

**COUNCIL AUDITOR’S OFFICE
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**JEA
COMPARISON OF BUDGETS
ELECTRIC AND WATER & SEWER AND DISTRICT ENERGY SYSTEM
APPROVED FY 2015/16 TO PROPOSED FY 2016/17
(000's)**

	Electric		Water & Sewer		District Energy		Transfers In/Out	Total Budget	City Contribution
	Operating Budget	Capital Budget	Operating Budget	Capital Budget	Operating Budget	Capital Budget			
FY 2015/16 Budget	\$ 1,308,635	\$ 170,000	\$ 428,457	\$ 195,000	\$ 9,089	\$ 3,657	\$ (319,491)	\$ 1,795,347	\$ 114,188
FY 2016/17 Proposed	\$ 1,285,966	\$ 170,000	\$ 439,378	\$ 225,500	\$ 9,248	\$ 3,071	\$ (318,233)	\$ 1,814,930	\$ 115,823
\$ Increase (Decrease)	\$ (22,669)	\$ (0)	\$ 10,921	\$ 30,500	\$ 159	\$ (586)	\$ 1,258	\$ 19,583	\$ 1,635
% Increase (Decrease)	(1.73%)	(0.00%)	2.55%	15.64%	1.75%	(16.02%)	0.39%	1.09%	1.43%

Notes:

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

	Budget FY 2015/16	Proposed FY 2016/17	Increase (Decrease)
Electric System	1,554	1,554	-
Water & Sewer System	599	599	-
District Energy System	5	5	-
Total JEA Employees	2,158	2,158	-
 SJRP Joint Venture	 245	 239	 (6)
Total JEA/SJRP	2,403	2,397	(6)

(2) Detail of City Contribution:

	Budget FY 2015/16	Proposed FY 2016/17	Increase (Decrease)
Electric System	\$ 91,720.182	\$ 92,270.692	\$ 550.510
Water & Sewer System	22,467.356	23,552.258	1,084.902
Totals	<u>\$ 114,187.538</u>	<u>\$ 115,822.950</u>	<u>\$ 1,635.412</u>

JEA Contribution Calculation

A Millage Calculation

Electric	\$	92,270,692	80%
Water		23,552,258	20%
	\$	<u>115,822,950</u>	

B Floor (prior Year plus 1%)

FY 2015/16	\$	114,187,538	Base Year
FY 2016/17	\$	115,329,413	

Conclusion

The millage calculation of \$115,822,950 is greater than the minimum payment of \$115,329,413, therefore the amount of \$115,822,950 is the JEA Contribution for FY16/17.

Recommended Budget FY 16/17

Electric	\$	92,270,692	80%
Water		23,552,258	20%
	\$	<u><u>115,822,950</u></u>	

Notes:

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

B = Notwithstanding the contribution cap calculated in Part A above, JEA shall pay the City each fiscal year, from 2016/2017 through 2020/2021, an additional amount if necessary, to ensure a minimum annual increase of 1% using the fiscal year 2015-2016 combined assessment of \$114,187,538 as the base year.

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

JEA's Charter does not currently require a contribution from the District Energy System (Chilled Water).

**CALCULATION OF JEA ELECTRIC CONTRIBUTION
FOR FISCAL YEAR 2016-2017**

**CITY WATER/SEWER CONTRIBUTION FORMULA
FOR FISCAL YEAR 2016-2017**

	Total	Less Interchange	Net kWh
Month	kWh Sales (1)	kWh Sales (2)	Sales
May 2015	940,590,132	4,457,000	936,133,132
June	1,132,453,137	2,952,000	1,129,501,137
July	1,273,092,868	1,080,000	1,272,012,868
August	1,232,708,906	2,981,000	1,229,727,906
September	1,175,733,656	6,335,000	1,169,398,656
October	1,024,898,414	3,178,000	1,021,720,414
November	881,640,250	6,168,000	875,472,250
December	952,812,804	5,062,000	947,750,804
January 2016	962,808,740	704,000	962,104,740
February	1,000,736,827	2,979,000	997,757,827
March	921,187,843	453,000	920,734,843
April	895,074,978	1,914,000	893,160,978
Totals	12,393,738,555	38,263,000	12,355,475,555
		(3)	0.007468
			<u>\$ 92,270,692</u>

	Water Consumption	Sewer Consumption	Adjustments Total	Total Net Consumption
MONTH	kGals (1)	kGals (1)	kGals (2)	kGals
May 2015	3,000,847	2,074,509	(33,203)	5,042,153
June	3,732,479	2,414,501	(103,519)	6,043,461
July	3,671,483	2,356,016	(121,890)	5,905,608
August	3,181,303	2,159,233	(67,083)	5,273,452
September	2,866,083	2,032,544	(29,111)	4,869,515
October	2,808,948	2,076,994	64,609	4,950,550
November	2,757,662	1,876,414	(101,941)	4,532,136
December	2,999,224	2,186,479	(50,102)	5,135,601
January 2016	2,771,057	1,992,366	(110,513)	4,652,909
February	2,465,777	1,884,835	(15,640)	4,334,971
March	2,798,280	2,049,180	(41,049)	4,806,412
April	2,968,962	2,080,099	(81,292)	4,967,769
Totals	36,022,103	25,183,169	(690,734)	60,514,539
			(3)	0.3892000
				<u>\$ 23,552,258</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 7.468 mills times total electric kWh sales less interchange sales for the twelve months (12) ending April 30th of the prior year.
 (4) Pursuant to Ordinance Code § 106.218, one quarter of a mill or \$3,088,869 has been dedicated to the JPA for port expansion.

Notes:

- (1) Consumption information taken from JEA's CMFTR124 monthly reports.
 (2) Total Adjustments include Water Large (large industrial customer) and Sewer LTD (wholesale sewer rate) less Water Reuse Consumption.
 (3) The current City contribution is based on multiplying 389.20 mills times total water/sewer kGal sales less reuse sales for the twelve (12) months ending April 30th of the prior year

JEA
ANALYSIS OF PROPOSED FY 2016/17 ELECTRIC OPERATING SYSTEM BUDGET
FY 2015/16 BUDGET COMPARED TO FY 2016/17 PROPOSED BUDGET
(000'S)

	2015/16 Original Budget	2015/16 Revised Budget	Actual Thru May	JEA 2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2015/16 Original Budget	JEA 2015/16 Projected
Fuel Related Revenue & Expenses							
Revenue							
Fuel Related Revenue	\$ 509,884	\$ 509,884	\$ 246,863	\$ 414,438	\$ 472,265	(7.38%)	13.95%
Transfer To Fuel Recovery	-	-	-	-	-	NA	NA
Net Fuel Related Revenues	\$ 509,884	\$ 509,884	\$ 246,863	\$ 414,438	\$ 472,265	(7.38%)	13.95%
Expense							
Fuel Related and Purchased Power	\$ 483,609	\$ 483,609	\$ 235,205	\$ 379,967	\$ 433,615	(10.34%)	14.12%
Transfer To/(From) Rate Stabilization	25,255	25,255	11,223	33,681	37,705	49.30%	11.95%
Uncollectible Accts.	1,020	1,020	436	790	945	(7.38%)	19.53%
Net Fuel Related Expenses	\$ 509,884	\$ 509,884	\$ 246,863	\$ 414,438	\$ 472,265	(7.38%)	13.95%
Fuel Fund Surplus (Deficit)	\$ 0	\$ 0	\$ -	\$ 0	\$ 0		
Base Rate Revenue & Expenses							
Revenues							
Base Rate Revenue	\$ 738,360	\$ 738,360	\$ 455,728	\$ 721,529	\$ 762,972	3.33%	5.74%
Investment Income	3,777	3,777	4,148	5,407	4,632	22.64%	(14.35%)
Other Revenues	56,614	56,614	18,857	42,985	46,097	(18.58%)	7.24%
Total Operating Revenues	\$ 798,751	\$ 798,751	\$ 478,734	\$ 769,921	\$ 813,701	1.87%	5.69%
Expenses							
Operating & Maintenance	\$ 200,570	\$ 200,570	\$ 119,387	\$ 191,007	\$ 209,105	4.26%	9.48%
Environmental Charge	7,686	7,686	4,674	7,493	7,942	3.33%	5.99%
Conservation Charge	7,289	7,289	4,078	6,751	7,510	3.03%	11.24%
Natural Gas Pass Through Expense	12,141	12,141	210	4,258	6,880	(43.33%)	100.00%
Non-Fuel Purchased Power	113,015	113,015	59,235	96,907	83,394	(26.21%)	(13.94%)
Emergency Contingency	5,000	5,000	-	5,000	5,000	0.00%	0.00%
PSC Fees	210	209	96	193	206	3.45%	6.43%
Uncollectible Accts.	1,494	1,494	854	1,391	1,544	0.00%	10.96%
Total Operating Expenses	\$ 347,405	\$ 347,405	\$ 188,536	\$ 313,000	\$ 321,582	(7.43%)	2.74%
Net Income From Operations	\$ 451,346	\$ 451,346	\$ 290,199	\$ 456,921	\$ 492,119	9.03%	7.70%
Other Deductions							
Debt Service	\$ 197,133	\$ 197,133	\$ 129,666	\$ 201,739	\$ 229,849	16.60%	13.93%
Operating Contingency	-	-	-	-	-	NA	NA
Operating Capital Outlay	96,338	84,338	43,084	89,088	109,740	13.91%	23.18%
Renewal & Replacement- Elec. Sys.	66,155	66,155	41,583	62,374	60,260	(8.91%)	(3.39%)
Interlocal Agreement	-	12,000	12,000	12,000	-		
Total Other Deductions	\$ 359,626	\$ 359,626	\$ 226,334	\$ 365,201	\$ 399,849	11.18%	9.49%
Net Income Before City Contribution	\$ 91,720	\$ 91,720	\$ 63,865	\$ 91,720	\$ 92,271	0.60%	0.60%
Contribution to City's General Fund	\$ 91,720	\$ 91,720	\$ 61,147	\$ 91,720	\$ 92,271	0.60%	0.60%
Base Rate Surplus (Deficit)	\$ 0	\$ -	\$ 2,718	\$ 0	\$ 0		
Budget Surplus (Deficit)	\$ 0	\$ -	\$ 2,718	\$ 0	\$ 0		
MWH Sales (000's)	12,600	12,600	7,627	12,247	13,020	3.33%	6.31%
# of Accounts	445,728	445,728	452,833	451,523	453,781	1.81%	0.50%

JEA
FY 2015/16 Original Budget Vs. FY 2016/17 Proposed Budget
Revenue and Expense Variance Overview - Electric System

		Increase/(Decrease) (\$000's) %
Fuel Related Revenues:		
Fuel Related Revenue	\$	(37,620) (7.38%)
This reflects the variable fuel rate reduction approved January 19, 2016 by the JEA Board reducing the rate from \$43.60 to \$36.75 per MWh effective February 1, 2016.		
Fuel Related Expenses:		
Transfer To/(From) Rate Stabilization	\$	12,450 49.30%
This increase is due to current projections based on natural gas price forecasts with no major market disruptions.		
Fuel Uncollectibles	\$	(75) (7.38%)
The decrease was budgeted to reflect the fuel rate reduction and the associated fuel revenues decreasing.		
Base Related Revenues:		
Investment Income	\$	855 22.64%
The increase is due to JEA higher market yields which are projected to increase for an average in FY 2016/17 of 0.80% over FY 2015/16 budgeted at 0.61%.		
Other Revenues	\$	(10,517) (18.58%)
The decrease in revenues is primarily a result of the market price of transmission services being budgeted \$5.9 million less related to inexpensive power generation inside Florida and the loss of a major natural gas customer (Wespac) driving down JEA natural gas revenues by \$5.3 million offset by increased pole attachment fee revenues of \$0.75 million		
Base Related Expenses:		
Operating & Maintenance	\$	8,535 4.26%
The net increase is primarily based on increased salary and benefit costs of approximately \$9.2 million plus an increase to other services and charges of \$5.4 million offset by reduced City services of \$2.2 million, increased expense credits of \$2.6 million and transfers to benefits for capital work-in-progress of \$0.9 million. (DETAILED BREAKOUT GIVEN ON THE NEXT TWO PAGES)		
Natural Gas Pass Through Expense	\$	(5,261) (43.33%)
Under the City Charter and JEA's Fuel Management Services Procurement Directive natural gas service began in FY 2014/15 for Commercial and Industrial Customers. The \$5.3 million reduction of natural gas pass through expense is due to the loss of a major customer (Wespac)		
Non-Fuel Purchased Power	\$	(29,621) (26.21%)
The decrease is due primarily to \$17.0 million reduced St Johns River Power Park debt service expense and \$9.6 million lower Plant Scherer Operating Capital Outlay expense.		
Debt Service	\$	32,716 16.60%
This increase reflects a \$39 million bond buyback that will be contingent on total MWh sales for FY 2016/2017 and therefore unscheduled offset by lower principal and interest expense in FY2016/2017.		
Operating Capital Outlay	\$	13,403 13.91%
The increase reflects higher capital requirements. The OCO is based on the capital proposed budget of \$170M minus the Renewal & Replacement Deposits.		

JEA
ANALYSIS OF OPERATING AND MAINTENANCE EXPENSE
ELECTRIC SYSTEM
FY 2015/16 BUDGET COMPARED TO FY 2016/17 PROPOSED BUDGET
(000's)

	2015/16 Original Budget	2015/16 Revised Budget	Actual Thru May	JEA 2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2015/16 Original Budget	JEA 2015/16 Projected
Salaries	\$ 116,887	\$ 116,889	\$ 76,314	\$ 115,367	\$ 119,123	1.91%	3.26%
Employee Benefits	57,835	57,887	35,783	57,041	64,830	12.09%	13.66%
Supplies	15,751	16,361	9,699	14,902	15,853	0.65%	6.38%
City Services	4,016	3,956	773	2,134	1,814	(54.83%)	(14.99%)
Other Intercompany Charges	550	550	123	306	185	(66.36%)	(39.58%)
Other Services & Chgs.	95,981	96,520	54,792	87,611	101,373	5.62%	15.71%
Other Contingencies	2,700	2,422	-	2,422	2,500	(7.41%)	3.22%
City Legal Services	1,090	1,090	659	1,000	1,090	0.00%	9.00%
Property & Casualty Insurance	5,157	5,157	3,120	4,839	5,051	(2.06%)	4.38%
Interest on Customer Deposits	65	65	257	279	200	207.69%	(28.31%)
Operating Reserve	2,000	1,350	-	1,560	2,000	0.00%	28.21%
Expense Credits	(74,599)	(74,651)	(45,457)	(70,423)	(77,223)	3.52%	9.66%
Trf. to WIP- Salaries	(18,187)	(18,291)	(11,463)	(17,795)	(18,129)	(0.32%)	1.88%
Trf. to WIP- Emp. Benefits	(8,676)	(8,734)	(5,214)	(8,237)	(9,561)	10.21%	16.08%
O & M Expense	<u>\$ 200,570</u>	<u>\$ 200,570</u>	<u>\$ 119,387</u>	<u>\$ 191,007</u>	<u>\$ 209,105</u>	<u>4.26%</u>	<u>9.48%</u>

JEA
FY 2015/16 Original Budget Vs. FY 2016/17 Proposed Budget
Expenditure Variance Overview - Electric System

	Increase/(Decrease)	
	(\$000's)	%
Operating & Maintenance		
Salaries	\$ 2,236	1.91%
For FY 2016/2017 none of the JEA bargaining agreements have been settled, however the previous contract will continue into FY17 until a settlement has been reached. Three groups, IBEW, JSA, & LIUNA will increase 2% and a fourth, PEA, will increase 3%. Of the contractual increases \$0.83M are step increases for the bargaining units. Overtime is budgeted to increase by \$0.32M and market adjustments account for another \$1.06M.		
Benefits	\$ 6,994	12.09%
Primarily attributed to increase in Pension budgeted at 37.09% of salaries for FY 2016/2017 vs. 33.5% for FY 2015/2016. Pension is budgeted to increase by \$3.9M and health care cost are increasing by \$2.9M.		
Supplies	\$ 103	0.65%
Increase due to \$1.4 million Motor pool fuel costs moved from City Services and offset by lower requirement for outage repair supplies.		
City Services	\$ (2,202)	(54.83%)
Decreased due to the reduced current related costs for fuel and reducing the budgeted amount of gallons used at City fueling sites by 600,000 gallons.		
Other Intercompany Charges	\$ (365)	(66.36%)
The decrease is primarily due to reduced inventory and an adjustment to the prior year interest rate on 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.		
Other Services & Charges	\$ 5,392	5.62%
Primarily attributed to turbine building refurbishment, pole attachment permit processing, transmission line inspections and repairs, increased legal fees and P25 Radio debt payment.		
Property & Casualty Insurance	\$ (106)	(2.06%)
The decrease is based on premium schedule provided by COJ Risk Management.		
Interest on Customer Deposits	\$ 135	207.69%
The increase is due to the FY2015/16 interest rate of 0.120% for customer deposits increased to the Department of Treasury Services September 15, 2015 released rate of 0.440%.		
Expense Credits	\$ (2,624)	3.52%
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 or capital fund.		
Transfers to WIP Salaries	\$ 58	(0.32%)
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.		
Transfers to WIP Emp. Benefits	\$ (886)	10.21%
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 2016/17 CAPITAL BUDGET
ELECTRIC SYSTEM
FY 2015/16 BUDGET COMPARED TO FY 2016/17 PROPOSED BUDGET
(000'S)

						% Increase (Decrease)	
						Proposed Budget Over	
	2015/16 Original Budget	2015/16 Revised Budget	Actual Thru May	JEA 2015/16 Projected	2016/17 Proposed Budget	2015/16 Original Budget	JEA 2015/16 Projected
Capital Funds							
Renewal & Replacement Deposits	\$ 66,155	\$ 66,155	\$ 41,583	\$ 62,374	\$ 60,260	(8.91%)	(3.39%)
Construction Fund Investment Income	-	-	-	-	-	NA	NA
Debt	-	-	-	-	-	NA	NA
Other Proceeds*	7,507	19,507	-	8,662	-	(100.00%)	(100.00%)
Operating Capital Outlay	96,338	84,338	43,084	89,088	109,740	13.91%	23.18%
Total Capital Funds	\$ 170,000	\$ 170,000	\$ 84,667	\$ 160,124	\$ 170,000	(0.00%)	6.17%
Capital Projects							
Generation Projects	\$ 27,466	\$ 40,360	\$ 20,556	\$ 40,385	\$ 33,340 (1)	21.39%	(17.44%)
Transmission & Distribution	93,824	89,248	46,148	80,821	82,368 (1)	(12.21%)	1.91%
Other	48,710	40,392	14,044	38,918	54,292 (1)	11.46%	39.50%
Total Capital Projects	\$ 170,000	\$ 170,000	\$ 80,748	\$ 160,124	\$ 170,000	0.00%	6.17%
Surplus (Deficit)	\$ -	\$ -	\$ 3,919	\$ 0	\$ -		

*funded from prior year remaining balances

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

JEA
Electric System FY 2016/17
Capital Budget
(000's Omitted)

