

**COUNCIL AUDITOR'S OFFICE  
TABLE OF CONTENTS  
INDEPENDENT AGENCIES**

JEA.....	1-24
JTA.....	25-53
JAA .....	54-62
JPA.....	63-70

**JEA  
COMPARISON OF BUDGETS  
ELECTRIC AND WATER & SEWER AND DISTRICT ENERGY SYSTEM  
APPROVED FY 2013/14 TO PROPOSED FY 2014/15  
(000's)**

	<u>Electric</u>		<u>Water &amp; Sewer</u>		<u>District Energy</u>		<u>Transfers In/Out</u>	<u>Total Budget</u>	<u>City Contribution</u>
	<u>Operating Budget</u>	<u>Capital Budget</u>	<u>Operating Budget</u>	<u>Capital Budget</u>	<u>Operating Budget</u>	<u>Capital Budget</u>			
<b>FY 2013/14 Budget</b>	\$ 1,369,846	\$ 124,000	\$ 425,699	\$ 126,040	\$ 8,995	\$ 1,250	\$ (250,482)	\$ 1,805,349	\$ 109,188
<b>FY 2014/15 Proposed</b>	\$ 1,331,879	\$ 150,000	\$ 430,396	\$ 144,000	\$ 9,445	\$ 1,356	\$ (290,993)	\$ 1,776,083	\$ 111,688
<b>\$ Increase (Decrease)</b>	\$ (37,967)	\$ 26,000	\$ 4,697	\$ 17,960	\$ 450	\$ 106	\$ (40,511)	\$ (29,266)	\$ 2,500
<b>% Increase (Decrease)</b>	(2.77%)	20.97%	1.10%	14.25%	5.00%	8.48%	(16.17%)	(1.62%)	2.29%

**Notes:**

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

	<u>Budget FY 2013/14</u>	<u>Proposed FY 2014/15</u>	<u>Increase (Decrease)</u>
Electric System	1,597	1,554	(43)
Water & Sewer System	556	599	43
District Energy System	5	5	-
Total JEA Employees	2,158	2,158	-
SJRPP Joint Venture	253	245	(8)
Total JEA/SJRPP	2,411	2,403	(8)

(2) Detail of City Contribution:

	<u>Budget FY 2013/14</u>	<u>Proposed FY 2014/15</u>	<u>Increase (Decrease)</u>
Electric System	\$ 87,318	\$ 90,109	\$ 2,791
Water & Sewer System	21,870	21,579	(291)
Totals	\$ 109,188	\$ 111,688	\$ 2,500

**Contribution Calculation**

**A     Millage Calculation**

Electric	\$	66,730,480	80.679%
Water		15,980,418	19.321%
	\$	<u>82,710,898</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
FY 2013/14		2,500,000
FY 2014/15		2,500,000
	\$	<u><u>111,687,538</u></u>

**Recommended Budget FY 2014/15**

<b>Electric</b>	\$	90,108,598	80.679%
<b>Water</b>		21,578,940	19.321%
		<u>111,687,538</u>	

**Revenues**

**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 \$111,687,538 is greater than the millage calculation of \$82,710,898 therefore, the calculation floor in the amount of \$111,687,538 is the recommended amount to budget for FY 2014/15 for the Electric and Water/Sewer Systems contribution to the City.

**CALCULATION OF JEA ELECTRIC CONTRIBUTION  
FOR FISCAL YEAR 2014/2015**

Month	Total kWh Sales (1)	Less Interchange (2) kWh Sales	Net kWh Sales
May 2013	899,582,625	1,094,000	898,488,625
June	1,094,484,824	2,090,000	1,092,394,824
July	1,167,238,478	3,713,000	1,163,525,478
August	1,185,672,018	3,030,000	1,182,642,018
September	1,184,996,554	2,376,000	1,182,620,554
October	1,052,400,165	9,122,000	1,043,278,165
November	833,260,311	24,995,000	808,265,311
December	915,305,153	7,613,000	907,692,153
January 2014	1,050,296,505	6,796,000	1,043,500,505
February	1,016,800,967	14,821,000	1,001,979,967
March	902,218,267	7,282,000	894,936,267
April	891,745,652	6,865,000	884,880,652
<b>Totals</b>	<b>12,194,001,519</b>	<b>89,797,000</b>	<b>12,104,204,519</b>
<b>Mills Per Contribution Formula</b>			<u>0.005513 (3)</u>
<b>Calculation for FY 2014/2015</b>			<u><b>\$ 66,730,480</b></u>

**Notes:**  
 (1) kWh sales information is based on JEA's CMFTR124 monthly reports.  
 (2) Interchange, the sale of electricity to other utilities, is not included in the contribution formula.  
 (3) The current City contribution formula is based on multiplying 5.513 mills times total electric kWh sales less interchange sales for the twelve months (12) ending April of each year.  
 (4) Pursuant with Ordinance Code106.218 - One quarter of a mill or \$3,026,051 has been dedicated to the JPA for port expansion.

**CITY WATER/SEWER CONTRIBUTION FORMULA  
FOR FISCAL YEAR 2014/2015**

MONTH	Water Sales (1) (Hundred Cubic Feet)	Sewer Sales (1) (Hundred Cubic Feet)	Total Adjustments (2) (Hundred Cubic Feet)	Total Net Sales (Hundred Cubic Feet)
May 2013	3,659,653	2,601,180	(3,408)	6,257,424
June	4,181,373	2,851,398	1,683	7,034,455
July	3,963,740	2,737,671	(13,645)	6,687,767
August	3,913,471	2,674,287	(35,889)	6,551,869
September	3,969,345	2,761,804	7,265	6,738,414
October	3,752,526	2,643,678	(1,178)	6,395,026
November	3,218,444	2,283,498	(1,729)	5,500,213
December	3,472,613	2,609,931	23,351	6,105,895
January 2014	3,448,672	2,618,504	33,450	6,100,626
February	2,932,738	2,316,589	43,882	5,293,209
March	3,072,434	2,409,585	56,087	5,538,105
April	3,508,188	2,603,112	47,807	6,159,108
<b>Totals</b>	<b>43,093,197</b>	<b>31,111,237</b>	<b>157,676</b>	<b>74,362,111</b>
		<b>Conversion to Cubic Feet</b>		100
		<b>Total Consumption in Cubic Feet</b>		7,436,211,100
		<b>Mills Per Contribution Formula</b>		<u>0.002149 (3)</u>
		<b>Calculation for FY 2014/2015</b>		<u><b>\$ 15,980,418</b></u>

**Notes:**  
 (1) Consumption information taken from JEA's CMFTR124 monthly reports.  
 (2) Total Adjustments include Water Large (large industrial customer), Sewer LTD (wholesale sewer rate) less Water Reuse Consumption.  
 (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 each year.

**JEA**  
**ANALYSIS OF PROPOSED FY 2014/15 ELECTRIC OPERATING SYSTEM BUDGET**  
**FY 2013/14 BUDGET COMPARED TO FY 2014/15 PROPOSED BUDGET**  
**(000'S)**

	2013/14 Original Budget	2013/14 Revised Budget	Actual Thru May	JEA 2013/14 Projected	2014/15 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2013/14 Original Budget	JEA 2013/14 Projected
<b>Fuel Related Revenue &amp; Expenses</b>							
<b>Revenue</b>							
Fuel Related Revenue	\$ 559,181	\$ 559,181	\$ 323,703	\$ 503,614	542,218	(3.03%)	7.67%
Transfer To Fuel Recovery	-	-	0	-	-	NA	NA
<b>Net Fuel Related Revenues</b>	<b>\$ 559,181</b>	<b>\$ 559,181</b>	<b>\$ 323,703</b>	<b>\$ 503,614</b>	<b>542,218</b>	<b>(3.03%)</b>	<b>7.67%</b>
<b>Expense</b>							
Fuel Related and Purchased Power	\$ 545,790	\$ 545,790	\$ 309,827	\$ 513,650	528,254	(3.21%)	2.84%
Transfer To/(From) Rate Stabilization	12,260	12,260	12,032	(10,928)	12,879	5.05%	(217.85%)
Uncollectible Accts.	1,131	1,131	516	892	1,085	(4.04%)	21.59%
<b>Net Fuel Related Expenses</b>	<b>\$ 559,181</b>	<b>\$ 559,181</b>	<b>\$ 322,375</b>	<b>\$ 503,614</b>	<b>542,218</b>	<b>(3.03%)</b>	<b>7.67%</b>
<b>Fuel Fund Surplus (Deficit)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,328</b>	<b>\$ 0</b>	<b>-</b>	<b>NA</b>	<b>NA</b>
<b>Base Rate Revenue &amp; Expenses</b>							
<b>Revenues</b>							
Base Rate Revenue	\$ 758,859	\$ 758,859	\$ 446,433	\$ 725,874	738,360	(2.70%)	1.72%
Investment Income	2,400	2,400	2,758	3,557	2,942	22.59%	(17.30%)
Other Revenues	49,406	49,406	28,470	45,257	48,359	(2.12%)	6.85%
<b>Total Operating Revenues</b>	<b>\$ 810,665</b>	<b>\$ 810,665</b>	<b>\$ 477,661</b>	<b>\$ 774,688</b>	<b>789,661</b>	<b>(2.59%)</b>	<b>1.93%</b>
<b>Expenses</b>							
Operating & Maintenance	\$ 183,142	\$ 183,142	\$ 106,378	\$ 172,636	196,087	7.07%	13.58%
Environmental Charge	7,926	7,926	4,563	7,482	7,686	(3.03%)	2.73%
Conservation Charge	7,497	7,497	4,122	6,632	7,289	(2.77%)	9.91%
Non-Fuel Purchased Power	170,898	170,898	105,050	160,461	123,663	(27.64%)	(22.93%)
Operating Capital Outlay	55,085	55,085	32,000	47,549	82,714	50.16%	73.96%
Emergency Contingency	5,000	5,000	0	5,000	5,000	0.00%	0.00%
PSC Fees	215	215	141	212	203	(5.46%)	(4.11%)
Uncollectible Accts.	1,523	1,523	711	1,219	1,494	(1.95%)	22.56%
<b>Total Operating Expenses</b>	<b>\$ 431,286</b>	<b>\$ 431,286</b>	<b>\$ 252,965</b>	<b>\$ 401,191</b>	<b>424,136</b>	<b>(1.66%)</b>	<b>5.72%</b>
<b>Net Income From Operations</b>	<b>\$ 379,379</b>	<b>\$ 379,379</b>	<b>\$ 224,696</b>	<b>\$ 373,497</b>	<b>365,525</b>	<b>(3.65%)</b>	<b>(2.13%)</b>
<b>Other Deductions</b>							
Debt Service	\$ 213,146	\$ 213,146	\$ 122,387	\$ 213,077	208,130	(2.35%)	(2.32%)
Operating Contingency	10,000	10,000	-	10,000	-	(100.00%)	(100.00%)
Renewal & Replacement- Elec. Sys.	68,915	68,915	42,068	63,102	67,286	(2.36%)	6.63%
<b>Total Other Deductions</b>	<b>292,061</b>	<b>292,061</b>	<b>164,455</b>	<b>286,179</b>	<b>275,416</b>	<b>(5.70%)</b>	<b>(3.76%)</b>
<b>Net Income Before City Contribution</b>	<b>\$ 87,318</b>	<b>\$ 87,318</b>	<b>\$ 60,241</b>	<b>\$ 87,318</b>	<b>90,109</b>	<b>3.20%</b>	<b>3.20%</b>
<b>Contribution to City's General Fund</b>	<b>\$ 87,318</b>	<b>\$ 87,318</b>	<b>\$ 58,212</b>	<b>\$ 87,318</b>	<b>90,109</b>	<b>3.20%</b>	<b>3.20%</b>
<b>Base Rate Surplus (Deficit)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,029</b>	<b>\$ 0</b>	<b>0</b>	<b>NA</b>	<b>NA</b>
<b>Budget Surplus (Deficit)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,357</b>	<b>\$ 0</b>	<b>0</b>		
<b>MWH Sales (000's)</b>	<b>12,994</b>	<b>12,994</b>	<b>7,521</b>	<b>12,306</b>	<b>12,600</b>	<b>(3.03%)</b>	<b>2.39%</b>
<b># of Accounts</b>	<b>428,843</b>	<b>428,843</b>	<b>433,332</b>	<b>434,213</b>	<b>436,384</b>	<b>1.76%</b>	<b>0.50%</b>

**JEA**  
**FY 2013/14 Original Budget Vs. FY 2014/15 Proposed Budget**  
**Revenue and Expense Variance Overview - Electric System**

	Increase/(Decrease)	
	(\$000's)	%
<b>Fuel Related Revenues:</b>		
<b>Fuel Related Revenue</b>	\$ (16,962)	(3.03%)
This decrease is attributed to lower Electric (kWh) sales in FY 2014/15, projected to decrease from the sales level in the current year's (FY2013/14) original budget due to revised consumption estimates.		
<b>Fuel Related Expenses:</b>		
<b>Fuel Uncollectibles</b>	\$ (46)	(4.04%)
The decrease is based on actual uncollectible trend.		
<b>Base Related Revenues:</b>		
<b>Base Revenue</b>	\$ (20,499)	(2.70%)
This decrease is primarily attributed to FY 2015 lower budgeted kWh sales.		
<b>Investment Income</b>	\$ 542	22.59%
The increase is due to JEA operating assets being moved into a fixed rate which is higher than the variable rate previously collecting interest.		
<b>Base Related Expenses:</b>		
<b>Operating &amp; Maintenance</b>	\$ 12,945	7.07%
The increase is primarily based on increased pension cost of approximately \$3.8 million, outage costs of approximately \$5 million at Northside Generation Station #1 & #2, and strategic initiatives cost of approximately \$4.1 million (Liquefied Natural Gas study and partnership, Fuel Tank Cleaning and Inspection, and dredging of By Product Treatment system pools at Northside Generating Station) .		
<b>Non-Fuel Purchased Power</b>	\$ (47,235)	(27.64%)
The decrease is primarily due to reduced debt service cost for St. Johns River Power Park.		
<b>Operating Capital Outlay</b>	\$ 27,629	50.16%
The increase reflects higher capital requirements. The OCO is based on the capital proposed budget of \$150M minus the Renewal & Replacement Deposits.		
<b>Base Uncollectibles</b>	\$ (30)	(1.95%)
The decrease is based on actual uncollectible trend.		
<b>Operating Contingency</b>	\$ (10,000)	(100.00%)
These funds (Formerly Working Capital) have been eliminated and are not required as the JEA operating cash balance is forecasted at 20 days for Fiscal Year 2015.		

**JEA**  
**ANALYSIS OF OPERATING AND MAINTENANCE EXPENSE**  
**ELECTRIC SYSTEM**  
**FY 2013/14 BUDGET COMPARED TO FY 2014/15 PROPOSED BUDGET**  
**(000's)**

	2013/14 Original Budget	2013/14 Revised Budget	Actual Thru May	JEA 2013/14 Projected	2014/15 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2013/14 Original Budget	JEA 2013/14 Projected
Salaries	113,794	\$ 112,563	\$ 71,972	\$ 109,454	\$ 113,429	(0.32%)	3.63%
Employee Benefits	51,941	51,454	31,206	49,301	54,953	5.80%	11.46%
Supplies	13,830	14,147	9,191	13,941	15,043	8.78%	7.90%
City Services	4,744	4,588	2,598	3,958	4,202	(11.42%)	6.18%
Other Intercompany Charges	1,000	1,000	373	795	600	(40.00%)	(24.53%)
Other Services & Chgs.	85,654	86,937	45,702	78,111	91,499	6.82%	17.14%
Other Contingencies	2,700	1,775	-	1,775	2,700	0.00%	52.11%
City Legal Services	1,000	1,000	445	1,000	1,090	9.00%	9.00%
Property & Casualty Insurance	5,850	5,850	3,340	3,896	5,717	(2.27%)	46.72%
Interest on Customer Deposits	80	80	30	57	50	(37.50%)	(11.67%)
Operating Reserve	2,000	1,507	-	1,507	2,000	0.00%	32.71%
Expense Credits	(73,335)	(71,704)	(44,363)	(68,022)	(71,658)	(2.29%)	5.35%
Trf. to WIP- Salaries	(18,129)	(18,083)	(10,090)	(16,353)	(16,208)	(10.60%)	(0.89%)
Trf. to WIP- Emp. Benefits	(7,986)	(7,972)	(4,026)	(6,784)	(7,330)	(8.21%)	8.05%
<b>O &amp; M Expense</b>	<b>183,142</b>	<b>\$ 183,142</b>	<b>\$ 106,378</b>	<b>\$ 172,636</b>	<b>\$ 196,087</b>	<b>7.07%</b>	<b>13.58%</b>

**JEA**  
**FY 2013/14 Original Budget Vs. FY 2014/15 Proposed Budget**  
**Expenditure Variance Overview - Electric System**

	Increase/(Decrease)	
	(\$000's)	%
<b>Operating &amp; Maintenance</b>		
<b>Salaries</b>	\$ (364)	(0.32%)
The decrease in salaries is primarily due to moving 43 positions from the Electric System to the Water/Sewer System. This reflects the direct allocation of the meter services area to the appropriate system. The decrease is somewhat offset by approximately \$1.3M for step increases due to existing contracts.		
<b>Benefits</b>	\$ 3,012	5.80%
Primarily attributed to increase in Pension budgeted at 31.9% of salaries for FY 2014/2015 vs. 28.21% for FY 2013/2014.		
<b>Supplies</b>	\$ 1,214	8.78%
The increase is primarily due to various reliability and maintenance programs which include an increased outage schedule planned at Northside Generating Station for FY 2015.		
<b>City Services</b>	\$ (542)	(11.42%)
Decreased due to fuel pricing which assumes 1,400,000 gallons at \$3.00 average cost per gallon vs. 1,400,000 gallons budgeted at \$3.39 average cost per gallon in the current year.		
<b>Other Intercompany Charges</b>	\$ (400)	(40.00%)
The decrease is primarily due to reduced rate of interest expense on Inventory Carrying charges. All JEA inventory (Electric, Water & Sewer, and District Energy) is purchased and held within the Water & Sewer System. The carrying charge is calculated by the interest rate applied to the value of the remaining inventory.		
<b>Other Services &amp; Charges</b>	\$ 5,845	6.82%
Primarily attributed to an increased outage schedule planned at Northside Generating Station in FY2015 for \$4.9 million.		
<b>City Legal Services</b>	\$ 90	9.00%
JEA anticipates additional General Counsel services will be needed for potential litigation in FY 2014/15 focused within the Electric System.		
<b>Property &amp; Casualty Insurance</b>	\$ (133)	(2.27%)
The decrease is based on premium schedule provided by COJ Risk Management.		
<b>Interest on Customer Deposits</b>	\$ (30)	(37.50%)
Based on a decrease in the projected interest rate from 0.175% for FY 2014 to 0.120% for FY 2015 based on JEA's treasury department projected 1 year Treasury bill yield.		
<b>Expense Credits</b>	\$ (1,677)	(2.29%)
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>	\$ (1,921)	(10.60%)
Transfers to WIP Salaries are capitalized salaries captured in the Operating Budget. It represents the salaries charged to capital project work orders and is a credit to the operating fund.		
<b>Transfers to WIP Emp. Benefits</b>	\$ (656)	(8.21%)
Transfers to WIP Employee Benefits are capitalized benefits captured in the Operating Budget. It represents the benefits charged to capital project work orders and is a credit to the operating fund.		



