	-	5	5	-	NA	(100.00%)
<b>Capacity Fees</b>	8,000	8,000	6,723	9,576	7,000	(12.50%)	(26.90%)
<b>Investment Income</b>	32	32	17	26	-	(100.00%)	(100.00%)
<b>Total Capital Funds</b>	<u>\$ 146,000</u>	<u>\$ 146,000</u>	<u>\$ 69,059</u>	<u>\$ 122,572</u>	<u>\$ 147,000</u>	<u>0.68%</u>	<u>19.93%</u>
<b>Capital Projects</b>							
<b>Water</b>	\$ 57,000	\$ 57,000	\$ 20,295	\$ 51,421	\$ 64,275 (1)	12.76%	25.00%
<b>Sewer</b>	71,500	71,500	28,790	57,346	66,275 (1)	(7.31%)	15.57%
<b>Other</b>	17,500	17,500	7,221	13,804	16,450 (1)	(6.00%)	19.17%
<b>Total Capital Projects</b>	<u>\$ 146,000</u>	<u>\$ 146,000</u>	<u>\$ 56,306</u>	<u>\$ 122,572</u>	<u>\$ 147,000</u>	<u>0.68%</u>	<u>19.93%</u>
<b>Surplus (Deficit)</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,753</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>NA</u>	<u>(99.21%)</u>

**NOTE (1) See detailed listing of Capital Projects on the next five pages.**

JEA  
Water Sewer System  
FY 2012/2013 Capital Budget  
(000's Omitted)

	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
Description	FY13		FY13	
<b>Reclaim Water Distribution</b>				
Nocatee - North South Road (Town Center North) - R	\$301			
JP - FDOT - CR210 - US1 - R	209			
DD - Rivertown - Reclaimed	90			
DD - Nocatee - Reclaimed	75			
OM - Reuse Delivery R&R	50			
Queens Harbor Reclaimed Tie-in	50			
<b>Reclaim Water Distribution Total</b>	<b>\$775</b>	<b>(1)</b>		
<b>Sewage Pump Stations</b>				
SCADA RTU and Control Panel Upgrades	\$3,716			
Pumping Stations - Capital Equipment Replacement	2,400			
Pumping Stations - Class I II Station Rehabilitation	2,000			
Arlington East Regional Booster Pumping Station	1,989			
A.C. Skinner Liftstation Electrical Rehabilitation	815			
SCADA Renewal & Replacement	500			
Diesel-driven Backup Pumps	300			
Nocatee - North South Road (Town Center North) - PS	250			
Nocatee - Highland Lake - Pump Station	213			
San Jose Phase Out - Plant Master Pump Station	167			
Diesel-driven Backup Pump R&R	100			
Pressure Recording Installation	50			
<b>Sewage Pump Stations Total</b>	<b>\$12,500</b>	<b>(2)</b>		
<b>Sewer Collection</b>				
OM - Sewer Collection System R&R	\$6,200			
Joint Participation Projects - Sewer	3,271			
OM - Sewer Collection System Trenchless R&R	3,200			
Clark Road to District II - S	1,254			
N Jax FM - I-95 - T-Line to Busch Dr - S	1,163			
ECS - Lincoln Villa Service Area 2 S T P O	914			
Carder St to Kingsbury FM Replacement - S	864			
San Jose Phase Out - Tie to Royal Lakes Outfall (16")	792			
DD - Rivertown - Sewer	750			
JP - FDOT - CR210 - US1 - S	689			
Jax Heights Phase Out WWTF - Wheat Rd - Firestone Rd FM - Sewer	631			
N Jax FM - Pulaski to Main St	592			

JEA  
Water Sewer System  
FY 2012/2013 Capital Budget  
(000's Omitted)

	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
Description	FY13		FY13	
Key Haven to Harts Road - S	585			
Jacksonville Landing CIPP	500			
Royal Lakes Outfall Line Conversion to Sewer FM	499			
JP - FDOT - SR 23 Outerbeltway - S	476			
Development – Minor Projects – S	458			
Barnes Rd - Lofberg Rd PS to Barnes Rd - S	426			
JP - FDOT - 9B Phase 2 - S	419			
OM - Turberculated Iron Gravity Pipe R&R	400			
Ortega Farms Bv - S	400			
DD - Nocatee - Sewer	300			
JP - COJ - Lower Eastside Drainage Improvements (First St - APR Blvd to Van Buren) – S	257			
Air Relief Valves	250			
Main Extensions and Taps – S	200			
Easement Location and Acquisitions	150			
JP - COJ - Miruelo Circle Drainage Improvements - Sewer	133			
JP - CR210 - I-95 to Kingsley Lake Dr - S	116			
San Jose Blvd - St. Augustine Rd to Miruelo Cir N - FM - S	116			
Grid Capacity Development Cost Participation - Sewer	100			
Nocatee - North South Road (Town Center North) - S	75			
JP - COJ - Hamilton - Jersey Drainage Improvements - S	69			
COM - New Sewer Service Additions	53			
Manhole SCADA R&R	50			
Nocatee - Highland Lake - S	47			
JP - 11th and 12th Street Connector - S	40			
JP - FDOT - SR 200 (A1A) Still Quarters Rd to Scott Rd - Sect 2 - S	30			
Utility Locate Group - Capital Equipment - Water	25			
JP - San Jose & Claire Lane - S	6			
<b>Sewer Collection Total</b>	<b>\$26,500</b>	<b>(3)</b>		
<b>Wastewater Treatment</b>				
Arlington East WWTF UV	\$6,509			
Buckman WWTF BNR - Ph 1	4,153			
Buckman WRF Grit Removal System	3,199			
Wastewater Trt Facilities - Capital Equipment Replacement	2,579			
Digesters 1 & 2 - Cover Replacement	1,904			
Mandarin WRF - Bio-Filter Bed Replacement	1,670			
Reuse Storage Tank at Cedar Bay WRF (District II)	1,400			

JEA  
Water Sewer System  
FY 2012/2013 Capital Budget  
(000's Omitted)

	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
Description	FY13		FY13	
Mandarin WRF Reclaimed High Service Pump Upgrade	1,074			
Biosolids Process Renewal & Replacement	1,041			
Biosolids Processing System Expansion - 3rd Biosolids Digester	800			
Buckman WRF Turbo Blower Improvements	730			
Royal Lakes Facilities Demolition	395			
Mandarin WRF High Level UV Upgrade	277			
Wastewater Odor Control - All Plants and Pump Stations	250			
District II WWTF Odor Control	250			
District II WRF - Outfall Diversion	169			
Buckman WWTF Bio Gas Upgrades	50			
Reuse Facility - Capital Equipment Replacement	50			
<b>Wastewater Treatment Total</b>	<b>\$26,500</b>	<b>(4)</b>	<b>\$66,275</b>	<b>=(1)+(2)+(3)+(4)</b>
<b>Water Distribution</b>				
Water Meter Replacement	\$7,609			
Joint Participation Projects - W	5,318			
OM - Water Delivery System R&R	4,875			
Arlington Expressway to Southside Blvd – TWMP Segment 5	4,373			
East Bank St. Johns River HDD to Arlington WTP – TWMP Segment 3	4,037			
Arlington WTP to Arlington Expressway – TWMP Segment 4	3,087			
Bradley Rd. From SS Blvd to Cortez Rd - TWMP Segment 6	2,894			
JP - Riverside Av - San Juan to Edison Av - W	2,827			
Water Meter Growth	2,465			
St. Johns River Crossing HDD– TWMP Segment 2	2,304			
Fill Line at Arlington WTP and Booster Station - TWMP - W	1,654			
Melvin Road - Ricker Rd to Melvin Cir E - R&R - W	581			
JP - FDOT - SR 23 Outerbeltway - W	555			
Carder St to Kingsbury St - W	530			
St Augustine Rd - Wishart St to Inwood Te - W	525			
Main St Wellfield Additional Wells - TWMP - W	500			
Main Extensions and Taps – W	500			
South Grid Well Reliability - TWMP - W	500			
JP - COJ - Hamilton - Jersey Drainage Improvements - W	463			
San Jose Blvd - St. Augustine Rd to Miruelo Cir N - W	459			
Development – Minor Projects – W	456			
JP - FDOT - 9B Phase 2 - W	418			
JP - COJ - Miruelo Circle Drainage Improvements - Water	273			

JEA  
Water Sewer System  
FY 2012/2013 Capital Budget  
(000's Omitted)

	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
Description	FY13		FY13	
Intermediate Aquifer System - Implementation	269			
Lincoln Villa - Water	259			
Normandy Bv - Lane Ave to Verna Bv - W	253			
JP - COJ - Lower Eastside Drainage Improvements (First St - APR Blvd to Van Buren) – W	224			
Nocatee - North South Road (Town Center North) - W	200			
Franklin Rd Tie In to West Bank St. Johns River HDD – TWMP Segment 1	193			
JP - CR210 - I-95 to Kingsley Lake Dr - W	151			
JP - FDOT - CR210 - US1 - W	104			
DD - Nocatee - Water	100			
Grid Capacity Development Cost Participation - Water	100			
DD - Rivertown - Water	100			
JP - FDOT - I-10 - Marietta Interchange - W	91			
JP - 11th and 12th Street Connector - W	83			
COM - New Water Service Additions	78			
JP - FDOT - SR 200 (A1A) Still Quarters Rd to Scott Rd - Sect 2 - W	32			
Fire Hydrant In-Fill	28			
JP - FDOT - Beaver Street - McDuff Ave to Stockton Street - W	15			
JP - FDOT - US1 from Business Park Blvd to Baymeadows - W	12			
JP - San Jose & Claire Lane - W	5			
<b>Water Distribution Total</b>	<b>\$49,500</b>	<b>(5)</b>		
<b>Water Other Capital Projects</b>				
Capital Administrative Overhead - W	\$4,350			
TS - Projects - W	3,690			
Fleet Replacement – Water	3,090			
Facilities Improvements, Building Upgrades - W	1,196			
Plaza III - New Medical Clinic	585			
Facilities Generators - W	563			
Facilities Paving, Fencing & Site Improvements – Water	525			
Tower I New Fire Alarm System - W	500			
Facilities Roof Replacement - W	450			
Facilities Security - Water	411			
Facilities Improvements, Electric and Lighting Systems	245			
JEa Plaza I HVAC Upgrade Project	240			
Facilities Heating, Ventilation, & Air - W	220			
Facilities Improvements, Plumbing and Fire System Upgrades	185			
Water - Wastewater Service Response Tools and Equipment	85			

JEA  
Water Sewer System  
FY 2012/2013 Capital Budget  
(000's Omitted)

	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
Description	FY13		FY13	
Laboratory Equipment Upgrades - W	65			
Facilities Improvements - Elevators - W	50			
<b>Water Other Capital Projects Total</b>	<b>\$16,450</b>	<b>(6)</b>	<b>\$16,450</b>	<b>=(6)</b>
<b>Water Treatment</b>				
Main St WTP - Orange St Reservoir Replacement - TWMP - W	\$4,550			
Greenland Water Treatment Plant	2,399			
Service Area Monitoring Wells	2,156			
Main St WTP - Well Rehabilitation and Replacement	1,223			
Water Plant Capital Renewal & Replacement	1,000			
Fairfax WTP Reservoir Rehab	948			
Service Area Monitoring Wells - FY13	624			
Well Rehabilitation & Backplugging	610			
Production Well Abandonment	565			
Ponce de Leon WTP - Pump Building Replacement	450			
St Johns North WTP - Packed Tower Replacement	150			
WTP Reservoir R&R	100			
<b>Water Treatment Total</b>	<b>\$14,775</b>	<b>(7)</b>	<b>\$64,275</b>	<b>=(5)+(7)</b>
<b>Grand Total</b>	<b>\$147,000</b>		<b>\$147,000</b>	



**JEA**  
**ANALYSIS OF PROPOSED FY 2012/13 DISTRICT ENERGY SYSTEM OPERATING BUDGET**  
**FY 2011/12 BUDGET COMPARED TO FY 2012/13 PROPOSED BUDGET**  
**(000'S)**

	<b>2011/12 Original Budget</b>	<b>2011/12 Revised Budget</b>	<b>Actual Thru May</b>	<b>JEA 2011/12 Projected</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) Proposed Budget Over</b>	
						<b>2011/12 Original Budget</b>	<b>JEA 2011/12 Projected</b>
<b><u>OPERATING BUDGET:</u></b>							
<b>REVENUES:</b>							
Revenues	\$ 9,106	\$ 9,106	\$ 5,391	\$ 8,976	\$ 8,975	(1.44%)	(0.01%)
Total Operating Revenues	<u>\$ 9,106</u>	<u>\$ 9,106</u>	<u>\$ 5,391</u>	<u>\$ 8,976</u>	<u>\$ 8,975</u>	<u>(1.44%)</u>	<u>(0.01%)</u>
<b>EXPENSES:</b>							
Operating and Maintenance	\$ 5,500	\$ 5,500	\$ 2,586	\$ 4,898	\$ 5,067	(7.88%)	3.45%
Total Expenses	<u>5,500</u>	<u>5,500</u>	<u>2,586</u>	<u>4,898</u>	<u>5,067</u>	<u>(7.88%)</u>	<u>3.45%</u>
<b>NET REVENUES FROM OPERATIONS</b>	<u>3,606</u>	<u>3,606</u>	<u>2,805</u>	<u>4,079</u>	<u>3,909</u>	<u>8.39%</u>	<u>(4.17%)</u>
<b>OTHER DEDUCTIONS:</b>							
Debt Service	3,191	3,191	1,806	3,033	3,484	9.15%	14.87%
Renewal & Replacement	415	415	232	348	425	2.40%	22.13%
Total Other Deductions	<u>3,606</u>	<u>3,606</u>	<u>2,038</u>	<u>3,381</u>	<u>3,909</u>	<u>8.38%</u>	<u>15.61%</u>
<b>Budget Surplus (Deficit)</b>	<u>0</u>	<u>0</u>	<u>768</u>	<u>698</u>	<u>0</u>		