	PROPOSED		PROPOSED	
	SUB-TOTAL		TOTAL	
Description	FY17		FY17	
EXPANDED GENERATION CAPACITY	0			
EXPANDED GENERATION CAPACITY SUBTOTAL	\$0	(1)	\$0	
ELECTRIC SYSTEM GENERATION PROJECTS				
Greenland Energy Center Diesel Fuel Oil Tanks Installation	6,360			
Northside Units 1, 2, and 3 Capital Improvement Projects	6,000			
Brandy Branch Combustion Turbine 1- Hot Gas Path Inspection #2	5,550			
Northside Generating Station - Discharge Basin - Wall - Phase 2	3,027			
Steam Plant General Capital Improvements	2,000			
Brandy Branch - Greenland Energy Center - General Capital Improvements	2,000			
Northside Generating Station - N00 MH PLC Replacement	1,662			
Brandy Branch Generating Station - Heat Recovery Steam Generator 2 - Selective Catalytic Reduction	1,450			
Brandy Branch Generating Station - Heat Recovery Steam Generator 3 - Selective Catalytic Reduction	1,450			
Brandy Branch Generating Station - Low Voltage Ride Through System Installation	934			
Northside Generating Station - Units N33, N34, N35, N36 - Pre-Purchase Major Inspection Parts	750			
Brandy Branch - Units 52 & 53 Heat Recovery Steam Generator - Lower Penetration Seal Replacement	560			
Northside Generating Station - Tank 4 Demolition	499			
Northside Units 1 and 2 - Distributed Control System - Replacement	359			
Northside Generating Station - Ash Silos 1 and 2 - Slurry Pump and Piping Replacement	317			
Kennedy Combustion Turbine 7 - Hot Gas Path Inspection #3	250			
Northside Generating Station - 1 and 2 Flyash Diverter Valves	115			
Brandy Branch - Units 52 and 53 - Selective Catalytic Replacement	57			
ELECTRIC SYSTEM GENERATION PROJECTS SUBTOTAL	\$33,340	(2)	\$33,340	= (1) + (2)
ELECTRIC SYSTEM DISTRIBUTION PROJECTS				
New Electric Service Additions	7,300			
Electric Distribution Maintenance Capital Upgrades	7,000			
CEMI-5 Electric Distribution Betterment	6,000			
Development Driven Projects	5,000			
13kV Electric Distribution Network Improvements	5,000			
Electric Meter Replacement	4,728			
Joint Participation Electric Relocation Projects	2,000			
Electric Meter Growth	1,590			
General Underground Network and Commercial Repairs and Upgrades	1,500			
Automatic Recloser Deployment	1,050			
Pole Replacement Program	1,000			
Electric Distribution System Improvements	1,000			
Baldwin 23KV to 26 KV Conversion	717			
Distribution System - Pole Removal	600			
Underground Cable Replacement Program - Existing Developments	500			
4KV Rehabilitation – Distribution Projects	500			

JEA
Electric System FY 2016/17
Capital Budget
(000's Omitted)

General Distribution Improvements	500			
Point Meadows Substation Distribution Feeders	482			
Church Feeder Reconductor Phase III - Circuits 182, 183, 185 and 186 - Forest to Fuller Warren	430			
Ritter Park 429 Reconductor	400			
Church 187 to 188 - Automated Skyway Service - Move to Church 187 to 188	375			
26KV Reliability Improvement - Distribution Feeder Relay System Replacement	350			
26KV Reconductor Circuit 417 to 418 - Woodley Rd from New Kings Rd to Old Kings Rd	300			
4KV Conversion - Fairfax and 21st to Hubbard	189			
Capital Tools and Equipment	125			
Hamilton 311 26KV Reconductor and OH to UG - Ortega Blvd - Verona to Robert Gordon Rd	95			
Capital Tools and Equipment - E1	80			
Electric Customer Service Response Tools and Equipment	54			
Dinsmore Distribution Feeders	51			
Electric Customer Service Response Lateral and Quick Response Work	50			
Blair Rd Solar Center Project	38			
Normandy 361 Extension - Blair Rd to Blair Rd Solar Center - Electric and Fiber	30			
Ortega Substation 26KV Feeds and 4KVGetaways	10			
ELECTRIC SYSTEM DISTRIBUTION PROJECTS SUBTOTAL	\$49,044	(3)		
ELECTRIC SYSTEM SUBSTATION & TRANSMISSION				
Point Meadows 230 to 26KV Substation	8,055			
Substation Repair and Rehabilitate Projects	3,000			
Transmission Repair and Rehabilitate Projects	2,500			
McDuff 13 to 4KV - Substation Rebuild	1,792			
500 KV Transmission Line Upgrades	1,700			
Southside GIS 69KV Contoller Replacement	1,700			
Rosselle 26 to 4KV Substation Rebuild	1,593			
Substation Repair and Rehabilitate Project - Transformer Replacements	1,400			
Preliminary Study - Riverside Area Substation Feasibility Review	1,300			
Kennedy Substation - 13KV Switchgear Replacement	1,125			
Transmission Lines Protection and Control Updates - System Protection and Controls Project	1,000			
Transmission - Circuits 821 to 822 to 853 Structure Rebuild – Improvements	936			
Dinsmore 230 to 26 kV Substation	860			
Imeson 138 to 26KV Substation Reconfiguration	700			
General Substation Improvements	500			
230KV / 138KV / 69KV - Pole Refurbishment	500			
230KV / 138KV / 69KV - Insulator Refurbishment	500			
Transmission Tower Warning Light Systems - Replacement	495			
Kennedy and Dillon HPFF Pipe - Type Cable Pumping Skid Replacements	420			
Transmission Circuit 666 - Replace Structures 31, 32, 33, 34, 35 36 and 37 - Storm Hardening	375			
Ft Caroline Substation Protection Improvement	341			
Lane Ave - T1 Transformer Replacement	330			
General Transmission Improvements	300			
General Protection System Improvements Transmission	300			
Transmission - Point Meadows 230KV Circuit Interconnect	299			
Imeson 138 to 26kV Substation Reconfiguration - Protection and Control	295			
West Jax Substation Protection Improvement	202			

JEA
Electric System FY 2016/17
Capital Budget
(000's Omitted)

Southside Gas Insulated Switchgear - 6C1 Capacitor Bank Replacement	190			
Dinsmore 230 to 26KV Substation - System Protection and Controls Project	182			
College Street Substation - 13KV Protection and Arc Flash Upgrade	111			
Dinsmore 230KV Circuit 937 Interconnect	100			
OM - General Transmission Improvements	100			
Energy Management System - Remote Terminal Unit Upgrade Project	100			
Southeast Substation Protection Improvement	23			
ELECTRIC SYSTEM SUBSTATION & TRANSMISSION SUBTOTAL	\$33,324	(4)	\$82,368	= (3) + (4)
ELECTRIC OTHER CAPITAL PROJECTS				
General Administration Office Building	10,000			
Electric Capital Administrative Overhead	10,000			
Technology Services - Projects	9,802			
Fleet - Replacement	7,690			
Streetlight Improvements	5,000			
Westside Service Center - Administrative and Warehouse Space	3,000			
Southside Service Center - Safety Restroom and Door Upgrades	1,380			
Security - 69KV Substations Security Enhancements	1,080			
Facilities Improvements - Security	620			
Westside Service Center - Paving Upgrades	500			
Critical Infrastructure Protection - Version 5 Implementation	500			
Westside Service Center Drainage and Commonwealth Service Center - Parking Improvements	500			
Byproduct Heavy Duty Equipment	460			
Facilities Improvements - Heating, Ventilation, and Air	430			
Facilities Improvements - Building Upgrades	425			
Security - Commonwealth Warehouse Sprinkler System	360			
New Operations Center (South)	350			
Facilities Improvements - Lighting	305			
Enabling Technologies	300			
Security - Northside Generating Station - Access Control System Upgrades	290			
Facilities Improvements - Paving and Site	250			
Energy Management System - Base Upgrade Project	250			
Security - Fire System Sprinklers	200			
Facilities Improvements - Roof Replacement	150			
Facilities Improvements - Plumbing and Fire System Upgrades	135			
Security - Fencing	130			
Laboratory Equipment Upgrades	75			
Utility Locate Group - Capital Equipment	50			
Facilities Improvements - Elevators	50			
Energy Management System - Situational Awareness Mapboard Project	10			
ELECTRIC OTHER CAPITAL PROJECTS SUBTOTAL	\$54,292	(5)	\$54,292	= (5)
ELECTRIC TOTAL			\$170,000	

JEA
ANALYSIS OF PROPOSED FY2016/17 WATER & SEWER SYSTEM OPERATING BUDGET
FY 2015/16 BUDGET COMPARED TO FY 2016/17 PROPOSED BUDGET
(000's)

						% Increase (Decrease) Proposed Budget Over	
	2015/16 Original Budget	2015/16 Revised Budget	Actual Thru May	JEA 2015/16 Projected	2016/17 Proposed Budget	2015/16 Original Budget	JEA 2015/16 Projected
Revenues							
Water & Sewer Revenues	\$ 393,928	\$ 393,928	\$ 263,590	\$ 395,345	\$ 405,586	2.96%	2.59%
Investment Income	2,760	2,760	2,106	3,054	3,153	14.23%	3.25%
Capacity & Extension Fees	17,000	17,000	13,942	19,609	19,000	11.76%	(3.11%)
Contributed Capital	-	-	379	379	-	NA	(100.00%)
Other Revenues	14,769	14,769	10,040	12,876	11,639	(21.19%)	(9.61%)
Total Revenues	\$ 428,457	\$ 428,457	\$ 290,057	\$ 431,262	\$ 439,378	2.55%	1.88%
Operating Expenses							
Operating & Maintenance	\$ 138,368	\$ 138,368	\$ 84,392	\$ 133,004	\$ 144,149	4.18%	8.38%
Uncollectibles	859	859	433	711	844	(1.70%)	18.70%
Emergency Contingency	1,000	1,000	-	1,000	1,000	0.00%	0.00%
Total Operating Expenses	\$ 140,227	\$ 140,227	\$ 84,825	\$ 134,715	\$ 145,993	4.11%	8.37%
Other Deductions							
Debt Service	\$ 109,655	\$ 109,655	\$ 68,035	\$ 103,646	\$ 122,573	11.78%	18.26%
Interlocal Payments	-	3,000	3,000	3,000	-	NA	(100.00%)
Operating Contingency	-	-	-	-	-	NA	NA
Capacity Fee Transfer	17,000	17,000	13,942	19,609	19,000	11.76%	(3.11%)
Operating Capital Outlay	118,329	115,283	88,877	126,999	106,697	(9.83%)	(15.99%)
Renewal & Replacement Fund	20,779	20,825	13,884	20,825	21,563	3.77%	3.54%
Total Other Deductions	\$ 265,763	\$ 265,763	\$ 187,738	\$ 274,079	\$ 269,833	1.53%	(1.55%)
Contribution to City's General Fund	\$ 22,467	\$ 22,467	\$ 14,978	\$ 22,467	\$ 23,552	4.83%	4.83%
Budget Surplus (Deficit)	\$ 0	\$ 0	\$ 2,516	\$ 0	\$ 0		
Water Sales (kGals)	34,650,000	34,650,000	22,787,521	34,462,813	36,750,000	6.06%	6.64%
Sewer Sales (kGals)	26,985,000	26,985,000	18,172,230	27,274,233	27,867,000	3.27%	2.17%
Number of Accounts	584,258	584,258	595,282	597,433	600,420	2.77%	0.50%

JEA
FY 2015/16 Original Budget Vs. FY 2016/17 Proposed Budget
Revenue and Expense Variance Overview - Water and Sewer System

	Increase/(Decrease)	
	(\$000's)	%
Revenues:		
Water & Sewer Revenues	\$ 11,658	2.96%
Reflects increased kGal sales due to current and projected growth of customer accounts and trends in customer increased usage.		
Investment Income	\$ 393	14.23%
The increase is due to JEA higher market yields for FY 2016/17 projected to average 0.73% compared to 0.58% for FY 2015/16.		
Capacity & Extension Fees	\$ 2,000	11.76%
Reflects current construction activity and trend.		
Other Revenues	\$ (3,130)	(21.19%)
The decrease primarily reflects removal of \$1 million of prior year budgeted timber sales and \$2.0 million in budgeted Water Quality Trading Credits.		
Expenses:		
Operating & Maintenance	\$ 5,781	4.18%
The increase is primarily due to increased salary and benefit costs of \$4.1M and increased other services and charges of \$1.5M. (DETAILED BREAKOUT GIVEN ON THE NEXT TWO PAGES)		
Uncollectibles	\$ (15)	(1.70%)
The rate decreased from 0.22% for FY 2015/2016 to 0.21% for FY 2016/2017 based on actual uncollectible trend.		
Debt Service	\$ 12,918	11.78%
Reflects higher principal and interest payments in FY2017.		
Capacity Fee Transfer	\$ 2,000	11.76%
Reflects current construction activity and trend.		
Operating Capital Outlay	\$ (8,586)	(9.83%)
The OCO is based on the capital proposed budget of \$225.5M minus the Renewal & Replacement Deposits and minus Other Proceeds - utilizing Other Proceeds to fund higher capital expense activity with a lower contribution to/(from) Operating Capital Outlay.		

JEA
ANALYSIS OF OPERATING AND MAINTENANCE EXPENSE
WATER & SEWER SYSTEM
FY 2015/16 BUDGET COMPARED TO FY 2016/17 PROPOSED BUDGET
(000's)

	2015/16 Original Budget	2015/16 Revised Budget	Actual Thru May	JEA 2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2015/16 Original Budget	JEA 2015/16 Projected
Salaries	\$ 42,807	\$ 43,452	\$ 28,997	\$ 43,537	\$ 44,265	3.41%	1.67%
Employee Benefits	21,154	21,154	14,388	22,336	23,839	12.69%	6.73%
Supplies	12,929	12,185	7,695	11,911	13,535	4.69%	13.63%
Other Services & Charges	74,632	75,476	44,072	69,785	76,154	2.04%	9.13%
Contracts and Contingencies	500	80	0	380	500	0.00%	31.41%
Purchased Water & Treatment	50	50	25	42	50	0.00%	19.30%
Property Insurance	1,597	1,597	898	1,431	1,485	(7.01%)	3.81%
Operating Reserves	1,250	1,000	0	1,000	1,250	0.00%	25.00%
Interest on Customer Deposits	0	0	46	46	50	NA	8.58%
Expense Credits	(5,850)	(5,849)	(3,745)	(5,748)	(5,749)	(1.73%)	0.01%
Transfers to WIP Salaries	(7,322)	(7,372)	(5,585)	(8,137)	(7,299)	(0.32%)	(10.30%)
Transfers to WIP Emp. Benefits	(3,379)	(3,407)	(2,400)	(3,579)	(3,932)	16.35%	9.86%
Total O & M Expense	\$ 138,368	\$ 138,368	\$ 84,392	\$ 133,004	\$ 144,149	4.18%	8.38%

JEA
FY 2015/16 Original Budget Vs. FY 2016/17 Proposed Budget
Expenditure Variance Overview - Water and Sewer System

	Increase/(Decrease)	
	(\$000's)	%
Operating & Maintenance		
Salaries	\$ 1,458	3.41%
For FY 2016/2017 the \$1.458M increase is the combination of \$500K for succession planning, \$26K increase in overtime, \$88K in temporary salaries, \$80K in market adjustments, and \$676K in step increases. The remaining \$88K is a result of new hires coming in at higher salaries than previously allocated.		
Employee Benefits	\$ 2,685	12.69%
Primarily attributed to increase in pension budgeted at 37.09% of salaries for FY 2016/2017 vs. 33.5% for FY 2016/2017 increasing by \$1.53M and health insurance costs increasing \$1.16M.		
Supplies	\$ 606	4.69%
Reflects increase to chemicals budget due to increased sales for the system, primarily glycerin. Glycerin, used to control nitrogen levels in sewage treatment, had an 11% price increase in the prior year.		
Other Services & Charges	\$ 1,522	2.04%
The increase is primarily due to increased intercompany charges over \$1.0M and increased cost related to; professional services, maintenance agreements, industrial services, and Randstad (temp agency/contract personnel).		
Property Insurance	\$ (112)	(7.01%)
Based upon the FY2016 Property & Casualty Insurance and Self-Insurance Budget provided by Risk Management.		
Expense Credits	\$ 101	(1.73%)
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 or capital fund.		
Transfers to WIP Salaries	\$ 23	(0.32%)
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.		
Transfers to WIP Emp. Benefits	\$ (553)	16.35%
Primarily due to increased pension contributions. 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 2016/17 CAPITAL BUDGET
WATER & SEWER SYSTEM
(000's)

						% Increase (Decrease) Proposed Budget Over	
	2015/16 Original Budget	2015/16 Revised Budget	Actual Thru May	2015/16 Projected	2016/17 Proposed Budget	2015/16 Original Budget	JEA 2015/16 Projected
Capital Funds							
Debt	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%
Other Proceeds*	38,892	38,892	-	-	78,240	101.17%	NA
Renewal & Replacement Deposits	20,779	20,825	13,884	20,825	21,563	3.77%	3.54%
Operating Capital Outlay	118,329	115,283	88,498	126,621	106,697	(9.83%)	(15.73%)
Contributed Capital	-	-	379	379	-	NA	(100.00%)
Capacity Fees	17,000	17,000	13,942	19,609	19,000	11.76%	(3.11%)
Total Capital Funds	\$ 195,000	\$ 192,000	\$ 116,703	\$ 167,434	\$ 225,500	15.64%	34.68%
Capital Projects							
Water	\$ 67,128	\$ 67,128	\$ 24,463	\$ 52,303	\$ 60,238 (1)	(10.26%)	15.17%
Sewer	105,644	105,644	31,407	85,978	140,790 (1)	33.27%	63.75%
Other	22,228	22,228	9,728	23,614	24,472 (1)	10.10%	3.63%
Total Capital Projects	\$ 195,000	\$ 195,000	\$ 65,599	\$ 161,895	\$ 225,500	15.64%	39.29%
Surplus (Deficit)	\$ -	\$ -	\$ 51,104	\$ 5,539	\$ (0)		

*funded from prior year remaining balances

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

JEA
Water Sewer System FY 2016/17
Capital Budget
(000's Omitted)