**JEA**  
**ANALYSIS OF PROPOSED FY 2014/15 CAPITAL BUDGET**  
**ELECTRIC SYSTEM**  
**FY 2013/14 BUDGET COMPARED TO FY 2014/15 PROPOSED BUDGET**  
**(000'S)**

	2013/14 Original Budget	2013/14 Revised Budget	Actual Thru May	JEA 2013/14 Projected	2014/15 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2013/14 Original Budget	JEA 2013/14 Projected
<b>Capital Funds</b>							
Renewal & Replacement Deposits	\$ 68,915	\$ 68,915	\$ 42,068	\$ 63,102	\$ 67,286	(2.36%)	6.63%
Construction Fund Investment Income	-	-	-	-	-	0.00%	0.00%
Debt	-	-	-	-	-	0.00%	0.00%
Other Proceeds	-	-	-	-	-	0.00%	0.00%
Operating Capital Outlay	55,085	55,085	32,000	47,549	82,714	50.16%	73.96%
<b>Total Capital Funds</b>	<b>\$ 124,000</b>	<b>\$ 124,000</b>	<b>\$ 74,068</b>	<b>\$ 110,651</b>	<b>\$ 150,000</b>	<b>20.97%</b>	<b>35.56%</b>
<b>Capital Projects</b>							
Generation Projects	10,883	10,883	4,191	9,990	17,098	(1) 57.11%	71.16%
Transmission & Distribution	76,854	76,854	34,980	59,926	96,902	(1) 26.09%	61.70%
Other	36,263	36,263	10,075	26,392	36,000	(1) (0.73%)	36.41%
<b>Total Capital Projects</b>	<b>\$ 124,000</b>	<b>\$ 124,000</b>	<b>\$ 49,246</b>	<b>\$ 96,308</b>	<b>\$ 150,000</b>	<b>20.97%</b>	<b>55.75%</b>
<b>Surplus (Deficit)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 24,822</b>	<b>\$ 14,343</b>	<b>\$ 0</b>	<b>0.00%</b>	<b>(20.19%)</b>

NOTE (1) Detail listing of Capital Projects can be seen on the next four pages.

**JEA**  
**Electric System**  
**FY 2014/15 Capital Budget**  
**(000's omitted)**

Description	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
	FY15		FY15	
<b>ELECTRIC SYSTEM GENERATION PROJECTS</b>				
Potential Gas Line Capacity Upgrades	\$5,000			
Northside Units 1, 2, & 3 Capital Improvement Projects	2,000			
Steam Plant General Capital Improvements	2,000			
Brandy Branch - Northside - Greenland Energy Center General Capital Improvements	2,000			
Northside - CSU Tube, Chain, Spiral Chute, Bucket and Chain Guide Replacement	1,519			
Kennedy Combustion Turbine 7 Combustion Inspection	1,500			
Kennedy Combustion Turbine 7 Exhaust Silencer	1,496			
BGS Combined Cycle Simulator	507			
Northside - Limestone Diverter Valve Upgrade	450			
Brandy Branch Heat Recovery Steam Generators 2 & 3 Boiler Main Steam Isolation Valve Replacer	370			
Northside 1 & 2 Flyash Diverter Valves	143			
Northside - CFB Mercury Monitoring Equipment for MATS compliance	113			
<b>ELECTRIC SYSTEM GENERATION PROJECTS TOTAL</b>	<b>\$17,098</b>	<b>(1)</b>	<b>\$17,098</b>	<b>= (1)</b>
<b>ELECTRIC SYSTEM DISTRIBUTION PROJECTS</b>				
	\$ -			
New Service Additions	7,100			
Distribution Maintenance Capital Upgrades	6,000			
Distribution Betterment	5,202			
Streetlight Improvements	5,000			
Meter Replacement	4,500			
Development Driven Projects	4,000			
Joint Participation - Relocation Projects	3,500			
4kV Rehab – Distribution Projects	2,690			
Beaver 2, McDuff 3, 8 - 4kV Conversion	2,480			
Automatic Recloser Deployment	2,400			
Edison 1,2 McDuff 5 - 4kV Conversion	2,162			
Meter Growth	2,027			
General Underground Network and Commercial R&R and Upgrades	2,000			
Rosselle 1, 5, College Circuit 3, 4, McDuff 2 - 4kV Reconductor	1,932			
Pole Replacement Program	1,560			
Distribution System Improvements	1,500			

**JEA  
Electric System  
FY 2014/15 Capital Budget  
(000's omitted)**

Description	FY15		FY15	
Underground Cable Replacement Program - Existing Developments	1,200			
Southbank - UG Network - Paper Insulated Lead Cable Recabling	998			
Distribution System - Pole Removal	800			
Herschel 1, 2 - 4KV Reconductor	798			
Northwest Jax 455 Reconductor - Breaker to Fuses and Open Points	795			
Water to Georgia Ckts 143, 144 - 13KV Feeder Ties	781			
26KV Reconductor Beeghly 391-Owens Rd from Duval to JIA Sub	686			
Joint Participation - FDOT - SR 23 Outerbeltway	649			
General Distribution Improvements	600			
26kV Reliability Improvement - Distribution Feeder Relay System Replacement	558			
Point Meadows Substation Distribution Feeders	555			
Cecil Commerce Center North Distribution Feeders	532			
Oakwood 558, Robinwood 553 - 26 kV Reconductor	467			
University 537 26kV Reconductor	405			
Network Highside Switch Replacement Program	384			
Customer Service Response Lateral & Quick Response Work	300			
Capital Tools and Equipment - Distribution	125			
Capital Tools and Equipment - Transmission	100			
Customer Service Response - Tools and Equipment	100			
NAS - New Feeder 350 from NAS Substation to Navy Substation No. 1	100			
4kV Conversion - Fairfax and 21st & Hubbard	65			
26KV Reconductor Circuit 417 - 418 - Woodley Rd. from New Kings Rd. to Old Kings Rd.	54			
Dinsmore Distribution Feeders	50			
Development - Oakridge Landing Phase 1 Underground Residential Development 2390	3			
<b>ELECTRIC SYSTEM DISTRIBUTION PROJECTS TOTAL</b>	<b>\$65,158</b>	<b>(2)</b>		
<b>ELECTRIC SYSTEM SUBSTATION &amp; TRANSMISSION PROJECTS</b>				
Cecil Commerce Center North 230/26KV Substation	\$12,584			
Point Meadows 230 - 26 kV Substation	6,911			
Southside GIS 69kV Controller Replacement	3,000			
Transmission - Circuits 821 - 822 - 853 Structure Rebuild	1,831			
Substation R&R Project - Transformer Replacements	1,300			
Rosselle 26/4 KV Substation Rebuild	930			
230KV_138KV_69 kV Insulator Refurbishment	750			
Shield Wire Replacement Circuits Sections of 822/854 , 853 and Circuits 663 and 673	684			

**JEA**  
**Electric System**  
**FY 2014/15 Capital Budget**  
**(000's omitted)**

Description	FY15		FY15	
230 KV_ 138KV_ 69 kV Pole Refurbishment	500			
General Substation Improvements	400			
McDuff 13-4 kV Substation Rebuild	376			
Cecil Commerce Center North 230 kV Circuit 944 Interconnect	366			
Normandy Substation Protection Improvement	310			
Transmission - Relocations	300			
General Protection System Improvements Transmission	300			
Brandy Branch & Normandy Substation CIP 5 Upgrade	300			
Energy Management System - EMS - Situational Awareness Mapboard Project	300			
Energy Management System - EMS - Base Upgrade Project	180			
General Transmission Improvements	100			
Energy Management System - EMS - Remote Terminal Unit Upgrade Project	100			
Northside Substation Improvements	80			
Circuit 692 and 645 69kV Cable Reconductor Project	63			
Greenland Substation Protection Improvement	55			
Herschel 26/4 KV Substation Rebuild	17			
Transmission - Point Meadows 230 kV Circuit Interconnect	7			
<b>ELECTRIC SYSTEM SUBSTATION &amp; TRANSMISSION PROJECT TOTAL</b>	<b>\$31,744</b>	<b>(3)</b>		
<b>ELECTRIC SYSTEM TRANSMISSION &amp; DISTRIBUTION PROJECT TOTAL</b>			<b>\$96,902</b>	<b>=(2) + (3)</b>
<b>ELECTRIC OTHER CAPITAL PROJECTS</b>				
Capital Administrative Overhead	\$10,520			
Fleet Replacement	7,850			
Technology Services - IT Infrastructure (Servers, Networks, Data Bases, etc.)	3,751			
Technology Services - FMS CAD Upgrade	1,700			
Southbank Property Waterfront Restoration	1,500			
Byproduct Heavy Duty Equipment	920			
Technology Services - CC&B Upgrade - Functional upgrade	750			
Technology Services - Docucorp Upgrade - Bill Redesign	750			
Fleet Expansion	530			
Facilities Security	520			
Technology Services - (Dept. Of Energy) Technology Security R&R	500			
Technology Services - PC and Laptop Refresh	500			
Technology Services - Virtualization Infrastructure (Includes Vmware & Citrix)	500			
Facilities Improvements - Lighting	455			

**JEA  
Electric System  
FY 2014/15 Capital Budget  
(000's omitted)**

Description	FY15		FY15	
CIP Version 5 Implementation	441			
Facilities Heating, Ventilation, & Air	430			
Facilities Improvements - Building Upgrades	425			
Facilities Roof Replacement	390			
Facilities Paving, Fencing & Site Improvements	345			
Technology Services - Towers	300			
Technology Services - Fiber Optic Catv Replacement	300			
Technology Services - Network Equipment R&R	300			
Facilities Improvements, Plumbing and Fire System Upgrades	285			
Westside Service Center Paving Upgrades	275			
Westside Service Center Administrative Upgrades	264			
Westside Service Center Drainage and Commonwealth Service Center Parking Issues	250			
Security - Substations - External Shooter Security Enhancements	221			
CIP Version 5 Routable Substation Communications	190			
CIP Version 5 Remote Access	160			
Technology Services - Oracle Cash Management	150			
CIP Version 5 Electronic Access Points	142			
Technology Services - JEA.COM APPS	100			
Facilities Generators	80			
Laboratory Equipment Upgrades	75			
Facilities Improvements - Elevators	50			
Technology Services - FCRS - Upgrades & Radios	50			
Utility Locate Group - Capital Equipment	25			
Southside Substation - Geotechnical Upgrades (Design Only)	6			
<b>ELECTRIC OTHER CAPITAL PROJECTS TOTAL</b>	<b>\$36,000</b>	<b>(4)</b>	<b>\$36,000</b>	<b>=(4)</b>
<b>ELECTRIC TOTAL</b>			<b>\$150,000</b>	

**JEA**  
**ANALYSIS OF PROPOSED FY2014/15 WATER & SEWER SYSTEM OPERATING BUDGET**  
**FY 2013/14 BUDGET COMPARED TO FY 2014/15 PROPOSED BUDGET**  
**(000's)**

	2013/14 Original Budget	2013/14 Revised Budget	Actual Thru May	JEA 2013/14 Projected	2014/15 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2013/14 Original Budget	JEA 2013/14 Projected
<b>Revenues</b>							
<b>Water &amp; Sewer Revenues</b>	\$ 402,866	\$ 402,866	\$ 244,722	\$ 378,948	\$ 401,528	(0.33%)	5.96%
<b>Investment Income</b>	1,826	1,826	1,752	2,366	2,485	36.07%	5.01%
<b>Capacity &amp; Extension Fees</b>	9,396	9,396	10,976	14,106	15,000	59.64%	6.34%
<b>Contributed Capital</b>	-	-	954	956	-		(100.00%)
<b>Other Revenues</b>	11,611	11,611	7,495	11,366	11,383	(1.96%)	0.16%
<b>Total Revenues</b>	<u>\$ 425,699</u>	<u>\$ 425,699</u>	<u>\$ 265,899</u>	<u>\$ 407,742</u>	<u>\$ 430,396</u>	<u>1.10%</u>	<u>5.56%</u>
<b>Operating Expenses</b>							
<b>Operating &amp; Maintenance</b>	131,284	131,284	77,818	124,336	136,523	3.99%	9.80%
<b>Uncollectibles</b>	963	963	631	937	846	(12.22%)	(9.72%)
<b>Emergency Contingency</b>	1,000	1,000	-	1,000	1,000	0.00%	0.00%
<b>Capacity Fee Transfer</b>	9,396	9,396	10,976	14,106	15,000	59.64%	6.34%
<b>Operating Capital Outlay</b>	95,892	95,892	64,778	85,566	104,496	8.97%	22.12%
<b>Total Operating Expenses</b>	<u>\$ 238,535</u>	<u>\$ 238,535</u>	<u>\$ 154,203</u>	<u>\$ 225,945</u>	<u>\$ 257,865</u>	<u>8.10%</u>	<u>14.13%</u>
<b>Other Deductions</b>							
<b>Debt Service</b>	143,043	143,043	82,272	137,817	129,853	(9.22%)	(5.78%)
<b>Interlocal Payments</b>	-	-	-	-	630		
<b>Operating Contingency</b>	1,500	1,500	-	1,500	-	(100.00%)	(100.00%)
<b>Renewal &amp; Replacement Fund</b>	20,752	20,752	13,693	20,610	20,469	(1.36%)	(0.68%)
<b>Total Other Deductions</b>	<u>\$ 165,295</u>	<u>\$ 165,295</u>	<u>\$ 95,965</u>	<u>\$ 159,927</u>	<u>\$ 150,952</u>	<u>(8.68%)</u>	<u>(5.61%)</u>
<b>Contribution to City's General Fund</b>	<u>21,870</u>	<u>21,870</u>	<u>14,580</u>	<u>21,870</u>	<u>21,579</u>	<u>(1.33%)</u>	<u>(1.33%)</u>
<b>Budget Surplus (Deficit)</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,151</u>	<u>\$ 0</u>	<u>\$ 0</u>		
<b>Water Sales (ccf)</b>	49,863,447	49,863,447	27,551,203	44,364,556	46,791,444	(6.16%)	5.47%
<b>Sewer Sales (ccf)</b>	36,384,425	36,384,425	21,489,691	33,771,413	34,393,169	(5.47%)	1.84%
<b>Number of Accounts</b>	563,133	563,133	565,666	567,200	570,036	1.23%	0.50%

**JEA**  
**FY 2013/14 Original Budget Vs. FY 2014/15 Proposed Budget**  
**Revenue & Expense Variance Overview - Water and Sewer System**

	Increase/(Decrease)	
	(\$000's)	%
<b>Revenues:</b>		
<b>Water &amp; Sewer Revenues</b>	\$ (1,338)	(0.33%)
Reflects decreased consumption and sales mix. Service Accounts are expected to increase by 0.5% from March FY 13/14, however the decrease in water and sewer revenues is based upon lower projected water kGal sales. FY 13/14 YTD water unit sales through June are down approximately 3.3%.		
<b>Investment Income</b>	\$ 659	36.07%
The increase is due to JEA operating assets being moved into a fixed rate which is higher than the variable rate previously collecting interest.		
<b>Capacity &amp; Extension Fees</b>	\$ 5,604	59.64%
Reflects anticipated construction activity and current trend.		
<b>Expenses:</b>		
<b>Uncollectibles</b>	\$ (118)	(12.22%)
The decrease is based on actual uncollectible trend.		
<b>Capacity Fee Transfer</b>	\$ 5,604	59.64%
Reflects anticipated construction activity and current trend.		
<b>Operating Capital Outlay</b>	\$ 8,603	8.97%
Reflects higher capital requirements. The OCO is based on the capital proposed budget of \$144M minus the Renewal & Replacement Deposits, Capacity Fees, and Other Proceeds.		
<b>Debt Service</b>	\$ (13,190)	(9.22%)
The reduction primarily reflects a \$13.4M bond buy-back that was budgeted in FY2014. JEA plans no bond buy-back for the Water & Sewer System in FY 2014/15.		
<b>Interlocal Payments</b>	\$ 630	100.00%
The \$630K reflects the true-up of estimated future revenues related to the previously acquired water and sewer systems in St. Johns County as required under the prior inter-local agreement. A new amended agreement provides for potential annual payments to St. Johns County through calendar year 2021 using a true-up process.		
<b>Operating Contingency</b>	\$ (1,500)	(100.00%)
These funds (Formerly Working Capital) have been eliminated and are not required as the JEA operating cash balance is forecasted at 20 days cash on hand for FY 2014/15.		

**JEA  
ANALYSIS OF OPERATING AND MAINTENANCE EXPENSE  
WATER & SEWER SYSTEM  
FY 2013/14 BUDGET COMPARED TO FY 2014/15 PROPOSED BUDGET  
(000's)**

	<u>2013/14 Original Budget</u>	<u>2013/14 Revised Budget</u>	<u>Actual Thru May</u>	<u>JEA 2013/14 Projected</u>	<u>2014/15 Proposed Budget</u>	<u>% Increase (Decrease) Proposed Budget Over</u>	
						<u>2013/14 Original Budget</u>	<u>JEA 2013/14 Projected</u>
Salaries	\$ 39,247	\$ 40,478	\$ 26,337	\$ 40,148	\$ 41,696	6.24%	3.86%
Employee Benefits	17,585	18,205	11,397	18,016	20,399	16.00%	13.23%
Supplies	12,389	12,629	6,997	11,127	12,468	0.64%	12.06%
Other Services & Charges	74,004	71,996	42,031	67,622	74,330	0.44%	9.92%
Contracts and Contingencies	500	500	0	500	500	0.00%	0.00%
Purchased Water & Treatment	50	50	24	40	50	0.00%	25.00%
Property Insurance	1,820	1,820	1,173	1,124	2,079	14.23%	85.02%
Operating Reserves	1,250	1,250	0	1,250	1,250	0.00%	0.00%
Interest on Customer Deposits	0	0	(9)	(9)	0		(100.00%)
Expense Credits	(4,360)	(4,382)	(3,664)	(5,117)	(5,315)	21.92%	3.88%
Transfers to WIP Salaries	(7,667)	(7,714)	(4,588)	(7,254)	(7,324)	(4.48%)	0.96%
Transfers to WIP Emp. Benefits	(3,535)	(3,548)	(1,880)	(3,110)	(3,610)	2.13%	16.09%
<b>Total O &amp; M Expense</b>	<u>\$ 131,284</u>	<u>\$ 131,284</u>	<u>\$ 77,818</u>	<u>\$ 124,336</u>	<u>\$ 136,523</u>	<u>3.99%</u>	<u>9.80%</u>



**JEA**  
**FY 2013/14 Original Budget Vs. FY 2014/15 Proposed Budget**  
**Expenditure Variance Overview - Water and Sewer System**

	Increase/(Decrease)	
	(\$000's)	%
<b>Operating &amp; Maintenance</b>		
<b>Salaries</b>	\$ 2,449	6.24%
The increase in salaries is primarily due to moving 43 positions to the Water/Sewer System from the Electric System to more accurately reflect system costs. Also includes approved bargaining unit agreement step increases. Additionally, while there have been no general increases and bargaining unit contracts are still under negotiations, JEA anticipates there will be approximately \$0.7M of new step increases for bargaining unit employees.		
<b>Employee Benefits</b>	\$ 2,814	16.00%
Primarily attributed to increase in pension budgeted at 31.9% for FY 2014/2015 vs. 28.21% for FY 2013/2014		
<b>Property Insurance</b>	\$ 259	14.23%
Based upon the FY2015 Property & Casualty Insurance and Self-Insurance Budget provided by Risk Management.		
<b>Expense Credits</b>	\$ (955)	21.92%
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>	\$ (343)	(4.48%)
Transfers to WIP Salaries are capitalized salaries captured in the Operating Budget. It represents the direct salaries charged to capital project work orders and is a credit to the operating fund.		
<b>Transfers to WIP Emp. Benefits</b>	\$ 75	2.13%
Transfers to WIP Employee Benefits are capitalized benefits captured in the Operating Budget. It represents the benefits charged to capital project work orders and is a credit to the operating fund.		