**JEA**  
**ANALYSIS OF OPERATING AND MAINTENANCE EXPENSE**  
**DISTRICT ENERGY SYSTEM (CHILLED WATER)**  
**FY 2011/12 BUDGET COMPARED TO FY 2012/13 PROPOSED BUDGET**  
**(000's)**

	<b>2011/12 Original Budget</b>	<b>2011/12 Revised Budget</b>	<b>Actual Thru May</b>	<b>JEA 2011/12 Projected</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) Proposed Budget Over</b>	
						<b>2011/12 Original Budget</b>	<b>JEA 2011/12 Projected</b>
<b>Salaries</b>	\$ 357	\$ 357	\$ 251	\$ 375	\$ 354	(0.81%)	(5.46%)
<b>Employee Benefits</b>	116	116	76	116	120	3.82%	3.55%
<b>Supplies</b>	65	65	83	105	65	0.00%	(38.08%)
<b>Other Services &amp; Chgs.</b>	4,285	4,285	2,187	4,100	4,280	(0.12%)	4.40%
<b>Contracts and Contingencies</b>	434	434	-	-	-	(100.00%)	NA
<b>Property Insurance</b>	43	43	34	48	47	9.30%	(2.40%)
<b>Operating Reserve</b>	200	200	-	200	200	0.00%	0.00%
<b>Expense Credits</b>	-	-	(46)	(46)	-	NA	(100.00%)
<b>O &amp; M Expense</b>	<u>\$ 5,500</u>	<u>\$ 5,500</u>	<u>\$ 2,586</u>	<u>\$ 4,898</u>	<u>\$ 5,067</u>	<u>(7.88%)</u>	<u>3.45%</u>

**JEA**  
**ANALYSIS OF PROPOSED FY 2012/13 DISTRICT ENERGY SYSTEM CAPITAL BUDGET**  
**FY 2011/12 BUDGET COMPARED TO FY 2012/13 PROPOSED BUDGET**  
**(000'S)**

	2011/12 Original Budget	2011/12 Revised Budget	Actual Thru May	JEA 2011/12 Projected	2012/13 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2011/12 Original Budget	JEA 2011/12 Projected
<b>CAPITAL BUDGET:</b>							
<b>CAPITAL FUNDS</b>							
Debt Proceeds and Other	\$ 1,435	\$ 1,435	\$ 1,435	\$ 1,435	\$ 658	(54.14%)	(54.14%)
Renewal & Replacement	415	415	232	348	425	2.40%	22.13%
	<u><u>1,850</u></u>	<u><u>1,850</u></u>	<u><u>1,667</u></u>	<u><u>1,783</u></u>	<u><u>1,083</u></u>	<u><u>(41.46%)</u></u>	<u><u>(39.26%)</u></u>
<b>CAPITAL PROJECTS</b>							
District Energy System Projects	<u><u>\$ 1,850</u></u>	<u><u>\$ 1,850</u></u>	<u><u>\$ 758</u></u>	<u><u>\$ 1,434</u></u>	<u><u>\$ 1,083</u></u>	<u><u>(41.46%)</u></u>	<u><u>(24.49%)</u></u>

Description	FY13
DES - Springfield - Medium Voltage Starter	\$600
Facilities - District Energy System (DES)	383
DES - Springfield - Cooling Tower Upgrade	100
<b>DES Total</b>	<b>\$1,083</b>

**JEA**  
**ANALYSIS OF PROPOSED FY 2012/13 BUDGET**  
**FY 2012/13 PROPOSED BUDGET RECOMMENDATIONS**

**RECOMMENDATIONS:**

1. Change to Correct errors and omissions within the 2012 - 433 Ordinance Narrative for JEA including the following:

Page 12 line 25 change \$106,637,538 to read \$106,687,538

Page 13 line 2 insert " and District Energy System" directly before the word Revenue

Page 13 line 5 insert "District Energy System," directly after the words Water and Sewer System,

2. Correct scrivener's errors within the 2012 - 433 Ordinance Narrative for JEA including the following:

Page 13 Line 27 reference Section "9.4" should reference Section "8.4"

3. Change to strike within the 2012 - 433 Ordinance Narrative for JEA including the following:

Page 14 Section 2.3 all lines 8 through 11

The language within Section 2.3 is no longer needed. Section 2.3 of the Ordinance required JEA to report the status of the Fuel Recovery Charges. On June 13, 2010 the JEA Board approved a change to the Variable Fuel Rate Policy. The change allowed the Fuel Recovery Fund to end in the month JEA predicted to reach the fund's maximum recovery amount. JEA stopped collecting the fee (0.290 cents per kWh) December 31, 2011 having collected \$248,791,602 since inception of the fee in March of 2005. The recovery, which was implemented to repay the Electric System Base side for past subsidies of Fuel side expenses, was approved to recover a maximum of \$252,000,000.

JEA Concurs with all recommendations

1 **B4-b.** The Fiscal Year 2012-2013 Vehicle Replacements are shown on  
2 **Schedule B4-c.**

3 **Section 1.8 Capital Improvement Budget.**

4 The capital improvement projects attached hereto as **Schedule**  
5 **A-1** represents the first year funding of the five year capital  
6 improvement program, except where noted otherwise and such projects  
7 are to be undertaken in the Fiscal Year 2012-2013. The projects  
8 identified within **Schedule A-1** as funded from Grants - FIND/Other  
9 represents grants anticipated to be received from other State and  
10 Federal Agencies during the year. Anticipated FIND grants totaling  
11 \$1,111,018, which appear on Federal/State Matching Grants **Schedule**  
12 **B1-B**, will require the Mayor's Budget Review Committee approval in  
13 order to appropriate the funds to the listed FIND projects.

14 **Section 1.9 Septic Tanks.**

15 In compliance with the guidelines described in Sections  
16 751.106 and 751.107, *Ordinance Code*, there are hereby identified in  
17 **Schedule B-5**, the up to date Septic Tank Failure Areas and the  
18 budget for the Septic Tank Phase Out Program.

19 **Part II. JEA**

20 **Section 2.1 Estimated Revenues; Appropriations.**

21 From the estimated total revenues and fund balances set forth  
22 on **Schedule C** and **Schedule D**, there are hereby appropriated the sum  
23 expenditures set forth on **Schedule C** and **Schedule D** for the  
24 indicated purposes of JEA. There is appropriated to the City the  
25 sum of ~~\$106,637,538~~ <sup>\$106,607,538</sup> from revenues of JEA, calculated as provided in  
26 \$ 21.07, of the Charter, as amended. JEA is hereby authorized to  
27 withdraw and expend the accumulated balance sheet fund balances  
28 available in its Transmission and Distribution Self Insurance Fund  
29 for capital expenditures incurred in connection with a hurricane or  
30 other extraordinary, non-recurring events. JEA is also authorized  
31 to withdraw and expend the accumulated balance sheet fund balances

1 available in its Electric System and Water and Sewer System  
And District Energy System  
2 Revenue, Rate Stabilization, Renewal and Replacement Bond Proceeds,  
3 General Reserve Fund, and Debt Service Reserve Funds and Accounts  
4 for the retirement, defeasance or purchase of outstanding Electric  
5 System, Water and Sewer System, District Energy System, Bulk Power Supply System and St.  
6 Johns River Power Park System debt provided these payments are  
7 reflected as payments against the current year's budget and that  
8 total revenues are adjusted accordingly. The estimated total  
9 revenues, fund balances and appropriations provided therein,  
10 together with the other applicable provisions of this ordinance,  
11 shall constitute the annual budget and appropriations for JEA for  
12 its fiscal year beginning October 1, 2012 and ending September 30,  
13 2013, which budget is hereby adopted and approved by the Council  
14 pursuant to §§ 14.02 and 21.07 of the Charter, as amended.

15 **Section 2.2 Allocations, Allotments and Transfers.**

16 JEA is authorized to allocate, allot and transfer within, but  
17 not between (unless less than \$50,000 cumulative), the sums herein  
18 appropriated for more specific purposes within each of the total  
19 sums specified on **Schedules C** and **Schedule D** and to transfer from  
20 time to time, without Council approval, appropriated funds from one  
21 of the purposes for which funds are appropriated by this Part II to  
22 another of such purposes, if, in the discretion of JEA, such  
23 transfer is necessary to carry out all of the purposes for which  
24 funds are hereby appropriated, subject to applicable law; provided,  
25 that JEA shall pay over to the Board of Pension Trustees, in  
26 addition to any other contribution to the pension funds required by  
27 law, the employer's contribution required by Section <sup>8.4</sup>~~9.4~~, which  
28 shall be paid as often as funds therefore are available. Once  
29 cumulative transfers between **Schedule C** and **Schedule D** exceed  
30 \$50,000, City Council approval must be obtained. There shall be  
31 provided to the Council Auditor, within twenty-four hours after

1 Board approval, a copy of the written documentation of all proposed  
2 additional appropriations of funds. There shall also be provided  
3 to the Council Auditor at the end of each quarter a copy or a  
4 summary of the written documentation of all transfers made between  
5 approved budget line items. The number of full-time employees  
6 either authorized or employed at any one time shall not exceed  
7 2,158. The Council authorizes 249,600 temporary employee hours.

8 ~~Section 2.3 Fuel Recovery Charge.~~

9 ~~The status of the Fuel Recovery Charge activity will be~~  
10 ~~reported to the City Council quarterly, within the Quarterly~~  
11 ~~Summary Financial Report.~~

12 **Part III. Jacksonville Aviation Authority**

13 **Section 3.1 Estimated Revenues; Appropriations.**

14 From the estimated operating and other revenues set forth on  
15 **Schedule G** and **Schedule H**, there are hereby appropriated the sums  
16 set forth on **Schedule G** and **Schedule H** for the indicated purposes  
17 of the Jacksonville Aviation Authority. The estimated revenues and  
18 appropriations provided therein, together with the other applicable  
19 provisions of this ordinance, shall constitute the annual budget  
20 and appropriations for the Jacksonville Aviation Authority for its  
21 fiscal year beginning October 1, 2012 and ending September 30,  
22 2013, which budget is hereby adopted and approved by the Council  
23 pursuant to Section 5 of the Charter, as amended, and Chapter 2001-  
24 39, Laws of Florida, as amended.

25 **Section 3.2 Allocations, Allotments and Transfers.**

26 The Jacksonville Aviation Authority is authorized to allocate,  
27 allot and transfer within, but not between (unless less than  
28 \$50,000 cumulative), the sums herein appropriated for more specific  
29 purposes within each of the total sums specified on **Schedule G** and  
30 **Schedule H** and to transfer from time to time, without Council  
31 approval, appropriated funds from one of the purposes for which

**JACKSONVILLE TRANSPORTATION AUTHORITY  
COMPARISON OF BUDGETS  
2011/12 TO PROPOSED 2012/13**

**OPERATING AND CAPITAL BUDGETS**

	<b>BUS</b>		<b>Mass Transit SKYWAY</b>		<b>CTC</b>		<b>Engineering Genl Fund</b>	<b>Transfers Out</b>	<b>Total</b>
	<u>Operations</u>	<u>Capital</u>	<u>Operations</u>	<u>Capital</u>	<u>Operations</u>	<u>Capital</u>			
<b>2011/12 Original</b>	\$ 75,362,785	\$ 10,116,104	\$ 5,085,422	\$ 680,000	\$ 13,393,419	\$ 1,290,000	\$ 70,190,984	\$ (82,032,231)	\$ 94,086,483
<b>2012/13 Proposed</b>	\$ 77,081,356	\$ 16,101,630	\$ 4,785,334	\$ 300,000	\$ 13,345,514	\$ 1,260,000	\$ 69,007,903	\$ (79,993,623)	\$ 101,888,114
<b>\$ Incr(Decr)</b>	\$ 1,718,571 (a)	\$ 5,985,526	\$ (300,088)	\$ (380,000)	\$ (47,905)	\$ (30,000)	\$ (1,183,081)	\$ 2,038,608	\$ 7,801,631 (b)
<b>% Incr(Decr)</b>	2.28%	59.17%	(5.90%)	(55.88%)	(0.36%)	(2.33%)	(1.69%)	(2.49%)	8.29%

	<u>Original 2011/12</u>	<u>Proposed 2012/13</u>	<u>Increase (Decrease)</u>
<b>Bus</b>	576	577	1
<b>Skyway</b>	39	39	-
<b>CTC</b>	44	45	1
<b>Engineering</b>	14	12	(2)
<b>Total Agency</b>	<u>673</u>	<u>673</u>	<u>-</u>

**FY 2013 Budget Key Metrics**

Wages and fringe benefits for Operators and Mechanics are determined by negotiated labor agreements with the two unions representing the respective groups of employees.