	PROPOSED		PROPOSED
	SUB-TOTAL		TOTAL
Description	FY17		
WATER TREATMENT			
Northwest Regional - New 6.0 Million Gallons per Day Water Treatment Plant	7,056		
West Nassau Regional Water Treatment Plant - Expansion from 1.0 to 5.0 Million Gallons per Day	3,550		
Greenland Water Treatment Plant - Sulfide Removal	3,359		
Southeast Water Treatment Plant - High Service Pump and Pump Building - Upgrades	1,899		
Well Rehabilitation and Maintenance - McDuff Wells	1,250		
Well Rehabilitation and Maintenance - Fairfax Wells	1,157		
Water Plant Capital Renewal and Replacement	1,000		
Norwood Water Treatment Plant Reservoir Rehabilitation	915		
Main St Water Treatment Plant - Well #15 - New Lower Florida Aquifer Well	858		
South Grid Water Quality - Well Improvement	800		
Marietta Water Treatment Plant - High Service Pump - Upgrade	800		
Main St Water Treatment Plant - Well #13	651		
RiverTown - New 6.0 Million Gallons per Day Water Treatment Plant	700		
Well Field Repair and Replace	400		
Fairfax Water Treatment Plant - High Service Pump Rehabilitation	387		
Otter Run Water Treatment Plant Renewal and Replacement	337		
McDuff Water Treatment Plant - Aeration Improvements	310		
Arlington Water Treatment Plant - High Service Pump Replacement	300		
Water Treatment Plants - Sodium Hypochlorite Storage Tank Upgrades	300		
Woodmere Water Treatment Plant - Well #3 and Storage Tank Replacement	277		
Main St Well #6A - Rehabilitation	277		
Cecil Water Treatment Plant - Ground Storage Tank and High Service Pump	358		
Main St Water Treatment Plant - Well #14 - New Lower Florida Aquifer Well	137		
Ponce de Leon Water Treatment Plant - Pump Building and Reservoir Replacement	125		
Brierwood Water Treatment Plant - Well 4 and 5 Backplugging	125		
Water Treatment Plant Reservoir Repair and Replace	100		
McDuff Water Treatment Plant - High Service Pump Replacement	98		
Lakeshore Water Treatment Plant - Reservoir Rehabilitation	50		
East 1st St Main St to East 4th St - Raw Water - New	50		
WATER TREATMENT SUBTOTAL	\$27,626	(1)	
WATER DISTRIBUTION			
Residential Network Meter and Module Replacement Project	7,700		
OM - Water Delivery System Repair and Replace	4,400		
JP - FDOT - San Jose Blvd - Cornell Road to San Marco Blvd - W	2,411		
Water Meter Growth	2,160		
Water Meter Replacement	2,100		
Water Transmission Replacement Program	2,000		
Joint Participation Projects - W	2,000		
Large Meter Change - Out Project	1,897		

JEA
Water Sewer System FY 2016/17
Capital Budget
(000's Omitted)

Description	FY17			
Roosevelt Blvd - Birmingham Gate to Collins Rd - Transmission - New - W	1,312			
Integrated Water Supply Testing Evaluation and Rehabilitation (iWATER)	1,000			
JP - JTA - Collins Road - W	776			
JP - FDOT Beaver Street Water Improvements - Stockton to Ocean - W	538			
Yellow Bluff Road - Marshland Drive to Tisons Bluff Road - Transmission - New - W	508			
Main Extensions and Taps - W	500			
JP - FDOT - State Road 134 at I295 Intersection Improvements - W	497			
JP - JTA - Alta Drive Roadway Improvements - W	290			
Nocatee - Snowden Parkway - W	270			
Grid - Cost Participation - New - W	250			
JP - JTA - Girvin Road - Atlantic Blvd to Wonderwood Drive - W	240			
Nocatee - Crosswater to Pod Entrance - W	235			
Rivertown - Main Stream Crossing - W	200			
Ponte Vedra - San Juan Dr - Pablo Rd - Pablo Dr - 177 San Juan Dr to Pablo Rd - Transmission - Upgrade - W	197			
Nocatee - Crosswater Pkwy - Coastal Oaks to South Village - W	193			
Rivertown - Homestead - W	185			
Development Driven - RiverTown - Water	100			
Development Driven - Nocatee - Water	100			
JP - FDOT - Pecan Park Rd - I-95 - W	82			
William Burgess - Harts Road to Nevada Ave - Transmission - New - W	67			
JP - FDOT - Beach Blvd and University Blvd Intersection Improvements - W	60			
Beaver Street - Lane Ave to Carnegie Street - Transmission - W	52			
JP - COJ - Lower Eastside Drainage Improvements (First Street - APR Blvd to Van Buren) - W	50			
Main St Water Treatment Plant - 1st Street to Franklin Street - Transmission - New - W	50			
Rivertown - Parcel 13 - Southern Plan of Development - W	39			
JP - FDOT - State Road 200 (A1A) Rubin to O'Neil Scott - Section 3 - W	35			
JP - FDOT - Beaver Street - McDuff Ave to Stockton Street - W	32			
JP - FDOT - Emerson Street - W	31			
JP - FDOT - Kings Road -Cleveland Street to Darrow Road - W	28			
JP - FDOT - State Road 200 (A1A) I-95 to Still Quarters Road - Section 1 - W	11			
JP - FDOT - State Road 9A (I-295) - Managed Lanes - JTB - 9B Extension - W	11			
JP - FDOT - Cassat Ave - Lenox Ave to Blanding Blvd - W	10			
JP - FDOT - I95 and I295 US17 North Interchange - W	6			
JP - FDOT - State Road 9B - Duval - St Johns County Line to County Road 2209 - W	3			
JP - FDOT - State and Union St - Resurfacing - (I-95 to Main Street) - W	3			
JP - FDOT - State Road 200 (A1A) Still Quarters Road to Scott Road - Section 2 - W	-17			
WATER DISTRIBUTION SUBTOTAL	\$32,612	(2)	\$60,238	= (1) + (2)
SEWER COLLECTION				
Alachua 24 inch Transmission Force Main - Alachua Master Pump Station to Wilson Blvd - New	6,594			
Trunk Sewer Replacement Program	3,000			
District 2 - Dunn Ave - Key Haven Blvd to Wingate Road South - Transmission - Force Main	2,892			
OM - Sewer Collection System Repair and Replace	2,700			
Philips Highway - Emerson Street to Spring Park Road - Force Main - S	2,247			

JEA
Water Sewer System FY 2016/17
Capital Budget
(000's Omitted)

Description	FY17			
OM - Sewer Collection System Trenchless Repair and Replace	2,200			
Huffman Blvd - Tulip Circle North to St. Johns Bluff Road - Force Main - S	2,177			
William Burgess Road - State Road 200 to Harts Road - Transmission - New - Force Main	2,011			
Southwest 30 inch Force Main - Wilson Blvd to Timuquana Road - S	1,135			
District 2 - T-Line to Busch Drive - Transmission - New - Force Main	1,042			
Joint Participation Projects - S	1,000			
District 2 - Main Street to Pulaski Road- Transmission - Force Main	834			
District 2 - Main Street - Sara Drive to Noah Road - Force Main	690			
Development Driven - RiverTown - S	500			
Grid - Cost Participation - New - Force Main	500			
Ductile Iron Force Main Replacement - Program - Repair and Replace	400			
Main Extensions and Taps – S	400			
Development Driven - Nocatee - S	300			
Nocatee - Snowden Parkway - S	270			
Nocatee - Crosswater to Pod Entrance - S	260			
JP - FDOT - San Jose Blvd - Cornell Road to San Marco Blvd - S	248			
T - Line - JTB to Town Center Parkway - Transmission - New - Force Main	230			
Greenland Energy Center to US-1 - Transmission - Force Main	225			
Rivertown - Homestead - S	185			
Lenox Ave - Palisades Drive to Alachua Master Pump Station - Distribution - New - Force Main	180			
Ponte Vedra - San Juan Dr - Pablo Rd - 177 San Juan Dr to Pablo Rd - Transmission - Replacement - Force M	177			
Nocatee - Crosswater Parkway - Coastal Oaks to South Village - S	174			
JP - JTA - Collins Road - S	153			
JP - JTA - Alta Drive Roadway Improvements - S	114			
JP - JTA - Girvin Road - Atlantic Blvd to Wonderwood Drive - S	105			
JP - FDOT - State Road 134 at I295 Intersection Improvements - S	104			
Air Relief Valves - Repair and Replace	100			
District 2 - Key Haven to Harts Road - S	62			
JP - COJ - Lower Eastside Drainage Improvements (First Street - APR Blvd to Van Buren) - S	50			
Manhole Supervisory Control and Data Acquisition - Repair and Replace	50			
JP - FDOT - State Road 200 (A1A) I-95 to Still Quarters Road - Section 1 - S	50			
South Shores Second Sub-Aqueous Force Main Crossing	50			
JP - FDOT - State Road 200 (A1A) Rubin to O'Neil Scott - Section 3 - S	30			
JP - FDOT - Pecan Park Road - I-95 - S	29			
Rivertown - Parcel 13 - Southern Plan of Development - S	27			
JP - FDOT - SR 9A (I-295) - Managed Lanes - JTB - 9B Extension - S	10			
JP - FDOT - I95 and I295 US17 North Interchange - S	8			
Kings Road - Cleveland Street to Darrow Road - S	4			
JP - FDOT - State Road 9B - Duval - St. Johns County Line to County Road 2209 - S	2			
JP - FDOT - State and Union Street - Resurfacing - (I-95 to Main St) - S	2			
JP - FDOT - State Road 200 (A1A) Still Quarters Road to Scott Road - Section 2 - S	-45			
SEWER COLLECTION SUBTOTAL	\$33,476	(3)		
SEWAGE PUMP STATIONS				

JEA
Water Sewer System FY 2016/17
Capital Budget
(000's Omitted)

Description	FY17			
2304 McMillan - Class III/IV Pump Station	6,828			
Bradley Road Pump Station Improvements	5,273			
Pumping Stations - Capital Equipment Replacement	2,600			
Argyle Forest Booster Station and Related Stations Upgrades	2,520			
Pumping Stations - Class 1 and 2 Rehabilitation	2,000			
Supervisory Control and Data Acquisition - Remote Terminal Units and Control Panel Upgrades	1,200			
834 Bay Street Bar Screens - Class III/IV Pump Stations	1,022			
Nocatee - Crosswater to Pod Entrance - Pump Station	950			
Alachua Master Pump Station Improvements	930			
4511 Spring Park Road Lift Station	540			
Rivertown - Homestead - Pump Station	430			
Monterey Wastewater Treatment Plant - Pump Station Discharge Main Replacement	391			
District 2 - 3641 Dunn Booster Wastewater Pump Station	364			
District 2 - Teate Road Booster Wastewater Pump Station	307			
Arlington East (Ponte Vedra Beach) 201 Ponte Vedra Blvd Pump Station Replacement - Class I	258			
Southwest - 4881 Timuquana Rd - Class III/IV Pump Station	192			
Rivertown - Parcel 13 - Southern Plan of Development - Pump Station	158			
Cedar Bay - Supervisory Control and Data Acquisition - Repair and Replace	150			
7696 Lenox Ave - Class III/IV Pump Station	111			
District 2 - 10800 Key Haven Blvd - Class III/IV Pump Station	109			
District 2 - 11308 Harts Road - Class III/IV Pump Station	100			
Waste Water Pumping Station Safety Improvements - Guard Rail Installation	100			
Ponte Vedra Influent Pump Station Replacement	90			
Diesel-Driven Backup Pump - Repair and Replace	50			
SEWAGE PUMP STATIONS SUBTOTAL	\$26,673	(4)		
WASTEWATER TREATMENT				
Blacks Ford Water Reclamation Facility - Expansion from 3.0 to 6.0 Million Gallons per Day	37,122			
Arlington East Secondary Clarifier Addition	10,089			
Mandarin Water Reclamation Facility - High Level Ultraviolet Upgrade	4,186			
Ponce De Leon Wastewater Treatment Plant - Package Treatment Plant	2,825			
Mandarin Water Reclamation Facility - Equalization Storage Tank and Transfer Pump Station - New	2,202			
Wastewater Treatment Facilities - Capital Equipment Replacement	2,000			
Buckman Aeration System Main Header Replacement	1,795			
Southwest Water Reclamation Facility - Screening Conveyance and Grit Removal System Replacement	1,055			
Arlington East Water Reclamation Facility - Influent Channel Rehabilitation	896			
Biosolids Process Renewal and Replacement	800			
Buckman Ultraviolet Disinfection System Replacement	780			
Mandarin Water Reclamation Facility - Headworks Bar Screen Replacement and Grit System Removal	600			
Buckman Water Reclamation Facility - Primary Clarifier Scum Removal System Replacement	363			
Southwest Water Reclamation Facility - Replace Valves	304			
Mandarin Water Reclamation Facility - Bio-Filter Bed Replacement	290			
Nassau Regional Water Reclamation Facility Equalization Tank Addition	262			
Wastewater Odor Control - All Plants and Pump Stations	250			

JEA
Water Sewer System FY 2016/17
Capital Budget
(000's Omitted)

Description	FY17			
District 2 Wastewater Treatment Plant Engineering Study, Piping, Tanks, and Pumps	200			
Buckman Water Reclamation Facility - Aeration System Conduit Support Replacement	195			
Buckman Biosolds Reuse Line Replacement	170			
Supervisory Control and Data Acquisition Renewal and Replacement	150			
Southwest Water Reclamation Facility - Upgrade Aeration Blowers	125			
Julington Creek Wastewater Treatment Facility - Influent Structure Rehabilitation	115			
Southwest Water Reclamation Facility - Replace Main Breakers	112			
Nassau Regional Water Reclamation Facility - Modification	105			
Buckman Biosolids - Rebuild	100			
Buckman Influent Pump Station MCC Replacement	100			
Buckman - 1636 Talleyrand Ave - Sluice Gate Replacement	78			
Mandarin Water Reclamation Facility - Headworks Channels Rehabilitation	63			
Nassau Regional Water Reclamation Facility - Drainage Improvements	60			
Buckman Water Reclamation Facility Turbo Blower Improvements	60			
Buckman Water Reclamation Facility - Gallery Pipe Support Replacement	53			
Greenland Water Reclamation Facility - Land Purchase	50			
District 2 Effluent Outfall Extension	50			
Reuse Facility - Capital Equipment Replacement	50			
Monterey Supervisory Control and Data Acquisition Renewal and Replacement	50			
WASTEWATER TREATMENT SUBTOTAL	\$67,705	(5)		
RECLAIM WATER DISTRIBUTION				
Nocatee North - Reclaim Water Storage Tank - New	2,110			
William Burgess Road - State Road 200 to Harts Road - Transmission - New - R	1,953			
Bartram Park Water Treatment Plant - Reclaim Water - Storage Expansion	1,635			
RG Skinner - 9B to Parcels 10A - 11 - R	1,114			
RG Skinner - 9B to T-Line - R	1,026			
County Road 210 - Old Dixie Highway to Twin Creeks - Transmission - R	750			
Gate Parkway - Glen Kernan to T-Line - Transmission - New - R	500			
Grid - Cost Participation - New - R	500			
Nassau Reclaim Water Main - Radio Ave to Harts Road - Transmission - R	400			
Nassau Regional Wastewater Treatment Facility Reclaim Water Storage Tank, UV, and Pumps - R	400			
Arlington East Water Reclamation Facility - Replace Auto-Transfer Switch	339			
Nocatee - Snowden Parkway - R	270			
Nocatee - Crosswater to Pod Entrance - R	235			
Gate Parkway - Shiloh Mill Blvd to Town Center Parkway - R	216			
Nassau - Radio Ave - Reclaim Water Storage Tank and Booster Pump Station - R	200			
Rivertown - Main Stream Crossing - R	200			
Nocatee - Crosswater Parkway - Coastal Oaks to South Village - R	193			
Rivertown - Homestead - R	185			
Tredinick Parkway - Millcoe Road to Mill Creek Road - Transmission - R	150			
Arlington East Water Reclamation Facility - Biotrickling Filter Rehabilitation	130			
Monument Road - Cancun Drive to Hidden Hills Lane - Transmission - New - R	100			
JP - JTA - Alta Drive Roadway Improvements - R	75			

JEA
Water Sewer System FY 2016/17
Capital Budget
(000's Omitted)

Description	FY17			
St Johns Parkway - Racetrack Road to Espada Lane - Transmission - New - R	60			
County Road 210 - South Hampton to Ashford Mills - Transmission - R	50			
Development Driven - RiverTown - R	50			
OM - Reuse Delivery Repair and Replace	50			
Rivertown - Parcel 13 - Southern Plan of Development - R	31			
JP - FDOT - State Road 9B - Duval - St Johns County Line to County Road 2209 - R	10			
JP - FDOT - SR 9A (I-295) - Managed Lanes - JTB - 9B Extension - R	4			
RECLAIM WATER DISTRIBUTION SUBTOTAL	\$12,936	(6)	\$140,790	= (3)+(4)+(5)+(6)
WATER OTHER CAPITAL PROJECTS				
Technology Services - Projects	5,598			
Capital Administrative Overhead	4,500			
Fleet - Replacement	4,394			
Buckman - New Administration Building	2,225			
JEA Tower - Building Renovations	1,000			
Facilities Generators	850			
Fleet - Expansion	815			
Pearl Street Service Center - New HVAC and Locker Room Upgrade	650			
Facilities Security - Water	635			
Facilities Improvements - Heating, Ventilation, and Air	520			
Facilities Improvements - Building Upgrades	480			
Facilities Improvements - Roof Replacement	400			
Arlington East Exterior Yard Lighting	400			
Facilities Improvements - Electric and Lighting Systems	300			
Security - Fire Alarm and Sprinkler Systems	300			
Ridenour Administrative Upgrades	300			
Facilities Improvements - Plumbing Upgrades	275			
Facilities Improvements - Paving	210			
Laboratory Equipment Upgrades	195			
Easement Location and Acquisitions	150			
Facilities Improvements - Elevators	100			
Security - Fencing	100			
Utility Locate Group - Capital Equipment	50			
Disposal of Radio Frequency Meter Interface Units	25			
WATER OTHER CAPITAL PROJECTS SUBTOTAL	\$24,472	(7)	\$24,472	= (7)
WATER WASTEWATER SYSTEM TOTAL			\$225,500	

JEA
ANALYSIS OF PROPOSED FY 2016/17 DISTRICT ENERGY SYSTEM OPERATING BUDGET
FY 2015/16 BUDGET COMPARED TO FY 2016/17 PROPOSED BUDGET
(000'S)

						% Increase (Decrease) Proposed Budget Over	
	2015/16 Original Budget	2015/16 Revised Budget	Actual Thru May	JEA 2015/16 Projected	2016/17 Proposed Budget	2015/16 Original Budget	JEA 2015/16 Projected
OPERATING BUDGET:							
REVENUES:							
Revenues	\$ 9,089	\$ 9,089	\$ 5,328	\$ 8,713	\$ 9,248	1.75%	6.14%
Investment Income	-	-	14	14	-		
Total Operating Revenues	<u>\$ 9,089</u>	<u>\$ 9,089</u>	<u>\$ 5,342</u>	<u>\$ 8,727</u>	<u>\$ 9,248</u>	<u>1.75%</u>	<u>5.97%</u>
EXPENSES:							
Operating and Maintenance	\$ 5,175	\$ 5,175	\$ 2,824	\$ 5,034	\$ 5,253	1.50%	4.35%
Total Expenses	<u>\$ 5,175</u>	<u>\$ 5,175</u>	<u>\$ 2,824</u>	<u>\$ 5,034</u>	<u>\$ 5,253</u>	<u>1.50%</u>	<u>4.35%</u>
NET REVENUES FROM OPERATIONS	<u>\$ 3,914</u>	<u>\$ 3,914</u>	<u>\$ 2,518</u>	<u>\$ 3,693</u>	<u>\$ 3,995</u>	<u>2.07%</u>	<u>8.18%</u>
OTHER DEDUCTIONS:							
Debt Service	\$ 3,024	\$ 3,024	\$ 2,016	\$ 3,024	\$ 3,022	(0.05%)	(0.05%)
Renewal & Replacement	457	457	293	445	434	(5.00%)	(2.43%)
Operating Capital Outlay	433	433	-	224	539	24.58%	141.21%
Total Other Deductions	<u>\$ 3,914</u>	<u>\$ 3,914</u>	<u>\$ 2,309</u>	<u>\$ 3,693</u>	<u>\$ 3,995</u>	<u>2.07%</u>	<u>8.19%</u>
Budget Surplus (Deficit)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 209</u>	<u>\$ 0</u>	<u>\$ 0</u>		

JEA
ANALYSIS OF OPERATING AND MAINTENANCE EXPENSE
DISTRICT ENERGY SYSTEM
FY 2015/16 BUDGET COMPARED TO FY 2016/17 PROPOSED BUDGET
(000's)

	2015/16 Original Budget	2015/16 Revised Budget	Actual Thru May	JEA 2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
						2015/16 Original Budget	JEA 2015/16 Projected
Salaries	\$ 373	\$ 373	\$ 205	\$ 330	\$ 416	11.61%	26.07%
Employee Benefits	159	159	112	165	203	27.72%	23.32%
Supplies	130	130	29	72	75	(42.69%)	3.90%
Other Services & Chgs.	4,275	4,275	2,380	4,223	4,321	1.08%	2.33%
Intercompany Charges	100	100	72	107	100	0.00%	(6.17%)
Property Insurance	38	38	26	38	38	0.00%	(1.16%)
Operating Reserve	100	100	-	100	100	0.00%	0.00%
Expense Credits	-	-	-	-	-	NA	NA
O & M Expense	\$ 5,175	\$ 5,175	\$ 2,824	\$ 5,034	\$ 5,253	1.50%	4.35%

JEA
FY 2015/16 Original Budget Vs. FY 2016/17 Proposed Budget
Expenditure Variance Overview - District Energy System

		Increase/(Decrease)	
		(\$000's)	%
Operating & Maintenance			
Salaries		\$ 43	11.61%
This increase is attributed to removal of a budgeted lapse in the prior year due to an employee being out on military leave (\$45k) offset by a new manager being hired at a lower salary than previously budgeted.			
Benefits		\$ 44	27.72%
Primarily attributed to increase in Pension budgeted at 37.09% of salaries for FY 2016/2017 vs. 33.5% for FY 2015/2016 and increased health insurance.			
Supplies		\$ (56)	-42.69%
Moved budget from supply chemical to other services and charges as a vendor will be monitoring and treat chemical level in the cooling towers.			