**JEA**  
**ANALYSIS OF PROPOSED FY 2014/15 CAPITAL BUDGET**  
**WATER & SEWER SYSTEM**  
(000's )

	2013/14 Original Budget	2013/14 Revised Budget	Actual Thru May	2013/14 Projected	2014/15 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2013/14 Original Budget	JEA 2013/14 Projected
<b>Capital Funds</b>							
Debt	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%
Other Proceeds	-	-	-	-	4,035	100.00%	100.00%
Renewal & Replacement Deposits	20,752	20,752	13,693	20,610	20,469	(1.36%)	(0.68%)
Operating Capital Outlay	95,892	95,892	64,778	85,566	104,496	8.97%	22.12%
Contributed Capital	-	-	954	956	-	NA	(100.00%)
Capacity Fees	9,396	9,396	10,976	14,106	15,000	59.64%	6.34%
Investment Income	-	-	-	-	-		
<b>Total Capital Funds</b>	<b>\$ 126,040</b>	<b>\$ 126,040</b>	<b>\$ 90,401</b>	<b>\$ 121,238</b>	<b>\$ 144,000</b>	<b>14.25%</b>	<b>18.77%</b>
<b>Capital Projects</b>							
Water	\$ 43,437	\$ 43,437	\$ 21,460	\$ 32,289	\$ 45,156 (1)	3.96%	39.85%
Sewer	64,599	64,599	16,602	44,365	74,975 (1)	16.06%	69.00%
Other	18,004	18,004	6,778	16,780	23,869 (1)	32.58%	42.24%
<b>Total Capital Projects</b>	<b>\$ 126,040</b>	<b>\$ 126,040</b>	<b>\$ 44,840</b>	<b>\$ 93,434</b>	<b>\$ 144,000</b>	<b>14.25%</b>	<b>54.12%</b>
<b>Surplus (Deficit)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 45,561</b>	<b>\$ 27,804</b>	<b>\$ 0</b>	<b>NA</b>	<b>(100.00%)</b>

NOTE (1) Detail listing of Capital Projects can be seen on the next four pages.

JEA  
Water Sewer System  
FY 2014/15 Capital Budget  
(000's omitted)

Description	PROPOSED		PROPOSED
	SUB-TOTAL		TOTAL
	FY15		FY15
<b>WATER TREATMENT</b>			
Greenland Water Treatment Plant - Sulfide Removal	\$2,570		
Northwest Regional Water Treatment Plant	1,865		
Well Rehabilitation & Maintenance - Fairfax Wells	1,699		
Well Rehabilitation & Maintenance - McDuff Wells	1,583		
Water Treatment Plants - Ground Storage Tank Rehabilitation	1,250		
Fairfax Water Treatment Plant Reservoir Rehabilitation	1,115		
Brierwood Water Treatment Plant - Well 4 and 5 Backplugging	1,093		
Water Plant Capital Renewal & Replacement	1,000		
Ponce de Leon Water Treatment Plant - Pump Building and Reservoir Replacement	915		
Production Well Abandonment	817		
St. Johns North Water Treatment Plant - Packed Tower Replacement	700		
Marietta Water Treatment Plant - High Service Pump - Upgrade	600		
South Grid Water Quality - Well Improvement	500		
Consumptive Use Permit - Condition No. 43	500		
Buckman Bar Screen Isolation Gate Replacement and Wet Well Rehabilitation	480		
Norwood Water Treatment Plant Reservoir Rehabilitation	200		
Well Rehabilitation & Backplugging	200		
Main St. Water Treatment Plant - Well 8A	150		
Service Area Monitoring Wells - Consumptive Use Permit	145		
Water Treatment Plant Reservoir R&R	100		
<b>WATER TREATMENT TOTAL</b>	<b>\$17,482</b>	<b>(1)</b>	
<b>WATER DISTRIBUTION</b>			
Meter Replacement	\$6,984		
Water Delivery System R&R	6,500		
Joint Participation - FDOT - SR 200 (A1A) Rubin to O'Neil Scott - Section 3	2,861		
Meter Growth	1,762		
Joint Participation Projects	1,539		
Grid - Cost Participation	1,000		
Main St. Well No. 6A - Total Water Management Plan	960		
Main Extensions and Taps	750		
Joint Participation - FDOT - State and Union St. - Resurfacing - (I-95 to Main St.)	735		
Roosevelt Blvd. - Birmingham Gate to Collins Rd. - Transmission	632		
New Kings Rd. - I-295 to Edgewood Water Line Extensions	600		
River Crossing Influenced Water Supply - Evaluation & Rehabilitation	500		
Southeast Water Treatment Plant - High Service Pump and Pump Building - Upgrades	471		
Joint Participation - FDOT - Beach Blvd. Resurfacing - Atlantic Split to Parental Home	465		
Fairfax Water Treatment Plant - High Service Pump Rehabilitation	411		
Joint Participation - City Of Jacksonville - Lower Eastside Drainage Improvements	283		
Nocatee - Twenty Mile Village	250		
Joint Participation - FDOT - SR 200 (A1A) Still Quarters Rd. to Scott Rd. - Section 2	223		
Ponte Vedra - San Juan Dr. - Pablo Rd. - Pablo Dr. - 177 San Juan Dr. to Pablo Rd. - Transmission	185		
Development Driven - Nocatee	175		
Joint Participation - JTA - Bus Rapid Transit - Phase 1 (Downtown)	85		
Nocatee - Riverwood	72		
Joint Participation - CR210 - I-95 to Kingsley Lake Dr.	60		
Disposal of Radio Frequency Meter Interface Units	55		

JEA  
Water Sewer System  
FY 2014/15 Capital Budget  
(000's omitted)

Description	FY15		FY15
Joint Participation - FDOT - JAA North Access Rd. - Owens Rd. to Pecan Park Rd.	36		
Joint Participation - FDOT - Beaver Street - McDuff Ave. to Stockton St.	20		
Joint Participation - FDOT - SR 202 (JTB) Interchange Improvements - I-95 and JTB	20		
Joint Participation - FDOT - Philips Hwy. - University Blvd. to I-95	20		
Joint Participation - FDOT - US17 - Timuquana to Woodmere	12		
Joint Participation - FDOT - Wonderwood Drainage Improvement	12		
Joint Participation - FDOT - SR 200 (A1A) I-95 to Still Quarters Rd. - Section 1	7		
Rushing St. - Kings Rd. to 2nd St. - Distribution - Replacement	4		
Joint Participation - FDOT - I-95 Overland Bridge Improvements (from Main St. to Philips Hwy.)	(15)		
<b>WATER DISTRIBUTION TOTAL</b>	<b>\$27,674</b>	<b>(2)</b>	<b>\$45,156 = (1) + (2)</b>
<b>SEWER COLLECTION</b>			
Sewer Collection System Trenchless R&R	\$3,200		
Sewer Collection System R&R	3,000		
Ductile Iron FM Replacement - R&R	3,000		
Joint Participation - FDOT - SR 200 (A1A) Rubin to O'Neil Scott - Section 3	2,915		
Joint Participation - Core City - State St. and Union St. - Main St. to Liberty St.	2,276		
Joint Participation Projects	1,530		
Key Haven to Harts Road	1,020		
Turberculated Iron Gravity Pipe R&R	1,000		
Lane Ave. - Alachua Master Pump Station to Wilson Blvd. - Transmission - Force Main	980		
Jacksonville Landing Gravity CIPP	900		
New Berlin Rd. - Yellow Bluff Rd. to Eastport Rd. - Force Main	793		
Yellow Bluff Rd. - New Berlin Rd. to Victoria Lakes - Transmission - Force Main	779		
Montana Ave. - Broadcast Pl. to Manning Ave. - Transmission - Upgrade	744		
Main St. - New Berlin Rd. to T-Line - Transmission - Force Main	662		
Grid - Cost Participation - Force Main	650		
Development Driven - Nocatee	600		
Joint Participation - FDOT - SR 23 Outerbeltway	508		
Main Extensions and Taps	500		
Ponte Vedra - San Juan Dr. - Pablo Rd. - 177 San Juan Dr. to Pablo Rd. - Transmission- Force Main	483		
Joint Participation - FDOT - SR 117 Norwood Ave. - Alder St. and Carrollton Rd.	275		
PSI - South Shores Second Sub-Aqueous Force Main Crossing	250		
Joint Participation - FDOT - SR 200 (A1A) Still Quarters Rd. to Scott Rd. - Section 2	203		
Armsdale Rd. - Lem Turner to Armsdale Rd. Pump Station - Force Main	175		
Joint Participation - City Of Jacksonville - Lower Eastside Drainage Improvements	166		
Easement Location and Acquisitions	150		
Nocatee - Twenty Mile Village	100		
Joint Participation - CR210 - I-95 to Kingsley Lake Dr.	78		
Joint Participation - FDOT - State and Union St. - Resurfacing - (I-95 to Main St)	71		
Air Relief Valves - R&R	50		
Manhole Supervisory Control and Data Acquisition (SCADA) R&R	50		
Nocatee - Riverwood	42		
Rushing St. - Kings Rd. to 2nd St. - Coll - Replacement - Gravity Sewer	35		
Utility Locate Group - Capital Equipment	25		
Joint Participation - FDOT - SR 202 (JTB) Interchange Improvements - I-95 and JTB	15		
Joint Participation - JTA - Bus Rapid Transit (BRT) - Phase 1 (Downtown)	15		
Joint Participation - FDOT - Philips Hwy. - University Blvd. to I-95	8		
Joint Participation - FDOT - Wonderwood Drainage Improvement	8		
Joint Participation - FDOT - SR 200 (A1A) I-95 to Still Quarters Rd. - Section 1	7		

JEA  
Water Sewer System  
FY 2014/15 Capital Budget  
(000's omitted)

Description	FY15		FY15
Joint Participation - FDOT - I-95 Overland Bridge Improvements (from Main St. to Philips Hwy.)	(21)		
<b>SEWER COLLECTION TOTAL</b>	<b>\$27,242</b>	<b>(3)</b>	
<b>SEWAGE PUMP STATIONS</b>			
Pumping Stations - Capital Equipment Replacement	\$2,600		
Pumping Stations - Class I_II Station Rehabilitation	2,111		
Alachua Master Pump Station Improvements	1,739		
Supervisory Control and Data Acquisition (SCADA) RTU and Control Panel Upgrades	1,200		
Bradley Road Pump Station Electrical and Associated Improvements	493		
Nocatee - Twenty Mile Village -Pump Station	375		
4511 Spring Park Rd. Lift Station	255		
Argyle Forest Pump Station Rehabilitation	255		
Supervisory Control and Data Acquisition (SCADA) Renewal & Replacement	150		
Monterey Supervisory Control and Data Acquisition (SCADA) Renewal and Replacement	50		
Diesel-driven Backup Pump R&R	50		
<b>SEWAGE PUMP STATIONS TOTAL</b>	<b>\$9,278</b>	<b>(4)</b>	
<b>WASTEWATER TREATMENT</b>			
Blacks Ford Water Reclamation Facility - Expansion from 3.0 to 4.5 million gallons per day	\$4,000		
Digesters 1 & 2 - Cover Replacement	3,581		
Arlington East Secondary Clarifier Addition	2,693		
District II - Outfall Diversion Rehabilitation Project	2,287		
Wastewater Treatment Facilities - Capital Equipment Replacement	2,000		
Greenland Water Reclamation Facility - Land Purchase	2,000		
Mandarin Water Reclamation Facility - Bio-Filter Bed Replacement	1,646		
Blacks Ford Water Reclamation Facility - New Solid Handling Facility	1,566		
Arlington East Water Reclamation Facility Bar Screen Replacement	1,318		
Ponte Vedra Water Reclamation Facility Bar Screen Replacement	1,075		
Mandarin Water Reclamation Facility High Level UV Upgrade	979		
District II - Primary Clarifier Rehabilitation	825		
Biosolids Process Renewal & Replacement	800		
Blacks Ford Water Reclamation Facility - Outfall - Upgrade	750		
Arlington East Water Reclamation Facility Switchgear and Transformer Replacement	720		
Buckman Water Reclamation Facility Grit Removal System	652		
Buckman Water Reclamation Facility - Primary Clarifier 1-8 Rehabilitation	578		
Buckman Biosolids Residuals Management Facility Centrifuge Upgrades	573		
Wastewater Treatment Plant Expansions	500		
District II Wastewater Treatment Plant - Recycle Pump Installation	500		
Nassau Regional Water Reclamation Facility Bandscreen Replacement with Drum Screens	342		
Lofton Oaks Water Treatment Plant - Pump Building Replacement	318		
Arlington East Secondary Clarifiers 1-2 Rehabilitation and Dewatering System	305		
Southwest Fine Screen Replacement	298		
Wastewater Odor Control - All Plants and Pump Stations	250		
District II Wastewater Treatment Plant - Engineering Study	150		
Reuse Facility - Capital Equipment Replacement	50		
Arlington East Secondary Clarifier Polymer Feed Addition	40		
<b>WASTEWATER TREATMENT TOTAL</b>	<b>\$30,796</b>	<b>(5)</b>	
<b>RECLAIM WATER DISTRIBUTION</b>			
RG Skinner - 9B to Parcels 10A - 11	\$2,534		

JEA  
Water Sewer System  
FY 2014/15 Capital Budget  
(000's omitted)

Description	FY15		FY15	
RG Skinner - 9B to T-Line	1,426			
Mandarin Water Reclamation Facility - EQ Storage Tank and Transfer Pump Station	1,391			
Arlington East - Reclaimed Water Filter - Increase Capacity from 6.0 to 8.0 million gallons per day	1,214			
Grid - Cost Participation	350			
Monument Rd. - Cancun Dr. to Hidden Hills Ln. - Transmission	241			
Nocatee - Twenty Mile Village	225			
Development Driven - Nocatee	165			
Nocatee - Riverwood	61			
Reuse Delivery R&R	50			
Joint Participation - FDOT - Wonderwood Drainage Improvement	2			
<b>RECLAIM WATER DISTRIBUTION TOTAL</b>	<b>\$7,659</b>	<b>(6)</b>	<b>\$74,975</b>	<b>= (3)+(4)+(5)+(6)</b>
<b>WATER OTHER CAPITAL PROJECTS</b>				
Capital Administrative Overhead	\$5,210			
Fleet Replacement	3,200			
Technology Services - MDMS Upgrade 2015	2,540			
Technology Services - Telecommunication	1,500			
Plaza 1 (Tower) - Restroom and Plumbing Upgrades	1,369			
JEA Tower - Building Renovations	1,000			
Technology Services - Maximo Spatial Integration	900			
Technology Services - Projects	850			
Facilities Generators	820			
Facilities Security	625			
Facilities Heating, Ventilation, & Air	500			
Plaza II - Data Center UPS Upgrade	500			
Plaza III - HVAC Upgrades	500			
Security - Tower - Plaza - Active Shooter Security Enhancements	442			
Facilities Roof Replacement	435			
Tower I New Fire Alarm System	432			
Plaza II - EOC 3000sf Build Out	400			
Facilities Paving, Fencing & Site Improvements	345			
Facilities Improvements, Building Upgrades	315			
Lovegrove Water Treatment Plant - Generator Upgrades	299			
Technology Services - Bronze Applications (De-Support Up-Grade Only)	250			
Facilities Improvements, Electric and Lighting Systems	250			
Buckman - Building 3 Improvements	250			
Buckman - Building 14 Upgrades	225			
Cedar Bay Water Reclamation Facility - Paving Upgrades	210			
Mail Room Consolidation	197			
Facilities Improvements, Plumbing and Fire System Upgrades	125			
Laboratory Equipment Upgrades	105			
Facilities Improvements - Elevators	50			
Customer Service Response - Tools and Equipment	25			
<b>WATER OTHER CAPITAL PROJECTS TOTAL</b>	<b>\$23,869</b>	<b>(7)</b>	<b>\$23,869</b>	<b>= (7)</b>
<b>WATER/SEWER TOTAL</b>			<b>\$144,000</b>	

**JEA**  
**ANALYSIS OF PROPOSED DISTRICT ENERGY SYSTEM OPERATING BUDGET**  
**FY 2013/14 BUDGET COMPARED TO FY 2014/15 PROPOSED BUDGET**  
**(000'S)**

	2013/14 Original Budget	2013/14 Revised Budget	Actual Thru May	JEA 2013/14 Projected	2014/15 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2013/14 Original Budget	JEA 2013/14 Projected
<b>OPERATING BUDGET:</b>							
<b>REVENUES:</b>							
Revenues	\$ 8,995	\$ 8,995	\$ 5,351	\$ 8,890	\$ 9,445	5.00%	6.25%
Total Operating Revenues	<u>\$ 8,995</u>	<u>\$ 8,995</u>	<u>\$ 5,351</u>	<u>\$ 8,889</u>	<u>\$ 9,445</u>	<u>5.00%</u>	<u>6.25%</u>
<b>EXPENSES:</b>							
Operating and Maintenance	\$ 5,386	\$ 5,386	\$ 2,856	\$ 5,205	\$ 5,397	0.20%	3.70%
Total Expenses	<u>5,386</u>	<u>5,386</u>	<u>2,856</u>	<u>5,205</u>	<u>5,397</u>	<u>0.20%</u>	<u>3.70%</u>
<b>NET REVENUES FROM OPERATIONS</b>	<u>3,609</u>	<u>3,609</u>	<u>2,495</u>	<u>3,685</u>	<u>4,048</u>	<u>12.15%</u>	<u>9.85%</u>
<b>OTHER DEDUCTIONS:</b>							
Debt Service	3,167	3,167	2,014	3,021	3,019	(4.67%)	(0.04%)
Renewal & Replacement	442	442	263	410	449	1.76%	9.53%
Operating Capital Outlay	-	-	-	-	579	100.00%	100.00%
Total Other Deductions	<u>3,609</u>	<u>3,609</u>	<u>2,277</u>	<u>3,431</u>	<u>4,048</u>	<u>12.16%</u>	<u>17.97%</u>
<b>Budget Surplus (Deficit)</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 218</u>	<u>\$ 254</u>	<u>\$ 0</u>		

**FY 2013/14 BUDGET COMPARED TO FY 2014/15 PROPOSED BUDGET**

REVENUES	Increase/(Decrease)	
	(\$000's)	%
<b>Revenues</b>	\$ 450	5.00%
District Energy sales have been budgeted with an additional five percent weather contingency.		
<b>OTHER DEDUCTIONS</b>		
<b>Operating Capital Outlay</b>	\$ 579	100.00%
Reflects higher capital requirements. The OCO is based on the capital proposed budget of \$1,356,000 minus the Renewal & Replacement Deposits and Other Proceeds.		