- Operators labor contract budgeted at no increase

- Mechanics labor contract budgeted at 1.5% increase.

- Administrative wages budgeted at no increase

(a) The Bus Operations increase of \$1.7M is due to a new \$3.2M operating contingency; without this line item, Bus Operating Expenses are \$1.5M less than last year. The operating contingency was approved by the JTA Board.

(b) The total agency budget increase is due to the aforementioned operating contingency (to balance revenues and expenses) as well as additional capital grant dollars received for the Bus Rapid Transit (BRT) and Automatic Vehicle Locator (AVL) initiatives.

**Amounts flowing through City of Jacksonville to JTA:**

JTA Amount (BJP plan)	\$ 56,000,000
City Contribution (CTC)	<u>1,324,309</u>
<b>Total</b>	<u>\$ 57,324,309</u>

**Distribution of above amount:**

Local Option Gas Tax (Bus)	\$ 26,159,822
Local Option Gas Tax (Engineering)	1,840,178
Sales Tax (Bus)	28,000,000
City Contribution (CTC)	<u>1,324,309</u>
<b>Total</b>	<u>\$ 57,324,309</u>



**JACKSONVILLE TRANSPORTATION AUTHORITY  
MASS TRANSIT DIVISION  
BUS OPERATIONS BUDGET  
ANALYSIS OF PROPOSED 2012/13 BUDGET**

**Schedule # 2  
8/20/2012**

	<b>2011/12 Original Budget</b>	<b>Actual Thru March</b>	<b>2011/12 Projected</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) Proposed Budget Over</b>	
					<b>Original Budget</b>	<b>Projected</b>
<b><u>REVENUES</u></b>						
Federal, State & Local Grants	\$ 12,226,268	\$ 4,117,489	\$ 8,000,000	\$ 8,578,048	(29.84%)	7.23%
Local Option Gas Tax (BJP)	27,749,515	13,680,844	27,000,000	26,159,822	(5.73%)	(3.11%)
Sales Tax (BJP)	24,000,000	11,520,787	30,000,000	28,000,000	16.67%	(6.67%)
Passenger Fares	10,855,864	5,843,898	12,000,000	13,813,486	27.24%	15.11%
Non-Transportation	515,000	416,973	800,000	515,000	0.00%	(35.63%)
Interest Income	16,138	7,504	15,000	15,000	(7.05%)	0.00%
<b>Total Revenues</b>	<b>\$ 75,362,785</b>	<b>\$ 35,587,495</b>	<b>\$ 77,815,000</b>	<b>\$ 77,081,356</b>	<b>2.28%</b>	<b>(0.94%)</b>
Salaries and Wages	\$ 24,913,600	\$ 13,366,183	\$ 26,000,000	\$ 24,121,080	(3.18%)	(7.23%)
Fringe Benefits	14,330,387	7,077,063	14,000,000	14,368,819	0.27%	2.63%
Fuel and Lubricants	7,908,970	3,601,225	7,490,000	7,414,744	(6.25%)	(1.00%)
Materials & Supplies	4,043,139	2,252,732	4,400,000	3,891,488	(3.75%)	(11.56%)
Services	6,100,000	2,844,615	6,000,000	6,652,330	9.05%	10.87%
Insurance (C&L)	623,951	142,657	600,000	469,616	(24.74%)	(21.73%)
Travel/Training/Dues & Subscriptions	45,000	9,117	10,000	45,000	0.00%	350.00%
Other Direct Operating Costs	1,502,280	849,149	1,600,000	1,415,185	(5.80%)	(11.55%)
Purchased Transportation - Community Shuttle Service	2,491,735	1,005,649	2,100,000	2,511,298	0.79%	19.59%
Transfer To:						
ADA Expense	9,603,051	4,585,846	9,200,000	9,334,190	(2.80%)	1.46%
CTC	-	671,356	1,300,000	-	N/A	(100.00%)
Skyway	3,800,672	2,007,610	3,900,000	3,659,433	(3.72%)	(6.17%)
Operating Contingency	-	-	-	3,198,173	N/A	N/A
<b>Total Expenditures</b>	<b>\$ 75,362,785</b>	<b>\$ 38,413,202</b>	<b>\$ 76,600,000</b>	<b>\$ 77,081,356</b>	<b>2.28%</b>	<b>0.63%</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ (2,825,707)</b>	<b>\$ 1,215,000</b>	<b>\$ -</b>	<b>N/A</b>	<b>(100.00%)</b>

**JACKSONVILLE TRANSPORTATION AUTHORITY  
BUS OPERATIONS  
2011/12 ORIGINAL BUDGET VS. 2012/13 PROPOSED BUDGET**

**BUS OPERATIONS VARIANCE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENTAGE INCREASE/ (DECREASE)</b>
<b>Federal, State &amp; Local Grants</b> Funding based less projected spending on grant reimbursable expenses. This varies from year to year.	<b>\$ (3,648,220)</b>	<b>(29.84%)</b>
<b>Sales Tax (BJP)</b> The increase is the result of the reduction in debt service expense from the FY 2012 refinancing of the State of Florida 1997 series bonds.	<b>\$ 4,000,000</b>	<b>16.67%</b>
<b>PASSENGER FARES</b> FY 2013 Farebox projection is based on average passenger fare revenue (\$1.22) and ridership of eleven million. A fare increase had not been included in the 2012, thus the large increase.	<b>\$ 2,957,622</b>	<b>27.24%</b>
<b>EXPENDITURE OVERVIEW</b>		
<b>FUEL AND LUBRICANTS</b> JTA is projecting to use 100,000 gallons less from 2.1 million to 2.0 million in FY 2013 at a rate of \$3.75 per gallon vs. the FY 2012 projected rate of \$3.80 per gallon.	<b>\$ (494,226)</b>	<b>(6.25%)</b>
<b>SERVICES</b> This line item is made up of items such as office equipment contracts, elevator maintenance, janitorial services, landscaping, bus stop maintenance, bus shelter installation and repairs. The primary reason for the increase is for elevator/escalator maintenance.	<b>\$ 552,330</b>	<b>9.05%</b>
<b>INSURANCE</b> The Insurance Expense is directly tied to the balance of the claims reserve liability account on the balance sheet. When the funded balance is deemed to be adequate as determined by an Actuary, then we decrease the expense accrual accordingly.	<b>\$ (154,335)</b>	<b>(24.74%)</b>

**JACKSONVILLE TRANSPORTATION AUTHORITY  
MASS TRANSIT DIVISION (Including Administration)  
BUS CAPITAL PROJECTS BUDGET  
ANALYSIS OF PROPOSED 2012/13 BUDGET**

**Schedule # 3  
8/20/2012**

	<b>2011/12 Original Budget</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) 2013 Budget Over 2012 Budget</b>
<b><u>REVENUES</u></b>			
Federal Section 5307 <b>(Footnote 1)</b>	\$ 8,945,288	\$ 8,568,430	(4.21%)
Federal Section 5309 <b>(Footnote 2)</b>	-	6,443,200	N/A
Federal Section 5311 <b>(Footnote 3)</b>	170,816	-	(100.00%)
FDOT	-	90,000	N/A
North Florida Transportation Planning Organization	1,000,000	1,000,000	0.00%
<b>Total Revenues</b>	<b>\$ 10,116,104</b>	<b>\$ 16,101,630</b>	<b>59.17%</b>
<b><u>EXPENDITURES</u></b>			
Bus Rapid Transit (BRT) - North Corridor Project	2,100,000	6,443,200	206.82%
Communications Equipment	-	1,846,656	N/A
Computer Equipment (Hardware and Software)	641,000	857,600	33.79%
Enhancements (Landscaping)	140,000	140,674	0.48%
Jacksonville Transportation Center (JTC)	3,000,000	3,000,000	0.00%
Miscellaneous Support Equipment	-	83,000	N/A
Office Furnishings & Equipment	228,600	145,500	(36.35%)
Program Administration	-	30,000	N/A
Purchase Transit Vehicles (11 Buses)	2,985,000	3,410,000	14.24%
Security	151,274	15,000	(90.08%)
Support Vehicles	20,000	40,000	100.00%
Transit Satellite Transfer Amenities	850,230	90,000	(89.41%)
<b>Total Expenditures</b>	<b>\$ 10,116,104</b>	<b>\$ 16,101,630</b>	<b>59.17%</b>

**Footnotes:**

- 1- Annual funding for urbanized areas to transit agencies from the Federal Transit Administration (FTA).
- 2- Federal funding for buses and bus facilities, these are discretionary grants, not recurring annual amounts.
- 3- Annual funding for non urbanized (rural areas) from the FTA.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
MASS TRANSIT DIVISION  
2011/12 ORIGINAL BUDGET VS. 2012/13 PROPOSED BUDGET**

**BUS CAPITAL PROJECTS VARIANCE SCHEDULE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>
<b>Federal Section 5307</b> Funding is based on the amount of capital expenditures requested. Less funding was requested than in FY 2011/12. Requests for FY 2012/13 includes replacement vehicles, security equipment, construction of JRTC, facilities enhancements and program administration.	\$ (376,858)	(4.21%)
<b>Federal Section 5309</b> Funding is based on the amount of capital expenditures requested. Requests for FY 2012/13 include Bus Rapid Transit (BRT) design, Right of Way acquisition and construction.	6,443,200	N/A
<b>Federal Section 5311</b> Funding is based on the amount of capital expenditures requested.	(170,816)	(100.00%)
<b>FDOT</b> Funding is for the construction of a park and ride lot in the town of Baldwin, at the intersection of U.S. 301 and U.S. 90.	90,000	N/A
<b>EXPENDITURE OVERVIEW</b>		
<b>The Bus Rapid Transit - North Corridor project</b> The Bus Rapid Transit - North Corridor project involves the addition/upgrade of sidewalks, modifications and additions to bus stops (creation of "Super Stops"), creation of Park-N-Ride, mini hubs, reconstruction of major hubs, signal upgrades, milling and resurfacing, signage upgrades, signing and pavement marking and lighting upgrades. This expenditure is for design, right-of-way and construction.	4,343,200	206.82%
<b>Communications Equipment</b> Installation of CAD/AVL system for fleet and support vehicles. Implementation of an Interactive Voice Response (IVR) system.	1,846,656	N/A
<b>Computer Equipment (Hardware and Software)</b> Replacement of desktop computers that are at the end of their useful life.	216,600	33.79%
<b>Purchase Transit Vehicles (11 Buses)</b> Purchase of 11 transit vehicles to replace an aging fleet. These are full sized buses and the cost is \$310k each.	425,000	14.24%

**JACKSONVILLE TRANSPORTATION AUTHORITY  
MASS TRANSIT DIVISION  
2011/12 ORIGINAL BUDGET VS. 2012/13 PROPOSED BUDGET**

**BUS CAPITAL PROJECTS VARIANCE SCHEDULE**

<b>EXPENDITURE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENTAGE INCREASE/ (DECREASE)</b>
<b>Security</b> Security monitoring services. FY 2012 expenditures included security equipment for bus shelters and JTA property.	\$ (136,274)	(90.08%)
<b>Transit Satellite Transfer Amenities</b> For the construction of a Park and Ride lot in Baldwin at the intersection of U.S. 301 and U.S. 90. FY 2012 expenditures included the purchase of bus shelters.	(760,230)	(89.41%)

**JACKSONVILLE TRANSPORTATION AUTHORITY  
MASS TRANSIT DIVISION  
AUTOMATED SKYWAY EXPRESS OPERATIONS BUDGET  
ANALYSIS OF PROPOSED 2012/13 BUDGET**

**Schedule # 4  
8/20/2012**

	<b>2011/12 Original Budget</b>	<b>Actual Thru March</b>	<b>2011/12 Projected</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) Proposed Budget Over</b>	
					<b>Original Budget</b>	<b>Projected</b>
<b><u>REVENUES</u></b>						
Passenger & Parking Revenue	\$ 283,855	\$ 133,991	\$ 184,722	\$ 125,201	(55.89%)	(32.22%)
Federal Preventative Maint.	1,000,000	499,998	1,000,000	1,000,000	0.00%	0.00%
Interest Income	895	362	700	700	(21.79%)	0.00%
Transfer from Bus Ops	3,800,672	2,007,610	3,900,000	3,659,433	(3.72%)	(6.17%)
<b>Total Revenues</b>	<b>\$ 5,085,422</b>	<b>\$ 2,641,961</b>	<b>\$ 5,085,422</b>	<b>\$ 4,785,334</b>	<b>(5.90%)</b>	<b>(5.90%)</b>
<b><u>EXPENDITURES</u></b>						
Salaries and Wages	\$ 1,727,047	\$ 917,248	\$ 1,834,496	\$ 1,868,989	8.22%	1.88%
Fringe Benefits	998,527	510,764	1,034,926	981,329	(1.72%)	(5.18%)
Materials & Supplies	896,837	400,064	800,000	810,749	(9.60%)	1.34%
Services	568,635	363,746	700,000	581,214	2.21%	(16.97%)
Fuel and Lubricants	19,000	8,326	15,000	16,652	(12.36%)	11.01%
Insurance	442,670	246,105	300,000	101,087	(77.16%)	(66.30%)
Other Direct Operating Costs	429,706	195,520	400,000	422,314	(1.72%)	5.58%
Travel/Training/Dues & Subscriptions	3,000	188	1,000	3,000	0.00%	200.00%
<b>Total Expenditures</b>	<b>\$ 5,085,422</b>	<b>\$ 2,641,961</b>	<b>\$ 5,085,422</b>	<b>\$ 4,785,334</b>	<b>(5.90%)</b>	<b>(5.90%)</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		

**JACKSONVILLE TRANSPORTATION AUTHORITY  
SKYWAY OPERATIONS  
2011/12 ORIGINAL BUDGET VS. 2012/13 PROPOSED BUDGET**

**SKYWAY OPERATIONS VARIANCE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>
<b>PASSENGER REVENUE</b>	<b>\$ (158,654)</b>	<b>(55.89%)</b>
The Skyway system is currently being operated as a free fare service. Therefore, a projection of passenger fare revenue is not included. The proposed revenue shown, is based on current parking lot fee collections.		