JEA
ANALYSIS OF PROPOSED FY 2015/16 DISTRICT ENERGY SYSTEM CAPITAL BUDGET
FY 2014/15 BUDGET COMPARED TO FY 2016/17 PROPOSED BUDGET
(000'S)

	2015/16 Original Budget	2015/16 Revised Budget	Actual Thru May	JEA 2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) Proposed Budget Over	
	2015/16 Original Budget	JEA 2015/16 Projected				2015/16 Original Budget	JEA 2015/16 Projected
CAPITAL FUNDS							
Debt	\$ -	\$ -	\$ -	\$ -	\$ -	NA	NA
Other Proceeds*	2,767	2,767	472	1,167	2,098	(24.16%)	79.84%
Renewal & Replacement	457	457	293	445	434	(5.15%)	(2.59%)
Operating Capital Outlay	433	433	-	224	539	24.51%	141.07%
	<u>\$ 3,657</u>	<u>\$ 3,657</u>	<u>\$ 765</u>	<u>\$ 1,836</u>	<u>\$ 3,071</u>	<u>(16.02%)</u>	<u>67.31%</u>
CAPITAL PROJECTS							
District Energy System Projects	<u>\$ 3,657</u>	<u>\$ 3,657</u>	<u>\$ 765</u>	<u>\$ 1,836</u>	<u>\$ 3,071</u>	<u>(16.02%)</u>	<u>67.31%</u>
Budget Surplus (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

*funded from prior year remaining balances

CAPITAL BUDGET:

Description	FY17
Downtown Development	\$2,000
Facilities Improvements	694
Springfield - Replace Variable Frequency Drives	286
Springfield - Additional Back-Up Generator	91
DISTRICT ENERGY TOTAL	\$3,071

Recommendation:

Remove and replace Schedule C of the Budget Ordinance to correct a print error.

**JACKSONVILLE TRANSPORTATION AUTHORITY
COMPARISON OF BUDGETS
2015/16 TO PROPOSED 2016/17**

	OPERATING AND CAPITAL BUDGETS										Transfers Out	Total
	Mass Transit								Engineering			
	BUS		SKYWAY		CTC		FERRY		GENERAL FUND			
	Operations	Capital	Operations	Capital	Operations	Capital	Operations	Capital	Operations	Capital		
Approved FY2016	\$ 85,972,776	\$ 17,448,174	\$ 6,325,879	\$ 5,506,452	\$ 13,991,092	\$ 1,194,872	\$ -	\$ 1,657,895	\$ 82,941,140	\$ -	\$ (95,547,454)	\$ 119,490,826
Proposed FY2017	89,152,519	59,323,647	7,050,546	1,938,581	14,328,921	1,523,182	2,560,943	6,875,000	85,614,318	5,043,000	(99,598,241)	173,812,416
\$ Incr(Decr)	3,179,743	41,875,473	724,667	(3,567,871)	337,829	328,310	2,560,943	5,217,105	2,673,178	5,043,000	4,050,787	54,321,590 (a)
% over (under)	3.7%	240.0%	11.5%	(64.8%)	2.4%	27.5%	100.0%	314.7%	3.2%	100.0%	4.2%	45.5%

	Number of Employees		
	Original 2015/16 F/T	Proposed 2016/17 F/T	Increase (Decrease)
Bus	631	638	7
Skyway	42	45	3
CTC	49	50	1
Engineering	14	19	5
Ferry	0	1	1
Total Agency	<u>736</u>	<u>753</u>	<u>17 (b)</u>

Amounts flowing through City of Jacksonville to JTA:

City Contribution (CTC)	\$ 1,372,217
Sales Tax (Engineering)	2,032,843
Local Option Gas Tax (Bus)	16,122,173
Sales Tax (Bus)	52,975,096
	<u>\$ 72,502,329</u>

FY 2017 Budget Key Metrics

Annual wage increase for union staff based on contractual agreement; Operator increase of 2.9% and maintenance increase of 2.5%.

Non-union average 3% performance based wage increase.

The FY 2017 proposed operating budget reflects an approximate 19% reduction in Bus and CTC fuel costs from the prior year budget as a result of reduced fuel costs and the benefit of the Compressed Natural Gas (CNG) fuel alternative.

The FY 2017 total capital budget increase is primarily due to funding for BRT (Bus Rapid Transit) and JRTC (Joint Regional Transportation Center) construction.

(a) The total agency budget increase is primarily due to the aforementioned Capital items, and the addition of the Ferry (not included in original FY 2016 Budget).

(b) FY17 budget proposes an increase of 17 F/T staff and a reduction of 27 P/T positions; adjustments made to cover increased maintenance requirements, BRT support, and support for other key projects.

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

	FY 2015/16	FY 2016/17
Buses*	159	177
Community Shuttle	26	26
CTC Connexion Vehicles	100	100
JTA Support Vehicles	77	80

*FY17 Buses: 153 Active Fleet; 13 Contingency; 11 First Coast Flyers

**JACKSONVILLE TRANSPORTATION AUTHORITY
MASS TRANSIT DIVISION
BUS OPERATIONS BUDGET
ANALYSIS OF PROPOSED 2016/17 BUDGET**

	2015/16 Approved Budget	Actual Thru April	2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) FY 17 Proposed Budget Over FY 16 Original Budget Projected	
<u>REVENUES</u>						
Federal, State & Local Grants	\$ 9,337,123	\$ 6,980,937	\$ 9,337,123	\$ 7,012,454	(24.9%)	(24.9%)
Local Option Gas Tax	28,171,662	17,386,714	29,805,795	16,122,173	(42.8%)	(45.9%)
Sales Tax (BJP)	35,654,984	19,022,239	32,609,553	52,975,096	48.6%	62.5%
Passenger Fares	12,171,871	6,466,337	11,085,149	12,171,871	0.0%	9.8%
Non-Transportation	637,136	703,844	1,206,590	870,925	36.7%	(27.8%)
Total Revenues	\$ 85,972,776	\$ 50,560,071	\$ 84,044,210	\$ 89,152,519	3.7%	6.1%
Salaries and Wages	\$ 30,485,812	\$ 18,118,104	\$ 31,059,607	\$ 31,412,628	3.0%	1.1%
Fringe Benefits	17,546,267	9,853,137	16,891,092	17,759,658	1.2%	5.1%
Fuel and Lubricants	5,904,105	2,861,925	4,906,157	4,651,941	(21.2%)	(5.2%)
Materials & Supplies	4,247,788	2,605,724	4,466,955	4,494,765	5.8%	0.6%
Services	8,519,422	5,593,137	9,588,235	10,168,244	19.4%	6.0%
Insurance (Casualty&Liability)	660,321	276,416	473,856	611,216	(7.4%)	29.0%
Travel/Training/Dues & Subscriptions	389,838	220,181	377,453	385,770	(1.0%)	2.2%
All Other/Miscellaneous	1,856,235	1,016,084	1,741,858	2,037,104	9.7%	17.0%
Contingency	1,701,696	-	-	1,183,927	(30.4%)	N/A
Transfer To:						
CTC	9,236,029	5,198,829	8,912,278	9,521,745	3.1%	6.8%
Skyway	5,025,263	2,658,207	4,556,926	5,792,042	15.3%	27.1%
COJ for Ferry Operations	400,000	200,000	200,000	-	(100.0%)	(100.0%)
Ferry	-	-	-	1,133,479	N/A	N/A
Total Expenditures	\$ 85,972,776	\$ 48,601,744	\$ 83,174,418	\$ 89,152,519	3.7%	7.2%
Surplus (Deficit)	\$ -	\$ 1,958,327	\$ 869,792	\$ -	N/A	(100.0%)

**JACKSONVILLE TRANSPORTATION AUTHORITY
BUS OPERATIONS BUDGET
2015/16 ORIGINAL BUDGET VS. 2016/17 PROPOSED BUDGET**

BUS OPERATIONS VARIANCE

REVENUE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Local Option Gas Tax (LOGT)	\$ (12,049,489)	(42.8%)
The decrease is primarily due to the debt service on the \$100,550,000 of LOGT projects and because beginning September 1, 2016 JTA only receives five of the six cents from the LOGT as authorized by Ordinance 2013-820-E.		
Sales Tax (BJP)	\$ 17,320,112	48.6%
This is the net sales tax after paying debt service. The increase is due to JTA having to pay less in debt service as part of JTA's restructured debt service schedule for BJP payments.		
Passenger Fares	\$ -	0.0%
Although projected ridership has increased due to route changes, year to year fare actuals have decreased due to increased use of passes. For FY 2015/16 JTA is projecting 11,634,019 in passenger ridership and for FY 2016/17 projecting 13,094,684 in passenger ridership.		
Non-Transportation	\$ 233,789	36.7%
This increase is primarily due to projected increases in bus shelter advertising, asset sale proceeds, and parking lot rentals.		

EXPENDITURE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Salaries and Wages This increase is due to: 1) union contractual increases for bus operators (2.9%), mechanics and maintenance workers (2.5%); 2) non-union 3% average performance based wage increase 3) Additional headcount: 2 F/T Operators to support BRT, 5 F/T Administrative positions.	\$ 926,816	3.0%
Fringe Benefits The increase is due to increases in pension and health insurance cost; and an additional 7 F/T positions have been added.	\$ 213,391	1.2%
Fuel and Lubricants The reduction in fuel costs is a result of lower anticipated overall market fuel costs. JTA has budgeted \$1.60/gallon for diesel based on 1,972,569 projected miles, and budgeted CNG fuel price at \$2.02 diesel gallon equivalents based on 617,792 projected miles.	\$ (1,252,164)	(21.2%)
Materials & Supplies Increase is due to fleet expansion. This line item includes parts for the buses and service vehicles; also includes office supplies, print shop supplies, etc.	\$ 246,977	5.8%
Services This increase is primarily attributed to the NextBus maintenance agreement, Motorola Radio maintenance costs, Bus Rapid Transit support initiatives, and community outreach efforts to support major initiatives.	\$ 1,648,822	19.4%
Insurance (Casualty&Liability) This decrease is based on prior years' claims reserve requirements and Cyber Security insurance.	\$ (49,105)	(7.4%)
All Other/Miscellaneous The increase is due to increased costs for school bus rentals for game day and special event support, as well as miscellaneous office rentals associated with the Campus Master Plan.	\$ 180,869	9.7%

Contingency	\$ (517,769)	(30.4%)
Contingency was previously fully budgeted in the Bus fund, but will be spread across funds in FY17.		
Transfer to CTC	\$ 285,716	3.1%
This funding is necessary to balance the CTC budget and support expenses in CTC operations.		
Transfer to Skyway	\$ 766,779	15.3%
This funding is necessary to balance the Skyway budget and support expenses in Skyway operations.		
Transfer to Ferry	\$ 1,133,479	N/A
This funding is necessary to balance the Ferry budget and support expenses in Ferry operations.		

**JACKSONVILLE TRANSPORTATION AUTHORITY
MASS TRANSIT DIVISION (Including Administration)
BUS CAPITAL PROJECTS BUDGET
ANALYSIS OF PROPOSED 2016/17 BUDGET**

	2015/16 Approved Budget	2016/17 Proposed Budget	% Increase (Decrease) 2017 Budget Over 2016 Budget
<u>REVENUES</u>			
Federal Section 5307 Funding (Footnote 1)	\$ 5,010,290	\$ 6,717,750	34.1%
Federal Section 5309 Funding (Footnote 2)	-	16,930,204	100.0%
Federal Section 5310 Funding (Footnote 3)	-	3,189	100.0%
Federal Section 5339 Funding (Footnote 4)	1,393,230	1,275,301	(8.5%)
Federal Section 5311f Funding (Footnote 5)	4,720,000	1,500,000	(68.2%)
Florida Department of Transportation	590,000	9,965,101	1589.0%
North Florida Transportation Planning Organization	1,000,000	1,000,000	0.0%
Local JTA Match	4,734,654	21,932,102	363.2%
Total Revenues	\$ 17,448,174	\$ 59,323,647	240.0%

FOOTNOTES:

- 1** - Annual Funding for urbanized areas to transit agencies from the Federal Transit Administration (FTA).
- 2** - Federal funding for BRT East Corridor improvements.
- 3** - Federal funding for Community shuttles.
- 4** - Federal funding for buses and bus facilities.
- 5** - FTA funding for intercity bus service program administered by the Florida Department of Transportation to support the JRTC project.

**JACKSONVILLE TRANSPORTATION AUTHORITY
MASS TRANSIT DIVISION (Including Administration)
BUS CAPITAL PROJECTS BUDGET**

<u>EXPENDITURES</u>	<u>2015/16 Approved Budget</u>	<u>2016/17 Proposed Budget</u>	<u>% Increase (Decrease) 2017 Budget Over 2016 Budget</u>
Bus Rapid Transit (BRT) - North Corridor Project	\$ 300,000	\$ -	(100.0%)
Bus Rapid Transit (BRT) - East Corridor Project	600,000	20,219,844	3270.0%
Bus Rapid Transit (BRT) - Southwest Corridor Project	600,000	-	(100.0%)
Bus Transfer Facility (JRTC - Intercity Bus Construction)	5,900,000	1,500,000	(74.6%)
Jacksonville Regional Transportation Center (JRTC)	-	6,724,000	100.0%
CAD/AVL	1,400,000	1,735,000	23.9%
Other Capital Projects	-	5,043,000	100.0%
Corridor Development - Intersection Improvements	-	1,500,000	100.0%
Computer Equipment (Hardware and Software)	1,072,490	1,375,763	28.3%
Shop Equipment	80,000	303,758	279.7%
Enhancements (Landscaping)	130,400	162,714	24.8%
Miscellaneous Support Equipment	135,000	263,500	95.2%
Program Administration	100,000	-	(100.0%)
Fare Collection Equipment	-	100,000	100.0%
Bus Rapid Transit (BRT) - East Corridor (19 Buses)	-	13,640,563	100.0%
Purchase Transit Vehicles (8 Buses)	5,566,884	4,745,301	(14.8%)
Purchase Transit Vehicles (4 - Clay County Council on Aging Vehicles)	172,200	400,095	132.3%
Rehab/Renovate Passenger Shelters	240,000	-	(100.0%)
Security	161,200	189,812	17.7%
Support Vehicles	179,000	237,741	32.8%
Facilities Improvements	516,000	295,000	(42.8%)
Training	15,000	15,000	0.0%
Transit Satellite Transfer Amenities (Bus Shelters)	280,000	872,556	211.6%
Total Expenditures	\$ 17,448,174	\$ 59,323,647	240.0%

**JACKSONVILLE TRANSPORTATION AUTHORITY
MASS TRANSIT DIVISION
2015/16 ORIGINAL BUDGET VS. 2016/17 PROPOSED BUDGET**

BUS CAPITAL PROJECTS VARIANCE SCHEDULE

REVENUE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Federal Section 5307	\$ 1,707,460	34.1%
Funding is based on the amount of capital expenditures requested. Requests for FY2016/17 includes replacement buses and paratransit vehicles, security equipment, computer equipment, project administration, transit amenities and facilities enhancements		
Federal Section 5309	\$ 16,930,204	100.0%
This capital request for FY2016/17 is included in the President's FY 2017 budget request and will be for the construction of the BRT East Corridor project, expansion and replacement buses, transit amenities and communications equipment, etc.		
Federal Section 5310	\$ 3,189	100.0%
This funding is for Trapeze FLEX software (manages clients, their trips, operate service and bill funding sources) for the Community Shuttle vehicles.		
Federal Section 5339	\$ (117,929)	(8.5%)
Funding is based on the amount of capital expenditures requested. Requests for FY2016/17 includes replacement vehicles and security equipment and this amount was decreased to reflect the final appropriated amount for FY 2016 from the FTA.		

Federal Section 5311f	\$ (3,220,000)	(68.2%)
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This reflects new FTA Section 5311f grant funding (for the intercity bus service program) that is administered by the Florida Department of Transportation to support the JRTC project.

Florida Department of Transportation	\$ 9,375,101	1589.0%
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This capital request for FY2016/17 is for state corridor development funds for transit amenities as well as matching funds for the BRT East Corridor project that is included in the President's FY 2017 budget request and will be for construction of the corridor, expansion and replacement buses, transit amenities and communications equipment, etc.

Local JTA Match	\$ 17,197,448	363.2%
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Funding is based on the amount of grant revenue requested and the match percentage required. For example, JTA is obligated to provide roughly \$8.5 million for the 25% match for the BRT East Corridor project that is included in the President's budget.

EXPENDITURE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
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Bus Rapid Transit (BRT) - North Corridor Project	\$ (300,000)	(100.0%)
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The BRT North Corridor project is now fully funded and no additional funding is needed for FY 2017.

Bus Rapid Transit (BRT) - East Corridor Project	\$ 19,619,844	3270.0%
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This capital request for FY2016/17 is included in the President's FY 2017 budget request and will be for the construction of the BRT East Corridor project, and will also include transit amenities and communications equipment, etc.