**JEA**  
**ANALYSIS OF OPERATING AND MAINTENANCE EXPENSE**  
**DISTRICT ENERGY SYSTEM**  
**FY 2013/14 BUDGET COMPARED TO FY 2014/15 PROPOSED BUDGET**  
**(000's)**

	<u>2013/14 Original Budget</u>	<u>2013/14 Revised Budget</u>	<u>Actual Thru May</u>	<u>JEA 2013/14 Projected</u>	<u>2014/15 Proposed Budget</u>	<u>% Increase (Decrease) Proposed Budget Over</u>	
						<u>2013/14 Original Budget</u>	<u>JEA 2013/14 Projected</u>
Salaries	\$ 387	\$ 387	\$ 239	\$ 369	\$ 388	0.16%	5.19%
Employee Benefits	160	160	95	149	163	1.85%	9.89%
Supplies	120	120	84	124	120	0.00%	(3.14%)
Other Services & Chgs.	4,546	4,546	2,406	4,385	4,541	(0.12%)	3.55%
Contracts and Contingencies	-	-	-	-	-		
Property Insurance	46	46	33	49	44	(4.35%)	(9.85%)
Operating Reserve	134	134	-	133	141	5.44%	5.86%
Expense Credits	(7)	(7)	(1)	(4)	-		(100.00%)
<b>O &amp; M Expense</b>	<u>\$ 5,386</u>	<u>\$ 5,386</u>	<u>\$ 2,856</u>	<u>\$ 5,205</u>	<u>\$ 5,397</u>	<u>0.20%</u>	<u>3.70%</u>

**FY 2013/14 BUDGET COMPARED TO FY 2014/15 PROPOSED BUDGET**

	<u>Increase/(Decrease) (\$000's)</u>	<u>%</u>
<b>Employee Benefits</b> Primarily attributed to increase in pension budgeted at 31.9% for FY 2014/2015 vs. 28.21% for FY 2013/2014	\$ 3	1.85%
<b>Property Insurance</b> Based upon the FY2015 Property & Casualty Insurance and Self-Insurance Budget provided by Risk Management.	\$ (2)	(4.35%)



**JEA**  
**ANALYSIS OF PROPOSED FY 2014/15 DISTRICT ENERGY SYSTEM CAPITAL BUDGET**  
**FY 2013/14 BUDGET COMPARED TO FY 2014/15 PROPOSED BUDGET**  
**(000'S)**

	2013/14 Original Budget	2013/14 Revised Budget	Actual Thru May	JEA 2013/14 Projected	2014/15 Proposed Budget	Proposed Budget Over	
						2013/14 Original Budget	JEA 2013/14 Projected
<b>CAPITAL FUNDS</b>							
Debt	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%
Other Proceeds	808	808	123	593	328	(59.46%)	(44.74%)
Renewal & Replacement	442	442	263	410	449	1.76%	9.53%
Operating Capital Outlay	-	-	-	-	579	100.00%	100.00%
	<u>1,250</u>	<u>1,250</u>	<u>386</u>	<u>1,003</u>	<u>1,356</u>	<u>8.46%</u>	<u>35.13%</u>
<b>CAPITAL PROJECTS</b>							
District Energy System Projects	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 123</u>	<u>\$ 593</u>	<u>\$ 1,356</u>	<u>8.48%</u>	<u>128.64%</u>

Description	FY15
Facilities R&R	\$925
Downtown Plant - Variable Frequency Drives	198
Downtown Plant - Tower R&R (Fill)	133
Hogan's Creek Plant - New Customer - Stadium	100
<b>DISTRICT ENERGY TOTAL</b>	<b>\$1,356</b>

**JACKSONVILLE TRANSPORTATION AUTHORITY  
COMPARISON OF BUDGETS  
2013/14 TO PROPOSED 2014/15**

**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>
	<b>Operations</b>	<b>Capital</b>	<b>Operations</b>	<b>Capital</b>	<b>Operations</b>	<b>Capital</b>	<b>Operations</b>	<b>Capital</b>		
	<b>2013/14 Original</b>	\$ 79,895,277	\$ 51,590,472	\$ 5,643,713	\$ 1,175,000	\$ 13,176,565	\$ 1,073,312	\$ 72,888,398	\$ 0	\$ (84,814,991)
<b>2014/15 Proposed</b>	\$ 82,848,884	\$ 35,842,036	\$ 5,982,970	\$ 1,787,232	\$ 13,973,036	\$ 1,143,000	\$ 78,000,430	\$ 100,550,000	\$ (90,306,897)	\$ 229,820,691
<b>\$ Incr(Decr)</b>	\$ 2,953,607	\$ (15,748,436)	\$ 339,257	\$ 612,232	\$ 796,471	\$ 69,688	\$ 5,112,032	\$ 100,550,000	\$ 5,491,906	\$ 89,192,945 (a)
<b>% Incr(Decr)</b>	3.70%	(30.53%)	6.01%	52.10%	6.04%	6.49%	7.01%	N/A	6.48%	63.42%

	<b>Original 2013/14 F/T</b>	<b>Proposed 2014/15 F/T</b>	<b>Increase (Decrease)</b>
<b>Bus</b>	620	626	6
<b>Skyway</b>	40	40	-
<b>CTC</b>	55	51	(4)
<b>Engineering</b>	10	12	2
<b>Total Agency</b>	725	729	4 (b)

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

JTA Amount	\$ 62,983,498
City Contribution (CTC)	1,363,002
<b>Total</b>	<b>\$ 64,346,500</b>

**Distribution of above amount:**

Local Option Gas Tax (Bus)	\$ 27,327,093
Sales Tax (Engineering)	1,665,190
Sales Tax (Bus)	33,991,215
City Contribution (CTC)	1,363,002
<b>Total</b>	<b>\$ 64,346,500</b>

**FY 2015 Budget Key Metrics**

- The Bus Operators and Mechanics labor agreements are both in the last year of their contracts which expire in September 2014 and November 2014 respectively and are currently being renegotiated. Wages and fringe benefits for these union personnel will be determined by the labor agreements.

- Assumes non-union average 2% performance based wage increase.

- The FY 2015 proposed operating budget includes \$600k in one-time bus route optimization implementation costs; and \$200k to support the St. Johns River Ferry.

- The current number of vehicles in JTA's fleet is as follows:

Buses - 158  
Community Shuttles - 26  
CTC Connexion Vehicles - 97  
JTA Support Vehicles - 77

(a) The total agency budget increase is primarily due to bond proceeds for Local Option Gas Tax (LOGT) road related projects.

(b) The increase in full-time employees is primarily attributed to enhancing bus service by converting bus operation supervisors from part-time to full-time, and adding personnel to support work related to the LOGT projects.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
 MASS TRANSIT DIVISION  
 BUS OPERATIONS BUDGET  
 ANALYSIS OF PROPOSED 2014/15 BUDGET**

Schedule # 2

	2013/14 Approved Budget	Actual Thru May	2013/14 Projected	2014/15 Proposed Budget	% Increase (Decrease) FY 15 Proposed Budget Over	
					FY14 Approved Budget	Projected
<b>REVENUES</b>						
Federal, State & Local Grants	\$ 7,927,234	\$ 5,780,562	\$ 8,096,950	\$ 9,148,088	15.40%	12.98%
Local Option Gas Tax	28,620,000	18,063,332	27,094,998	27,327,093	(4.52%)	0.86%
Sales Tax (BJP)	30,164,972	21,554,387	31,976,017	33,991,215	12.68%	6.30%
Passenger Fares	12,299,970	7,299,907	11,344,915	11,448,988	(6.92%)	0.92%
Non-Transportation	858,101	523,839	878,986	912,500	6.34%	3.81%
Interest Income	25,000	1,532	15,000	21,000	(16.00%)	40.00%
<b>Total Revenues</b>	<b>\$ 79,895,277</b>	<b>\$ 53,223,559</b>	<b>\$ 79,406,866</b>	<b>\$ 82,848,884</b>	<b>3.70%</b>	<b>4.33%</b>
Salaries and Wages	\$ 27,699,448	\$ 18,754,079	\$ 28,131,119	\$ 28,630,479	3.36%	1.78%
Fringe Benefits	15,765,363	11,018,313	16,527,470	16,876,471	7.05%	2.11%
Fuel and Lubricants	7,377,048	4,522,897	6,984,346	7,377,048	0.00%	5.62%
Materials & Supplies	4,104,745	2,618,468	3,967,701	4,127,472	0.55%	4.03%
Services	7,117,212	4,725,321	7,432,639	7,973,669	12.03%	7.28%
Insurance (Casualty&Liability)	412,465	332,167	498,251	493,917	19.75%	(0.87%)
Travel/Training/Dues & Subscriptions	78,229	23,638	35,457	92,516	18.26%	160.92%
Contribution to St. Johns River Ferry	-	116,668	200,000	200,000	N/A	0.00%
Other Direct Operating Costs	1,566,545	775,367	1,513,827	1,666,655	6.39%	10.10%
Operating Contingency	2,420,096	-	-	1,308,000	(45.95%)	N/A
Transfer To:						
ADA Expense	8,911,263	5,500,868	8,882,436	9,417,037	5.68%	6.02%
Skyway	4,442,863	2,773,495	4,395,050	4,685,620	5.46%	6.61%
<b>Total Expenditures</b>	<b>\$ 79,895,277</b>	<b>\$ 51,161,281</b>	<b>\$ 78,568,296</b>	<b>\$ 82,848,884</b>	<b>3.70%</b>	<b>5.45%</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ 2,062,277</b>	<b>\$ 838,570</b>	<b>\$ -</b>	<b>N/A</b>	<b>(100.00%)</b>

**JACKSONVILLE TRANSPORTATION AUTHORITY  
 BUS OPERATIONS  
 2013/14 ORIGINAL BUDGET VS. 2014/15 PROPOSED BUDGET**

**BUS OPERATIONS VARIANCE**

<b>REVENUE OVERVIEW</b>		<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
	Federal State & Local Grants	\$ 1,220,854	15.40%	Federal preventative maintenance funds can be used for capital or operational needs. In FY 2013/14, JTA required more capital for the Enterprise Resource Planning Program (ERP) system, which reduced the preventative maintenance allocation to the operating budget. For FY 2014/15, JTA is returning to its normal preventative maintenance allocation amount based on agency expenditures for mechanics wages in lieu of capital initiatives.
	Sales Tax	\$ 3,826,243	12.68%	The increase is attributed to the gross sales tax projection provided by the COJ Budget office, less debt service. The sales tax projection has largely increased due to the inclusion of internet sales tax being collected by Amazon starting on May 1, 2014 due to Amazon building two warehouses in Florida.
	Passenger Fares	\$ (850,982)	(6.92%)	The FY 2015 farebox projection is based on current revenue collection trends. The previous year's projection was too optimistic.
	Non-Transportation	\$ 54,399	6.34%	This includes advertising, parking/rentals, vending machines and miscellaneous income.

## EXPENDITURE OVERVIEW

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Salaries and Wages	\$	931,031	3.36%	The increase is due to a non-union 2% average performance based wage increase, and a wage increase for bus operators, mechanics, and maintenance workers, whose labor agreements will be renegotiated.
Fringe Benefits	\$	1,111,108	7.05%	The increase is primarily attributed to YTD trends, JTA is projecting a 10% increase in health insurance, as well as in pension funding requirements for FRS of 6% for administrative personnel and 15.5% for senior management.
Services	\$	856,457	12.03%	The increase is primarily attributed to one-time costs associated with Route Optimization, funding both the new IT maintenance agreement for the Oracle system and maintaining the previous IT system, public outreach and education initiatives, and legal fees associated with union contract renegotiations.
Insurance (Casualty & Liability)	\$	81,452	19.75%	This projection is based on the prior year claims reserve requirement as determined by an actuary and includes increases for workers compensation, director and officer liability and service vehicle insurance coverage.
Travel/Training/Dues & Subscriptions	\$	14,287	18.26%	The increase includes funding to promote professionalism and proficiency of employee training for bus operation supervisors at the Transportation Safety Institute on best practices, accident investigations, etc.

Contribution to St. Johns River Ferry	\$	200,000	N/A On 10/31/2013 the JTA Board of Directors approved a \$200k operating subsidy to the St. Johns River Ferry. This was an unbudgeted expense in FY 2014, and has been incorporated into the FY 2015 budget.
Other Direct Operating Costs	\$	100,110	6.39% This increase is primarily attributed to banking costs associated with the implementation of E-Star and providing credit card capability at the Kings Avenue Garage. There is also an increase for rental costs for a trailer at Rosa Parks to provide a convenient location for customers to obtain a STAR-card.
Transfer to ADA Expense	\$	505,774	5.68% This funding is necessary to balance the CTC budget and support increased expenses in Connexion operations.
Transfer to Skyway	\$	242,757	5.46% This funding is necessary to balance the Skyway budget and support expenses in Skyway operations.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
 MASS TRANSIT DIVISION (Including Administration)  
 BUS CAPITAL PROJECTS BUDGET  
 ANALYSIS OF PROPOSED 2014/15 BUDGET**

Schedule # 3

	<u>2013/14 Original Budget</u>	<u>2014/15 Proposed Budget</u>	<u>% Increase (Decrease) 2015 Budget Over 2014 Budget</u>
<b><u>REVENUES</u></b>			
Federal Section 5307 (Footnote 1)	\$ 4,252,566	\$ 3,665,806	(13.80%)
Federal Section 5309 (Footnote 2)	\$ 34,322,657	\$ -	(100.00%)
Federal Section 5310 (Footnote 3)	-	160,000	N/A
Federal Section 5339 (Footnote 4)	1,314,584	1,393,230	5.98%
Federal Section 5311 (Footnote 5)	60,000	60,000	0.00%
Florida Department of Transportation	4,290,332	13,250,000	208.83%
North Florida Transportation Planning Organization	1,000,000	1,000,000	0.00%
Local JTA Match	6,350,333	16,313,000	156.88%
<b>Total Revenues</b>	<u>\$ 51,590,472</u>	<u>\$ 35,842,036</u>	<u>(30.53%)</u>
<b><u>EXPENDITURES</u></b>			
Bus Rapid Transit (BRT) - North Corridor Project	\$ 23,843,722	\$ 300,000	(98.74%)
Bus Rapid Transit (BRT) - Southeast Corridor Project	19,059,600	-	(100.00%)
Bus Rapid Transit (BRT) - East Corridor Project	750,000	750,000	0.00%
Bus Rapid Transit (BRT) - Southwest Corridor Project	500,000	450,000	(10.00%)
Bus Transfer Facility (JRTC)	-	21,000,000	N/A
CNG Facility Conversion	-	6,363,000	N/A
Communications Equipment	150,000	-	(100.00%)
Computer Equipment (Hardware and Software)	505,600	270,000	(46.60%)
Enhancements (Landscaping)	122,240	138,000	12.89%
Miscellaneous Support Equipment	64,095	100,000	56.02%
Office Furnishings & Equipment	142,700	34,244	(76.00%)
Associated Capital Maintenance Parts	234,915	-	(100.00%)
Program Administration	250,000	30,000	(88.00%)
Purchase Transit Vehicles	3,000,000	4,763,230	58.77%
Security	174,600	160,000	(8.36%)
Support Vehicles	108,000	175,000	62.04%
Facilities Improvements	1,525,000	1,204,562	(21.01%)
Transit Satellite Transfer Amenities	1,160,000	104,000	(91.03%)
<b>Total Expenditures</b>	<u>\$ 51,590,472</u>	<u>\$ 35,842,036</u>	<u>(30.53%)</u>

**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 - Federal funding for ADA facilities improvements.
- 4 - Federal funding for buses and bus facilities.
5. Annual funding for non urbanized (rural areas) from the FTA.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
 MASS TRANSIT DIVISION  
 2013/14 ORIGINAL BUDGET VS. 2014/15 PROPOSED BUDGET**

**BUS CAPITAL PROJECTS VARIANCE SCHEDULE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
Federal Section 5307	\$ (586,760)	(13.80%)	Funding is based on the amount of capital expenditures requested.
Federal Section 5309	\$ (34,322,657)	(100.00%)	The funding in FY 2013/14 included Bus Rapid Transit (BRT) North and SE Corridor design and construction awards anticipated as they were included in the President's budget, whereas the JTA does not anticipate receiving a Section 5309 discretionary award in FY 2014/15.
Federal Section 5310	\$ 160,000	N/A	This represents new Federal Transit Administration Section 5310 funding administered by the Florida Department of Transportation in which the JTA was awarded funding based on the amount of capital expenditures requested.
Florida Department of Transportation	\$ 8,959,668	208.83%	Funding for FY2013/14 included the BRT North and South East Corridors design and construction; while funding for FY 2014/15 includes \$10.5 million from Strategic Intermodal Systems (SIS) funding for the Bus Transfer Facility (JRTC) and \$2.7 million in Transportation Regional Incentive Program (TRIP) funds for the CNG Facility Conversion.
Local JTA Match	\$ 9,962,667	156.88%	Funding is based on the amount of grant revenue received and the match percentage required. This substantial increase is due to the requirement to the match at 50% all state SIS and Trip funds.