<b>EXPENDITURE OVERVIEW</b>		
<b>SALARIES AND WAGES</b>	<b>\$ 141,942</b>	<b>8.22%</b>
The increase is due to a contractual agreement for maintenance labor. The increase for maintenance labor is approx 1.5% with the remaining increase being attributable to projected overtime (in lieu of hiring more staff).		
<b>INSURANCE</b>	<b>\$ (341,583)</b>	<b>(77.16%)</b>
The insurance expense is directly tied to the balance of the claims reserve liability account on the balance sheet. When the funded balance is deemed to be adequate as determined by an Actuary, then we decrease the expense accrual accordingly.		

**JACKSONVILLE TRANSPORTATION AUTHORITY  
MASS TRANSIT DIVISION  
AUTOMATED SKYWAY EXPRESS CAPITAL BUDGET  
ANALYSIS OF PROPOSED 2012/13 BUDGET**

**Schedule # 5  
8/20/2012**

	<b>2011/12 Original Budget</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) 2013 Budget Over 2012 Budget</b>
<b><u>REVENUES</u></b>			
Federal Section 5307 Funding <b>(Footnote 1)</b>	\$ 230,000	\$ -	(100.00%)
Federal Section 5309 Funding <b>(Footnote 2)</b>	450,000	300,000	(33.33%)
<b>Total Revenues</b>	<b>\$ 680,000</b>	<b>\$ 300,000</b>	<b>(55.88%)</b>
<b><u>EXPENDITURES</u></b>			
Computer Equipment	\$ -	\$ 150,000	N/A
Modernization	450,000	-	(100.00%)
Program Administration	230,000	150,000	(34.78%)
<b>Total Expenditures</b>	<b>\$ 680,000</b>	<b>\$ 300,000</b>	<b>(55.88%)</b>

**Footnotes:**

- 1 - Annual funding for urbanized areas to transit agencies from the Federal Transit Administration (FTA).
- 2 - Federal funding for buses and bus facilities, these are discretionary grants, not recurring annual amounts.



**JACKSONVILLE TRANSPORTATION AUTHORITY  
SKYWAY OPERATIONS  
2011/12 ORIGINAL BUDGET VS. 2012/13 PROPOSED BUDGET**

**SKYWAY OPERATIONS CAPITAL VARIANCE**

	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>
<b>REVENUE OVERVIEW</b>		
<b>Federal Section 5307 Funding</b>	\$ (230,000)	(100.00%)
Funding is based on the amount of capital expenditures requested.		
<b>Federal Section 5309 Funding</b>	(150,000)	(33.33%)
Funding is based on the amount of capital expenditures requested.		
<b>EXPENDITURE OVERVIEW</b>		
<b>Computer Equipment</b>	\$ 150,000	N/A
Upgrades to the monitoring and control computer system for the Skyway Operations.		
<b>Program Administration</b>	\$ (80,000)	(34.78%)
Program Administration records the administrative costs related to capital projects , which allows these costs to be eligible for reimbursement. The Skyway is scheduled to undergo midlife rehabilitation and renovation of the trains including the hiring of a consultant to oversee the effort.		

**JACKSONVILLE TRANSPORTATION AUTHORITY  
MASS TRANSIT DIVISION  
CTC OPERATIONS BUDGET  
ANALYSIS OF PROPOSED 2012/13 BUDGET**

**Schedule # 6  
8/20/2012**

	2011/12 Original Budget	Actual Thru March	2011/12 Projected	2012/13 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
					Original Budget	Projected
<b><u>REVENUES</u></b>						
Passenger Fares	\$ 538,590	\$ 288,867	\$ 600,000	\$ 776,397	44.15%	29.40%
JTA - ADA Complementary Para transit	9,603,051	5,257,202	10,500,000	9,334,190	(2.80%)	(11.10%)
City of Jacksonville Contribution	1,284,270	642,157	1,284,270	1,324,309	3.12%	3.12%
State TD Contribution	1,266,166	566,880	1,266,166	1,208,618	(4.55%)	(4.55%)
Federal Preventive Maintenance	700,000	349,998	700,000	700,000	0.00%	0.00%
Other Income	1,342	1,635	3,200	2,000	49.03%	(37.50%)
Total Revenue	<u>\$ 13,393,419</u>	<u>\$ 7,106,739</u>	<u>\$ 14,353,636</u>	<u>\$ 13,345,514</u>	<u>(0.36%)</u>	<u>(7.02%)</u>
<b><u>EXPENDITURES</u></b>						
Salaries and Wages	\$ 2,092,756	\$ 1,219,560	\$ 2,479,430	\$ 2,431,940	16.21%	(1.92%)
Fringe Benefits	910,792	460,285	920,570	973,139	6.85%	5.71%
Services	7,610,188	3,905,737	7,929,436	7,301,661	(4.05%)	(7.92%)
Insurance	21,740	3,632	7,200	24,032	10.54%	233.78%
Fuel and Lubricants	1,811,912	906,771	1,800,000	1,707,500	(5.76%)	(5.14%)
Materials & Supplies	718,130	502,019	1,000,000	647,880	(9.78%)	(35.21%)
Training/Travel/Dues & Subscription	1,400	1,133	2,000	1,150	(17.86%)	(42.50%)
Other Direct Operating Costs	226,501	107,602	215,000	258,212	14.00%	20.10%
Total Appropriations	<u>\$ 13,393,419</u>	<u>\$ 7,106,739</u>	<u>\$ 14,353,636</u>	<u>\$ 13,345,514</u>	<u>(0.36%)</u>	<u>(7.02%)</u>
Surplus (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

**JACKSONVILLE TRANSPORTATION AUTHORITY  
CTC OPERATIONS  
2011/12 ORIGINAL BUDGET VS. 2012/13 PROPOSED BUDGET**

**CTC OPERATIONS VARIANCE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>
<b>Passenger Fares</b> The increase is not attributable to volume but to rate. With the fare increase in 2012, the Passenger fare revenue was projected on an average fare of \$1.44 (after accounting for differing fares for ADA, TD, non-sponsored, discounts and free riders) and ridership of just over 539,000. A fare increase had not been included in the 2012, thus the large increase.	\$ 237,807	44.15%
<b>JTA-ADA Complementary Para Transit</b> 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. The amount budgeted is a contribution from Bus Operations necessary to pay for this mandate.	\$ (268,861)	(2.80%)
<b>City of Jacksonville Contribution</b> Pursuant to a January 2006 agreement (Ordinance 2005-1516) between the City of Jacksonville and JTA, this is an annual subsidy contributed by the City, indexed for inflation, for JTA's paratransit service.	\$ 40,039	3.12%
<b>State TD Contribution</b> The Florida Commission for the Transportation Disadvantaged (TD) is a State-level policy board for the coordination of transportation services. Its mission is to insure the availability of efficient, cost-effective, and quality transportation services for transportation disadvantaged persons.	\$ (57,548)	(4.55%)
<b>Federal Preventive Maintenance Funding</b> This funding is based on the amount of expenditures requested. This is a grant from the Federal Government to maintain those assets purchased with Federal dollars.	\$ -	0.00%
<b>Other Income</b> Other income is made up of interest income for this Division.	\$ 658	49.03%

**JACKSONVILLE TRANSPORTATION AUTHORITY  
CTC OPERATIONS  
2011/12 ORIGINAL BUDGET VS. 2012/13 PROPOSED BUDGET**

**CTC OPERATIONS VARIANCE**

<b>EXPENDITURE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>
<b>Salaries and Wages</b> The increase is due to a contractual agreement increase for maintenance of approximately 1.5% as well as a higher allocation of administrative/overhead expenditures of 15.3% for FY 2012/2013 as compared to 12% for FY 2011/2012.	\$ 339,184	16.21%
<b>Fringe Benefits</b> The increase is due to a contractual agreement increase of approximately 1.5% as well as a higher allocation of administrative/overhead expenditures of 15.3% for FY 2012/2013 as compared to 12% for FY 2011/2012.	\$ 62,347	6.85%
<b>Services</b> The majority of this line item represents outsourced carrier costs for driving the vehicles that provide the paratransit services.	\$ (308,527)	(4.05%)
<b>Insurance</b> JTA has a layer of protection in terms of liability for claims since the driving services are contracted out to a third party provider. Therefore the insurance expense depicted here is not related to a liability for claims but instead represents coverage for JTA owned vehicles being driven by JTA management personnel for the paratransit fund.	\$ 2,292	10.54%
<b>Fuel and Lubricants</b> JTA continues to review all opportunities for gaining efficiency and reducing costs. One of those opportunities is a planned transition of some riders from paratransit to fixed route service. This would theoretically result in slightly fewer miles, hours and trips for FY 2013 than in FY 2012. The result of that would be a slightly lower fuel expense.	\$ (104,412)	(5.76%)
<b>Materials &amp; Supplies</b> JTA is anticipating purchasing 21 new vehicles which would reduce the need for repair parts currently used to maintain an aged fleet.	\$ (70,250)	(9.78%)
<b>Other Direct Operating Costs</b> This is primarily due to increased utilities expense projected for FY 2012/2013 and is reflective of the anticipated usage of water, sewer and electric for our two paratransit facilities.	\$ 31,711	14.00%

**JACKSONVILLE TRANSPORTATION AUTHORITY  
MASS TRANSIT DIVISION  
CTC CAPITAL BUDGET  
ANALYSIS OF PROPOSED 2012/13 BUDGET**

**Schedule # 7  
8/20/2012**

	<b>2011/12 Original Budget</b>	<b>2012/13 Proposed Budget</b>	<b>% Increase (Decrease) 2013 Budget Over 2012 Budget</b>
<b><u>REVENUES</u></b>			
Federal Section 5307 Funding <b>(Footnote 1)</b>	\$ 1,240,000	\$ 1,200,000	(3.23%)
Federal Section 5310 Funding <b>(Footnote 2)</b>	50,000	-	(100.00%)
FDOT	-	60,000	N/A
<b>Total Revenues</b>	<b>\$ 1,290,000</b>	<b>\$ 1,260,000</b>	<b>(2.33%)</b>
<b><u>EXPENDITURES</u></b>			
Paratransit Vehicles (21 Vans)	\$ 1,250,000	\$ 1,260,000	0.80%
Rehab/Renovate Transit Vehicles	40,000	-	(100.00%)
<b>Total Expenditures</b>	<b>\$ 1,290,000</b>	<b>\$ 1,260,000</b>	<b>(2.33%)</b>

**Footnotes:**

- 1 - Annual funding for urbanized areas to transit agencies from the Federal Transit Administration (FTA).
- 2 - Funding for vehicles purchased and utilized for elderly and disabled transportation.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
CTC OPERATIONS  
2011/12 ORIGINAL BUDGET VS. 2012/13 PROPOSED BUDGET**

**CTC CAPITAL VARIANCE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>
<b>Florida Department of Transportation</b> This represents an Florida Department of Transportation formula program for Community Transportation Coordinators.	<b>\$ 60,000</b>	<b>N/A</b>
<b>EXPENDITURE OVERVIEW</b>		
<b>Paratransit Vehicles (21 Vans)</b> In FY 2012, JTA purchased 13 vans, and this year JTA is budgeting to purchase 21 vans. These vans will cost approximately \$60,000 each and are smaller, lighter, more agile and will get better fuel economy. These vans will still be lift equipped and will be in compliance with ADA requirements.	<b>\$ 10,000</b>	<b>0.80%</b>

**JACKSONVILLE TRANSPORTATION AUTHORITY  
ENGINEERING DIVISION  
GENERAL FUND BUDGET  
ANALYSIS OF PROPOSED 2012/13 BUDGET**