Bus Rapid Transit (BRT) - Southwest Corridor Project	\$	(600,000)	(100.0%)
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Final Design was funded in FY 2016 and no further funding was required in FY 2017.

Bus Transfer Facility (JRTC)	\$	(4,400,000)	(74.6%)
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This capital request reflects the final amount needed in new FTA Section 5311f grant funding (for the intercity bus service program) that is administered by the Florida Department of Transportation to support the JRTC project.

Jacksonville Regional Transportation Center (JRTC)	\$	6,724,000	100.0%
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This local capital request comes from anticipated real estate proceeds and reflects the final expenditures needed to complete the JRTC project.

CAD/AVL	\$	335,000	23.9%
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The current Computer Aided Dispatch/Automated Vehicle Locator (CAD/AVL) system is at the end of its useful life. A new CAD/AVL system is being implemented in two phases over two fiscal years and this represents the remaining funding for Phase II of the new system implementation.

Other Capital Projects	\$	5,043,000	100.0%
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This local capital request is for various JTA capital projects that are currently unfunded. Funding is expected to come from anticipated real estate sale proceeds.

Corridor Development - Intersection Improvements	\$	1,500,000	100.0%
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These expenditures will be used for the final design and construction of the first two prioritized Corridors, including University Boulevard (N) and Merrill Road, which are wholly contained within the newly established Arlington Community Redevelopment Agency (CRA).

Computer Equipment (Hardware and Software)	\$	303,273	28.3%
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This expenditure was increased with the implementation of the Transit Asset Management Plan system as well as an upgraded grants module for the JTA Oracle based system.

Shop Equipment	\$	223,758	279.7%
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This expenditure was increased with the upgrade of the Gasboy system (tracks vehicle mileage and fuel consumption) for improved accountability within the Oracle system as well as for shop equipment for Inventory Materials.

Enhancements (Landscaping)	\$	32,314	24.8%
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This expenditure was increased to fully fund one year of landscaping for JTA mass transit properties as now allowed by the new FAST Transit Act (Fixing America's Surface Transportation).

Miscellaneous Support Equipment	\$	128,500	95.2%
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This expenditure was increased primarily due to new racks and equipment for Inventory Materials to increase the efficiency of the parts department.

Program Administration	\$	(100,000)	(100.0%)
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This expenditure was decreased as no new projects required program administration, as these were already funded through the BRT East Corridor and CAD/AVL projects.

Fare Collection Equipment	\$	100,000	100.0%
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This expenditure was increased due to the required purchase of two (2) Ticket Vending Machines for New BRT lines that are not covered by the BRT grants.

Bus Rapid Transit (BRT) - East Corridor (19 Buses)	\$	13,640,563	100.0%
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This capital request for FY2016/17 is included in the President's FY 2017 budget request and will be for the expansion and replacement buses for the BRT East Corridor project.

Purchase Transit Vehicles (8 Buses)	\$	(821,583)	(14.8%)
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This expenditure was decreased as more buses were able to be procured through funding received from the BRT East Corridor grant, allowing the JTA to dedicate the urbanized formula funding to other transit needs.

Purchase Transit Vehicles (4 - CCCoA Vehicles)	\$	227,895	132.3%
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This expenditure was increased with the purchase of one additional small paratransit vehicle and one large paratransit vehicle for Clay County Council on Aging (CCCoA) to connect service in Clay County with JTA bus service in Duval County.

Rehab/Renovate Passenger Shelters	\$	(240,000)	(100.0%)
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No capital funding was available for FY 2016/17.

Security	\$	28,612	17.7%
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This expenditure was increased with the need to upgrade routers and purchase equipment for Bus video monitoring system for staff.

Support Vehicles	\$	58,741	32.8%
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This expenditure was increased with the need to purchase three additional support vehicles to improve the efficiency and safety of the aging support vehicles.

Facilities Improvements	\$	(221,000)	(42.8%)
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This expenditure was decreased due to the redirection of funding toward the transit shelter initiative to improve amenities and ADA connectivity.

Transit Satellite Transfer Amenities (Bus Shelters)	\$	592,556	211.6%
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This expenditure was increased with the continued implementation of the Route Optimization Initiative (ROI) for the next round of bus shelter purchases, and ADA shelter installations.

**JACKSONVILLE TRANSPORTATION AUTHORITY
MASS TRANSIT DIVISION
AUTOMATED SKYWAY EXPRESS OPERATIONS BUDGET
ANALYSIS OF PROPOSED 2016/17 BUDGET**

	2015/16 Original Budget	Actual Thru April	2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) FY 17 Proposed Budget Over FY 16 Original Budget	
					Budget	Projected
<u>REVENUES</u>						
Non-Transportation Revenue	\$ 200,615	\$ 126,105	\$ 216,180	\$ 258,504	28.9%	19.6%
Federal Preventative Maint.	1,100,000	641,669	1,100,004	1,000,000	(9.1%)	(9.1%)
Transfer from Bus Ops	5,025,264	2,658,207	4,556,926	5,792,042	15.3%	27.1%
Total Revenues	\$ 6,325,879	\$ 3,425,981	\$ 5,873,110	\$ 7,050,546	11.5%	20.0%
<u>EXPENDITURES</u>						
Salaries and Wages	\$ 2,288,547	\$ 1,294,411	\$ 2,218,990	\$ 2,589,907	13.2%	16.7%
Fringe Benefits	1,201,671	624,547	1,070,652	1,354,109	12.7%	26.5%
Materials & Supplies	922,884	463,192	794,043	930,169	0.8%	17.1%
Services	976,366	569,187	975,749	1,078,000	10.4%	10.5%
Fuel and Lubricants	12,923	4,424	7,584	12,923	0.0%	70.4%
Insurance	445,291	235,371	403,493	454,323	2.0%	12.6%
All Other/Miscellaneous	445,253	216,086	370,433	463,647	4.1%	25.2%
Travel/Training/Dues & Subscriptions	32,944	18,763	32,165	33,958	3.1%	5.6%
Contingency	-	-	-	133,512	N/A	N/A
Total Expenditures	\$ 6,325,879	\$ 3,425,981	\$ 5,873,110	\$ 7,050,546	11.5%	20.0%
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	N/A	N/A

**JACKSONVILLE TRANSPORTATION AUTHORITY
AUTOMATED SKYWAY EXPRESS OPERATIONS BUDGET
2015/16 ORIGINAL BUDGET VS. 2016/17 PROPOSED BUDGET**

AUTOMATED SKYWAY EXPRESS OPERATIONS VARIANCE

REVENUE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Non-Transportation Revenue	\$ 57,889	28.9%
Parking revenue is received from 4 locations: Kings St, San Marco, Jefferson and Convention Center Station.		
Transfer from Bus Ops	\$ 766,778	15.3%
This funding is necessary to balance the Skyway budget and support expenses in Skyway operations.		
EXPENDITURE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Salaries and Wages	\$ 301,360	13.2%
This increase is due to: 1) union contractual increases for mechanics and maintenance workers (2.5%); 2) non-union 3% average performance based wage increase; 3) 4 additional maintenance staff to meet aging system requirements.		
Fringe Benefits	\$ 152,438	12.7%
This increase is due to staff increases and an increase in pension and insurance funding requirements.		
Services	\$ 101,634	10.4%
This increase is primarily due to elevator and escalator inspection and maintenance, landscaping, and security services.		

**JACKSONVILLE TRANSPORTATION AUTHORITY
MASS TRANSIT DIVISION
AUTOMATED SKYWAY EXPRESS CAPITAL BUDGET
ANALYSIS OF PROPOSED 2016/17 BUDGET**

	2015/16 Approved Budget	2016/17 Proposed Budget	% Increase (Decrease) 2017 Budget Over 2016 Budget
<u>REVENUES</u>			
Federal Section 5307 Funding (Footnote 1)	\$ 722,320	\$ 1,221,000	69.0%
Federal Section 5337 Funding (Footnote 2)	632,232	717,581	13.5%
Local JTA Match	4,151,900	-	(100.0%)
Total Revenues	\$ 5,506,452	\$ 1,938,581	(64.8%)
<u>EXPENDITURES</u>			
Computer Equipment	\$ 175,000	\$ 135,000	(22.9%)
Shop Equipment	128,000	-	(100.0%)
Miscellaneous Support Equipment	234,232	514,232	119.5%
Associated Capital Maintenance Parts	460,000	483,349	5.1%
Communications Equipment	-	125,000	100.0%
Facilities Improvements	4,509,220	681,000	(84.9%)
Total Expenditures	\$ 5,506,452	\$ 1,938,581	(64.8%)

Footnotes:

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

2 - Federal funding to maintain the Skyway system in a state of good repair. Section 5337 funding is a newly authorized funding program

**JACKSONVILLE TRANSPORTATION AUTHORITY
SKYWAY OPERATIONS
2015/16 ORIGINAL BUDGET VS. 2016/17 PROPOSED BUDGET**

SKYWAY CAPITAL PROJECTS VARIANCE SCHEDULE

REVENUE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Federal Section 5307	\$ 498,680	69.0%
Funding is based on the amount of capital expenditures requested. Additional requests for FY2016/17 includes replacement of the Operations & Maintenance Roof, enhanced safety equipment, rehab and renovation of Skyway stations and guideway.		
Federal Section 5337	\$ 85,349	13.5%
Funding is based on the amount of capital expenditures requested. Requests for FY 2016/17 includes rehab and renovation of Skyway stations and guideway and Skyway modernization of equipment.		
Local JTA Match	\$ (4,151,900)	(100.0%)
There were no large Skyway projects that required local funding as was the case in FY 2015/16.		

EXPENDITURE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Computer Equipment Additional funding was required in FY 2016/17 in order to upgrade the program logic controller (PLC) for the Skyway's Supervisory Control And Data Acquisitions system.	\$ (40,000)	(22.9%)
Shop Equipment No funding was needed for FY 2016/17.	\$ (128,000)	(100.0%)
Miscellaneous Support Equipment Additional funding was required in FY 2016/17 in order to fund new improvements for testing and repairing the propulsion auxiliary power units and inverters, and to replace the inductive transmission system (IDTS) cable in phases throughout the guideway.	\$ 280,000	119.5%
Associated Capital Maintenance Parts More funding was required in FY 2016/17 for replacement propulsion motors for the Skyway's trains.	\$ 23,349	5.1%
Communications Equipment Funding was required in FY 2016/17 to start the process of re-designing the controller boards.	\$ 125,000	100.0%
Facilities Improvement Less funding was required in FY 2016/17 for the Skyway as there were no large Skyway projects that required local funding as was the case in FY 2015/16.	\$ (3,828,220)	(84.9%)

**JACKSONVILLE TRANSPORTATION AUTHORITY
MASS TRANSIT DIVISION
CTC OPERATIONS BUDGET
ANALYSIS OF PROPOSED 2016/17 BUDGET**

	2015/16 Original Budget	Actual Thru April	2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) FY 17 Proposed Budget Over FY 16 Original Budget Projected	
<u>REVENUES</u>						
Federal, State & Local Grants	\$ -	\$ -	\$ -	\$ 26,000	N/A	N/A
Passenger Fares	1,097,294	631,405	1,082,409	1,111,967	1.3%	2.7%
City of Jacksonville Contribution	1,363,002	795,046	1,362,936	1,372,217	0.7%	0.7%
State TD Contribution	1,494,767	874,536	1,499,205	1,596,992	6.8%	6.5%
Federal Preventative Maintenance	800,000	466,669	800,004	700,000	(12.5%)	(12.5%)
Transfer from Bus Ops	9,236,029	5,198,829	8,912,278	9,521,745	3.1%	6.8%
Other Income	-	94,292	161,643	-	N/A	(100.0%)
Total Revenues	\$ 13,991,092	\$ 8,060,777	\$ 13,818,475	\$ 14,328,921	2.4%	3.7%
<u>EXPENDITURES</u>						
Salaries and Wages	\$ 2,873,895	\$ 1,609,506	\$ 2,759,153	\$ 2,941,906	2.4%	6.6%
Fringe Benefits	1,292,633	705,122	1,208,781	1,341,954	3.8%	11.0%
Services	7,201,240	4,477,233	7,675,257	7,301,499	1.4%	(4.9%)
Insurance	30,680	5,867	10,058	9,956	(67.5%)	(1.0%)
Fuel and Lubricants	1,474,301	721,046	1,236,079	1,298,693	(11.9%)	5.1%
Materials & Supplies	878,736	393,137	673,949	891,237	1.4%	32.2%
Travel/Training/Dues & Subscription	68,580	42,494	72,847	65,725	(4.2%)	(9.8%)
All Other/Miscellaneous	171,027	106,372	182,352	206,612	20.8%	13.3%
Contingency	-	-	-	271,337	N/A	N/A
Total Expenditures	\$ 13,991,092	\$ 8,060,777	\$ 13,818,475	\$ 14,328,921	2.4%	3.7%
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	N/A	N/A

**JACKSONVILLE TRANSPORTATION AUTHORITY
CTC OPERATIONS BUDGET
2015/16 ORIGINAL BUDGET VS. 2016/17 PROPOSED BUDGET**

CTC OPERATIONS BUDGET

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.

REVENUE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Passenger Fares	\$ 14,673	1.3%
This projection is based on current revenue collection trends and anticipated FY 2017 ridership.		
Transfer from Bus Ops	\$ 285,716	3.1%
This funding is necessary to balance the budget and support expenses in Connexion operations which provides transportation services for ADA eligible customers.		
EXPENSE OVERVIEW (JTA Explanations)		
Salaries and Wages	\$ 68,011	2.4%
This increase is due to union contractual increases (2.5%) for mechanics and maintenance workers. Additionally the increase includes a non-union 3% average performance based wage increase.		
Fringe Benefits	\$ 49,321	3.8%
This increase is due to increased pension and health insurance funding requirements.		

Services	\$ 100,259	1.4%
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This primarily consists of the outsourced driver contract for the CTC vehicles. The increase is due to projected increases in revenue hours and revenue miles to support projected ridership increase for FY 2017.

Insurance	\$ (20,724)	(67.5%)
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The decrease is due to reduced vehicle insurance as the allocation of insurance is based on net book value, as the fleet becomes older less vehicle insurance will be expensed.

Fuel and Lubricants	\$ (175,608)	(11.9%)
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The decrease is due to lower anticipated overall market fuel costs. JTA has budgeted \$1.75/gallon for unleaded fuel based on 756,086 projected miles.

All Other/Miscellaneous	\$ 35,585	20.8%
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The increase is due to tags and registration fees for 26 new Connexion vehicles expected in FY 2017. The increase also includes utilities for the modular building for MV personnel which was previously unbudgeted.

**JACKSONVILLE TRANSPORTATION AUTHORITY
MASS TRANSIT DIVISION
CTC CAPITAL BUDGET
ANALYSIS OF PROPOSED 2016/17 BUDGET**

	2015/16 Approved Budget	2016/17 Proposed Budget	% Increase (Decrease) 2017 Budget Over 2016 Budget
<u>REVENUES</u>			
Federal Section 5307 Funding (Footnote 1)	\$ 550,795	\$ 1,112,000	101.9%
Federal Section 5310 Funding (Footnote 2)	579,669	411,182	(29.1%)
Local JTA Match	64,408	-	(100.0%)
Total Revenues	\$ 1,194,872	\$ 1,523,182	27.5%
<u>EXPENDITURES</u>			
Computer Equipment (Hardware and Software)	\$ 252,597	\$ 411,182	62.8%
Shop Equipment	8,795	50,000	468.5%
Associated Capital Maintenance Parts	42,000	62,000	47.6%
Paratransit Vehicles (12 Vans)	891,480	1,000,000	12.2%
Total Expenditures	\$ 1,194,872	\$ 1,523,182	27.5%

Footnotes:

- 1** - Annual Funding for urbanized areas to transit agencies from the Federal Transit Administration (FTA).
2 - Federal funding for software for the Connexion fleet and for regional mobility connections.

**JACKSONVILLE TRANSPORTATION AUTHORITY
CTC OPERATIONS
2015/16 ORIGINAL BUDGET VS. 2016/17 PROPOSED BUDGET**

CTC CAPITAL PROJECTS VARIANCE SCHEDULE

REVENUE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
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Federal Section 5307	\$ 561,205	101.9%
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This FY 2016/17 funding is increased to reflect additional paratransit vans and additional computer enhancements and shop equipment.

Federal Section 5310	\$ (168,487)	(29.1%)
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The decrease is primarily due to no Section 5310 paratransit van request for FY 2016/17.

Local Match (JTA)	\$ (64,408)	(100.0%)
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This FY 2016/17 funding is decreased to reflect no Section 5310 paratransit van request.

EXPENDITURE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
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Computer Equipment	\$ 158,585	62.8%
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Additional computer hardware funding will be required in FY 2016/17 for the Regional Mobility effort with Trapeze.

Shop Equipment	\$ 41,205	468.5%
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Additional shop equipment funding was required for Lifts, Jacks, Scanners, Shop Compressors, Battery Cart and Chargers in FY 2016/17.

Associated Capital Maintenance Parts	\$ 20,000	47.6%
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Additional funding was required in FY 2016/17 for the replacement engines and transmissions for vehicles that have exceeded their useful life.

Paratransit Vehicles	\$ 108,520	12.2%
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The increase is due to the purchase of 12 Connexion vans for FY 2016/17 for fleet replacement.

**JACKSONVILLE TRANSPORTATION AUTHORITY
MASS TRANSIT DIVISION
FERRY OPERATIONS BUDGET
ANALYSIS OF PROPOSED 2016/17 BUDGET**

	2015/16 Original Budget	Actual Thru April	2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) FY 17 Proposed Budget Over FY 16 Original	
					Budget	Projected
<u>REVENUES</u>						
Federal, State & Local Grants	\$ -	\$ -	\$ 150,000	\$ -	N/A	(100.0%)
Passenger Fares	-	142,962	857,772	1,427,464	N/A	66.4%
Transfer from Bus Ops	-	-	-	1,133,479	N/A	N/A
Total Revenues	\$ -	\$ 142,962	\$ 1,007,772	\$ 2,560,943	N/A	154.1%
<u>EXPENDITURES</u>						
Salaries and Wages	\$ -	\$ 5,753	\$ 34,518	\$ 157,871	N/A	357.4%
Fringe Benefits	-	1,864	11,184	50,318	N/A	349.9%
Services	-	137,101	822,606	1,989,152	N/A	141.8%
Insurance	-	16	96	39,498	N/A	41043.8%
Fuel and Lubricants	-	-	-	227,407	N/A	N/A
Materials & Supplies	-	1,079	6,474	7,314	N/A	13.0%
Travel/Training/Dues & Subscription	-	482	2,892	10,323	N/A	257.0%
All Other/ Miscellaneous	-	2,998	17,988	30,564	N/A	69.9%
Contingency	-	-	-	48,495	N/A	N/A
Total Expenditures	\$ -	\$ 149,293	\$ 895,758	\$ 2,560,943	N/A	185.9%
Surplus (Deficit)	\$ -	\$ (6,331)	\$ 112,014	\$ -	N/A	(100.0%)

**JACKSONVILLE TRANSPORTATION AUTHORITY
FERRY OPERATIONS BUDGET
2015/16 ORIGINAL BUDGET VS. 2016/17 PROPOSED BUDGET**

FERRY OPERATIONS BUDGET VARIANCE

REVENUE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Passenger Fares This increase reflects projected revenues from the full integration of the Ferry.	\$ 1,427,464	N/A
Transfer from Bus Ops This funding is necessary to balance the Ferry budget and support expenses in Ferry operations.	\$ 1,133,479	N/A
EXPENDITURE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Salaries and Wages This represents a portion of the JTA administration budget.	\$ 157,871	N/A
Fringe Benefits This represents a portion of the JTA administration budget.	\$ 50,318	N/A
Fuel and Lubricants This represents projected fuel costs necessary to support ferry operations.	\$ 227,407	N/A
Materials & Supplies This represents a portion of the JTA administration budget.	\$ 7,314	N/A

Services

\$ 1,989,152 N/A

This represents projected service costs associated with the HMS Ferries contract, grant writing, security, and marketing; additionally included is a portion of the JTA administration budget.