<b>EXPENDITURE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
Bus Rapid Transit (BRT) - North Corridor Project	\$ (23,543,722)	(98.74%)	The Bus Rapid Transit - North Corridor was awarded by the FTA in full in FY 2013/14, and there are few anticipated discretionary awards for FY 2014/15. The JTA did budget an additional \$300,000 in FY 2014/15 for the required Transit Signal Priority timing plan for the BRT projects.
Bus Rapid Transit (BRT) - Southeast Corridor Project	\$ (19,059,600)	(100.00%)	The Bus Rapid Transit - Southeast Corridor project was fully awarded by the FTA in full in FY 2013/14, and there are few anticipated discretionary awards for FY 2014/15.
Bus Transfer Facility (JRTC)	\$ 21,000,000	N/A	The FY 2014/15 budget includes \$21.0 million from Strategic Intermodal Systems (SIS) funding for the Bus Transfer Facility (JRTC). The SIS comprises Florida's statewide network of high priority transportation facilities. The SIS is Florida's highest statewide priority for transportation capacity improvements.
CNG Facility Conversion	\$ 6,363,000	N/A	The FY 2014/15 budget includes \$2.7 million in Transportation Regional Incentive Program (TRIP) funds for the Compressed Natural Gas (CNG) Facility Conversion.
Communications Equipment	\$ (150,000)	(100.00%)	There was no shop equipment requested in FY 2014/15.
Computer Equipment (Hardware and Software)	\$ (235,600)	(46.60%)	With the funding for the new Enterprise Resource Planning (ERP) system secured through FY 2013/14, the JTA budgeted additional funding for computer hardware upgrades as well as for the implementation of other Microsoft related projects.
Enhancements (Landscaping)	\$ 15,760	12.89%	The FTA permits the JTA to provide landscaping for JTA mass transit properties, and these funds are used throughout Duval County on various properties owned by JTA that are utilized for mass transit purposes.
Miscellaneous Support Equipment	\$ 35,905	56.02%	This funding will be used for additional copiers, a Braille machine for ADA compliance, a point of sale terminal (to encode the STAR cards) for operations.
Office Furnishings & Equipment	\$ (108,456)	(76.00%)	Funding for FY 2014/15 decreased from FY 2013/14 funding based on the needs of the organization.

Associated Capital Maintenance Parts	\$	(234,915)	(100.00%)	This represents funding for transmissions, engines, equipment/material for rolling stock. However, no Associated Capital Maintenance Parts funding was requested in FY 2014/15.
Program Administration	\$	(220,000)	(88.00%)	With the ERP initiative substantially completed, the JTA has reduced the budget for program administration to the required levels of the Federal Transit Administration (FTA) to ensure project oversight.
Purchased Transit Vehicles	\$	1,763,230	58.77%	Total funding amount is for 9 CNG buses at approximately \$525K per bus.
Support Vehicles	\$	67,000	62.04%	The increase in funding is due to JTA purchasing 8 Dodge Chargers at \$21 - \$22k each, to be used by JTA Supervisors.
Facilities Improvement	\$	(320,438)	(21.01%)	Funding for the new Connexion lot adjacent to the Myrtle Avenue complex.
Transit Satellite Transfer Amenities	\$	(1,056,000)	(91.03%)	Represents funding for the installation and relocation costs of bus shelters. Last year's budget of \$1M was not fully expended, and will be used in FY 2014/15 as needed. The average cost of a bus shelter is \$12K.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
 MASS TRANSIT DIVISION  
 AUTOMATED SKYWAY EXPRESS OPERATIONS BUDGET  
 ANALYSIS OF PROPOSED 2014/15 BUDGET**

Schedule # 4

	2013/14 Original Budget	Actual Thru May	2013/14 Projected	2014/15 Proposed Budget	% Increase (Decrease) FY 15 Proposed Budget Over FY14 Approved	
					Budget	Projected
<b><u>REVENUES</u></b>						
Passenger Fares	\$ 200,000	\$ -	\$ -	\$ -	(100.00%)	N/A
Non-Transportation Revenue	-	141,194	212,273	195,500	N/A	(7.90%)
Federal Preventative Maint.	1,000,000	666,668	1,000,000	1,100,000	10.00%	10.00%
Interest Income	850	1,408	2,102	1,850	117.65%	(11.99%)
Transfer from Bus Ops	4,442,863	2,773,495	4,395,050	4,685,620	5.46%	6.61%
<b>Total Revenues</b>	<b>\$ 5,643,713</b>	<b>\$ 3,582,765</b>	<b>\$ 5,609,425</b>	<b>\$ 5,982,970</b>	<b>6.01%</b>	<b>6.66%</b>
<b><u>EXPENDITURES</u></b>						
Salaries and Wages	\$ 2,051,748	\$ 1,359,309	\$ 2,055,373	\$ 2,109,126	2.80%	2.62%
Fringe Benefits	1,035,090	680,518	1,026,880	1,093,912	5.68%	6.53%
Materials & Supplies	783,683	579,705	827,964	816,918	4.24%	(1.33%)
Services	866,922	531,593	845,407	987,469	13.91%	16.80%
Fuel and Lubricants	15,000	8,230	14,109	15,000	0.00%	6.32%
Insurance	432,099	208,645	317,200	426,488	(1.30%)	34.45%
Other Direct Operating Costs	453,633	213,159	519,739	528,519	16.51%	1.69%
Travel/Training/Dues & Subscriptions	5,538	1,606	2,753	5,538	0.00%	101.16%
<b>Total Expenditures</b>	<b>\$ 5,643,713</b>	<b>\$ 3,582,765</b>	<b>\$ 5,609,425</b>	<b>\$ 5,982,970</b>	<b>6.01%</b>	<b>6.66%</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>	<b>N/A</b>

**JACKSONVILLE TRANSPORTATION AUTHORITY  
SKYWAY OPERATIONS  
2013/14 ORIGINAL BUDGET VS. 2014/15 PROPOSED BUDGET**

**SKYWAY OPERATIONS VARIANCE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
Passenger Fares	\$ (200,000)	(100.00%)	The Skyway is a fare-free service since January 2012; JTA currently does not receive passenger fares from this transportation mode.
Non-Transportation Revenue	\$ 195,500	N/A	This funding includes parking income earned at Skyway stations. This was previously included in passenger fares.
Federal Preventative Maintenance	100,000	10.00%	Federal preventative maintenance funds can be used for capital or operational needs. In FY 2013/14, JTA required more capital for the Enterprise Resource Planning Program (ERP) system, which reduced the preventative maintenance allocation to the operating budget. For FY 2014/15, JTA is returning to its normal preventative maintenance allocation amount based upon agency expenditures for mechanics wages in lieu of capital initiatives.
Transfer from Bus Ops	242,757	5.46%	This funding is necessary to balance the budget and support expenses in Skyway operations.

<b>EXPENDITURE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
Salaries	\$ 57,378	2.80%	The increase includes a non-union average 2% performance based wage increase, and an increase for mechanics and maintenance workers whose labor agreements will be renegotiated.
Fringe Benefits	\$ 58,822	5.68%	JTA is projecting a 10% increase in health insurance, as well as in pension funding requirements for FRS of 6% for administrative personnel and 15.5% for senior management.
Material and Supplies	\$ 33,235	4.24%	This line item primarily includes parts for the inspection and maintenance of the Skyway trains. It also includes office supplies, protective equipment, etc.
Services	\$ 120,547	13.91%	The increase is primarily associated with 3-year preventative maintenance requirements for traction power switchgear equipment and consultant services to assist with a New Rule Book for Skyway operations for certification purposes recommended by the FDOT.
Other Direct Operating Costs	\$ 74,886	16.51%	This line item includes Skyway utilities and miscellaneous expenses. The increase is due to additional utility costs to support special events such as One Spark and the Florida/Georgia game.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
 MASS TRANSIT DIVISION  
 AUTOMATED SKYWAY EXPRESS CAPITAL BUDGET  
 ANALYSIS OF PROPOSED 2014/15 BUDGET**

Schedule # 5

	<b>2013/14 Original Budget</b>	<b>2014/15 Proposed Budget</b>	<b>% Increase (Decrease) 2015 Budget Over 2014 Budget</b>
<b><u>REVENUES</u></b>			
Federal Section 5307 Funding <b>(Footnote 1)</b>	\$ 582,522	\$ 1,155,000	98.28%
Federal Section 5337 Funding <b>(Footnote 2)</b>	592,478	632,232	6.71%
<b>Total Revenues</b>	<b>\$ 1,175,000</b>	<b>\$ 1,787,232</b>	<b>52.10%</b>
<b><u>EXPENDITURES</u></b>			
Computer Equipment	\$ 150,000	\$ 225,540	50.36%
Shop Equipment	100,000	-	(100.00%)
Enhancements (Landscaping)	50,000	-	(100.00%)
Miscellaneous Support Equipment	290,000	250,000	(13.79%)
Associated Capital Maintenance Parts	250,000	631,692	152.68%
Program Administration	85,000	250,000	194.12%
Security Equipment	30,000	200,000	566.67%
Support Vehicles	30,000	30,000	0.00%
Facilities Improvement	190,000	200,000	5.26%
<b>Total Expenditures</b>	<b>\$ 1,175,000</b>	<b>\$ 1,787,232</b>	<b>52.10%</b>

**Footnotes:**

1 - Annual funding for urbanized areas to transit agencies from the Federal Transit Administration (FTA).

2 -Federal funding to maintain a system in good repair. This is a new Federal Funding Section, Skyway State of Good Repairs which replaces Section 5309 Fixed Guideway Modernization Program.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
 SKYWAY OPERATIONS  
 2013/14 ORIGINAL BUDGET VS. 2014/15 PROPOSED BUDGET**

**SKYWAY OPERATIONS CAPITAL VARIANCE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
Federal Section 5307 Funding	\$ 572,478	98.28%	Funding is based on the amount of capital expenditures requested.
<b>EXPENDITURE OVERVIEW</b>			
Computer Equipment	\$ 75,540	50.36%	Represents funding to upgrade the program logic controller for the Skyway's Supervisory Control and Data Acquisition system which is beyond its useful life cycle.
Shop Equipment	\$ (100,000)	(100.00%)	There was no shop equipment requested in FY 2014/15.
Associated Capital Maintenance Parts	\$ 381,692	152.68%	Additional funds were required to procure a fall prevention system along the entire guideway for safety and for replacement Propulsion Motors and Auxiliary Power Units for the Skyway trains.
Program Administration	\$ 165,000	194.12%	Additional funds were required to conduct the Guideway inspections for the North line & South line as per FDOT guidelines.
Security Equipment	\$ 170,000	566.67%	Additional funds were required to install a fall prevention system along the entire guideway for safety and the replacement of the obsolete neon light system to a LED system to be more efficient and reduce energy consumption.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
 MASS TRANSIT DIVISION  
 CTC OPERATIONS BUDGET  
 ANALYSIS OF PROPOSED 2014/15 BUDGET**

Schedule # 6

	2013/14 Original Budget	Actual Thru May	2013/14 Projected	2014/15 Proposed Budget	% Increase (Decrease) FY 15 Proposed Budget Over	
					FY14 Approved Budget	Projected
<b><u>REVENUES</u></b>						
Passenger Fares	\$ 697,230	\$ 600,577	\$ 895,085	\$ 897,230	28.68%	0.24%
City of Jacksonville Contribution	1,350,049	907,361	1,350,049	1,363,002	0.96%	0.96%
State TD Contribution	1,517,023	1,033,839	1,517,023	1,494,767	(1.47%)	(1.47%)
Federal Preventive Maintenance	700,000	466,668	700,000	800,000	14.29%	14.29%
Transfer from Bus Ops	8,911,263	5,500,868	8,882,436	9,417,037	5.68%	6.02%
Other Income	1,000	32,248	53,520	1,000	0.00%	(98.13%)
<b>Total Revenues</b>	<b>\$ 13,176,565</b>	<b>\$ 8,541,561</b>	<b>\$ 13,398,113</b>	<b>\$ 13,973,036</b>	<b>6.04%</b>	<b>4.29%</b>
<b><u>EXPENDITURES</u></b>						
Salaries and Wages	\$ 2,609,700	\$ 1,502,710	\$ 2,596,759	\$ 2,773,769	6.29%	6.82%
Fringe Benefits	1,067,750	623,167	1,060,590	1,185,347	11.01%	11.76%
Services	6,758,312	4,678,771	7,134,134	7,212,900	6.73%	1.10%
Insurance	59,095	47,986	74,799	78,764	33.28%	5.30%
Fuel and Lubricants	1,515,625	1,042,110	1,512,436	1,515,625	0.00%	0.21%
Materials & Supplies	860,960	492,946	738,221	950,671	10.42%	28.78%
Training/Travel/Dues & Subscription	7,966	445	7,000	7,966	0.00%	13.80%
Other Direct Operating Costs	297,157	153,426	274,174	247,994	(16.54%)	(9.55%)
<b>Total Expenditures</b>	<b>\$ 13,176,565</b>	<b>\$ 8,541,561</b>	<b>\$ 13,398,113</b>	<b>\$ 13,973,036</b>	<b>6.04%</b>	<b>4.29%</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>	<b>N/A</b>



**JACKSONVILLE TRANSPORTATION AUTHORITY  
CTC OPERATIONS  
2013/14 ORIGINAL BUDGET VS. 2014/15 PROPOSED BUDGET**

**CTC OPERATIONS VARIANCE**

JTA is designated as the Duval County Transportation Coordinator (CTC). 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.

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
Passenger Fares	\$ 200,000	28.68%	This projection is based on current revenue collection trends and anticipated FY 2015 ridership.
Federal Preventative Maintenance	\$ 100,000	14.29%	Federal preventative maintenance funds can be used for capital or operational needs. In FY 2013/14, JTA required more capital for the Enterprise Resource Planning Program (ERP) system, which reduced the preventative maintenance allocation to the operating budget. For FY 2014/15, JTA is returning to its normal preventative maintenance allocation amount based upon agency expenditures for mechanics wages in lieu of capital initiatives.
Transfer from Bus Ops	\$ 505,774	5.68%	This funding is necessary to balance the budget and support expenses in Connexion operations which provides transportation services for ADA eligible customers.

<b>EXPENDITURE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
Salaries and Wages	\$ 164,069	6.29%	This increase is primarily due to a non-union average 2% performance based wage increase; however union wages will be contingent on upcoming labor negotiations.
Fringe Benefits	\$ 117,597	11.01%	JTA is projecting a 10% increase in health insurance, as well as in pension funding requirements for FRS of 6% for administrative personnel and 15.5% for senior management.
Services	\$ 454,588	6.73%	This increase is associated with new Mobile Data Terminal (MDT) wireless and maintenance agreement, City radio usage, funding both the new IT maintenance agreement for the Oracle system and maintaining the previous IT system, marketing fees, and escalating contract costs.
Insurance	\$ 19,669	33.28%	The increase is based on prior year claims reserve requirement as determined by an actuary.
Material and Supplies	\$ 89,711	10.42%	This line item consists of parts for the Connexion vehicles including tires, tubes, and other supplies for radio repair and inspection and maintenance. Also included are office supplies and protective equipment.
Other Direct Operating Costs	\$ (49,163)	(16.54%)	This line item includes CTC utilities, public relations, leases/rentals and miscellaneous costs. The decrease is due to cost savings associated with the move of Connexion maintenance staff to Myrtle Avenue vs. the remote location previously used.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
 MASS TRANSIT DIVISION  
 CTC CAPITAL BUDGET  
 ANALYSIS OF PROPOSED 2014/15 BUDGET**

Schedule # 7

	<b>2013/14 Original Budget</b>	<b>2014/15 Proposed Budget</b>	<b>% Increase (Decrease) 2015 Budget Over 2014 Budget</b>
<b><u>REVENUES</u></b>			
Federal Section 5307 Funding ( <b>Footnote 1</b> )	\$ 1,073,312	\$ 571,000	(46.80%)
Federal Section 5310 Funding ( <b>Footnote 2</b> )	\$ -	\$ 457,600	
Local JTA Match	-	114,400	N/A
<b>Total Revenues</b>	<b>\$ 1,073,312</b>	<b>\$ 1,143,000</b>	<b>6.49%</b>
<b><u>EXPENDITURES</u></b>			
Paratransit Vehicles (6 vans)	\$ 1,000,000	\$ 532,000	(46.80%)
Shop Equipment	\$ 17,115	-	(100.00%)
Computer Equipment (Hardware and Software)	\$ -	450,000	N/A
Facilities Improvement		50,000	N/A
Rehab/Renovate Transit Vehicles	56,197	111,000	97.52%
<b>Total Expenditures</b>	<b>\$ 1,073,312</b>	<b>\$ 1,143,000</b>	<b>6.49%</b>

**Footnotes:**

- 1 - Annual funding for urbanized area to transit agencies from the Federal Transit Administration (FTA).
- 2 - Federal funding for ADA facilities improvements.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
CTC OPERATIONS  
2013/14 ORIGINAL BUDGET VS. 2014/15 PROPOSED BUDGET**

**CTC CAPITAL VARIANCE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
Federal Section 5307 Funding	\$ (502,312)	(46.80%)	Funding is based on the amount of capital expenditures requested.
Federal Section 5310 Funding	\$ 457,600	N/A	This represents new Federal Transit Administration Section 5310 funding administered by the Florida Department of Transportation in which the JTA was awarded funding based on the amount of capital expenditures requested.
Local Match	\$ 114,400	N/A	This represents required local match for the new Federal Transit Administration Section 5310 funding administered by the Florida Department of Transportation.
<b>EXPENDITURE OVERVIEW</b>			
Paratransit Vehicles (6 vans)	\$ (468,000)	(46.80%)	JTA expects to replace six (6) vans in the coming year as compared to thirteen (13) vans in FY 2014. These diesel vehicles are replaced at 5 years or 200,000 miles per FDOT guidelines.
Computer Equipment (Hardware and Software)	\$ 450,000	N/A	The JTA expects to procure additional mobile data terminals and other computer equipment for the Connexion vehicles in FY 2015.
Facilities Improvement	\$ 50,000	N/A	Facilities improvement is required for the Myrtle Avenue campus to incorporate the CTC administration move into the Myrtle Avenue Offices when the JTA administrative offices move downtown.
Rehab/Renovate Transit Vehicles	\$ 54,803	97.52%	New vehicle orders take anywhere between 9 - 12 months, during that time funds are needed to replace engines and/or transmissions that will break down. This amount will fund 10 - 15 engines and/or transmissions.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
ENGINEERING DIVISION  
GENERAL FUND BUDGET  
ANALYSIS OF PROPOSED 2014/15 BUDGET**

Schedule # 8

	2013/14 Original Budget	Actual Thru May	2013/14 Projected	2014/15 Proposed Budget	% Increase (Decrease) FY 15 Proposed Budget Over	
					FY14 Approved Budget	Projected
<b>REVENUES</b>						
Interest Income	17,350	70,510	105,765	20,000	15.27%	(81.09%)
Rents & Sale of Plans	240,838	86,257	108,000	111,000	(53.91%)	2.78%
Gross Sales Tax	71,460,865	\$ 48,466,193	72,699,290	\$ 76,204,240	6.64%	4.82%
Net Sales Tax	1,169,345	790,482	1,296,078	1,665,190	42.40%	28.48%
<b>Total Revenues</b>	<b>\$ 72,888,398</b>	<b>\$ 49,413,442</b>	<b>\$ 74,209,133</b>	<b>\$ 78,000,430</b>	<b>7.01%</b>	<b>5.11%</b>
<b>EXPENDITURES</b>						
Administrative Expenses						
Salaries & Wages	\$ 626,413	\$ 383,468	\$ 577,635	\$ 803,735	28.31%	39.14%
Fringe Benefits	455,793	191,694	449,966	445,629	(2.23%)	(0.96%)
Services	195,053	61,673	160,430	435,357	123.20%	171.37%
Training/Travel/Dues & Subscriptions	35,085	9,737	25,502	30,327	(13.56%)	18.92%
Supplies	58,981	32,790	49,185	43,869	(25.62%)	(10.81%)
Other	41,986	39,170	58,755	21,723	(48.26%)	(63.03%)
Insurance	14,222	6,853	10,280	15,550	9.34%	51.26%
<b>Total Admin. Expenses</b>	<b>\$ 1,427,533</b>	<b>\$ 725,385</b>	<b>\$ 1,331,753</b>	<b>\$ 1,796,190</b>	<b>25.82%</b>	<b>34.87%</b>
Transfers To:						
Fiscal Agent: Debt Service	71,460,865	48,466,193	72,699,290	76,204,240	6.64%	4.82%
<b>Total Expenditures</b>	<b>\$ 72,888,398</b>	<b>\$ 49,191,578</b>	<b>\$ 74,031,043</b>	<b>\$ 78,000,430</b>	<b>7.01%</b>	<b>5.36%</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ 221,864</b>	<b>\$ 178,090</b>	<b>\$ -</b>	<b>N/A</b>	<b>(100.00%)</b>

**JACKSONVILLE TRANSPORTATION AUTHORITY  
ENGINEERING OPERATIONS  
2013/14 ORIGINAL BUDGET VS. 2014/15 PROPOSED BUDGET**

**ENGINEERING OPERATIONS VARIANCE**

<b>REVENUE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
Rents and Sale of Plans	\$ (129,838)	(53.91%)	This reduction is primarily due to the Transportation Planning Organization ending their lease of a JTA building located at 1022 Prudential Drive.
Gross Sales Tax	\$ 4,743,375	6.64%	The increase is attributed to the gross sales tax projection provided by the COJ Budget office, less debt service. The sales tax projection has largely increased due to the inclusion of internet sales tax being collected by Amazon starting on May 1, 2014 due to Amazon building two warehouses in Florida.
Net Sales Tax	\$ 495,845	42.40%	This funding is necessary to balance the budget and support expenses in Engineering Operations.