**Schedule # 8  
8/20/2012**

	2011/12 Original Budget	Actual Thru March	2011/12 Projected	2012/13 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
					Original Budget	Projected
<b>REVENUES</b>						
Sales Tax	\$ 68,628,508	\$ 32,747,890	\$ 66,000,000	\$ 67,000,000	(2.37%)	1.52%
Interest Income	160,000	39,150	80,000	67,725	(57.67%)	(15.34%)
Rents & Sale of Plans	100,000	50,000	100,000	100,000	0.00%	0.00%
BJP Revenue	1,302,476	643,626	1,300,000	1,840,178	41.28%	41.55%
<b>Total Revenue</b>	<b>\$ 70,190,984</b>	<b>\$ 33,480,666</b>	<b>\$ 67,480,000</b>	<b>\$ 69,007,903</b>	<b>(1.69%)</b>	<b>2.26%</b>
<b>EXPENDITURES</b>						
Administrative Expenses						
Salaries & Wages	\$ 242,514	\$ 127,321	255,000	\$ 708,055	191.96%	177.67%
Fringe Benefits	817,699	311,617	625,000	810,980	(0.82%)	29.76%
Legal & Professional	324,926	116,201	240,000	281,376	(13.40%)	17.24%
Training/Travel/Dues & Subscriptions	47,501	3,771	6,000	48,612	2.34%	710.20%
Supplies	38,083	34,484	50,000	74,143	94.69%	48.29%
Other	41,501	6,163	12,000	34,918	(15.86%)	190.98%
Insurance	9,002	9,581	12,000	10,819	20.18%	(9.84%)
<b>Total Admin. Expenses</b>	<b>\$ 1,521,226</b>	<b>\$ 609,138</b>	<b>\$ 1,200,000</b>	<b>\$ 1,968,903</b>	<b>29.43%</b>	<b>64.08%</b>
Transfers To:						
Fiscal Agent: Debt Service	68,628,508	32,666,124	66,000,000	67,000,000	(2.37%)	1.52%
General Fund Capital Expenditures	41,250	22,053	40,000	39,000	(5.45%)	(2.50%)
<b>Total Expenditures</b>	<b>\$ 70,190,984</b>	<b>\$ 33,297,315</b>	<b>\$ 67,240,000</b>	<b>\$ 69,007,903</b>	<b>(1.69%)</b>	<b>2.63%</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ 183,351</b>	<b>\$ 240,000</b>	<b>\$ -</b>		

**JACKSONVILLE TRANSPORTATION AUTHORITY  
ENGINEERING OPERATIONS  
2011/12 ORIGINAL BUDGET VS. 2012/13 PROPOSED BUDGET**

**ENGINEERING OPERATIONS VARIANCE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>
<b>BJP REVENUE</b>	<b>\$ 537,702</b>	<b>41.28%</b>
The increase is the result of the reduction in debt service expense from the FY 2012 refinancing of the State of Florida 1997 Series Bonds. This reduction will increase the yield in distributions from the half-cent Sales Tax collections. This increased yield results in more "net" dollars flowing through the City and JTA's fiscal agent, which results in more proceeds for the Engineering General Fund.		
<b>EXPENDITURE OVERVIEW</b>		
<b>SALARIES &amp; WAGES</b>	<b>\$ 465,541</b>	<b>191.96%</b>
The increase is due to fewer projects for the Division to charge to and therefore the Engineering Division having more unbillable time and having to absorb these costs. When JTA charges out its Engineering/General Fund costs, JTA only charges out the salaries cost, they do not include Fringe Benefits, supplies, etc. Per JTA this is done for simplification of accounting treatment to the other divisions.		



**JACKSONVILLE TRANSPORTATION AUTHORITY  
ADMINISTRATION\*  
ANALYSIS OF PROPOSED 2012/13 BUDGET**

**Schedule #  
8/20/2012**

	2011/12 Original Budget	Actual Thru March	2011/12 Projected	2012/13 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
					Original Budget	Projected
<b>EXPENDITURES</b>						
Salaries and Wages	\$ 4,916,421	\$ 2,383,412	\$ 5,016,421	\$ 5,008,006	1.86%	(0.17%)
Fringe Benefits	1,167,283	595,853	1,273,156	1,258,080	7.78%	(1.18%)
Legal & Professional	2,442,335	1,086,444	2,272,888	1,869,007	(23.47%)	(17.77%)
Travel/Training/Dues & Subscriptions	220,750	78,040	156,080	220,750	0.00%	41.43%
Supplies	199,958	144,590	289,180	199,958	0.00%	(30.85%)
Insurance	5,336	9,884	19,768	19,770	270.50%	0.01%
Other Direct Operating Costs	345,838	135,214	270,428	323,350	(6.50%)	19.57%
<b>Total Expenditures</b>	<b>\$ 9,297,921</b>	<b>\$ 4,433,437</b>	<b>\$ 9,297,921</b>	<b>\$ 8,898,921</b>	<b>(4.29%)</b>	<b>(4.29%)</b>

\*Contains Accounting, H/R, Procurement, Grants, Customer Service, I.T., etc.

\$ 164,220,107	Total Appropriations
\$ (79,993,623)	Total Transfers Out
\$ (3,198,173)	Bus Operating Contingency
<u>\$ 81,028,311</u>	

10.98% Administrative percentage

**COUNCIL AUDITOR'S OFFICE  
RECOMMENDATIONS  
JACKSONVILLE TRANSPORTATION AUTHORITY  
PROPOSED BUDGET FY 2012/13**

**Discussion Item:**

As filed, JTA's proposed budget includes two amounts flowing from the City (Sales Tax and Local Option Gas Tax) which differ from what the City has included in its proposed budget. We have made revisions to JTA's budget to change these amounts to equal what the City has budgeted as attached hereto as Revised Schedules O and P.

**Recommendations:**

1. We recommend increasing the "Local Option Gas Tax (BJP)" line item under Bus Operations on Schedule O by \$32,136 from \$26,159,822 to \$26,191,958. The \$26,191,958 plus the \$1,840,178 under the Engineering Division will then be in agreement with the amount the City has projected will be paid to JTA. We also recommend decreasing the line item "Passenger Fares" by \$32,136 from \$13,813,486 to \$13,781,350 to balance revenues with expenditures.
2. We recommend increasing the "Gross Sales Tax Proceeds" line item under Engineering on Schedule O by \$400,720 from \$67,000,000 to \$67,400,720. This amount will then be in agreement with the amount the City has projected will be paid to JTA. We also recommend increasing the "Transfer for Debt Service (BJP)" on Schedule P by \$400,720 from \$67,000,000 to \$67,400,720 to balance revenue with expenditures. In addition, we recommend increasing the "Sales Tax – Operating" line item under Bus Operations on Schedule O by \$400,720 from \$28,000,000 to \$28,400,720 and also increasing the line item "Operating Contingency" under Bus Operations on Schedule P by \$400,720 from \$3,198,173 to \$3,598,893.
3. We recommend increasing the "Salaries and Wages" line under Engineering on Schedule P by \$460,811 from \$708,055 to \$1,168,866 and decreasing the "Fringe Benefits" line under Engineering on Schedule P by \$460,811 from \$810,980 to \$350,169. JTA requested these items be changed due to an internal allocation error.
4. We recommend removing the label "Paratransit" for Schedules O and P and replacing it with "CTC", which is the wording used by the State of Florida for this program.
5. We recommend removing the line "Total Operating Budget without Transfers and Reserve \$81,028,311" on Schedule P as this is more of an internal line item for JTA and therefore not needed in the Budget Ordinance Schedule.
6. We recommend removing the label "Paratransit" for Schedules Q and R and replacing it with "CTC", which is the wording used by the State of Florida for this program as attached hereto as Revised Schedules Q and R.
7. We recommend that Part V of the Budget Ordinance narrative to be amended by inserting "REVISED" before "Schedule O", "Schedule Q", "Schedule P" and "Schedule R" in Section 5.1 and inserting "REVISED" before "Schedule P" and "Schedule R" in Section 5.2.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
JACKSONVILLE, FLORIDA  
OPERATIONS BUDGET - FISCAL YEAR 2012/2013**

	<u>Bus</u>	<u>CTC</u>	<u>Skyway</u>	<u>Engineering</u>	<u>Total</u>
<b><u>ESTIMATED REVENUES</u></b>					
Federal, State & Local Grants	\$ 5,328,048	\$ -	\$ -	\$ -	\$5,328,048
Local Option Gas Tax (BJP)	26,191,958	-	-	1,840,178	28,032,136
Gross Sales Tax Proceeds	-	-	-	67,400,720	67,400,720
Sales Tax - Operating	28,400,720	-	-	-	28,400,720
Passenger Fares	13,781,350	776,397	125,201	-	14,682,948
State TD Funds	-	1,208,618	-	-	1,208,618
JTA- ADA Paratransit - Transfer from Bus Fund	-	9,334,190	-	-	9,334,190
City of Jacksonville Contribution	-	1,324,309	-	-	1,324,309
Preventative Maintenance Grant - Federal	3,250,000	700,000	1,000,000	-	4,950,000
Non-Transportation Revenue	515,000	-	-	100,000	615,000
Interest Earnings	15,000	2,000	700	67,725	85,425
Transfer from Mass Transit Division: Bus Ops	-	-	3,659,433	-	3,659,433
<b>Total Estimated Revenues</b>	<b><u>\$77,482,076</u></b>	<b><u>\$13,345,514</u></b>	<b><u>\$4,785,334</u></b>	<b><u>\$69,408,623</u></b>	<b><u>\$165,021,547</u></b>

REVISED SCHEDULE O

**APPROPRIATIONS**

Salaries and Wages	\$ 24,121,080	\$ 2,431,940	\$ 1,868,989	\$ 1,168,866	\$29,590,875
Fringe Benefits	14,368,819	973,139	981,329	350,169	16,673,456
Fuel and Lubricants	7,414,744	1,707,500	16,652	-	9,138,896
Materials and Supplies	3,891,488	647,880	810,749	74,143	5,424,260
Insurance	469,616	24,032	101,087	10,819	605,554
Services	6,652,330	7,301,661	581,214	281,376	14,816,581
Purchased Transportation - Community Shuttle Service	2,511,298	-	-	-	2,511,298
ADA Expense - Transfer to Paratransit Fund	9,334,190	-	-	-	9,334,190
Travel/Training/Dues & Subscriptions	45,000	1,150	3,000	48,612	97,762
Transfer to Skyway	3,659,433	-	-	-	3,659,433
Transfer for Debt Service(BJP )	-	-	-	67,400,720	67,400,720
All Other/Miscellaneous	1,415,185	258,212	422,314	73,918	2,169,629
Operating Contingency	3,598,893	-	-	-	3,598,893
<b>Total Appropriations</b>	<b><u>\$77,482,076</u></b>	<b><u>\$13,345,514</u></b>	<b><u>\$4,785,334</u></b>	<b><u>\$69,408,623</u></b>	<b><u>\$165,021,547</u></b>
 Full Time Positions	 <u>577</u>	 <u>45</u>	 <u>39</u>	 <u>12</u>	 <u>673</u>
Temporary Employee Hours	<u>128,856</u>	<u>12,480</u>	<u>-</u>	<u>-</u>	<u>141,336</u>

REVISED SCHEDULE P

**JACKSONVILLE TRANSPORTATION AUTHORITY  
JACKSONVILLE, FLORIDA  
CAPITAL BUDGET - FISCAL YEAR 2012/13**

	<u>Bus</u>	<u>CTC</u>	<u>Skyway</u>	<u>Engineering</u>	<u>Total</u>
<b><u>ESTIMATED REVENUES</u></b>					
Federal, State & Local Grants	<u>\$ 16,101,630</u>	<u>\$ 1,260,000</u>	<u>\$ 300,000</u>	<u>\$ -</u>	<u>\$ 17,661,630</u>
Total Estimated Revenues	<u>\$ 16,101,630</u>	<u>\$ 1,260,000</u>	<u>\$ 300,000</u>	<u>\$ -</u>	<u>\$ 17,661,630</u>

**REVISED SCHEDULE Q**

<b><u>APPROPRIATIONS</u></b>					
Bus Rapid Transit (BRT) - North Corridor Project	6,443,200	-	-	-	6,443,200
Communications	1,846,656	-	-	-	1,846,656
Computer Equipment	857,600	-	150,000	-	1,007,600
Enhancements (Landscaping)	140,674	-	-	-	140,674
Jacksonville Regional Transportation Center (JRTC)	3,000,000	-	-	-	3,000,000
Miscellaneous Support Equipment	83,000	-	-	-	83,000
Office Furnishings & Equipment	145,500	-	-	-	145,500
Paratransit Vehicles (21 Vans)	-	1,260,000	-	-	1,260,000
Program Administration	30,000	-	150,000	-	180,000
Purchase Transit Vehicles (11 Buses)	3,410,000	-	-	-	3,410,000
Security Equipment	15,000	-	-	-	15,000
Support Vehicles	40,000	-	-	-	40,000
Transit Satellite Amenities	<u>90,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,000</u>
Total Appropriations	<u>\$16,101,630</u>	<u>\$1,260,000</u>	<u>\$300,000</u>	<u>\$ -</u>	<u>\$17,661,630</u>

**REVISED SCHEDULE R**

## **Part V. Jacksonville Transportation Authority**

### **Section 5.1 Estimated Revenues; Appropriations.**

From the estimated revenues and fund balances set forth on **REVISED Schedule O** and **REVISED Schedule Q** there are hereby appropriated the sums set forth on **REVISED Schedule P** and **REVISED Schedule R** for the indicated purposes of the Mass Transit Division and the Engineering Division of the Jacksonville Transportation Authority. The estimated revenues, fund balances and appropriations provided therein, together with the other applicable provisions of this ordinance, shall constitute the annual budgets and appropriations for the Jacksonville Transportation Authority for its fiscal year beginning October 1, 2012 and ending September 30, 2013, which budgets are hereby adopted and approved by the Council pursuant to Section 14.02 of the Charter, as amended, and Section 349.041, Florida Statutes. The Jacksonville Transportation Authority shall accept as proof of senior citizen eligibility any valid senior citizen picture I.D. card containing the holder's date of birth and shall permit all persons sixty years of age or older to ride free at all times.