Insurance

\$ 39,498 N/A

This represents projected insurance costs necessary to support ferry operations and a portion of the JTA administration budget.

Travel/Training/Dues & Subscription

\$ 10,323 N/A

This represents a portion of the JTA administration budget.

All Other/ Miscellaneous

\$ 30,564 N/A

This represents a portion of the JTA administration budget.

**JACKSONVILLE TRANSPORTATION AUTHORITY
MASS TRANSIT DIVISION
FERRY CAPITAL BUDGET
ANALYSIS OF PROPOSED 2016/17 BUDGET**

	2015/16 Approved Budget	2016/17 Proposed Budget	% Increase (Decrease) 2017 Budget Over 2016 Budget
<u>REVENUES</u>			
Federal Section 5307 Funding (Footnote 1)	\$ -	\$ 6,000,000	N/A
Florida Department of Transportation	757,895	-	(100.0%)
Local JTA Match	900,000	875,000	(2.8%)
Total Revenues	\$ 1,657,895	\$ 6,875,000	314.7%
<u>EXPENDITURES</u>			
Ferry Vessel Haul Out and Engine Repower	\$ 900,000	\$ -	(100.0%)
Security Equipment	\$ -	\$ 75,000	N/A
St Johns River Ferry Construction	757,895	6,800,000	797.2%
Total Expenditures	\$ 1,657,895	\$ 6,875,000	314.7%

Footnotes:

1 - Discretionary funding received under the Section 5307 Passenger Ferry Grant program for the remaining construction of the Terminal Bridges/Slipwalls and Bulkheads.

**JACKSONVILLE TRANSPORTATION AUTHORITY
FERRY CAPITAL BUDGET
2015/16 ORIGINAL BUDGET VS. 2016/17 PROPOSED BUDGET**

FERRY CAPITAL PROJECTS VARIANCE SCHEDULE

REVENUE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Federal Section 5307	\$ 6,000,000	N/A
This FY 2016/17 funding is increased to provide funding for the remaining construction of the Terminal Bridges/Slipwalls and Bulkheads for the FY 2015-16 Passenger Ferry grant that was awarded by FTA.		
Florida Department of Transportation	\$ (757,895)	(100.0%)
This FY 2016/17 funding is decreased to reflect no Florida Department of Transportation request.		
Local Match (JTA)	\$ (25,000)	(2.8%)
This FY 2016/17 funding is decreased to provide local matching funds for the FY 2015-16 Passenger Ferry grant that was awarded by FTA.		
EXPENDITURE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Ferry Vessel Haul Out and Engine Repower	\$ (900,000)	(100.0%)
This FY 2016/17 funding is decreased as the Ferry Vessel Haul Out and Engine Repower is twice every 5 years as mandated by the Coast Guard.		
Ferry Dock Ramp Rehabilitation	\$ 6,042,105	797.2%
This FY 2016/17 funding is increased to provide additional funding for the remaining construction of the Terminal Bridges/Slipwalls and Bulkheads.		

**JACKSONVILLE TRANSPORTATION AUTHORITY
ENGINEERING DIVISION
GENERAL FUND BUDGET
ANALYSIS OF PROPOSED 2016/17 BUDGET**

	2015/16 Original Budget	Actual Thru April	2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) FY 17 Proposed Budget Over FY 16 Original Budget Projected	
<u>REVENUES</u>						
Interest Income	\$ 59,492	\$ 492,614	\$ 844,481	\$ 425,000	614.4%	(49.7%)
Non-Transportation Revenue	85,000	27,206	46,639	5,500	(93.5%)	(88.2%)
Gross Sales Tax	80,886,162	48,644,720	80,886,162	83,150,975	2.8%	2.8%
Net Sales Tax	1,910,486	-	-	2,032,843	6.4%	N/A
Total Revenues	\$ 82,941,140	\$ 49,164,540	\$ 81,777,282	\$ 85,614,318	3.2%	4.7%
<u>EXPENDITURES</u>						
Administrative Expenses						
Salaries & Wages	\$917,852	\$ 500,534	\$ 858,058	\$ 890,200	(3.0%)	3.7%
Fringe Benefits	501,678	268,429	460,164	612,279	22.0%	33.1%
Services	461,581	266,051	456,087	596,104	29.1%	30.7%
Training/Travel/Dues & Subscriptions	32,622	16,400	28,114	35,268	8.1%	25.4%
Supplies	69,202	50,755	87,009	85,044	22.9%	(2.3%)
Other	62,792	96,924	166,155	120,458	91.8%	(27.5%)
Insurance	9,251	3,611	6,190	35,600	284.8%	475.1%
Operating Contingency	-	-	-	88,390	N/A	N/A
Total Admin. Expenses	\$ 2,054,978	\$ 1,202,704	\$ 2,061,778	\$ 2,463,343	19.9%	19.5%
Transfers To:						
Fiscal Agent: Debt Service	80,886,162	42,862,531	73,478,625	83,150,975	2.8%	13.2%
Total Expenditures	\$ 82,941,140	\$ 44,065,235	\$ 75,540,403	\$ 85,614,318	3.2%	13.3%
Surplus (Deficit)	\$ -	\$ 5,099,305	\$ 6,236,879	\$ -	N/A	(100.0%)

**JACKSONVILLE TRANSPORTATION AUTHORITY
ENGINEERING DIVISION
2015/16 ORIGINAL BUDGET VS. 2016/17 PROPOSED BUDGET**

ENGINEERING DIVISION VARIANCE

REVENUE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Interest Income	\$ 365,508	614.4%
The increase is due to cash proceeds from the LOGT bonds being invested and not yet spent or encumbered.		
Non-Transportation Revenue	\$ (79,500)	(93.5%)
The decrease is primarily due to the North Florida Transportation Planning Organization moving out of the JTA office building on Prudential Drive on October 31, 2015 and the loss of associated rent payments.		
Net Sales Tax	\$ 122,357	6.4%
This funding is necessary to balance the budget and support expenses in Engineering Operations.		
EXPENDITURE OVERVIEW (JTA Explanations)	DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ (DECREASE)
Salaries and Wages	\$ (27,652)	(3.0%)
The decrease is due to salaries that are assigned to grant-related projects and are capitalized thus being deducted from the total expense.		
Fringe Benefits	\$ 110,601	22.0%
The increase is primarily due to higher pension and health insurance funding requirements; and an increased portion of the JTA administration budget to support Mobility Works projects.		

Services	\$	134,523	29.1%
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The increase is primarily due to Transit Oriented Development contracts and consultants to support strategic planning & initiative development; as well as an increased portion of the JTA administration budget to support the Mobility Works projects.

Supplies	\$	15,842	22.9%
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This line item primarily consists of office supplies, furniture, copying expenses, and bank service fees. The increase is due to a higher portion of the JTA administrative budget to support the Mobility Works projects.

Other	\$	57,666	91.8%
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This line item includes funding for rentals, ground maintenance, and telephone/postage costs. The increase is due to the JTA administration budget to support Mobility Works projects.

Insurance	\$	26,349	284.8%
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This line item primarily consists of Property, General Liability, Crime Policy insurance, etc. including a portion of the JTA administration budget.

**JACKSONVILLE TRANSPORTATION AUTHORITY
ENGINEERING/ROAD PROJECTS DIVISION
ANALYSIS OF PROPOSED 2016/17 BUDGET**

	2015/16 Approved Budget	2016/17 Proposed Budget	% Increase (Decrease) 2017 Budget Over 2016 Budget
<u>REVENUES</u>			
Federal, State & Local Grants	\$ -	\$ -	0.0%
Local Match (State)	-	-	0.0%
Local Match (JTA) (Footnote 1)	-	5,043,000	100.0%
Total Revenues	<u>\$ -</u>	<u>\$ 5,043,000</u>	<u>100.0%</u>
<u>EXPENDITURES</u>			
Mobility Works - Engineering road projects (Footnote 2)	\$ -	\$ 5,043,000	100.0%
Total Expenditures	<u>\$ -</u>	<u>\$ 5,043,000</u>	<u>100.0%</u>

Footnotes:

1 - This FY 2016/17 funding is increased to provide dedicated anticipated real estate proceeds of approximately \$5.0 million for Mobility Works engineering road building projects.

2 - This FY 2016/17 funding is increased to provide dedicated anticipated real estate proceeds of approximately \$5.0 million for Mobility Works engineering road building projects.

**JACKSONVILLE TRANSPORTATION AUTHORITY
ENGINEERING OPERATIONS
2015/16 ORIGINAL BUDGET VS. 2016/17 PROPOSED BUDGET**

ENGINEERING CAPITAL PROJECTS VARIANCE SCHEDULE

<u>REVENUE OVERVIEW (JTA Explanations)</u>	<u>DOLLAR INCREASE/ (DECREASE)</u>	<u>PERCENT INCREASE/ (DECREASE)</u>
Local Match (JTA)	\$ 5,043,000	100.0%
This FY 2016/17 funding is increased to provide dedicated anticipated real estate proceeds of approximately \$5.0 million for Mobility Works engineering road building projects; and also the JTA will be dedicating anticipated real estate proceeds of approximately \$6.8 million towards the completion of the JRTC as well as \$5.0 million for other currently unfunded capital budget requests and these are included in the Mass Transit Budget.		
<u>EXPENDITURE OVERVIEW (JTA Explanations)</u>		
Mobility Works - Engineering road projects	\$ 5,043,000	100.0%
This FY 2016/17 funding is increased to provide dedicated anticipated real estate proceeds of approximately \$5.0 million for Mobility Works engineering road building projects.		

**JACKSONVILLE TRANSPORTATION AUTHORITY
ADMINISTRATION*
ANALYSIS OF PROPOSED 2016/17 BUDGET**

EXPENDITURES	2015/16 Original Budget	Actual Thru April	2015/16 Projected	2016/17 Proposed Budget	% Increase (Decrease) FY 17 Proposed Budget Over	
					FY 16 Original Budget	Projected
Salaries and Wages	\$ 5,760,769	\$ 3,358,136	\$ 5,756,805	\$ 6,147,420	6.7%	6.8%
Fringe Benefits	1,783,290	1,007,755	1,727,580	1,959,371	9.9%	13.4%
Professional Services	3,096,555	2,533,084	4,342,430	3,931,976	27.0%	(9.5%)
Travel/Training/Dues & Subscriptions	186,438	126,490	216,840	401,972	115.6%	85.4%
Materials & Supplies	406,830	226,270	387,891	284,805	(30.0%)	(26.6%)
Insurance	13,086	8,511	-	14,590	11.5%	N/A
Other Direct Operating Costs	969,009	604,866	1,036,913	1,190,153	22.8%	14.8%
<u>Total Expenditures</u>	<u>\$ 12,215,977</u>	<u>\$ 7,865,112</u>	<u>\$ 13,468,459</u>	<u>\$ 13,930,287</u>	<u>14.0%</u>	<u>3.4%</u>

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 grants consulting, technology/innovation planning, IT maintenance agreements, community partnering, and advertising/marketing for major Authority initiatives such as BRT, Mobility Works, JRTC, Ferry, etc.
4. Other Direct Operating Costs increase is primarily due to building rental, utilities, wellness programs, tuition reimbursement and Employee Assistance Programs.

\$ 198,707,247	Total Appropriations (Operating Budgets)
\$ (99,598,241)	Total Transfers Out
\$ (1,725,661)	Operating Contingency
\$ 97,383,345	————— > 14.3% Administrative Percentage

Allocation Per Division:

Bus	\$ 9,928,570
Skyway	\$ 960,221
CTC	\$ 1,951,470
Engineering	\$ 741,249
Ferry	\$ 348,777
Total	<u>\$ 13,930,287</u>

JACKSONVILLE TRANSPORTATION AUTHORITY
JACKSONVILLE, FLORIDA
OPERATIONS BUDGET - FISCAL YEAR 2016/2017

	Bus	CTC	Skyway	Ferry	Engineering	Total
ESTIMATED REVENUES						
Federal, State & Local Grants	\$ 5,846,488	\$ 26,000	\$ -	\$ -	\$ -	\$ 5,872,488
Local Option Gas Tax (BJP)	16,122,173	-	-	-	-	16,122,173
Gross Sales Tax Proceeds	-	-	-	-	83,150,975	83,150,975
Net Sales Tax - Operating	52,975,096	-	-	-	2,032,843	55,007,939
Passenger Fares	12,171,871	1,111,967	-	1,427,464	-	14,711,302
State TD Funds	-	1,596,992	-	-	-	1,596,992
Transfer from Bus Operations (ADA Paratransit)	-	9,521,745	-	-	-	9,521,745
City of Jacksonville (Paratransit Contribution)	-	1,372,217	-	-	-	1,372,217
Preventative Maintenance Grant - Federal	1,165,966	700,000	1,000,000	-	-	2,865,966
Non-Transportation Revenue	870,925	-	258,504	-	5,500	1,134,929
Interest Earnings	-	-	-	-	425,000	425,000
Transfer from Bus Operations to Skyway	-	-	5,792,042	-	-	5,792,042
Transfer from Bus Operations to Ferry	-	-	-	1,133,479	-	1,133,479
Total Estimated Revenues	\$ 89,152,519	\$ 14,328,921	\$ 7,050,546	\$ 2,560,943	\$ 85,614,318	\$ 198,707,247

COJ SCHEDULE O

APPROPRIATIONS

Salaries and Wages	\$ 31,412,628	\$ 2,941,906	\$ 2,589,907	\$ 157,871	\$ 890,200	\$ 37,992,512
Fringe Benefits	17,759,658	1,341,954	1,354,109	50,318	612,279	21,118,318
Fuel and Lubricants	4,651,941	1,298,693	12,923	227,407	-	6,190,964
Materials and Supplies	4,494,765	891,237	930,169	7,314	85,044	6,408,529
Insurance	611,216	9,956	454,323	39,498	35,600	1,150,593
Services	10,168,244	7,301,499	1,078,000	1,989,152	596,104	21,132,999
Travel/Training/Dues & Subscriptions	385,770	65,725	33,958	10,323	35,268	531,044
Transfer to CTC (ADA Expense)	9,521,745	-	-	-	-	9,521,745
Transfer to Skyway	5,792,042	-	-	-	-	5,792,042
Transfer to Ferry	1,133,479	-	-	-	-	1,133,479
Transfer to COJ for Debt Service (BJP)	-	-	-	-	83,150,975	83,150,975
All Other/Miscellaneous	2,037,104	206,612	463,647	30,564	120,458	2,858,385
Contingency	1,183,927	271,337	133,512	48,495	88,390	1,725,661
Total Appropriations	\$ 89,152,519	\$ 14,328,921	\$ 7,050,546	\$ 2,560,943	\$ 85,614,318	\$ 198,707,247
Full Time Positions	638	50	45	19	1	753
Temporary Employee Hours	160,174	12,088	-	-	-	172,262

COJ SCHEDULE P

**JACKSONVILLE TRANSPORTATION AUTHORITY
JACKSONVILLE, FLORIDA
CAPITAL BUDGET - FISCAL YEAR 2016/2017**

<u>ESTIMATED REVENUES</u>	Bus	CTC	Skyway	Ferry	Engineering	Total
Federal Grants	\$ 27,426,125	\$ 1,523,182	\$ 1,938,581	\$ 6,000,000	\$ -	\$ 36,887,888
Grant Match (State)	9,965,101	-	-	-	-	9,965,101
Local Match (JTA)	21,932,421	-	-	875,000	5,043,000	27,850,421
Total Estimated Revenues	\$ 59,323,647	\$ 1,523,182	\$ 1,938,581	\$ 6,875,000	\$ 5,043,000	\$ 74,703,410

COJ SCHEDULE Q

<u>APPROPRIATIONS</u>						
Bus Rapid Transit (BRT) - East Corridor Project	\$ 20,219,844	\$ -	\$ -	\$ -	\$ -	\$ 20,219,844
Bus Rapid Transit (BRT) - East Corridor Project (19 buses)	13,640,563	-	-	-	-	13,640,563
Mobility Works Road Projects	-	-	-	-	5,043,000	5,043,000
Jacksonville Regional Transportation Center (JRTC)	6,724,000	-	-	-	-	6,724,000
Other Capital Projects	5,043,000	-	-	-	-	5,043,000
Intercity Bus Construction	1,500,000	-	-	-	-	1,500,000
St. Johns River Ferry Construction	-	-	-	6,800,000	-	6,800,000
Corridor Development - Intersection Improvements	1,500,000	-	-	-	-	1,500,000
Fare Collection Equipment	100,000	-	-	-	-	100,000
Communications	1,735,000	-	125,000	-	-	1,860,000
Computer Equipment	1,375,763	411,182	135,000	-	-	1,921,945
Shop Equipment	303,758	50,000	-	-	-	353,758
Enhancements (Landscaping)	162,714	-	-	-	-	162,714
Miscellaneous Support Equipment	263,500	-	514,232	-	-	777,732
Office Furnishings & Equipment	-	-	-	-	-	-
Associated Capital Maintenance Parts	-	62,000	483,349	-	-	545,349
Paratransit Vehicles (16 Vans)	400,095	1,000,000	-	-	-	1,400,095
Program Administration	15,000	-	-	-	-	15,000
Purchase Transit Vehicles (8 Buses)	4,745,301	-	-	-	-	4,745,301
Security Equipment	189,812	-	-	75,000	-	264,812
Support Vehicles	237,741	-	-	-	-	237,741
Facilities Improvements	295,000	-	681,000	-	-	976,000
Transit Satellite Amenities	872,556	-	-	-	-	872,556
Total Appropriations	\$ 59,323,647	\$ 1,523,182	\$ 1,938,581	\$ 6,875,000	\$ 5,043,000	\$ 74,703,410

COJ SCHEDULE R

**COUNCIL AUDITOR'S OFFICE
RECOMMENDATIONS
JACKSONVILLE TRANSPORTATION AUTHORITY
PROPOSED BUDGET FY 2016/17**

Recommendations:

1. To account for the five cents of Local Option Gas Tax being transferred to JTA from the City in accordance with Ordinance 2013-820-E, we recommend creating a new revenue line item titled "Local Option Gas Tax – Gross" and budgeting this line item under "Engineering" on REVISED Schedule O at \$25,380,556. We also recommend creating a new appropriations line item titled "Transfer to Fiscal Agent for Debt Service (LOGT)" and budgeting this line item under "Engineering" on REVISED Schedule P at \$25,380,556 to balance revenues with expenditures. This amount will then be in agreement with the amount the City has projected will be paid to JTA. JTA concurs.
2. We recommend increasing the "Local Option Gas Tax (BJP)" line item under "Bus" on REVISED Schedule O by \$1,454,483 from \$16,122,173 to \$17,576,656. This amount will then be in agreement with the amount of Local Option Gas Tax the City has projected will be paid to JTA, after the debt service on the Local Option Gas Tax bonds. We also recommend increasing the line item "Contingency" under "Bus" on REVISED Schedule P by \$1,454,483 from \$1,183,927 to \$2,638,410 to balance revenues with expenditures. We also recommend changing the line item title on Schedule O under "Bus" from "Local Option Gas Tax (BJP)" to "Local Option Gas Tax (Net)" to better clarify this line item. JTA concurs.
3. We recommend decreasing the "Gross Sales Tax Proceeds" line item under "Engineering" on REVISED Schedule O by \$569,003 from \$83,150,975 to \$82,581,972. This amount will then be in agreement with the amount the City has projected will be paid to JTA. We also recommend decreasing the line item "Transfer to COJ for Debt Service (BJP)" under "Engineering" on REVISED Schedule P by \$569,003 from \$83,150,975 to \$82,581,972 to balance revenues with expenditures. In addition, we recommend decreasing the "Net Sales Tax – Operating" line item under "Bus" on REVISED Schedule O by \$351,376 from \$52,975,096 to \$52,623,720. We also recommend decreasing the line item "Contingency" under "Bus" on REVISED Schedule P by \$351,376 from \$2,638,410 to \$2,287,034 to balance revenues with expenditures. JTA concurs.
4. In order to correct mathematical errors on REVISED Schedule P, we recommend decreasing "Contingency" under Skyway by \$2 from \$133,512 to \$133,510, increasing "Contingency" under CTC by \$2 from \$271,337 to \$271,339 and increasing "Contingency" under Ferry by \$1 from \$48,495 to \$48,496. This will balance revenues with expenditures for REVISED Schedules O and P. JTA concurs.
5. In order to correct the "Full Time Positions" line on REVISED Schedule P, we recommend moving the 19 positions under "Ferry" to "Engineering" and the 1 position under "Engineering" to "Bus" increasing the total for "Bus" from 638 to 639. There are no positions directly attributable to the Ferry Division, only allocable salary costs. JTA concurs.