<b>EXPENDITURE OVERVIEW</b>	<b>DOLLAR INCREASE/ (DECREASE)</b>	<b>PERCENT INCREASE/ (DECREASE)</b>	<b>JTA EXPLANATION</b>
Salaries & Wages	\$ 177,322	28.31%	This is due to additional positions added for the LOGT implementation.
Services	\$ 240,304	123.20%	The increase is primarily to support transit-oriented development projects and Local Option Gas Tax (LOGT) legal needs.
Supplies	\$ (15,112)	(25.62%)	The decrease is due to fewer anticipated expenses for supplies/furniture and bank services fees based on year to date trends.
Other	\$ (20,263)	(48.26%)	The decrease is primarily due to the elimination of rent payments in FY 2015 on a trailer to house staff, as all Engineering employees have moved into the new administrative building.
Insurance	\$ 1,328	9.34%	This projection is based on the prior year claims reserve requirement as determined by an actuary.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
ENGINEERING/ROAD PROJECTS DIVISION  
LOCAL OPTION GAS TAX CAPITAL BUDGET  
ANALYSIS OF PROPOSED 2014/15 BUDGET**

Schedule # 9

	<u>2013/14 Approved Budget</u>	<u>2014/15 Proposed Budget</u>	<u>% Increase (Decrease) 2015 Budget Over 2014 Budget</u>
<b><u>REVENUES</u></b>			
LOGT Bonds	-	100,550,000	100.00%
<b>Total Revenues</b>	<u>\$ -</u>	<u>\$ 100,550,000</u>	<u>100.00%</u>
<b><u>EXPENDITURES</u></b>			
Old St. Augustine/Greenland Intersection Improvements	\$ -	\$ 600,000	100.00%
Reconstruct Kernan Blvd. (Atlantic to McCormick)	-	16,700,000	100.00%
Design Southside/Atlantic Intersection Improvements	-	2,000,000	100.00%
Construct Paramore Road to Youngerman Circle Extension	-	5,000,000	100.00%
Reconstruct Girvin Road (Atlantic to Wonderwood)	-	13,100,000	100.00%
County-Wide Corridor Mobility Improvements	-	15,000,000	100.00%
Design Blanding Blvd. Intersection Improvements	-	1,700,000	100.00%
Soutel Transit Hub Phase II Improvements and Park and Ride Transfer Facility	-	2,800,000	100.00%
Reconstruct Alta Drive (Faye Road to Birkit Lane)	-	8,850,000	100.00%
Design Tinsletown Intersection Improvements	-	2,900,000	100.00%
Reconstruct Collins Road (Shindler to Westport)	-	5,300,000	100.00%
Reconstruct Collins Road (Blanding to Pine Verde)	-	13,600,000	100.00%
San Pablo (Beach to Atlantic) – 3 Lane Urban Section Improvements	-	10,900,000	100.00%
McDuff Ave. & 5th Street Phase III – Widen from 2 to 3 lanes	-	2,100,000	100.00%
<b>Total Expenditures</b>	<u>\$ -</u>	<u>\$ 100,550,000</u>	<u>100.00%</u>

This budget reflects the Local Option Gas Tax (LOGT) road projects.

- These road and corridor mobility projects are multi-year projects and will be expended over a period of an average of five (5) years.



**JACKSONVILLE TRANSPORTATION AUTHORITY  
ADMINISTRATION\*  
ANALYSIS OF PROPOSED 2014/15 BUDGET**

Schedule #10

<b>EXPENDITURES</b>	<b>2013/14</b>	<b>Actual Thru May</b>	<b>2013/14</b>	<b>2014/15</b>	<b>% Increase (Decrease) Proposed Budget Over</b>	
	<b>Original Budget</b>		<b>Projected</b>	<b>Proposed Budget</b>	<b>Original Budget</b>	<b>Projected</b>
Salaries and Wages	\$ 5,031,857	\$ 3,269,565	\$ 4,942,893	\$ 5,265,390	4.64%	6.52%
Fringe Benefits	1,328,800	1,023,872	1,546,563	1,668,995	25.60%	7.92%
Professional Services	2,343,386	1,891,612	2,804,715	2,558,446	9.18%	(8.78%)
Travel/Training/Dues & Subscriptions	350,196	195,230	300,110	402,905	15.05%	34.25%
Materials & Supplies	182,940	127,509	171,264	163,500	(10.63%)	(4.53%)
Insurance	4,467	3,167	4,367	4,500	0.74%	3.05%
Other Direct Operating Costs	337,380	221,265	331,898	340,916	1.05%	2.72%
<b>Total Expenditures</b>	<b>\$ 9,579,026</b>	<b>\$ 6,732,220</b>	<b>\$ 10,101,810</b>	<b>\$ 10,404,652</b>	<b>8.62%</b>	<b>3.00%</b>

1. Contains functional areas such as Accounting, H/R, Procurement, Grants, Customer Service, I.T., etc.
2. Fringe benefits increase is primarily to support health insurance and FRS pension requirements.
3. Professional services increase is primarily to support IT maintenance agreements, disaster recovery plan, and outreach/education for major Authority initiatives such as BRT, Route Optimization, CNG, Campus Master Plan, etc.

\$ 180,805,320	Total Appropriations (Operating Budgets)	11.69%	Administrative Percentage
\$ (90,306,897)	Total Transfers Out		
\$ (1,308,000)	Operating Contingency		
\$ (200,000)	Contrib to Mayport Ferry		
<u>\$ 88,990,423</u>			

**COUNCIL AUDITOR'S OFFICE  
RECOMMENDATIONS  
JACKSONVILLE TRANSPORTATION AUTHORITY  
PROPOSED BUDGET FY 2014/15**

**Discussion Items:**

As filed, JTA's proposed budget includes an amount flowing from the City (Local Option Gas Tax) which differs from what the City has included in its proposed budget. Revisions to JTA's budget are necessary to change this amount to equal what the City has budgeted.

Also per JTA's Charter, JTA is to submit its' budget by June 1 of each year. JTA submitted its' budget on time, however subsequent to JTA's budget being received, the City Council approved Ordinance 2013-820-E, which extended the Local Option Gas Tax (LOGT). As part of Ordinance 2013-820-E, JTA is to use funding from the LOGT to complete various road projects around the City and as a result, JTA has re-submitted its' budget to show the approval of LOGT and the projects that are to be completed.

**Recommendations:**

1. We recommend removing and replacing Budget Ordinance Schedules O and P with Revised Schedules O and P and replacing Budget Ordinance Schedules Q and R with Revised Schedules Q and R. JTA Concurs.
2. We recommend increasing the "Local Option Gas Tax" line item under "Bus" on REVISED Schedule O by \$948,590 from \$27,327,093 to \$28,275,683. This amount will then be in agreement with the amount the City has projected will be paid to JTA. We also recommend increasing the line item "Operating Contingency" under "Bus" on REVISED Schedule P by \$948,590 from \$1,308,000 to \$2,256,590 to balance revenues with expenditures. JTA concurs.
3. We recommend that Section 5.2 of the Budget Ordinance narrative be amended by increasing the number of full time employees to 729 from 720 and reducing the number of temporary employee hours from 167,440 to 158,704. JTA concurs.

**Agency Request**

JTA is requesting to revise Section 5.1 of the Budget Ordinance narrative by amending the language relating to senior citizen eligibility to ride for free.

**JACKSONVILLE TRANSPORTATION AUTHORITY  
JACKSONVILLE, FLORIDA  
OPERATIONS BUDGET - FISCAL YEAR 2014/2015**

	<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	\$5,452,515				\$5,452,515
Local Option Gas Tax (BJP)	28,275,683				28,275,683
Gross Sales Tax Proceeds				76,204,240	76,204,240
Net Sales Tax - Operating	33,991,215			1,665,190	35,656,405
Passenger Fares	11,448,988	897,230			12,346,218
State TD Funds		1,494,767			1,494,767
Transfer from Bus Operations (ADA Paratransit)		9,417,037			9,417,037
City of Jacksonville (Paratransit Contribution)		1,363,002			1,363,002
Preventative Maintenance Grant - Federal	3,695,573	800,000	1,100,000		5,595,573
Non-Transportation Revenue	912,500		195,500	111,000	1,219,000
Interest Earnings	21,000	1,000	1,850	20,000	43,850
Transfer from Bus Operations to Skyway			4,685,620		4,685,620
<b>Total Estimated Revenues</b>	<b><u>\$83,797,474</u></b>	<b><u>\$13,973,036</u></b>	<b><u>\$5,982,970</u></b>	<b><u>\$78,000,430</u></b>	<b><u>\$181,753,910</u></b>
<b><u>APPROPRIATIONS</u></b>					
<b>REVISED SCHEDULE O</b>					
Salaries and Wages	\$28,630,479	2,773,769	2,109,126	803,735	\$34,317,109
Fringe Benefits	16,876,471	1,185,347	1,093,912	445,629	19,601,359
Fuel and Lubricants	7,377,048	1,515,625	15,000		8,907,673
Materials and Supplies	4,127,472	950,671	816,918	43,869	5,938,930
Insurance	493,917	78,764	426,488	15,550	1,014,719
Services	7,973,669	7,212,900	987,469	435,357	16,609,395
Travel/Training/Dues & Subscriptions	92,516	7,966	5,538	30,327	136,347
Transfer to CTC (ADA Expense)	9,417,037				9,417,037
Transfer to Skyway	4,685,620				4,685,620
Contribution to St. Johns River Ferry	200,000				200,000
Transfer to COJ for Debt Service (BJP)				76,204,240	76,204,240
All Other/Miscellaneous	1,666,655	247,994	528,519	21,723	2,464,891
Contingency	2,256,590				2,256,590
<b>Total Appropriations</b>	<b><u>\$83,797,474</u></b>	<b><u>\$13,973,036</u></b>	<b><u>\$5,982,970</u></b>	<b><u>\$78,000,430</u></b>	<b><u>\$181,753,910</u></b>
Full Time Positions	<u>626</u>	<u>51</u>	<u>40</u>	<u>12</u>	<u>729</u>
Temporary Employee Hours	<u>143,930</u>	<u>14,774</u>	<u>-</u>	<u>-</u>	<u>158,704</u>

**REVISED SCHEDULE P**

**JACKSONVILLE TRANSPORTATION AUTHORITY  
JACKSONVILLE, FLORIDA  
CAPITAL BUDGET - FISCAL YEAR 2014/15**

	<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	\$6,279,036	1,028,600	1,787,232		\$9,094,868
Local Match (State)	13,250,000				13,250,000
Local Match (JTA)	16,313,000	114,400			16,427,400
LOGT Bonds				100,550,000	100,550,000
<b>Total Estimated Revenues</b>	<b><u>\$35,842,036</u></b>	<b><u>\$1,143,000</u></b>	<b><u>\$1,787,232</u></b>	<b><u>\$100,550,000</u></b>	<b><u>\$139,322,268</u></b>

**APPROPRIATIONS**

REVISED SCHEDULE Q

Local Option Gas Tax (LOGT) Road Projects	\$0			100,550,000	100,550,000
Bus Rapid Transit (BRT) - North Corridor Project	\$300,000				\$300,000
Bus Rapid Transit (BRT) - East Corridor Project	750,000				750,000
Bus Rapid Transit (BRT) - Southwest Corridor Project	450,000				450,000
Bus Transfer Facility (JRTC)	21,000,000				21,000,000
CNG Facility Conversion	6,363,000				6,363,000
Communications					-
Computer Equipment	270,000	450,000	225,540		945,540
Shop Equipment					-
Enhancements (Landscaping)	138,000				138,000
Miscellaneous Support Equipment	100,000		250,000		350,000
Office Furnishings & Equipment	34,244				34,244
Associated Capital Maintenance Parts		111,000	631,692		742,692
Paratransit Vehicles (6 Vans)		532,000			532,000
Program Administration	30,000		250,000		280,000
Purchase Transit Vehicles (9 Buses)	4,763,230				4,763,230
Security Equipment	160,000		200,000		360,000
Support Vehicles	175,000		30,000		205,000
Facilities Improvements	1,204,562	50,000	200,000		1,454,562
Transit Satellite Amenities	104,000				104,000
<b>Total Appropriations</b>	<b><u>\$35,842,036</u></b>	<b><u>\$1,143,000</u></b>	<b><u>\$1,787,232</u></b>	<b><u>\$ 100,550,000</u></b>	<b><u>\$139,322,268</u></b>

REVISED SCHEDULE R

1 purposes within each of the total sums specified on **Schedule G** and  
2 **Schedule H** and to transfer from time to time, without Council  
3 approval, appropriated funds from one of the purposes for which  
4 funds are appropriated by this Part III to another of such  
5 purposes, if, in the discretion of the Jacksonville Aviation  
6 Authority, such transfer is necessary to carry out all of the  
7 purposes for which funds are hereby appropriated, subject to  
8 ~~applicable law provided that the Jacksonville Aviation Authority s~~

9 **Part V. Jacksonville Transportation Authority**

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

11 From the estimated revenues and fund balances set forth on  
12 REVISED Schedule O and REVISED Schedule Q there are hereby  
13 appropriated the sums set forth on REVISED Schedule P and REVISED  
14 **Schedule R** for the indicated purposes of the Mass Transit Division  
15 and the Engineering Division of the Jacksonville Transportation  
16 Authority. The estimated revenues, fund balances and  
17 appropriations provided therein, together with the other applicable  
18 provisions of this ordinance, shall constitute the annual budgets  
19 and appropriations for the Jacksonville Transportation Authority  
20 for its fiscal year beginning October 1, 2014 and ending September  
21 30, 2015, which budgets are hereby adopted and approved by the  
22 Council pursuant to Section 14.02 of the Charter, as amended, and  
23 Section 349.041, Florida Statutes. Effective January 1, 2015, The  
24 Jacksonville Transportation Authority shall accept as proof of  
25 senior citizen eligibility a JTA issued Senior STAR card ~~any valid~~  
26 ~~senior citizen picture I.D. card containing the holder's date of~~  
27 ~~birth~~ and shall permit all persons born on or before December  
28 31,1954, to ride free at all times. Those born after December 31,  
29 1954, will ride free when they reach age of 65 and obtain a Senior  
30 STAR card. ~~sixty years of age or older to ride free at all times.~~

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

1 The Jacksonville Transportation Authority is authorized to  
2 allocate and allot the sums herein appropriated for more specific  
3 purposes, within each of the total sums specified on REVISED  
4 **Schedule P** and REVISED **Schedule R**, except for the Fund Balance  
5 Reserves, and to transfer from time to time, without Council  
6 approval, appropriated funds from one of the purposes for which  
7 funds are appropriated by this Part V to another of such purposes,  
8 if, in the discretion of the Authority, such transfer is necessary  
9 to carry out all of the purposes for which funds are hereby  
10 appropriated, subject to applicable law. There shall be provided  
11 to the Council Auditor, within twenty-four hours after Board  
12 approval, a copy of the written documentation of all proposed  
13 additional appropriations of funds. There shall also be provided  
14 to the Council Auditor at the end of each quarter a copy or a  
15 summary of the written documentation of all transfers made between  
16 approved budget line items. The number of full-time employees  
17 authorized at any one time shall not exceed ~~720~~ 729. The Council  
18 authorizes ~~167,440~~ 158,704 temporary employee hours.

19 **Part VI. Police and Fire Pension Fund**

20 **Section 6.1 Estimated Revenues; Appropriations.**

21 From estimated revenues and fund balances set forth on  
22 **Schedule AB**, there are hereby appropriated the sums set forth on  
23 **Schedule AC**. The estimated revenues, fund balances and  
24 appropriations provided therein, together with the other applicable  
25 provisions of this ordinance, shall constitute the annual budget  
26 and appropriations for the Police and Fire Pension Fund for its  
27 fiscal year beginning October 1, 2014 and ending September 30,  
28 2015, which budget is hereby adopted and approved by the Council  
29 pursuant to Sections 5.07, 14.01 and 14.02 of the Charter; Section  
30 121.101(d), *Ordinance Code*, and Section 25 of the Restated  
31 Agreement dated March 5, 2001 between the Police and Fire Pension

**JACKSONVILLE AVIATION AUTHORITY  
COMPARISON OF BUDGETS  
ORIGINAL BUDGET FY 2013/2014 VERSUS PROPOSED BUDGET FY 2014/2015**

	<u>Operating &amp; Non Operating</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Fund Transfers Out</u>	<u>Total</u>
FY 2013/2014 Original	\$ 48,831,279	\$ 16,841,470	\$ 50,842,000	\$ 13,783,980	\$ 130,298,729
FY 2014/2015 Proposed	\$ 49,949,745	\$ 16,121,986	\$ 20,688,738	\$ 16,832,936	\$ 103,593,405
\$ Increase (Decrease)	\$ 1,118,466	\$ (719,484)	\$ (30,153,262)	\$ 3,048,956	\$ (26,705,324)
% Increase (Decrease)	2.29%	-4.27%	-59.31%	22.12%	-20.50%

**NOTE:**

The FY 2014/2015 proposed budget includes 274 full time positions, which is eleven positions higher than the FY 2013/2014 approved budget. Part-time hours are budgeted to decrease from 6,460 in the FY 2013/2014 approved budget to 4,640 in the FY 2014/2015 proposed budget.