### **Section 5.2 Allocations, Allotments and Transfers.**

The Jacksonville Transportation Authority is authorized to allocate and allot the sums herein appropriated for more specific purposes, within each of the total sums specified on **REVISED Schedule P** and **REVISED Schedule R**, except for the Fund Balance Reserves, and to transfer from time to time, without Council approval, appropriated funds from one of the purposes

for which funds are appropriated by this Part V to another of such purposes, if, in the discretion of the Authority, such transfer is necessary to carry out all of the purposes for which funds are hereby appropriated, subject to applicable law. There shall be provided to the Council Auditor, within twenty-four hours after Board approval, a copy of the written documentation of all proposed additional appropriations of funds. There shall also be provided to the Council Auditor at the end of each quarter a copy or a summary of the written documentation of all transfers made between approved budget line items. The number of full-time employees authorized at any one time shall not exceed 673. The Council authorizes 141,336 temporary employee hours.

**JACKSONVILLE AVIATION AUTHORITY  
COMPARISON OF BUDGETS  
ORIGINAL BUDGET FY 2011/2012 VERSUS PROPOSED BUDGET FY 2012/2013**

	<u>Operating &amp; Non Operating</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Fund Transfers Out</u>	<u>Total</u>
FY 2011/2012 Original	\$ 45,744,682	\$ 18,381,128	\$ 33,388,800	\$ 14,931,834	\$ 112,446,445
FY 2012/2013 Proposed	\$ 46,617,231	\$ 17,962,790	\$ 55,871,680	\$ 14,160,401	\$ 134,612,102
\$ Increase (Decrease)	\$ 872,549	\$ (418,338)	\$ 22,482,880	\$ (771,433)	\$ 22,165,658
% Increase (Decrease)	1.91%	-2.28%	67.34%	-5.17%	19.71%

**NOTE:**

The FY 2012/2013 Proposed Budget includes 261 full time positions which is eight positions higher than FY 2011/2012 Approved Budget. Part-Time hours are budgeted to decrease from 27,000 in the FY 2011/2012 Approved Budget to 10,400 in the FY 2012/2013 Proposed Budget. An amendment would be needed to correct the number of Part-Time hours shown on Schedule G to 10,400.

**JACKSONVILLE AVIATION AUTHORITY  
ANALYSIS OF THE FY 2012/2013 PROPOSED BUDGET**

	2011/2012 ORIGINAL BUDGET	2011/2012 ACTUAL THRU MAY	2011/2012 FORECAST	2012/2013 PROPOSED BUDGET	% Increase/Decrease of 2012/2013 Proposed Budget Over	
					2011/2012 ORIGINAL	2011/2012 FORECAST
<b>OPERATING REVENUES</b>						
Concessions	\$ 14,095,711	\$ 9,616,078	\$ 14,586,619	\$ 15,004,025	6.44%	2.86%
Fees & Charges	13,468,719	8,542,796	13,359,563	10,590,120	-21.37%	-20.73%
Space & Facility Rentals	18,917,428	12,311,282	18,048,972	21,275,597	12.47%	17.88%
Parking	16,645,255	10,348,973	15,989,825	16,695,490	0.30%	4.41%
Sale of Utilities/Fuel	1,899,924	1,288,259	2,011,737	2,105,804	10.84%	4.68%
Other Operating Revenue	377,973	251,017	378,207	145,672	-61.46%	-61.48%
<b>TOTAL OPERATING REVENUES</b>	<b>65,405,011</b>	<b>42,358,405</b>	<b>64,374,923</b>	<b>65,816,708</b>	<b>0.63%</b>	<b>2.24%</b>
<b>OPERATING EXPENDITURES</b>						
Salaries	14,106,133	9,416,475	14,288,437	15,037,097	6.60%	5.24%
Employee Benefits	5,545,348	3,207,686	4,768,456	5,255,643	-5.22%	10.22%
Services & Supplies	13,838,811	9,035,773	13,627,243	13,760,489	-0.57%	0.98%
Repairs & Maintenance	1,701,996	1,073,733	1,695,413	1,921,442	12.89%	13.33%
Promotion, Advertising and Dues	791,352	608,999	1,005,625	813,079	2.75%	-19.15%
Registrations & Travel	277,047	172,161	268,307	281,261	1.52%	4.83%
Insurance Expense	1,307,960	798,607	1,223,116	1,280,364	-2.11%	4.68%
Cost of Goods for Sale	641,983	446,355	681,080	749,188	16.70%	10.00%
Utilities, Taxes & Gov't Fees	5,847,253	3,921,032	5,687,251	5,879,168	0.55%	3.37%
Operating Contingency	1,500,000	-	-	1,500,000	N/A	N/A
<b>TOTAL OPERATING EXPENDITURES</b>	<b>45,557,882</b>	<b>28,680,821</b>	<b>43,244,928</b>	<b>46,477,731</b>	<b>2.02%</b>	<b>7.48%</b>
<b>INCOME FROM OPERATIONS</b>	<b>19,847,128</b>	<b>13,677,584</b>	<b>21,129,995</b>	<b>19,338,977</b>	<b>-2.56%</b>	<b>-8.48%</b>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>						
Investment Income	1,194,376	736,800	972,830	1,105,424	-7.45%	13.63%
Other Revenue	356,464	144,083	870,496	609,100	70.87%	-30.03%
Other Expense	(186,800)	(101,085)	(117,641)	(139,500)	-25.32%	18.58%
PFC Revenue	12,101,794	7,318,143	11,098,211	11,209,190	-7.38%	1.00%
Debt Service	(18,381,128)	(18,182,780)	(18,963,206)	(17,962,790)	-2.28%	-5.28%
<b>NET INCOME (LOSS) BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS</b>	<b>14,931,834</b>	<b>3,592,745</b>	<b>14,990,685</b>	<b>14,160,401</b>	<b>-5.17%</b>	<b>-5.54%</b>
Transfer (to)/from Operating Capital Outlay	(10,423,262)	(1,109,479)	(1,879,952)	(25,026,600)	140.10%	1231.24%
Transfer (to)/from PFC Reserve	(4,183,785)	(2,436,174)	(969,221)	(3,576,482)	-14.52%	269.01%
Transfer (to)/from Retained Earnings	(324,787)	(47,092)	(12,141,512)	14,442,681	-4546.82%	-218.95%
<b>SURPLUS/(DEFICIT)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>	<b>N/A</b>



**JACKSONVILLE AVIATION AUTHORITY  
ORIGINAL BUDGET FY 2011/2012 VERSUS PROPOSED BUDGET FY 2012/2013**

<b>REVENUE OVERVIEW</b>		Increase/(Decrease)	
		\$	%
<b>Concessions</b>		<b>908,314</b>	<b>6.44%</b>
The Food & Beverage and Retail budgets have increased by \$127K and \$319K respectively due to passengers spending more per person. Advertising revenue has increased by \$193K compared to the prior year, and the new Taxi Transportation agreement has increased revenues by \$223K due to a higher Minimum Annual payment.			
<b>Fees &amp; Charges</b>		<b>(2,878,599)</b>	<b>-21.37%</b>
In FY13 there will be a new airline agreement which eliminates passenger screening fees and will result in a \$2M reduction in revenues. Formerly 50% of Ground transportation security fees went to this line but in FY13 100% of these fees are going to Parking revenue for a total decrease of \$1M.			
<b>Space &amp; Facility Rentals</b>		<b>2,358,169</b>	<b>12.47%</b>
The new airline agreement calls for the airlines to be responsible for the costs associated with operating the terminal, in lieu of paying the passenger screening fee formerly accounted for under Fees & charges. This accounts for an increase in this line of \$2M. The remainder of the increase is mostly for CPI increases in various lease agreements.			
<b>Parking</b>		<b>50,235</b>	<b>0.30%</b>
Parking revenue has decreased in FY12 due to a decline in passengers. This decrease is offset by the other 50% of the ground transportation security fee moving to Parking revenue, resulting in an additional \$1M in revenue which results in a slight increase to the line item overall.			
<b>Sale of Utilities/Fuel</b>		<b>205,880</b>	<b>10.84%</b>
The sale of Fuel is budgeted for a 10% increase based on current trends.			
<b>Other Operating Revenue</b>			
The decrease is due to the expiration of a rental agreement with Delta/Northwest Airlines in September 2012. The FY12 revenue is projected to be \$243K in termination fees which will not be paid in FY13.			
		<b>(232,301)</b>	<b>-61.46%</b>

**JACKSONVILLE AVIATION AUTHORITY  
ORIGINAL BUDGET FY 2011/2012 VERSUS PROPOSED BUDGET FY 2012/2013**

<b>EXPENDITURE OVERVIEW</b>		Increase/(Decrease)	
		\$	%
<b>Salaries</b>		<b>930,964</b>	<b>6.60%</b>
The salary increase is primarily due to a 3.5% increase for non-union employees (\$198K), 2.5% increase for union employees (\$167K), the moving of 8 Part Time employees to Full time (\$321K) and adding new positions for Chief Administrative Officer and Chief Operations Officer (\$287K).			
<b>Employee Benefits</b>		<b>(289,705)</b>	<b>-5.22%</b>
Decreasing mainly due to a reduction in employer paid FRS rates because of the 3% employee contribution, offsetting this decrease are increases in Health Insurance and deferred compensation.			
<b>Services &amp; Supplies</b>		<b>(78,322)</b>	<b>-0.57%</b>
This decrease is due to a variety of factors, including a decrease in legal costs, security services and various contractual services.			
<b>Repairs &amp; Maintenance</b>		<b>219,446</b>	<b>12.89%</b>
Increase due to the budgeting of additional projects including: \$65K to repaint water tower at JIA, \$20K for new carpet at Cecil, \$18K to rebase a portion of Cecil 18 runway, \$12K to make concrete block wall repairs in hourly garage and \$95K for furniture in the courtyard located at JIA in the terminal area leading to the gates.			
<b>Insurance Expense</b>		<b>(27,596)</b>	<b>-2.11%</b>
Insurance premiums have decreased for Worker's Compensation, Bond Insurance and Property insurance.			
<b>Cost of Goods for Sale</b>		<b>107,205</b>	<b>16.70%</b>
Fuel costs are 6% over budget in FY12, and are budgeted to increase by an additional 10% based on current trends.			

**JACKSONVILLE AVIATION AUTHORITY  
ORIGINAL BUDGET FY 2011/2012 VERSUS PROPOSED BUDGET FY 2012/2013**

<b>NON-OPERATING REVENUE (EXPENSE) OVERVIEW</b>			Increase/(Decrease)	
			\$	%
<b>Investment Income</b>				
Interest rates continue to be low, ranging between .25% to .5%. In FY13 JAA will be using an additional \$14.4M in cash from retained earnings to fund capital projects, which will account for approximately \$37K of the decrease in investment income.			\$ (88,952)	-7.45%
<b>Other Revenue</b>				
The increase in Other Revenue is due to the expected increase in Timber Sales for FY2013. Timber sales tend to vary from year-to-year.			252,636	70.87%
<b>Other Expense</b>				
The FY12 budget included \$50K for design costs of projects that did not get constructed. The budget for FY13 for this expense is zero.			(47,300)	-25.32%
<b>PFC Revenue</b>				
PFC Revenue is derived from a per passenger charge. Enplanements in FY12 were budgeted to increase by 3% but instead are down 4%. FY13 enplanements are expected to remain flat to 1% above FY12.			(892,604)	-7.38%

**JACKSONVILLE AVIATION AUTHORITY  
ANALYSIS OF PROPOSED 2012/2013 CAPITAL BUDGET**

	2011/2012 Original Budget	2012/2013 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
			Original Budget (Dollars)	Original Budget (Percentage)
<b>Capital Funds</b>				
Federal Contributions	\$ 7,951,250	\$ 7,126,500	\$ (824,750)	-10.37%
State Contributions	3,064,900	16,475,000	13,410,100	437.54%
Tenant/Other Contributions	8,000,000	250,000	(7,750,000)	-96.88%
PFC	3,949,388	6,993,580	3,044,192	77.08%
Operating Capital Outlay	10,423,262	25,026,600	14,603,338	140.10%
<b>Total Capital Funds</b>	<b>\$ 33,388,800</b>	<b>\$ 55,871,680</b>	<b>\$ 22,482,880</b>	<b>67.34%</b>
<b>Capital Projects</b>				
Jacksonville International Airport	\$ 14,120,000	\$ 18,337,680	\$ 4,217,680	29.87%
Cecil Field	17,501,800	35,906,000	18,404,200	105.16%
Craig Airport	689,000	1,059,000	370,000	53.70%
Herlong Airport	1,078,000	569,000	(509,000)	-47.22%
<b>Total Capital Projects</b>	<b>\$ 33,388,800</b>	<b>\$ 55,871,680</b>	<b>\$ 22,482,880</b>	<b>67.34%</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

**Council Auditor's Office  
Recommendations  
Jacksonville Aviation Authority  
Proposed 2012/13 Budget**

**RECOMMENDATIONS:**

1. Revise budget ordinance Schedule G (Operating Budget) to increase the expenditure line "Services & Supplies" by \$285,310 for a revised total of \$14,045,799, and to decrease the expenditure line "Operating Contingency" by \$285,310 for a revised total of \$1,214,690. JAA under budgeted the expense for Fire Rescue services at JIA and this amendment will result in JAA's budgeted cost equaling the City's budgeted revenues for providing the services.
2. JAA is requesting that the temporary employee hours in the budget ordinance be 10,400. The proposed amount of 4,160 was budgeted in error. This change will need to be made in Section 3.2 of the Budget Ordinance (2012-433) as well as in Schedule G.
3. Change the Schedule G line item title "Net Income Before Operating Capital Outlay, PFC Reserve and Operating Contingency" to "Net Income Before Operating Capital Outlay, PFC Reserve and Retained Earnings" to more accurately reflect the line item. Also correct a typographical error in Schedule G. Neither change has any budgetary impact.
4. Amend Schedule H (Capital Budget) project "Electrical Sub-Station Upgrade" to correct the project phase and to insert the cost of the project into the appropriate funding source columns.
5. JAA is requesting that Schedule H be amended to increase the funding commitment for the Cecil Field project "Design & Construct Spec Hangar 3 (Hangar 935)" from \$18,000,000 to \$35,000,000 for a total increase of \$17,000,000. The tenant (Flightstar) wishes to have a larger Hangar constructed than originally budgeted. The majority of this additional funding is coming from a contribution from Flightstar. JAA is also requesting that the funding sources for the Cecil Field project "Design & Construct Hangar 1845 Expansion (Doghouse)" be changed from 50% JAA/50% FDOT to 100% funded by Flightstar. There is no change to the overall cost of this project. Both of these changes have been approved by JAA's Board of Directors. The net impact of these two changes will result in an additional \$3.75 million in JAA dollars being transferred out of retained earnings and into Operating Capital Outlay. This change is reflected in Revised Schedules G & H.