**COUNCIL AUDITOR'S OFFICE
RECOMMENDATIONS
JACKSONVILLE TRANSPORTATION AUTHORITY
PROPOSED BUDGET FY 2016/17**

6. We recommend decreasing the line item "Passenger Fares" under "Ferry" on Schedule O by \$121,237 from \$1,427,464 to \$1,306,227 on REVISED Schedule O and increasing the line item "Transfer from Bus Operations to Ferry" under "Ferry" on Schedule O by \$121,237 from \$1,133,479 to \$1,254,716 on REVISED Schedule O. We also recommend increasing the line item "Transfer to Ferry" under "Bus" on REVISED Schedule P by \$121,237 from \$1,133,479 to \$1,254,716 and decreasing the line item "Contingency" under "Bus" by \$121,237 from \$2,287,034 to \$2,165,797. This will balance revenues with expenditures for REVISED Schedules O and P. JTA concurs.
7. We recommend increasing the "Federal Grants" line item under "Bus" on Schedule Q by \$319 from \$27,426,125 to \$27,426,444 on REVISED Schedule Q. We also recommend decreasing the "Local Match (JTA)" line item under Bus on Schedule Q by \$319 from \$21,932,421 to \$21,932,102 on REVISED Schedule Q to keep revenues in balance with expenditures and to correct the errors in these line items. JTA concurs.
8. We recommend changing the name of line item "Communications" on Schedule R to "CAD/AVL" on REVISED Schedule R to clarify the items appropriated. We also recommend changing the name of line item "Program Administration" on Schedule R to "Training" on REVISED Schedule R. JTA concurs.
9. We recommend reducing the number of temporary employee hours under "Bus" from 160,174 hours to 108,909 hours and reducing the number of temporary employee hours under "CTC" from 12,088 hours to 11,315 hours on REVISED Schedule P. This will reduce the total number of temporary employee hours from 172,262 hours to 120,224 hours. JTA concurs.
10. 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.
11. We recommend removing and replacing Sections 5.1 and 5.2 of the Budget Ordinance narrative with revised Sections 5.1 and 5.2, which inserts "REVISED" before Schedules O, P, Q and R and corrects the fiscal year reference in Section 5.1, as well as correcting the number of temporary employee hours in Section 5.2. JTA concurs.

**JACKSONVILLE TRANSPORTATION AUTHORITY
JACKSONVILLE, FLORIDA
OPERATIONS BUDGET - FISCAL YEAR 2016/2017**

	<u>Bus</u>	<u>CTC</u>	<u>Skyway</u>	<u>Ferry</u>	<u>Engineering</u>	<u>Total</u>
<u>ESTIMATED REVENUES</u>						
Federal, State & Local Grants	\$ 5,846,488	\$ 26,000	\$ -	\$ -	\$ -	\$ 5,872,488
Local Option Gas Tax - Gross	-	-	-	-	25,380,556	\$ 25,380,556
Local Option Gas Tax (Net)	17,576,656	-	-	-	-	17,576,656
Gross Sales Tax Proceeds	-	-	-	-	82,581,972	82,581,972
Net Sales Tax - Operating	52,623,720	-	-	-	2,032,843	54,656,563
Passenger Fares	12,171,871	1,111,967	-	1,306,227	-	14,590,065
State TD Funds	-	1,596,992	-	-	-	1,596,992
Transfer from Bus Operations (ADA Paratransit)	-	9,521,745	-	-	-	9,521,745
City of Jacksonville (Paratransit Contribution)	-	1,372,217	-	-	-	1,372,217
Preventative Maintenance Grant - Federal	1,165,966	700,000	1,000,000	-	-	2,865,966
Non-Transportation Revenue	870,925	-	258,504	-	5,500	1,134,929
Interest Earnings	-	-	-	-	425,000	425,000
Transfer from Bus Operations to Skyway	-	-	5,792,042	-	-	5,792,042
Transfer from Bus Operations to Ferry	-	-	-	1,254,716	-	1,254,716
Total Estimated Revenues	\$ 90,255,626	\$ 14,328,921	\$ 7,050,546	\$ 2,560,943	\$ 110,425,871	\$ 224,621,907

REVISED SCHEDULE O

APPROPRIATIONS

Salaries and Wages	\$ 31,412,628	\$ 2,941,906	\$ 2,589,907	\$ 157,871	\$ 890,200	\$ 37,992,512
Fringe Benefits	17,759,658	1,341,954	1,354,109	50,318	612,279	21,118,318
Fuel and Lubricants	4,651,941	1,298,693	12,923	227,407	-	6,190,964
Materials and Supplies	4,494,765	891,237	930,169	7,314	85,044	6,408,529
Insurance	611,216	9,956	454,323	39,498	35,600	1,150,593
Services	10,168,244	7,301,499	1,078,000	1,989,152	596,104	21,132,999
Travel/Training/Dues & Subscriptions	385,770	65,725	33,958	10,323	35,268	531,044
Transfer to CTC (ADA Expense)	9,521,745	-	-	-	-	9,521,745
Transfer to Skyway	5,792,042	-	-	-	-	5,792,042
Transfer to Ferry	1,254,716	-	-	-	-	1,254,716
Transfer to Fiscal Agent for Debt Service (LOGT)	-	-	-	-	25,380,556	25,380,556
Transfer to Fiscal Agent for Debt Service (BJP)	-	-	-	-	82,581,972	82,581,972
All Other/Miscellaneous	2,037,104	206,612	463,647	30,564	120,458	2,858,385
Contingency	2,165,797	271,339	133,510	48,496	88,390	2,707,532
Total Appropriations	\$ 90,255,626	\$ 14,328,921	\$ 7,050,546	\$ 2,560,943	\$ 110,425,871	\$ 224,621,907
 Full Time Positions	 639	 50	 45	 0	 19	 753
Temporary Employee Hours	108,909	11,315	-	-	-	120,224

REVISED SCHEDULE P

**JACKSONVILLE TRANSPORTATION AUTHORITY
JACKSONVILLE, FLORIDA
CAPITAL BUDGET - FISCAL YEAR 2016/2017**

<u>ESTIMATED REVENUES</u>	Bus	CTC	Skyway	Ferry	Engineering	Total
Federal Grants	\$ 27,426,444	\$ 1,523,182	\$ 1,938,581	\$ 6,000,000	\$ -	\$ 36,888,207
Grant Match (State)	9,965,101	-	-	-	-	9,965,101
Local Match (JTA)	21,932,102	-	-	875,000	5,043,000	27,850,102
Total Estimated Revenues	\$ 59,323,647	\$ 1,523,182	\$ 1,938,581	\$ 6,875,000	\$ 5,043,000	\$ 74,703,410

REVISED SCHEDULE Q

<u>APPROPRIATIONS</u>						
Bus Rapid Transit (BRT) - East Corridor Project	\$ 20,219,844	\$ -	\$ -	\$ -	\$ -	\$ 20,219,844
Bus Rapid Transit (BRT) - East Corridor Project (19 buses)	13,640,563	-	-	-	-	13,640,563
Mobility Works Road Projects	-	-	-	-	5,043,000	5,043,000
Jacksonville Regional Transportation Center (JRTC)	6,724,000	-	-	-	-	6,724,000
Other Capital Projects	5,043,000	-	-	-	-	5,043,000
Intercity Bus Construction	1,500,000	-	-	-	-	1,500,000
St. Johns River Ferry Construction	-	-	-	6,800,000	-	6,800,000
Corridor Development - Intersection Improvements	1,500,000	-	-	-	-	1,500,000
Fare Collection Equipment	100,000	-	-	-	-	100,000
CAD/AVL	1,735,000	-	125,000	-	-	1,860,000
Computer Equipment	1,375,763	411,182	135,000	-	-	1,921,945
Shop Equipment	303,758	50,000	-	-	-	353,758
Enhancements (Landscaping)	162,714	-	-	-	-	162,714
Miscellaneous Support Equipment	263,500	-	514,232	-	-	777,732
Office Furnishings & Equipment	-	-	-	-	-	-
Associated Capital Maintenance Parts	-	62,000	483,349	-	-	545,349
Paratransit Vehicles (16 Vans)	400,095	1,000,000	-	-	-	1,400,095
Training	15,000	-	-	-	-	15,000
Purchase Transit Vehicles (8 Buses)	4,745,301	-	-	-	-	4,745,301
Security Equipment	189,812	-	-	75,000	-	264,812
Support Vehicles	237,741	-	-	-	-	237,741
Facilities Improvements	295,000	-	681,000	-	-	976,000
Transit Satellite Amenities	872,556	-	-	-	-	872,556
Total Appropriations	\$ 59,323,647	\$ 1,523,182	\$ 1,938,581	\$ 6,875,000	\$ 5,043,000	\$ 74,703,410

REVISED SCHEDULE R

1 purposes within each of the total sums specified on REVISED
2 **Schedule I** and REVISED **Schedule J** and to transfer from time to
3 time, without Council approval, appropriated funds from one of the
4 purposes for which funds are appropriated by this Part IV to
5 another of such purposes, if, in the discretion of the Jacksonville
6 Port 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 Port Authority shall
9 pay the employer's contribution over to the Florida Retirement
10 System, in addition to any other contribution to the pension funds
11 required by law, which shall be paid as often as funds are
12 available. Once cumulative transfers between REVISED **Schedule I** and
13 REVISED **Schedule J** exceed \$50,000, City Council approval must be
14 obtained. There shall be provided to the Council Auditor, within
15 twenty-four hours after Board approval, a copy of the written
16 documentation of all proposed additional appropriations of funds.
17 There shall also be provided to the Council Auditor at the end of
18 each quarter a copy or a summary of the written documentation of
19 all transfers made between approved budget line items. The number
20 of full-time employees authorized at any one time shall not exceed
21 170. The Council authorizes 5,200 temporary employee hours.

22 **Part V. Jacksonville Transportation Authority**

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

24 From the estimated revenues and fund balances set forth on
25 REVISED **Schedule O** and REVISED **Schedule Q** there are hereby
26 appropriated the sums set forth on REVISED **Schedule P** and REVISED
27 **Schedule R** for the indicated purposes of the Mass Transit Division
28 and the Engineering Division of the Jacksonville Transportation
29 Authority. The estimated revenues, fund balances and appropriations
30 provided therein, together with the other applicable provisions of
31 this ordinance, shall constitute the annual budgets and

1 appropriations for the Jacksonville Transportation Authority for
2 its fiscal year beginning October 1, 2016 and ending September 30,
3 2017, which budgets are hereby adopted and approved by the Council
4 pursuant to Section 14.02 of the Charter, as amended, and Section
5 349.041, Florida Statutes. Florida Statute Section 212.055(1)(d)
6 (Discretionary sales surtaxes; legislative intent; authorization
7 and use of proceeds), provides that proceeds from the surtax be
8 applied to as many or as few of the uses enumerated in Section
9 212.055, Florida Statutes, in whatever combination the county
10 commission deems appropriate. Based on the statutory language, JTA
11 and the City Council will meet to discuss the City Council's
12 "deemed appropriate" use of the local option sales tax in excess of
13 the \$82,581,972 budgeted in fiscal year 2016-2017. For fiscal year
14 201~~7~~6-201~~8~~7, any sales tax revenue collected in excess of the
15 budgeted amount of \$82,581,972 may not be expended without further
16 Council appropriation. Effective January 1, 2016, The Jacksonville
17 Transportation Authority shall accept as proof of senior citizen
18 eligibility a JTA issued Senior STAR card and shall permit all
19 persons born on or before December 31, 1954, to ride free at all
20 times. Those born after December 31, 1954, will ride free when they
21 reach age of 65 and obtain a Senior STAR card.

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

23 The Jacksonville Transportation Authority is authorized to
24 allocate and allot the sums herein appropriated for more specific
25 purposes, within each of the total sums specified on REVISED
26 **Schedule P** and REVISED **Schedule R**, except for the Fund Balance
27 Reserves, and to transfer from time to time, without Council
28 approval, appropriated funds from one of the purposes for which
29 funds are appropriated by this Part V to another of such purposes,
30 if, in the discretion of the Authority, such transfer is necessary
31 to carry out all of the purposes for which funds are hereby

1 appropriated, subject to applicable law. There shall be provided
2 to the Council Auditor, within twenty-four hours after Board
3 approval, a copy of the written documentation of all proposed
4 additional appropriations of funds. There shall also be provided
5 to the Council Auditor at the end of each quarter a copy or a
6 summary of the written documentation of all transfers made between
7 approved budget line items. The number of full-time employees
8 authorized at any one time shall not exceed 753. The Council
9 authorizes ~~172,262~~ 120,224 temporary employee hours.

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

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

12 From estimated revenues and fund balances set forth on
13 **Schedule AB**, there are hereby appropriated the sums set forth on
14 **Schedule AC**. The estimated revenues, fund balances and
15 appropriations provided therein, together with the other applicable
16 provisions of this ordinance, shall constitute the annual budget
17 and appropriations for the Police and Fire Pension Fund for its
18 fiscal year beginning October 1, 2016 and ending September 30,
19 2017, which budget is hereby adopted and approved by the Council
20 pursuant to Sections 5.07, 14.01 and 14.02 of the Charter; Section
21 121.101(d), *Ordinance Code*, and Section III, Subsection A,
22 Paragraph 11 of the 2015 Retirement Reform Agreement dated June 19,
23 2015.

24 **Section 6.2 Allocations, Allotments and Transfers.**

25 The Police and Fire Pension Fund is authorized to allocate and
26 allot the sums herein appropriated for more specific purposes
27 within each of the total sums specified on **Schedule AC**, except for
28 reserved funds, and to transfer from time to time, without Council
29 approval, appropriated funds from one of the purposes for which
30 funds are appropriated by this Part VI to another of such purposes.
31 There shall be provided to the Council Auditor, within twenty-four

JACKSONVILLE AVIATION AUTHORITY
COMPARISON OF BUDGETS
ORIGINAL BUDGET FY 2015/2016 VERSUS PROPOSED BUDGET FY 2016/2017

	<u>Operating & Non Operating</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Fund Transfers Out</u>	<u>Total</u>
FY 2015/2016 Original	\$ 52,395,082	\$ 16,077,204	\$ 29,488,517	\$ 22,743,344	\$ 120,704,147
FY 2016/2017 Proposed	\$ 54,504,854	\$ 14,145,933	\$ 38,043,452	\$ 24,959,499	\$ 131,653,738
\$ Increase (Decrease)	\$ 2,109,772	\$ (1,931,271)	\$ 8,554,935	\$ 2,216,155	\$ 10,949,591
% Increase (Decrease)	4.03%	-12.01%	29.01%	9.74%	9.07%

JACKSONVILLE AVIATION AUTHORITY
ANALYSIS OF THE FY 2016/2017 PROPOSED BUDGET

	2015/2016 ORIGINAL BUDGET	2015/2016 ACTUAL THRU MAY	2015/2016 FORECAST	2016/2017 PROPOSED BUDGET	% Increase/Decrease of 2016/2017 Proposed Budget Over	
					2015/2016 ORIGINAL	2015/2016 FORECAST
OPERATING REVENUES						
Concessions	17,143,854	11,893,960	17,678,412	17,037,151	-0.62%	-3.63%
Fees & Charges	13,608,628	8,808,472	13,364,131	15,034,042	10.47%	12.50%
Space & Facility Rentals	26,446,757	17,884,093	24,207,271	26,109,313	-1.28%	7.86%
Parking	18,813,281	12,208,034	18,893,790	20,001,582	6.32%	5.86%
Sale of Utilities	1,534,640	1,025,755	1,546,033	1,564,754	1.96%	1.21%
Other Miscellaneous Operating Revenue	169,191	120,778	179,679	178,389	5.44%	-0.72%
TOTAL OPERATING REVENUES	77,716,351	51,941,092	75,869,316	79,925,231	2.84%	5.35%
OPERATING EXPENDITURES						
Salaries	17,361,365	11,398,110	17,262,899	18,721,563	7.83%	8.45%
Benefits	7,105,826	4,302,654	6,745,222	7,369,821	3.72%	9.26%
Services & Supplies	14,941,045	9,564,476	14,673,916	15,325,418	2.57%	4.44%
Repairs & Maintenance	2,163,546	1,348,906	2,155,332	2,109,407	-2.50%	-2.13%
Promotion, Advertising and Dues	888,706	856,457	1,300,380	1,359,995	53.03%	4.58%
Registrations & Travel	350,421	228,803	309,158	371,892	6.13%	20.29%
Insurance Expense	1,369,752	828,920	1,301,543	1,322,846	-3.42%	1.64%
Cost of Goods for Sale	583,624	329,414	481,692	507,826	-12.99%	5.43%
Utilities, Taxes & Gov't Fees	5,303,361	3,314,805	4,694,913	5,005,375	-5.62%	6.61%
Operating Contingency	1,981,019	-	-	2,000,000	0.96%	N/A
TOTAL OPERATING EXPENDITURES	52,048,665	32,172,545	48,925,055	54,094,143	3.93%	10.57%
INCOME FROM OPERATIONS	25,667,686	19,768,547	26,944,261	25,831,088	0.64%	-4.13%
NON-OPERATING REVENUES/(EXPENDITURES)						
Passenger Facility Charge Revenue	11,988,366	7,418,171	11,739,984	12,033,483	0.38%	2.50%
Investment Income	905,478	680,464	839,869	743,722	-17.86%	-11.45%
Other Revenue	605,436	1,054,526	1,191,514	907,850	49.95%	-23.81%
Debt Service	(16,077,204)	(15,994,146)	(17,554,128)	(14,145,933)	-12.01%	-19.42%
Other Expenditures	(346,418)	(54,503)	(161,897)	(410,711)	18.56%	153.69%
NET INCOME (LOSS) BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS	22,743,344	12,873,059	22,999,603	24,959,499	9.74%	8.52%
Transfer (to)/from Operating Capital Outlay	(15,681,584)	(4,205,256)	(5,607,008)	(11,204,913)	-28.55%	99.84%
Transfer (to)/from Passenger Facility Charge Reserve	(2,345,268)	490,703	1,903,958	(12,033,483)	413.10%	-732.02%
Transfer (to)/from Retained Earnings	(4,716,492)	(9,158,506)	(19,296,553)	(1,721,103)	-63.51%	-91.08%
SURPLUS/(DEFICIT)	\$ -	\$ -	\$ -	\$ -	N/A	N/A
Fulltime Positions	279	272	275	286	2.51%	4.00%
Temporary Employee Hours	4,640	2,599	4,640	5,460	17.67%	17.67%

JACKSONVILLE AVIATION AUTHORITY
ORIGINAL BUDGET FY 2015/2016 VERSUS PROPOSED BUDGET FY 2016/2017

REVENUE OVERVIEW

Increase/(Decrease)	
\$	%

Concessions

(106,703) -0.62%

JAA receives flowage fees for fuel sold by fuel vendors. JAA receives 5.5 cents on each gallon of fuel sold. The fuel flowage fees are budgeted to decrease in FY 2016/17, mainly due to the Navy leaving Cecil Airport in July 2016 and returning to NAS JAX as the repairs to their runway have been completed. This will result in a reduction in fuel flowage revenues of \$990K. This decrease is partially offset with budgeted increases in rental car revenue of \$526K, which is due to two new rental car companies operating at JIA (Advantage Opco and E-Z Rent A Car). Also, due to a budgeted increase in enplanements of 9% over FY 2015/16 budgeted, food & beverage concessions revenue is budgeted to increase by \$281K, and retail revenue is budgeted to increase by \$82K.