**JACKSONVILLE AVIATION AUTHORITY  
ANALYSIS OF THE FY 2014/2015 PROPOSED BUDGET**

	2013/2014 ORIGINAL BUDGET	2013/2014 ACTUAL THRU MAY	2013/2014 FORECAST	2014/2015 PROPOSED BUDGET	% Increase/Decrease of 2014/2015 Proposed Budget Over	
					2013/2014 ORIGINAL	2013/2014 FORECAST
<b>OPERATING REVENUES</b>						
Concessions	14,964,409	10,117,564	14,340,962	14,455,914	-3.40%	0.80%
Fees & Charges	12,283,590	7,175,392	12,607,722	13,106,556	6.70%	3.96%
Space & Facility Rentals	22,088,116	15,552,424	22,521,424	24,444,924	10.67%	8.54%
Parking	16,137,884	11,065,208	16,935,341	17,167,976	6.38%	1.37%
Sale of Utilities	1,924,354	1,144,119	1,752,608	1,762,968	-8.39%	0.59%
Other Miscellaneous Operating Revenue	128,275	108,450	135,119	131,662	2.64%	-2.56%
<b>TOTAL OPERATING REVENUES</b>	<b>67,526,628</b>	<b>45,163,157</b>	<b>68,293,176</b>	<b>71,070,000</b>	<b>5.25%</b>	<b>4.07%</b>
<b>OPERATING EXPENDITURES</b>						
Salaries	15,657,628	10,071,226	15,557,239	16,700,365	6.66%	7.35%
Benefits	5,505,925	3,779,471	5,829,012	6,239,713	13.33%	7.05%
Services & Supplies	14,062,332	9,353,556	14,076,974	14,400,981	2.41%	2.30%
Repairs & Maintenance	2,021,722	971,754	1,684,281	2,074,514	2.61%	23.17%
Promotion, Advertising and Dues	2,008,175	944,396	1,213,525	1,250,827	-37.71%	3.07%
Registrations & Travel	279,269	171,122	270,653	307,506	10.11%	13.62%
Insurance Expense	1,244,401	828,826	1,233,245	1,304,173	4.80%	5.75%
Cost of Goods for Sale	690,886	364,414	684,591	701,389	1.52%	2.45%
Utilities, Taxes & Gov't Fees	5,894,245	3,613,352	5,328,269	5,387,555	-8.60%	1.11%
Operating Contingency	1,335,661	-	-	1,500,000	12.30%	N/A
<b>TOTAL OPERATING EXPENDITURES</b>	<b>48,700,244</b>	<b>30,098,117</b>	<b>45,877,789</b>	<b>49,867,023</b>	<b>2.40%</b>	<b>8.70%</b>
<b>INCOME FROM OPERATIONS</b>	<b>18,826,384</b>	<b>15,065,040</b>	<b>22,415,387</b>	<b>21,202,977</b>	<b>12.62%</b>	<b>-5.41%</b>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>						
Investment Income	1,050,965	547,949	813,914	925,392	-11.95%	13.70%
Other Revenue	591,255	498,311	661,497	537,271	-9.13%	-18.78%
Other Expenditures	(131,035)	(180,246)	(345,014)	(82,722)	-36.87%	-76.02%
Passenger Facility Charge Revenue	10,287,881	6,992,642	10,372,004	10,372,004	0.82%	0.00%
Debt Service	(16,841,470)	(16,182,610)	(18,934,104)	(16,121,986)	-4.27%	-14.85%
<b>NET INCOME (LOSS) BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS</b>	<b>13,783,980</b>	<b>6,741,086</b>	<b>14,983,684</b>	<b>16,832,936</b>	<b>22.12%</b>	<b>12.34%</b>
Transfer (to)/from Operating Capital Outlay	(8,104,000)	(2,168,773)	(3,253,160)	(4,865,738)	-39.96%	49.57%
Transfer (to)/from Passenger Facility Charge Reserve	2,951,981	(961,415)	(1,442,123)	(917,274)	-131.07%	-36.39%
Transfer (to)/from Retained Earnings	(8,631,961)	(3,610,898)	(10,288,401)	(11,049,924)	28.01%	7.40%
<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 2013/2014 VERSUS PROPOSED BUDGET FY 2014/2015**

<b>REVENUE OVERVIEW</b>	<b>Increase/(Decrease)</b>	
	<b>\$</b>	<b>%</b>
<b>Concessions</b>	<b>(508,495)</b>	<b>-3.40%</b>
<p>JAA receives flowage fees for aviation fuel sold by fuel vendors. Signatory (contracted) airlines do not pay fees for fuel, while non-signatory airlines do. In FY 2013/14, fuel sales to non-signatory airlines were less than budgeted due to these airlines becoming affiliates of the signatory airlines. Affiliates are sub-airlines of the signatory airlines which may be claimed as signatory per the airline agreement. Therefore more airlines were able to take advantage of purchasing fuel without having to pay a flowage fee. This has been reflected in the FY 2014/15 budget with a decrease to fuel concession revenue of \$215K. Concession revenues generated from rental car and retail activity are budgeted to decrease by \$298K and \$153K respectively as these are dependent on the level of revenues that the rental car and retail companies earn and were over budgeted in FY 2013/14. Food &amp; Beverage concession revenue is expected to increase by \$140K due to the addition of new tenants.</p>		
<b>Fees &amp; Charges</b>	<b>822,966</b>	<b>6.70%</b>
<p>Landing fees are expected to increase by \$809K due to increases in airfield expenses, which are paid by the airlines through the landing fees. Airfield expenses include: safety, administration, utilities and airport fire/rescue services.</p>		
<b>Space &amp; Facility Rentals</b>	<b>2,356,808</b>	<b>10.67%</b>
<p>The airlines sometimes use JAA gates when their own gates are not available. JAA charges a "per use" fee when these gates are used. The per use fee is increasing in FY 2014/15 to \$420 from \$400 in FY 2013/14 which, when combined with an increase in use, will result in an increase in budgeted revenue of \$273K. Several new hangar space agreements are expected to result in an additional \$1.3M in revenue in FY 2014/15. Some of these new agreements include: Flightstar (\$913K) and Boeing (\$30K) at Cecil Airport; SkyPax Interior (\$87K) at Herlong and Embraer (\$278K) at JIA. An additional \$280K is being budgeted for the leasing of space at Cecil Airport to the U.S. Navy, and an additional \$199K is expected due to a new lease with TSA for terminal space at JIA. There is also an increase of \$211K for revenues from rental car companies that rent space from JAA as a result of a CPI increase effective June 2014.</p>		
<b>Parking</b>	<b>1,030,092</b>	<b>6.38%</b>
<p>Parking revenue reflects actual revenues for FY 2013/14, which are projected to finish the year \$798K higher than budgeted. There are no anticipated changes to parking rates in FY 2014/15.</p>		
<b>Sale of Utilities</b>	<b>(161,386)</b>	<b>-8.39%</b>
<p>This consists of revenue generated from electric sales, water/sewer, garbage service and fuel sales (for vehicles). Actual fuel sale revenue is projected to be less than budgeted in FY 2013/14. The amount budgeted in FY 2014/15 is based on FY 2013/14 actual revenues.</p>		
<b>Other Miscellaneous Operating Revenue</b>	<b>3,387</b>	<b>2.64%</b>
<p>This revenue line consists primarily of maintenance agreements with JAA tenants including FDOT, Gate, TSA and the Florida Air National Guard.</p>		

**JACKSONVILLE AVIATION AUTHORITY  
ORIGINAL BUDGET FY 2013/2014 VERSUS PROPOSED BUDGET FY 2014/2015**

<b>EXPENDITURE OVERVIEW</b>	Increase/(Decrease)	
	\$	%
<b>Salaries</b>	<b>1,042,737</b>	<b>6.66%</b>
<p>Total wages are increasing by \$962K, primarily due to the addition of eleven full-time employees worth \$476K. These positions were temporary employees who are becoming permanent full-time employees. The reduction for the funding of temporary employees is reflected in the "Services &amp; Supplies" section below. The increase in salaries also includes a 3.5% pay increase for non-union employees worth \$131K and a 3% increase for union employees worth \$355K. There is an increase in additional compensation of \$75K, primarily due to an increase in the holiday bank, and a \$15K increase for over-time and double pay. These increases are offset by a \$10K decrease in part-time pay.</p>		
<b>Benefits</b>	<b>733,788</b>	<b>13.33%</b>
<p>Employee benefits are increasing due to a 22.6% increase in health insurance rates totaling \$334K. The vacation accrual is budgeted to increase by \$332K, based on current usage. FRS pension expense is budgeted to increase by \$83K, partially offset by a decline of \$19K in employee recruitment expense.</p>		
<b>Services &amp; Supplies</b>	<b>338,649</b>	<b>2.41%</b>
<p>The increase in FY 2014/15 is mainly due to a budgeted increase in contractual services of approximately \$1.3M, consisting mainly of increases in the JIA fire-rescue services contract with the City, parking management costs, as well as contract costs associated with Cecil Field. The increase in contractual services is partially offset by the elimination of funding for temporary employees totaling \$565K (due to the addition of new full-time employees, as referenced in the "Salaries" section above), as well as decreases in operating supplies of \$219K, operating equipment of \$118K, and consultant services of \$60K.</p>		
<b>Repairs &amp; Maintenance</b>	<b>52,792</b>	<b>2.61%</b>
<p>Repairs &amp; maintenance is increasing mainly due to miscellaneous projects such as carpet replacements and other flooring projects.</p>		
<b>Promotion, Advertising and Dues</b>	<b>(757,348)</b>	<b>-37.71%</b>
<p>This line is decreasing primarily due to a reduction in airline incentives budgeted for FY 2014/15. The goal of the airline incentives is to encourage increased air service and an expansion of markets served from Jacksonville in the form of reduced rent for airlines' terminal space and other areas.</p>		
<b>Insurance Expense</b>	<b>59,772</b>	<b>4.80%</b>
<p>Insurance expense is increasing mainly due to a \$43K increase in Property &amp; Casualty Insurance.</p>		
<b>Cost of Goods for Sale</b>	<b>10,503</b>	<b>1.52%</b>
<p>Fuel is purchased for resale to companies that operate vehicles on the airfield. Costs have remained relatively flat in FY 2013/14. The FY 2014/15 budgeted amount is based on FY 2013/14 actuals, with a slight increase. Revenues from fuel sales are included as part of the "Sale of Utilities" line on the previous page.</p>		
<b>Utilities, Taxes and Gov't Fees</b>	<b>(506,690)</b>	<b>-8.60%</b>
<p>This line was budgeted to increase slightly in FY 2013/14 due to an expected increase in utility rates, but instead actual expenses have been less than budgeted. The amount budgeted in FY 2014/15 is based on FY 2013/14 actual expenses.</p>		

**JACKSONVILLE AVIATION AUTHORITY  
ORIGINAL BUDGET FY 2013/2014 VERSUS PROPOSED BUDGET FY 2014/2015**

<b>NON-OPERATING REVENUE (EXPENSE) OVERVIEW</b>	Increase/(Decrease)	
	\$	%
<b>Investment Income</b>	<b>\$ (125,573)</b>	<b>-11.95%</b>
Although most rates have remained constant, interest rates on US Treasury Notes have decreased from 1.875% to 1.00%. Investment income from the pooled bond reserve is budgeted to decrease by \$90K due to JAA taking money out of the reserve to pay off the Series 2003 A-1 and A-2 bonds as part of last year's refinancing. Also budgeted to decrease is investment income on the O & M Fund (\$19K) and note receivable interest income (\$10K). These two items are earning less investment income than budgeted in FY 2013/14.		
<b>Other Revenue</b>	<b>(53,984)</b>	<b>-9.13%</b>
The decrease in other revenue of approximately \$54K is primarily due to a decline in timber sales of approximately \$175K. Timber sales tend to vary from year-to-year. This is budgeted to be offset by an increase in federal forfeiture grant revenues of \$125K.		
<b>Other Expenditures</b>	<b>(48,313)</b>	<b>-36.87%</b>
The decrease in other expenditures is primarily due to the reduction in the state/federal forfeiture expense line. This was budgeted at \$50K for FY 2013/14, but due to actual expenditures being less than budgeted, it is being budgeted at \$5K in FY 2014/15.		
<b>Passenger Facility Charge (PFC) Revenue</b>	<b>84,123</b>	<b>0.82%</b>
PFC revenue is derived from a per passenger charge of \$4.50 less an administrative fee of \$.11. Enplanements are budgeted to remain flat for FY 2014/15 based on FY 2013/14 actuals.		
<b>Debt Service</b>	<b>\$ (719,484)</b>	<b>-4.27%</b>
Debt service has decreased due to the refinancing of the 2003 A-1 & A-2 Bonds (2.00-5.25% interest rate) with the 2013 A-1 & A-2 Revenue Notes (.85% interest rate) in FY 2013/14.		

**JACKSONVILLE AVIATION AUTHORITY  
ANALYSIS OF PROPOSED 2014/2015 CAPITAL BUDGET**

	2013/2014 Original Budget	2014/2015 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
			Original Budget (Dollars)	Original Budget (Percentage)
<b>Capital Funds</b>				
Federal Contributions	\$ 3,141,000	\$ 1,900,000	\$ (1,241,000)	-39.51%
State Contributions	7,937,000	6,000,000	(1,937,000)	-24.40%
Tenant/Other Contributions	26,000,000	6,000,000	(20,000,000)	-76.92%
PFC	5,660,000	1,923,000	(3,737,000)	-66.02%
Operating Capital Outlay	8,104,000	4,865,738	(3,238,262)	-39.96%
<b>Total Capital Funds</b>	<b>\$ 50,842,000</b>	<b>\$ 20,688,738</b>	<b>\$ (30,153,262)</b>	<b>-59.31%</b>
<b>Capital Projects</b>				
Jacksonville International Airport	\$ 35,808,500	\$ 6,587,738	\$ (29,220,762)	-81.60%
Cecil Field	12,470,000	12,101,000	(369,000)	-2.96%
Craig Airport	120,500	-	(120,500)	-100.00%
Herlong Airport	2,443,000	2,000,000	(443,000)	-18.13%
<b>Total Capital Projects</b>	<b>\$ 50,842,000</b>	<b>\$ 20,688,738</b>	<b>\$ (30,153,262)</b>	<b>-59.31%</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

**Council Auditor's Office  
Recommendations  
Jacksonville Aviation Authority  
Proposed FY 2014/15 Budget**

**RECOMMENDATIONS:**

1. Revise budget ordinance Schedule G (Operating Budget) to decrease the expenditure line "Services and Supplies" by \$69,579 for a revised total of \$14,331,402, and to increase the expenditure line "Operating Contingency" by \$69,579 for a revised total of \$1,569,579. Because JAA's budget was approved by its board of directors nearly one month before the City budget was finalized, JAA did not have the cost estimate used by the City in preparing its budget for fire/rescue services at JIA. This amendment will result in JAA's budgeted cost for fire/rescue services equaling the City's budgeted revenues for providing the services.
2. Correct the line item title "Part-Time Employee Hours" to "Temporary Employee Hours" on budget ordinance Schedule G (JAA Operating Budget). The corrected title is consistent with prior year JAA budget schedules, as well as the budget schedules for the other independent agencies. This change will not have any budgetary impact.
3. Make various technical corrections to budget ordinance Schedule H (JAA Capital Budget). These changes include correcting capital project titles to reflect JAA's records, as well as other technical corrections. These changes will not have any budgetary impact.

JAA concurs with each of our recommendations.

**JACKSONVILLE AVIATION AUTHORITY  
JACKSONVILLE, FLORIDA  
FY 2014/2015 BUDGET**

<b>OPERATING REVENUES</b>	
Concessions	\$ 14,455,914
Fees & Charges	13,106,556
Space & Facility Rentals	24,444,924
Parking	17,167,976
Sale of Utilities	1,762,968
Other Miscellaneous Operating Revenue	131,662
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 71,070,000</b>
<b>OPERATING EXPENDITURES</b>	
Salaries	\$ 16,700,365
Benefits	6,239,713
Services and Supplies	14,331,402
Repairs & Maintenance	2,074,514
Promotion, Advertising and Dues	1,250,827
Registrations & Travel	307,506
Insurance Expense	1,304,173
Cost of Goods for Sale	701,389
Utilities, Taxes & Gov't Fees	5,387,555
Operating Contingency	1,569,579
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 49,867,023</b>
<b>OPERATING INCOME</b>	<b>\$ 21,202,977</b>
<b>NON-OPERATING REVENUES</b>	
Passenger Facility Charge	\$ 10,372,004
Investment Income	925,392
Other Revenues	537,271
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ 11,834,667</b>
<b>NON-OPERATING EXPENDITURES</b>	
Debt Service	\$ 16,121,986
Other Expenditures	82,722
<b>TOTAL NON-OPERATING EXPENDITURES</b>	<b>\$ 16,204,708</b>
<b>NET INCOME BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS</b>	<b>\$ 16,832,936</b>
Transfer (to)/from Operating Capital Outlay	\$ (4,865,738)
Transfer (to)/from Passenger Facility Charge Reserve	(917,274)
Transfer (to)/from Retained Earnings	(11,049,924)
<b>SURPLUS/(DEFICIT)</b>	<b>\$ -</b>
<b>TOTAL REVENUES</b>	<b>\$ 82,904,667</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 82,904,667</b>
<b>FULLTIME POSITIONS</b>	<b>274</b>
<b>TEMPORARY EMPLOYEE HOURS</b>	<b>4,640</b>