JACKSONVILLE AVIATION AUTHORITY  
JACKSONVILLE, FLORIDA  
FY 2012/2013 BUDGET

<b>OPERATING REVENUES</b>	
Concessions	\$ 15,004,025
Fees & Charges	10,590,120
Space & Facility Rentals	21,275,597
Parking	16,695,490
Sale of Utilities	2,105,804
Other Miscellaneous Operating Revenue	145,672
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 65,816,708</b>
<b>OPERATING EXPENDITURES</b>	
Salaries	\$ 15,037,097
Benefits	5,255,643
Services and Supplies	14,045,799
Repairs & Maintenance	1,921,442
Promotion, Advertising and Dues	813,079
Registrations & Travel	281,261
Insurance Expense	1,280,364
Cost of Goods for Sale	749,188
Utilities, Taxes & Gov't Fees	5,879,168
Operating Contingency	1,214,690
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 46,477,731</b>
<b>OPERATING INCOME</b>	<b>\$ 19,338,977</b>
<b>NON-OPERATING REVENUES</b>	
Passenger Facility Charge	\$ 11,209,190
Investment Income	1,105,424
Other Revenues	609,100
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ 12,923,714</b>
<b>NON-OPERATING EXPENDITURES</b>	
Debt Service	\$ 17,962,790
Other Expenditures	139,500
<b>TOTAL NON-OPERATING EXPENDITURES</b>	<b>\$ 18,102,290</b>
<b>NET INCOME BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS</b>	<b>\$ 14,160,401</b>
Transfer (to) Operating Capital Outlay	\$ (28,776,600)
Transfer (to)/from Passenger Facility Charge Reserve	(3,576,482)
Transfer (to)/from Retained Earnings	18,192,681
<b>SURPLUS/(DEFICIT)</b>	<b>\$ -</b>
<b>TOTAL REVENUES</b>	<b>\$ 78,740,422</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 78,740,422</b>
<b>FULLTIME POSITIONS</b>	<b>261</b>
<b>TEMPORARY EMPLOYEE HOURS</b>	<b>10,400</b>

REVISED SCHEDULE G

# Jacksonville Aviation Authority

## Capital Budget

For Fiscal Year Ending September 30, 2013

Airport	Description	FUNDING SOURCES					Budget 2013 Total Capital Commitments
		JAA	PFC	FAA GRANTS	FDOT GRANTS	OTHER	
Jacksonville International Airport	Electrical Sub-Station Upgrade (Ph VI- Final)	1,080,000	2,520,000				3,600,000
	Airfield Lighting Rehab PhV		423,580	1,650,000			2,073,580
	Parking Access and Revenue Control System (Phase II- Final)	2,000,000					2,000,000
	Terminal Access Roadway Rehab		500,000	1,500,000			2,000,000
	Perimeter/Wildlife Fencing		450,000	1,350,000			1,800,000
	Design & Construct Hangar S11 Modifications	1,000,000					1,000,000
	Implement IT Recommendations of Master Plan 1	412,500	400,000	187,500			1,000,000
	Implement Security Recommendations of Master Plan		1,000,000				1,000,000
	JIA Roadway Signage and Message Boards Rehab		600,000				600,000
	Oracle Upgrade (Funding Phase II)	500,000					500,000
	Terminal Infrastructure Enhancements	140,000	360,000				500,000
	Install Concrete Sidewalk Coating- Upper & Lower Level Curbside		300,000				300,000
	Ground Traffic Flow Modifications Study		250,000				250,000
	Roof Condition Evaluation (JIA)	200,000					200,000
	Purchase Airfield Sweeper		190,000				190,000
	Capital Below \$100,000	1,324,100					1,324,100
		6,656,600	6,993,580	4,687,500	0	0	18,337,680
Cecil Airport	Design & Construct Spec Hangar 3 (Hangar 935)	13,500,000			10,000,000	11,500,000	35,000,000
	Design & Construct Hangar 825 Addition (Boeing)	6,125,000			6,125,000		12,250,000
	Roof Rehab 289,193,844,334,339, 83 & 328	550,000			550,000		1,100,000
	Design & Construct Hangar 1845 Expansion (Doghouse)					1,500,000	1,500,000
	Airport Drainage Rehabilitation (Ph III of VII)	50,000		900,000	50,000		1,000,000
	Evaluation, Design & Construction Steel Trusses Rehab	520,000					520,000
	Design ATC Tower	50,000		450,000			500,000
	Hangar Floor & Door Rehab, Bldg 13	255,000					255,000
	Design & Construct Hangar 67 Tail Slot					250,000	250,000
	Survey & Tree Clearing Runway 36R Approach and Transitional	20,000		180,000			200,000
	Capital Below \$100,000	331,000		0			331,000
		21,401,000	0	1,530,000	16,725,000	13,250,000	52,906,000
Craig Airport	Obstruction Clearance Runway 14/32 RPZ	57,700		519,300			577,000
	Design & Rehabilitation of Street Lights	325,000					325,000
	Capital Below \$100,000	157,000					157,000
		539,700	0	519,300	0	0	1,059,000
Herlong Airport	Design Airfield Lighting Rehab & Electrical Vault	43,300		389,700			433,000
	Capital Below \$100,000	136,000					136,000
		179,300	0	389,700	0	0	569,000
Total Capital		28,776,600	6,993,580	7,126,500	16,725,000	13,250,000	72,871,680

Revised Schedule H

**JACKSONVILLE PORT AUTHORITY  
COMPARISON OF BUDGETS  
ANALYSIS OF FY 2012/2013 PROPOSED BUDGET**

	<u>Operating &amp; Non-Operating</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total</u>
FY 2011/2012 Original	\$39,219,965	\$20,578,513	\$ 122,899,420	\$ 182,697,898
FY 2012/2013 Proposed	\$37,153,021	\$23,375,131	\$ 117,499,335	\$ 178,027,487
\$ Increase (Decrease)	\$ (2,066,944)	\$ 2,796,618	\$ (5,400,085)	\$ (4,670,411)
% Increase (Decrease)	-5.27%	13.59%	-4.39%	-2.56%



**JACKSONVILLE PORT AUTHORITY**  
**ANALYSIS OF FY 2012/2013 OPERATING BUDGET**

	2011/2012 ORIGINAL BUDGET	2011/2012 YTD as of April 30, 2012	2011/2012 PROJECTED (per JPA)	2012/2013 PROPOSED BUDGET	% Increase (Decrease) of 2012/2013 JPA Budget Over 2011/2012 ORIGINAL	% Increase (Decrease) of 2012/2013 JPA Budget Over 2011/2012 PROJECTED
<b>OPERATING REVENUES</b>						
Autos	\$ 14,458,034	\$ 8,736,952	\$ 14,977,632	\$ 15,418,770	6.64%	2.95%
Containers	24,149,676	14,016,392	24,298,324	24,886,666	3.05%	2.42%
Break Bulk	3,933,205	2,244,547	3,847,795	4,650,176	18.23%	20.85%
Cruise	3,941,311	1,976,566	3,600,000	4,168,034	5.75%	15.78%
Liquid Bulk	928,498	579,302	993,089	1,154,045	24.29%	16.21%
Dry Bulk	1,836,000	1,128,695	1,934,906	2,002,064	9.04%	3.47%
Military	1,500,000	376,289	645,067	900,000	-40.00%	39.52%
Ferry Operations	990,000	578,994	990,000	-	-100.00%	-100.00%
Other Operating Revenues	1,794,834	777,926	1,483,587	1,968,814	9.69%	32.71%
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 53,531,558</b>	<b>\$ 30,415,664</b>	<b>\$ 52,770,400</b>	<b>\$ 55,148,569</b>	<b>3.02%</b>	<b>4.51%</b>
<b>OPERATING EXPENDITURES</b>						
Salaries	\$ 11,383,920	\$ 6,128,871	\$ 10,787,014	\$ 10,964,181	-3.69%	1.64%
Employee Benefits	4,169,015	1,839,145	3,947,325	4,094,722	-1.78%	3.73%
Services & Supplies	4,974,427	2,786,324	4,804,258	5,116,893	2.86%	6.51%
Security Services	3,950,000	2,432,608	4,176,986	4,000,000	1.27%	-4.24%
Business Travel & Training	488,730	179,603	350,000	514,780	5.33%	47.08%
Promotion, Advertising, Dues	855,460	574,339	850,000	1,078,840	26.11%	26.92%
Utility Services	1,211,600	700,378	1,223,890	1,225,000	1.11%	0.09%
Repairs & Maintenance Projects	1,799,300	836,841	1,750,000	2,042,300	13.51%	16.70%
Dredging	4,176,923	849,216	2,500,000	2,800,000	-32.97%	12.00%
Bad Debt Expense	25,000	14,581	25,000	25,000	0.00%	0.00%
Ferry Operations	1,670,000	956,959	1,670,000	-	-100.00%	-100.00%
Miscellaneous	78,552	36,960	59,518	62,059	-21.00%	4.27%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 34,782,927</b>	<b>\$ 17,335,825</b>	<b>\$ 32,143,991</b>	<b>\$ 31,923,775</b>	<b>-8.22%</b>	<b>-0.69%</b>
<b>OPERATING INCOME</b>	<b>\$ 18,748,631</b>	<b>\$ 13,079,839</b>	<b>\$ 20,626,408</b>	<b>\$ 23,224,794</b>	<b>23.87%</b>	<b>12.60%</b>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>						
Debt Service	\$ (20,578,513)	\$ (11,577,468)	\$ (20,078,513)	\$ (23,375,131)	13.59%	16.42%
Investment Income	92,469	64,954	109,742	79,872	-13.62%	-27.22%
Shared Revenue from Primary Govt	5,905,702	3,422,384	5,905,702	5,296,851	-10.31%	-10.31%
Operating Grants	265,889	75,518	136,346	-	-100.00%	-100.00%
Other Revenue (Expense)	(12,640)	11,171	8,655	(15,640)	23.73%	-280.70%
<b>NET INCOME BEFORE CAPITAL CONTRIBUTION AND CONTINGENCY</b>	<b>\$ 4,421,538</b>	<b>\$ 5,076,398</b>	<b>\$ 6,708,340</b>	<b>\$ 5,210,746</b>	<b>17.85%</b>	<b>-22.32%</b>
<b>TRANSFER TO OPERATING CAPITAL OUTLAY</b>	<b>\$ (4,421,538)</b>	<b>\$ (5,076,398)</b>	<b>\$ (6,708,340)</b>	<b>\$ (5,210,746)</b>	<b>17.85%</b>	<b>-22.32%</b>
<b>CAPITAL PROJECT RESERVE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>	<b>N/A</b>

**JACKSONVILLE PORT AUTHORITY**  
**FY 2011/2012 ORIGINAL BUDGET VS. FY 2012/2013 PROPOSED BUDGET**

<b>OPERATING REVENUE OVERVIEW</b>	Increase/(Decrease)	
	\$	%
<b>Autos</b>	\$ 960,736	6.64%
The increase is due to tenants budgeting significant increases in units, Amports (approx 68K units) and WWL (approx 44K units).		
<b>Break Bulk</b>	\$ 716,971	18.23%
Increased volumes from TMT tenant Seaonus (formerly ICS Logistics) for refrigerated cargo.		
<b>Cruise</b>	\$ 226,723	5.75%
The contract with Carnival Cruise Lines was renegotiated and is more favorable to our revenue line for wharfage (passenger embark/debark).		
<b>Liquid Bulk</b>	\$ 225,547	24.29%
Increased volumes from TMT tenant (Westway) and BI tenant (SeaStar).		
<b>Dry Bulk</b>	\$ 164,064	9.04%
Increase in tonnage by 92K Tons (Granite & Limestone) from Martin Marietta.		
<b>Military</b>	\$ (600,000)	-40.00%
Reduction in equipment returning from Iraq/Afghanistan		
<b>Ferry Operations</b>	\$ (990,000)	-100.00%
Jaxport will no longer be operating the Mayport Ferry after 9/30/2012		
<b>Other Operating Revenues</b>	\$ 173,980	9.69%
Mainly due to a new lease with Seaonus/Goodnite and new fees for the CSX Rail at Blount Island.		
<b>OPERATING EXPENDITURE OVERVIEW</b>		
	\$	%
<b>Business Travel &amp; Training</b>	\$ 26,050	5.33%
In response to direction from our Board and Sr. Management, Marketing is focusing on acquisition of new business, and increased attention to current customers in an effort to retain and grow our revenues.		

**JACKSONVILLE PORT AUTHORITY**  
**FY 2011/2012 ORIGINAL BUDGET VS. FY 2012/2013 PROPOSED BUDGET**

	Increase/(Decrease)	
	\$	%
<b>Promotion, Advertising &amp; Dues</b>	<b>\$ 223,380</b>	<b>26.11%</b>
Additional funds for a Marketing Representative for the NE United States (\$100K), and a Cruise Representative (\$25K). These are consultant positions not salaried positions. Also, Dues and Memberships/Sponsorships amounts increased due to promotional and marketing efforts.		
<b>Repairs &amp; Maintenance</b>	<b>\$ 243,000</b>	<b>13.51%</b>
Major repairs required on the (2) IMPSA Cranes at Talleyrand Terminal totaling \$235K		
<b>Dredging</b>	<b>\$ (1,376,923)</b>	<b>-32.97%</b>
Based upon a 3 year average, and current dredging requirements, reducing CY to 190,000 for FY 12/13.		
<b>Ferry Operations</b>	<b>\$ (1,670,000)</b>	<b>-100.00%</b>
Jaxport will no longer be operating the Mayport Ferry after 9/30/2012		
<b>Miscellaneous</b>	<b>\$ (16,493)</b>	<b>-21.00%</b>
Budgeting less for Cruise Terminal credit card fees due to a drop in parking revenue attributed to offsite independent parking lots.		
<b>NON-OPERATING REVENUES/(EXPENSES) OVERVIEW</b>		
	\$	%
<b>Debt Service</b>	<b>\$ (2,796,618)</b>	<b>13.59%</b>
Additional Debt Service to be paid toward existing Bank Note		
<b>Investment Income</b>	<b>\$ (12,597)</b>	<b>-13.62%</b>
Lower interest rate returns		
<b>Shared Revenue from Primary Government</b>	<b>\$ (608,851)</b>	<b>-10.31%</b>
Based upon latest projections from COJ.		
<b>Operating Grants</b>	<b>\$ (265,889)</b>	<b>-100.00%</b>
A Federal grant that paid for the cost of Security Officers expired in FY11-12. The officers in the temporary billets paid for by the grant were given the opportunity to apply for the new positions, and most were hired. These billets are now a part of our restructured Security department as Facility Security Officers.		
<b>Other Revenue (Expense)</b>	<b>\$ (3,000)</b>	<b>23.73%</b>
Budgeting slightly more in Misc Operating Expense due to current trend.		

**JACKSONVILLE PORT AUTHORITY  
ANALYSIS OF FY 2012/2013 PROPOSED CAPITAL BUDGET**

					Increase (Decrease) of 2012/2013 Proposed Budget Over	
	2011/2012 Budget	2011/2012 Projected (per JPA)	2012/2013 Proposed Budget	2011/2012 Budget (Dollars)	2011/2012 Budget (Percentage)	
Capital Funds						
State Contribution	\$ 75,115,479	\$ 7,900,000	\$ 73,450,000	\$ (1,665,479)	-2.22%	
Federal Funds	11,562,850	7,700,000	15,899,635	4,336,785	37.51%	
Insurance Proceeds	3,030,357	4,455,831	-	(3,030,357)	-100.00%	
Financing	28,769,196	22,772,631	22,938,954	(5,830,242)	-20.27%	
JPA Funds	4,421,538	4,421,538	5,210,746	789,208	17.85%	
Total Capital Funds	\$ 122,899,420	\$ 47,250,000	\$ 117,499,335	\$ (5,400,085)	-4.39%	
Capital Projects						
Blount Island Terminal	\$ 44,065,357	\$ 24,000,000	\$ 30,538,500 (1)	\$ (13,526,857)	-30.70%	
Dames Point Terminal	4,452,500	600,000	30,462,500 (1)	26,010,000	584.17%	
Talleyrand Terminal	6,233,300	5,450,000	5,725,000 (1)	(508,300)	-8.15%	
Miscellaneous Projects	66,183,263	16,660,000	48,047,000 (1)	(18,136,263)	-27.40%	
Other Capital Projects	1,965,000	540,000	2,726,335 (1)	761,335	38.74%	
Total Capital Projects	\$ 122,899,420	\$ 47,250,000	\$ 117,499,335	\$ (5,400,085)	-4.39%	
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -		

**Notes:**

(1) See the attached list of proposed FY 2012/2013 capital projects.

# Jacksonville Port Authority

## Proposed Capital Projects - Budget 2012-2013

PROJECTS		FUNDING SOURCE				
Location	Description	STATE	FEDERAL	JPA OPERATING FUNDS	JPA FINANCING	TOTAL
Blount Island	Rehabilitate Wharf Structures	12,900,000		1,261,046	15,638,954	\$ 29,800,000
	Rehabilitate Selected Pavements			100,000		\$ 100,000
	Upgrade RR Switches in Tenant Yard			78,500		\$ 78,500
	Upgrade Hanjung Backreach/Trolley Girder Connection			150,000		\$ 150,000
	Upgrade (2) Existing RR Control Boxes			240,000		\$ 240,000
	BI Store Room			120,000		\$ 120,000
	Engineering Study - Fill in Water Ponds			50,000		\$ 50,000
	<b>Total Blount Island</b>	\$ 12,900,000	\$ -	\$ 1,999,546	\$ 15,638,954	\$ 30,538,500
Dames Point	Intermodal Container Transfer Facility	\$ 20,000,000	\$ 10,000,000			\$ 30,000,000
	Install Security Ops Command & Control Integration Software		337,500			\$ 337,500
	Salt Marsh Mitigation & Trapac Pond Plantings			25,000		\$ 25,000
	Water Line for Cruise Vessels			100,000		\$ 100,000
	<b>Total Dames Point</b>	\$ 20,000,000	\$ 10,337,500	\$ 125,000	\$ -	\$ 30,462,500
Talleyrand	Rehabilitate Wharf Structures			700,000	4,300,000	\$ 5,000,000
	Facilities Maintenance Roof Replacement (11th St)			75,000		\$ 75,000
	High Mast Lighting Base Reefer Row			30,000		\$ 30,000
	Resurface Leased Areas			170,000		\$ 170,000
	Phoenix Avenue RR Crossing Upgrade	250,000				\$ 250,000
	Develop Remediation Action Plan			200,000		\$ 200,000
	<b>Total Talleyrand</b>	\$ 250,000	\$ -	\$ 1,175,000	\$ 4,300,000	\$ 5,725,000
Port Related (Miscellaneous)	Local Sponsor Funding for USACE Mile Point Study/Improvements	36,000,000				\$ 36,000,000
	JPA & USACE work @ Bartram Island	4,000,000				\$ 4,000,000
	Land Acquisition				3,000,000	\$ 3,000,000
	Perimeter Security Enhancements (BI & TMT TWIC Gates)		1,687,500	562,500		\$ 2,250,000
	Install Port wide Maritime Interoperable Communication System		1,650,000			\$ 1,650,000
	Bartram Island Cell F Removal			250,000		\$ 250,000
	Security Perimeter Fencing (BIMT, DPMT)		75,000	25,000		\$ 100,000
	Capitalize In-House Engineering Services			400,000		\$ 400,000
	PCOB Elevator Upgrade			120,000		\$ 120,000
	Security Operations Center/PCOB Security Enhancement		207,750	69,250		\$ 277,000
	<b>Total Miscellaneous</b>	\$ 40,000,000	\$ 3,620,250	\$ 1,426,750	\$ 3,000,000	\$ 48,047,000
<b>OTHER CAPITAL PROJECTS</b>						
Other Capital	Diesel Exhaust Emissions Equipment Upgrades - BI		\$ 344,118			\$ 344,118
	Diesel Exhaust Emissions Equipment Upgrades - TMT		344,117			\$ 344,117
	Mobile CCTV - Security		200,000			\$ 200,000
	Security Vehicles & Equipment LRAD - Security		138,750	46,250		\$ 185,000
	Gate Arm Barrier System & Solar Signage - Security		101,250	33,750		\$ 135,000
	Equipment Shelters - Security		63,750	21,250		\$ 85,000
	NIMS Incident Command Software CBRNE - Security		67,900			\$ 67,900
	Electronic White Boards - Security		7,000			\$ 7,000
	Gate Security Booths - Security		100,000			\$ 100,000
	Floating Dock Concrete - Security		60,000			\$ 60,000
	Outboard Engine Replacement - Security		60,000			\$ 60,000
	Strategic Master Plan - PH2	300,000				\$ 300,000
	(IT) Hardware/Software Upgrades			83,200		\$ 83,200
	(2) Bromma Head Blocks - BI			100,000		\$ 100,000
	Chillers & HVAC Replacement (TMT)			150,000		\$ 150,000
	RTG Load Cell Replacement - TMT			50,000		\$ 50,000
	Energy Efficient Retrofits - PCOB		223,000			\$ 223,000
	Man Lift (BI)		232,000			\$ 232,000
	<b>Total Other Capital</b>	\$ 300,000	\$ 1,941,885	\$ 484,450	\$ -	\$ 2,726,335
<b>TOTAL CAPITAL PROJECTS</b>		<b>\$ 73,450,000</b>	<b>\$ 15,899,635</b>	<b>\$ 5,210,746</b>	<b>\$ 22,938,954</b>	<b>\$ 117,499,335</b>

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
JACKSONVILLE PORT AUTHORITY  
PROPOSED BUDGET FY 2012/2013**

**RECOMMENDATIONS:**

1. We recommend removing and replacing Budget Ordinance Schedules I and J with Revised Schedules I and J (attached) in order to correct the following:

- a) To delete the "Ferry Operations" line item under "Operating Revenues". JPA concurs.
- b) To delete the "Ferry Expense" line item under "Operating Expenditures". JPA concurs.
- c) To delete the "Operating Grants" line item under "Non-Operating Revenues". JPA concurs.
- d) To insert line item "Contributions to Other City Agencies" under "Non-Operating Expenditures" and increase this line by \$200,000 from \$0 to \$200,000. We also recommend that JPA reduce the "Debt Service" line item under "Non-Operating Expenditures" by \$200,000 from \$23,375,131 to \$23,175,131. This will balance the revenues and expenditures for JPA's budget. JPA concurs.
- e) Revised Schedule J clarifies terminology and presents the projects and financing in a more concise manner. JPA concurs.

2. We also recommend inserting the word "REVISED" in front of all references to Schedules I and J in the Budget Ordinance Narrative for JPA.

**JACKSONVILLE PORT AUTHORITY  
FY 2012/2013 BUDGET**

<b>OPERATING REVENUES</b>		
Autos	\$	15,418,770
Containers		24,886,666
Break Bulk		4,650,176
Cruise		4,168,034
Liquid Bulk		1,154,045
Dry Bulk		2,002,064
Military		900,000
Other Operating Revenues		1,968,814
<b>TOTAL OPERATING REVENUES</b>	<b>\$</b>	<b>55,148,569</b>
<b>OPERATING EXPENDITURES</b>		
Salaries	\$	10,964,181
Employee Benefits		4,094,722
Services & Supplies		5,116,893
Security Services		4,000,000
Business Travel & Training		514,780
Promotion, Advertising, Dues		1,078,840
Utility Services		1,225,000
Repairs & Maintenance Projects		2,042,300
Dredging		2,800,000
Bad Debt Expense		25,000
Other Operating Expenditures		62,059
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$</b>	<b>31,923,775</b>
<b>OPERATING INCOME</b>	<b>\$</b>	<b>23,224,794</b>
<b>NON-OPERATING REVENUES</b>		
Investment Income	\$	79,872
Shared Revenue from Primary Govt		5,296,851
Other Revenue		2,860
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$</b>	<b>5,379,583</b>
<b>NON-OPERATING EXPENDITURES</b>		
Debt Service	\$	23,175,131
Contributions to Other City Agencies	\$	200,000
Other Expenditures		18,500
<b>TOTAL NON-OPERATING EXPENDITURES</b>	<b>\$</b>	<b>23,393,631</b>
<b>NET INCOME BEFORE OPERATING CAPITAL OUTLAY AND CONTINGENCY</b>	<b>\$</b>	<b>5,210,746</b>
Transfer to Operating Capital Outlay	\$	(5,210,746)
<b>SURPLUS/(DEFICIT)</b>	<b>\$</b>	<b>-</b>
<b>TOTAL REVENUES</b>	<b>\$</b>	<b>60,528,152</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$</b>	<b>60,528,152</b>
Full Time Positions		170
Temporary Employee Hours		3,200