**REVISED SCHEDULE G**

**JACKSONVILLE AVIATION AUTHORITY**  
**CAPITAL BUDGET**  
**FOR FISCAL YEAR ENDING SEPTEMBER 30, 2015**

Airport	Description	FUNDING SOURCES					Budget 2015 Total Capital Commitments
		JAA	PFC	FAA GRANTS	FDOT GRANTS	OTHER	
Jacksonville International Airport	Parking Access and Revenue Control System	1,781,738					1,781,738
	Video System Replacement	392,000	1,348,000				1,740,000
	Roof Rehab Phase 1	750,000					750,000
	Terminal Air Handler Unit Replacement (PH 1 of 6)	400,000					400,000
	Emergency Operations Center (EOC)	300,000		100,000			400,000
	Magnetic Bearing 650 Ton Chiller	370,000					370,000
	Emergency Notification System		250,000				250,000
	PA System Replacement		200,000				200,000
	Air Cargo 2 Structure Rehab	200,000					200,000
	Purchase Truck	100,000					100,000
	Access Control System Upgrade		125,000				125,000
	Capital Below \$100,000	271,000					271,000
	<b>Total JIA</b>	<b>\$4,564,738</b>	<b>\$1,923,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,587,738</b>
Cecil Airport	Design and Construct Hanger				6,000,000	6,000,000	12,000,000
	PAPI and REIL Replacement (18L/36R, 9R/27L)	45,000					45,000
	Capital Below \$100,000	56,000					56,000
	<b>Total Cecil</b>	<b>\$101,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,000,000</b>	<b>\$6,000,000</b>	<b>\$12,101,000</b>
Jacksonville Executive at Craig Airport	Capital Below \$100,000						0
	<b>Total JaxEx</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Herlong Recreational Airport	West Apron and FBO Ramp Rehab	200,000		1,800,000			2,000,000
	Capital Below \$100,000						0
	<b>Total Herlong</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$1,800,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,000,000</b>
	<b>Total Capital</b>	<b>\$4,865,738</b>	<b>\$1,923,000</b>	<b>\$1,900,000</b>	<b>\$6,000,000</b>	<b>\$6,000,000</b>	<b>\$20,688,738</b>

REVISED SCHEDULE H

**JACKSONVILLE PORT AUTHORITY  
COMPARISON OF BUDGETS  
ANALYSIS OF FY 2014/2015 PROPOSED BUDGET**

	<u>Operating &amp; Non-Operating</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Transfers Out</u>	<u>Total</u>
FY 2013/2014 Original	\$ 38,957,836	\$ 21,701,723	\$ 121,689,480	\$ (7,524,138)	\$ 174,824,901
FY 2014/2015 Proposed	\$ 39,760,307	\$ 22,990,769	\$ 172,545,341	\$ (6,576,633)	\$ 228,719,784
\$ Increase (Decrease)	\$ 802,471	\$ 1,289,046	\$ 50,855,861	\$ 947,505	\$ 53,894,883
% Increase (Decrease)	2.06%	5.94%	41.79%	-12.59%	30.83%



**ANALYSIS OF FY 2014/2015 OPERATING BUDGET**

	2013/2014 ORIGINAL BUDGET	2013/2014 YTD as of May 31, 2014	2013/2014 PROJECTED (per JPA)	2014/2015 PROPOSED BUDGET	% Increase (Decrease) of 2014/2015 JPA Budget Over 2013/2014 ORIGINAL	% Increase (Decrease) of 2014/2015 JPA Budget Over 2013/2014 PROJECTED
<b>OPERATING REVENUES</b>						
Autos	\$ 16,768,635	\$ 10,577,559	\$ 15,995,628	\$ 17,087,928	1.90%	6.83%
Containers	25,356,881	16,620,172	25,022,921	25,525,515	0.67%	2.01%
Break Bulk	4,113,565	2,504,312	3,775,550	4,222,674	2.65%	11.84%
Cruise	4,144,836	2,883,830	4,243,070	4,321,540	4.26%	1.85%
Liquid Bulk	1,225,331	829,624	1,295,582	1,402,300	14.44%	8.24%
Dry Bulk	1,966,187	1,223,882	1,939,747	1,950,284	-0.81%	0.54%
Other Operating Revenues	2,055,442	1,496,265	2,269,129	2,239,471	8.95%	-1.31%
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 55,630,877</b>	<b>\$ 36,135,644</b>	<b>\$ 54,541,627</b>	<b>\$ 56,749,712</b>	<b>2.01%</b>	<b>4.05%</b>
<b>OPERATING EXPENDITURES</b>						
Salaries	\$ 11,306,562	\$ 7,255,204	\$ 10,911,994	\$ 11,544,956	2.11%	5.80%
Employee Benefits	4,346,073	2,648,405	4,195,294	4,576,936	5.31%	9.10%
Services & Supplies	5,007,322	3,180,837	4,765,662	4,776,294	-4.61%	0.22%
Security Services	3,835,000	2,488,972	3,736,406	3,825,000	-0.26%	2.37%
Business Travel & Training	490,000	319,336	450,000	542,847	10.79%	20.63%
Promotion, Advertising, Dues	1,146,595	763,335	1,197,974	1,076,501	-6.11%	-10.14%
Utility Services	1,219,000	740,377	1,094,646	1,144,389	-6.12%	4.54%
Repairs & Maintenance Projects	1,896,743	1,045,304	1,600,000	1,629,894	-14.07%	1.87%
Dredging	2,050,000	1,564,025	2,200,000	2,250,000	9.76%	2.27%
Miscellaneous	117,903	136,530	140,000	144,282	22.37%	3.06%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 31,415,198</b>	<b>\$ 20,142,325</b>	<b>\$ 30,291,976</b>	<b>\$ 31,511,099</b>	<b>0.31%</b>	<b>4.02%</b>
<b>OPERATING INCOME</b>	<b>\$ 24,215,679</b>	<b>\$ 15,993,319</b>	<b>\$ 24,249,650</b>	<b>\$ 25,238,613</b>	<b>4.22%</b>	<b>4.08%</b>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>						
Debt Service	\$ (21,701,723)	\$ (13,244,225)	\$ (22,290,141)	\$ (22,990,769)	5.94%	3.14%
Investment Income	95,000	56,889	82,108	111,732	17.61%	36.08%
Shared Revenue from Primary Govt	5,930,822	3,792,788	5,737,650	5,885,772	-0.76%	2.58%
Contributions to Other City Agencies	(1,000,000)	(1,000,000)	(1,000,000)	-	-100.00%	-100.00%
Other Claims & Recoveries	-	(643,188)	(784,360)	(1,650,000)	100.00%	110.36%
Other Revenue	2,860	388	582	3,860	34.97%	563.23%
Other Expense	(18,500)	(7,595)	(16,222)	(22,575)	22.03%	39.16%
<b>NET INCOME BEFORE CAPITAL CONTRIBUTION AND CONTINGENCY</b>	<b>\$ 7,524,138</b>	<b>\$ 4,948,376</b>	<b>\$ 5,979,267</b>	<b>\$ 6,576,633</b>	<b>-12.59%</b>	<b>9.99%</b>
<b>TRANSFER TO OPERATING CAPITAL OUTLAY</b>	<b>\$ (7,524,138)</b>	<b>\$ (4,948,376)</b>	<b>\$ (5,979,267)</b>	<b>\$ (6,576,633)</b>	<b>-12.59%</b>	<b>9.99%</b>

**JACKSONVILLE PORT AUTHORITY**  
**FY 2013/2014 ORIGINAL BUDGET VS. FY 2014/2015 PROPOSED BUDGET**

<b>OPERATING REVENUE OVERVIEW</b>	Increase/(Decrease)	
	\$	%
<b>Liquid Bulk</b>	\$ 176,969	14.44%
An increase in tonnage for a Talleyrand Marine Terminal tenant. The liquid bulk consists primarily of fructose and caustic soda (cleaning agent) imports.		
<b>Other Operating Revenues</b>	\$ 184,029	8.95%
Mostly due to Increases in Dredging Fees (\$50K), and Terminal Railway Fees (\$125K)		
<b>OPERATING EXPENDITURE OVERVIEW</b>	\$	%
<b>Salaries</b>	\$ 238,394	2.11%
The increase is due to salary adjustments for both union and non-union employees.		
<b>Employee Benefits</b>	\$ 230,863	5.31%
Pension Increase as directed by FRS of 11.20%, and increase in Health Insurance of 5.44%. Employee Benefits as a percentage of salary is increasing from 38.44% to 39.64%.		
<b>Business Travel &amp; Training</b>	\$ 52,847	10.79%
As new revenue generation continues to be a focus, more travel is being scheduled by our Marketing Department		
<b>Promotion, Advertising &amp; Dues</b>	\$ (70,094)	-6.11%
Reduction in funding for a position at the Jax Regional Chamber of Commerce.		
<b>Utilities</b>	\$ (74,611)	-6.12%
This line is rate driven by JEA for electrical. The budgeting is more in line with actual expenditures and current trends.		
<b>Repairs &amp; Maintenance</b>	\$ (266,849)	-14.07%
As new capital improvements replace old infrastructure, we are experiencing a reduction of expenses. Terminals are budgeting in line with current trends.		
<b>Dredging</b>	\$ 200,000	9.76%
Increase includes relocation of the pump station from Buck Island to Bartram Island in addition to increased volumes at TMT. The pump station had been relocated to Buck Island while the Bartram Island spoil sites underwent renovation. Bartram Island renovation is now complete and the pump station will be moved back to Bartram Island from Buck Island.		

**JACKSONVILLE PORT AUTHORITY**  
**FY 2013/2014 ORIGINAL BUDGET VS. FY 2014/2015 PROPOSED BUDGET**

	Increase/(Decrease)	
	\$	%
<b>Miscellaneous</b>	<b>26,379</b>	<b>22.37%</b>

Mainly due to Lease of property at New Berlin Road and August Drive. This property is near the entrance gate of the Cruise Terminal and is a multi-use facility, i.e. cruise related, meetings, etc.

**NON-OPERATING REVENUES/(EXPENSES) OVERVIEW**

	\$	%
<b>Debt Service</b>	<b>1,289,046</b>	<b>5.94%</b>

Additional debt for (3) New 100 Gauge Container Cranes. These cranes are replacement cranes for Blount Island, and cost \$12m - \$13m each. The debt service will be amortized over 20 years.

<b>Investment Income</b>	<b>16,732</b>	<b>17.61%</b>
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Expectation of slightly higher yields.

<b>Contributions to Other City Agencies</b>	<b>(1,000,000)</b>	<b>-100.00%</b>
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A contribution was made last FY to the St. Johns River Ferry Commission to help with the cost of drydocking the vessel.

<b>Other Claims &amp; Recoveries</b>	<b>1,650,000</b>	<b>100.00%</b>
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Fees associated with ongoing claims against contractor litigation costs. Jaxport expects to recover all or a portion of these expenses upon resolution.

<b>Other Revenue</b>	<b>1,000</b>	<b>34.97%</b>
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This line consists of miscellaneous revenue accounts such as late fees, discounts, etc.

<b>Other Expense</b>	<b>(4,075)</b>	<b>22.03%</b>
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Increased Bond Paying Agent Fees from the issuance of the bank notes to pay for the replacement cranes at Blount Island.

**JACKSONVILLE PORT AUTHORITY  
ANALYSIS OF FY 2014/2015 PROPOSED CAPITAL BUDGET**

	2013/2014 Budget	2013/2014 Projected (per JPA)	2014/2015 Proposed Budget	Increase (Decrease) of 2014/2015 Proposed Budget Over	
				2013/2014 Budget (Dollars)	2013/2014 Budget (Percentage)
<b>Capital Funds</b>					
State Contribution	\$ 82,756,732	\$ 6,492,359	\$ 93,700,683	\$ 10,943,951	13.22%
Federal Funds	12,258,610	19,657,150	13,561,095	1,302,485	10.63%
Financing	18,000,000	8,424,317	49,381,036	31,381,036	174.34%
Customer Contribution	1,150,000		-	(1,150,000)	100.00%
JPA Funds	7,524,138	3,074,584	15,902,527	8,378,389	111.35%
<b>Total Capital Funds</b>	<b>\$ 121,689,480</b>	<b>\$ 37,648,410</b>	<b>\$ 172,545,341</b>	<b>\$ 50,855,861</b>	<b>41.79%</b>
<b>Capital Projects</b>					
Blount Island Terminal	\$ 37,970,400	\$ 21,471,045	\$ 94,837,576 (1)	\$ 56,867,176	149.77%
Dames Point Terminal	28,691,732	5,476,157	28,000,000 (1)	(691,732)	-2.41%
Talleyrand Terminal	8,975,000	3,382,996	5,400,000 (1)	(3,575,000)	-39.83%
Miscellaneous Projects	44,465,000	7,413,007	43,967,765 (1)	(497,235)	-1.12%
Other Capital Projects	1,587,348	1,675,809	340,000 (1)	(1,247,348)	-78.58%
<b>Total Capital Projects</b>	<b>\$ 121,689,480</b>	<b>\$ 39,419,014</b>	<b>\$ 172,545,341</b>	<b>\$ 50,855,861</b>	<b>41.79%</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ (1,770,604)</b>	<b>\$ -</b>	<b>\$ -</b>	

**Notes:**

(1) See the attached list of proposed FY 2014/2015 capital projects.

**COUNCIL AUDITOR'S OFFICE  
RECOMMENDATIONS  
JACKSONVILLE PORT AUTHORITY  
PROPOSED BUDGET FY 2014/2015**

**RECOMMENDATIONS:**

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

1. To decrease the "Shared Revenue from Primary Govt" line under the "Non-Operating Revenues" by \$678,768 from \$5,885,772 to \$5,207,004. This amount will be in agreement with the amount the City Council Finance Committee amended and has projected will be paid to JPA. We also recommend that JPA reduce the "Debt Service" line item under "Non-Operating Expenditures" by \$678,768 from \$22,990,769 to 22,312,001. This will balance the revenues and expenditures for JPA's budget. JPA concurs.
2. We recommend removing and replacing Schedule J with Revised Schedule J to include formatting changes made for consistency purposes. JPA concurs.

**JACKSONVILLE PORT AUTHORITY  
FY 2014/2015 BUDGET**

<b>OPERATING REVENUES</b>	
Autos	\$ 17,087,928
Containers	25,525,515
Break Bulk	4,222,674
Cruise	4,321,540
Liquid Bulk	1,402,300
Dry Bulk	1,950,284
Other Operating Revenues	<u>2,239,471</u>
<b>TOTAL OPERATING REVENUES</b>	<b>\$ <u>56,749,712</u></b>
<b>OPERATING EXPENDITURES</b>	
Salaries	\$ 11,544,956
Employee Benefits	4,576,936
Services & Supplies	4,776,294
Security Services	3,825,000
Business Travel & Training	542,847
Promotion, Advertising, Dues	1,076,501
Utility Services	1,144,389
Repairs & Maintenance Projects	1,629,894
Dredging	2,250,000
Other Operating Expenditures	<u>144,282</u>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ <u>31,511,099</u></b>
<b>OPERATING INCOME</b>	<b>\$ <u>25,238,613</u></b>
<b>NON-OPERATING REVENUES</b>	
Investment Income	\$ 111,732
Shared Revenue from Primary Govt	5,207,004
Other Revenue	3,860
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ <u>5,322,596</u></b>
<b>NON-OPERATING EXPENDITURES</b>	
Debt Service	\$ 22,312,001
Other Claims and Recoveries	1,650,000
Other Expenditures	22,575
<b>TOTAL NON-OPERATING EXPENDITURES</b>	<b>\$ <u>23,984,576</u></b>
<b>NET INCOME BEFORE OPERATING CAPITAL OUTLAY AND CONTINGENCY</b>	<b>\$ <u>6,576,633</u></b>
Transfer to Operating Capital Outlay	<u>\$ (6,576,633)</u>
<b>SURPLUS/(DEFICIT)</b>	<b>\$ <u><u>-</u></u></b>
<b>TOTAL REVENUES</b>	<b>\$ <u><u>62,072,308</u></u></b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$ <u><u>62,072,308</u></u></b>
Full Time Positions	<u>170</u>
Temporary Employee Hours	<u>7,893</u>

REVISED SCHEDULE I

# Jacksonville Port Authority

## Capital Projects - Budget 2014-2015 PROPOSED

Location	Description	STATE	FEDERAL	JPA OPERATING FUNDS	JPA Financing	JPA Restricted Construction Funds	TOTAL
<b>Blount Island</b>	Rehabilitate Wharf Structures (Berth 35)	32,543,544			5,043,138	8,325,894	\$ 45,912,576
	Design and Purchase of 100 Gauge Container Cranes				39,000,000		\$ 39,000,000
	Rehab Selected Pavement Areas			4,000,000	3,200,000		\$ 7,200,000
	Rehabilitate Wharf Structures (Berth 32)	1,000,000				1,000,000	\$ 2,000,000
	Tenant Asphalt Facility Rehab	100,000		100,000			\$ 200,000
	Top End Overhaul for the engines of Cranes 8811 and 8841 (Hanjungs)	100,000		100,000			\$ 200,000
	Upgrade 3805 Trolley Rails @ Boom Break (Paceco)				175,000		\$ 175,000
	Complete Engine Rebuild for Crane with 31,000 hours (Caterpillar)	75,000			75,000		\$ 150,000
<b>Total Blount Island</b>		\$ 33,818,544	\$ -	\$ 4,450,000	\$ 47,243,138	\$ 9,325,894	<b>\$ 94,837,576</b>
<b>Dames Point</b>	Intermodal Container Transfer Facility	18,000,000	10,000,000				\$ 28,000,000
	<b>Total Dames Point</b>	\$ 18,000,000	\$ 10,000,000	\$ -	\$ -	\$ -	<b>\$ 28,000,000</b>
<b>Talleyrand</b>	Rehabilitate Wharf Structures	3,000,000			1,000,000		\$ 4,000,000
	Design of Berth 7 & 8	262,500		87,500			\$ 350,000
	Pump & Treat System for Environmental Compliance			500,000			\$ 500,000
	Transit/Processing Warehouse Roof Coating			250,000			\$ 250,000
	Resurface Leased Areas (Ph2)			200,000			\$ 200,000
	Rehab Phoenix Ave Rail Crossing	50,000		50,000			\$ 100,000
	<b>Total Talleyrand</b>	\$ 3,312,500	\$ -	\$ 1,087,500	\$ 1,000,000	\$ -	<b>\$ 5,400,000</b>
<b>Port Related</b>	Mile Point	36,000,000					\$ 36,000,000
	Harbor Deepening - Preconstruction Engineering and Design		3,148,595		1,049,531		\$ 4,198,126
	Bartram Island Spoil Sites (Cell A & B2)	2,519,639					\$ 2,519,639
	Transportation Worker Identification Credential Continuation (Round 13)			375,000	36,633	88,367	\$ 500,000
	Transportation Worker Identification Credential Continuation (Round 14)			37,500	12,500		\$ 50,000
	Capitalize In-House Engineering Services			400,000			\$ 400,000
	Billing System Upgrade			250,000			\$ 250,000
	Strategic Master Plan - PH2	50,000					\$ 50,000
<b>Total Miscellaneous</b>	\$ 38,569,639	\$ 3,561,095	\$ 699,133	\$ 1,137,898	\$ -	<b>\$ 43,967,765</b>	
<b>Total Other Capital</b>	\$ -	\$ -	\$ 340,000	\$ -	\$ -	<b>\$ 340,000</b>	
<b>TOTAL CAPITAL PROJECTS</b>		<b>\$ 93,700,683</b>	<b>\$ 13,561,095</b>	<b>\$ 6,576,633</b>	<b>\$ 49,381,036</b>	<b>\$ 9,325,894</b>	<b>\$ 172,545,341</b>

REVISED SCHEDULE J