Fees & Charges

1,425,414 10.47%

Landing fees are budgeted to increase due to increases in airfield expenses. Airfield expenses include: safety, administration, utilities, and airport fire/rescue services. These expenses are passed on to the various airlines and fixed base operators (FBO's) through the landing fees. The increases for landing fees are as follows: Signatory Airlines - \$537K, Non-Signatory Airlines - \$150K, Air Cargo - \$142K, and FBO's - \$72K. The increase in these fees is primarily being driven by an increase in contractual service costs (for example, the contract between the City and JAA for fire-rescue services at JIA is budgeted to increase by \$267K). Also, operating permits are increasing by \$196K, mostly due to a baggage handling company providing services to a new airline, Air Canada. Additionally, Cecil Common Area Maintenance Fees are budgeted to increase by \$150K, primarily due to a new rental agreement that was entered into with Flightstar in FY 2015/16 that was not budgeted. Revenue from ID badges is anticipated to increase by \$75K due to a new requirement that has been implemented to rebadge all badge holders every two years. Also, due to an increase in rental car activity, ground transportation security user fees are budgeted to increase by \$50K. This user fee is assessed at \$2 per rental car contract.

Space & Facility Rentals

(337,444) -1.28%

There is a budgeted decrease of \$658K due to the Navy moving out of Cecil Airport and no longer paying rent. This decrease is partially offset with an increase in general aviation ground rental revenue of \$127K. This is primarily due to rental agreements being entered into with Enterprise Leasing (\$35K) and Boeing (\$58K). Other Space and Facilities rent is budgeted to increase by \$98K, mostly due to CPI increases. This includes rent for storage space, the executive conference room, and terminal office space for TSA. Lastly, aircraft parking revenue is budgeted to increase by \$85K, due to increased activity by Allegiant and Air Canada.

Parking

1,188,301 6.32%

Parking revenues are budgeted to increase \$1.19M in FY 2016/17 due to the budgeted 9% increase in enplanements, which is based on the total projected enplanements in FY 2015/16, plus an additional 2.5%. There are no anticipated changes to parking rates in FY 2016/17.

JACKSONVILLE AVIATION AUTHORITY
ORIGINAL BUDGET FY 2015/2016 VERSUS PROPOSED BUDGET FY 2016/2017

EXPENDITURE OVERVIEW

Increase/(Decrease)	
\$	%
1,360,198	7.83%

Salaries

Total Salaries are increasing by \$1.36M, primarily due to an average 3.75% pay increase for non-union and union employees totaling \$604K. Also, JAA is adding seven new full-time employees totaling \$466K (see breakdown of these new positions below). Another seven positions are receiving pay increases totaling \$130K due to the positions being revised. The increase for one of these positions is due to it being converted from part-time to full-time. Lastly, additional compensation (which includes phone allowance, uniform allowance, etc.) and vehicle allowances are increasing by \$69K and \$13K respectively, due mainly to some of the revised positions now receiving these items.

New Position	Increase to Wages
HR Program Manager	85,000
Staff Accountant	49,000
Sr. Engineer, Design, & Const.	109,990
Director, Cecil Spaceport	115,000
Facilities Attendant	34,153
AOCC Specialist	39,915
AOCC Supervisor (approved for 1/2 the year)	33,305
Total	466,364

Benefits

263,995 3.72%

Employee benefits are increasing in part due to a \$119K budgeted increase in FICA taxes, due to increased salaries and the new positions. FRS pension costs are budgeted to increase by \$95K, mainly due to an increase in contribution rates and employee salaries. Health insurance and dental insurance are budgeted to increase by \$27K and \$28K respectively, due to an anticipated increase in rates, as well as the seven new positions.

Services & Supplies

384,373 2.57%

The increase in FY 2016/17 is mainly due to budgeted increases in contractual services totaling \$423K, consisting mainly of increases in the JIA fire-rescue services contract with the City, the outsourcing of wildlife mitigation services, and the baggage handling service provider contract. Operating equipment is budgeted to increase by \$236K, mainly due to the purchase of 65 police radios (45 handheld, 20 in-vehicle). The operating supplies budget is also expected to increase by \$66K. This represents supplies held in inventory for work orders. The increases are partially offset with a decrease of \$210K due to the removal of expenses relating to the Navy, as well as a reduction of \$114K in gas, oil and grease due to low fuel prices.

Promotion, Advertising and Dues

471,289 53.03%

Promotional airline incentives are increasing by \$463K. As an example, Allegiant Airlines' incentive is increasing by \$345K due to adding four new routes. Also, \$158K in incentives is budgeted for a new airline, Air Canada, who is providing air service out of JIA. Airline incentives include such items as subsidized rent for airlines' terminal space and other areas, in order to encourage increased air service and an expansion of markets serviced from Jacksonville. These increases are offset with a decrease of \$40K, which represents an airline incentive to JetBlue which has expired.

**JACKSONVILLE AVIATION AUTHORITY
ORIGINAL BUDGET FY 2015/2016 VERSUS PROPOSED BUDGET FY 2016/2017**

EXPENDITURE OVERVIEW (CONTINUED)

Cost of Goods for Sale

Fuel is purchased for resale to companies that operate vehicles on the airfield. These costs have been lower than budgeted in FY 2015/16 due to a decline in fuel sales, and are projected to finish more than 17% under budget in FY 2015/16. The FY 2016/17 budgeted amount is based on FY2015/16 projections, plus a 5% increase. Revenues from fuel sales are included in the "Sale of Utilities" line item.

Increase/(Decrease)	
\$	%
(75,798)	-12.99%

Utilities, Taxes & Gov't Fees

Electricity costs are budgeted to decrease by \$298K due to continued efforts to reduce the use of electricity by JAA, such as installing LED lights, induction lighting, motion sensors, computer systems that automatically turn on and off based on use and time of day, and more energy efficient air conditioning units.

(297,986) -5.62%

NON-OPERATING REVENUE (EXPENDITURE) OVERVIEW

Investment Income

The decrease of \$161K in interest income is the result of the defeasance of the 2006 Revenue Bonds in July 2016, which resulted in the elimination of various bond accounts that had been earning interest. Interest rates are budgeted to remain relatively constant compared to FY 2015/16.

\$ (161,756) -17.86%

Other Revenue

Other revenues are increasing mainly due to an increase in timber sales of \$421K. Timber sales tend to vary from year-to-year. The increases are partially offset with a \$125K decrease in Federal Forfeiture revenues, which JAA does not anticipate receiving in FY 2016/17.

302,414 49.95%

Other Expenditures

Expenses related to timber are budgeted to increase by \$187K due to an increase in timber cuts. This increase is partially offset with a decrease of \$125K due to a reduction in the expensing of costs related to capital projects that do not move forward, based on prior actual expenses.

64,293 18.56%

Debt Service

The decrease in Debt Service is mainly due to a reduction in interest of \$1.8M as a result of the 2006 Revenue Bonds being converted to a 2016 Revenue Note. The bonds were budgeted at an interest rate of 5% in FY 2015/16. The FY 2016/17 budgeted interest rate for the 2016 Revenue Note is 2%.

(1,931,271) -12.01%

**JACKSONVILLE AVIATION AUTHORITY
JACKSONVILLE, FLORIDA
FY 2016/2017 BUDGET**

OPERATING REVENUES	
Concessions	\$ 17,037,151
Fees & Charges	15,034,042
Space & Facility Rentals	26,109,313
Parking	20,001,582
Sale of Utilities	1,564,754
Other Miscellaneous Operating Revenue	178,389
TOTAL OPERATING REVENUES	\$ 79,925,231
OPERATING EXPENDITURES	
Salaries	\$ 18,721,563
Benefits	7,369,821
Services and Supplies	15,325,418
Repairs & Maintenance	2,109,407
Promotion, Advertising and Dues	1,359,995
Registrations & Travel	371,892
Insurance Expense	1,322,846
Cost of Goods for Sale	507,826
Utilities, Taxes & Gov't Fees	5,005,375
Operating Contingency	2,000,000
TOTAL OPERATING EXPENDITURES	\$ 54,094,143
OPERATING INCOME	\$ 25,831,088
NON-OPERATING REVENUES	
Passenger Facility Charge	\$ 12,033,483
Investment Income	743,722
Other Revenues	907,850
TOTAL NON-OPERATING REVENUES	\$ 13,685,055
NON-OPERATING EXPENDITURES	
Debt Service	\$ 14,145,933
Other Expenditures	410,711
TOTAL NON-OPERATING EXPENDITURES	\$ 14,556,644
NET INCOME BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS	\$ 24,959,499
Transfer (to)/from Operating Capital Outlay	\$ (11,204,913)
Transfer (to)/from Passenger Facility Charge Reserve	(12,033,483)
Transfer (to)/from Retained Earnings	(1,721,103)
SURPLUS/(DEFICIT)	\$ 0
TOTAL REVENUES	\$ 93,610,286
TOTAL APPROPRIATIONS	\$ 93,610,286
FULLTIME POSITIONS	286
TEMPORARY EMPLOYEE HOURS	5,460

JACKSONVILLE AVIATION AUTHORITY
CAPITAL BUDGET
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2017

Airport	Description	FUNDING SOURCES					Budget 2017 Total Capital Commitments
		JAA	PFC	FAA GRANTS	FDOT GRANTS	OTHER	
Jacksonville International Airport	Design and Construct Hangar					6,000,000	6,000,000
	Consolidated Maintenance & Warehouse Facility	1,700,000		300,000	1,700,000		3,700,000
	CCTV (final funding)	2,500,000	500,000				3,000,000
	8/26 and 14/32 Pavement and Marking Rehab	250,000		750,000			1,000,000
	Terminal Air Handler Replacement (PH 3&4 of 5)	825,000					825,000
	JIA HVAC Management System Upgrade	800,000					800,000
	Emergency Operations Center (final funding)		444,000				444,000
	Roof Rehab (Design Only)	300,000					300,000
	Garage Signage (final funding)	270,000					270,000
	JAX Air Cargo Exterior Lighting Rehab	225,000					225,000
	Consolidated Rental Car Study	150,000					150,000
	Garage Structural Condition Survey	100,000					100,000
	Small Capital Under \$100,000	763,400					763,400
		7,883,400	944,000	1,050,000	1,700,000	6,000,000	17,577,400
Cecil Airport	Design and Construct Hangar					6,000,000	6,000,000
	Fire Station 56				1,631,513	1,631,513	3,263,026
	Eastside Utility Corridor Phase 2	625,000			2,500,000		3,125,000
	Runway 9L/27R Rehab	600,000			600,000		1,200,000
	Eastside Infrastructure: Approach Road	506,513			506,513		1,013,026
	Taxiway D (B to A1) & West Ramp Rehab	80,000		720,000			800,000
	PAPI, REIL and RSA Improvements	195,000		405,000			600,000
	Eastside Infrastructure: Purchase and Install Modular Building	150,000			150,000		300,000
	Small Capital Under \$100,000	70,000					70,000
		2,226,513	0	1,125,000	5,388,026	7,631,513	16,371,052
Jacksonville Executive at Craig Airport	Terminal Access Road & Parking Rehab	60,000		540,000			600,000
	South Access Road	300,000			300,000		600,000
	Small Capital Under \$100,000	135,000					135,000
		495,000	0	540,000	300,000	0	1,335,000
Herlong Recreational Airport	Runway 11/29 & TXWY C&D Rehab	540,000			2,160,000		2,700,000
	Small Capital Under \$100,000	60,000					60,000
		600,000	0	0	2,160,000	0	2,760,000
Total Capital		11,204,913	944,000	2,715,000	9,548,026	13,631,513	38,043,452

SCHEDULE H

Council Auditor's Office
Recommendations
Jacksonville Aviation Authority
Proposed FY 2016/17 Budget

RECOMMENDATIONS:

1. Revise budget ordinance Schedule G (Operating Budget) to decrease the expenditure line "Services and Supplies" by \$119,167 for a revised total of \$15,206,251, and to increase the expenditure line "Operating Contingency" by \$119,167 for a revised total of \$2,119,167. The \$119,167 is the net amount of two different changes. The first change is a reduction to Services & Supplies (and increase to Operating Contingency) of \$137,917. This is the amount that JAA overbudgeted for JIA fire-rescue services. Because JAA's budget was approved by its board of directors before the City budget was finalized, JAA did not have the most up-to-date 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. The second change is an increase to Services & Supplies (and decrease to Operating Contingency) of \$18,750, which represents JAA's contribution to the funding of the Office of Inspector General. Because this amendment results in the decrease of one operating expense line item and an increase in another operating expense line item for the same amount, there is no change to JAA's total appropriations budget.

2. Revise budget ordinance Schedule G (Operating Budget) to decrease the transfer going out under the line item "Transfer (to)/from Passenger Facility Charge Reserve" by \$6,717,108 for a revised total of \$5,316,375 and increase the transfer going out under line item "Transfer (to)/from Retained Earnings" by \$6,717,108 for a revised total of \$8,438,211. The PFC transfer amount in JAA's original budget submission did not account for the various costs that are paid out of this reserve, although the costs themselves were included in the operating and non-operating budget. Because this amendment results in the decrease of one transfer and an increase in another transfer for the same amount, there is no change to JAA's total appropriations budget.

3. Revise budget ordinance Schedule H (Capital Budget) to increase the "Other" contribution for the "Fire Station 56" project under Cecil Airport by \$536,974 for a revised total of \$2,168,487. This represents the City's contribution to the Fire Station 56 project and the amendment is needed in order to reflect the actual amount the City will be contributing to the project. This in turn will result in the total budgeted cost of this project increasing to \$3,800,000.

JAA concurs with each of our recommendations.

**JACKSONVILLE AVIATION AUTHORITY
JACKSONVILLE, FLORIDA
FY 2016/2017 BUDGET**

OPERATING REVENUES	
Concessions	\$ 17,037,151
Fees & Charges	15,034,042
Space & Facility Rentals	26,109,313
Parking	20,001,582
Sale of Utilities	1,564,754
Other Miscellaneous Operating Revenue	178,389
TOTAL OPERATING REVENUES	\$ 79,925,231
OPERATING EXPENDITURES	
Salaries	\$ 18,721,563
Benefits	7,369,821
Services and Supplies	15,206,251
Repairs & Maintenance	2,109,407
Promotion, Advertising and Dues	1,359,995
Registrations & Travel	371,892
Insurance Expense	1,322,846
Cost of Goods for Sale	507,826
Utilities, Taxes & Gov't Fees	5,005,375
Operating Contingency	2,119,167
TOTAL OPERATING EXPENDITURES	\$ 54,094,143
OPERATING INCOME	\$ 25,831,088
NON-OPERATING REVENUES	
Passenger Facility Charge	\$ 12,033,483
Investment Income	743,722
Other Revenues	907,850
TOTAL NON-OPERATING REVENUES	\$ 13,685,055
NON-OPERATING EXPENDITURES	
Debt Service	\$ 14,145,933
Other Expenditures	410,711
TOTAL NON-OPERATING EXPENDITURES	\$ 14,556,644
NET INCOME BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS	\$ 24,959,499
Transfer (to)/from Operating Capital Outlay	\$ (11,204,913)
Transfer (to)/from Passenger Facility Charge Reserve	(5,316,375)
Transfer (to)/from Retained Earnings	(8,438,211)
SURPLUS/(DEFICIT)	\$ -
TOTAL REVENUES	\$ 93,610,286
TOTAL APPROPRIATIONS	\$ 93,610,286
FULLTIME POSITIONS	286
TEMPORARY EMPLOYEE HOURS	5,460

JACKSONVILLE AVIATION AUTHORITY
CAPITAL BUDGET
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2017

Airport	Description	FUNDING SOURCES					Budget 2017 Total Capital Commitments
		JAA	PFC	FAA GRANTS	FDOT GRANTS	OTHER	
Jacksonville International Airport	Design and Construct Hangar					6,000,000	6,000,000
	Consolidated Maintenance & Warehouse Facility	1,700,000		300,000	1,700,000		3,700,000
	CCTV (final funding)	2,500,000	500,000				3,000,000
	8/26 and 14/32 Pavement and Marking Rehab	250,000		750,000			1,000,000
	Terminal Air Handler Replacement (PH 3&4 of 5)	825,000					825,000
	JIA HVAC Management System Upgrade	800,000					800,000
	Emergency Operations Center (final funding)		444,000				444,000
	Roof Rehab (Design Only)	300,000					300,000
	Garage Signage (final funding)	270,000					270,000
	JAX Air Cargo Exterior Lighting Rehab	225,000					225,000
	Consolidated Rental Car Study	150,000					150,000
	Garage Structural Condition Survey	100,000					100,000
	Small Capital Under \$100,000	763,400					763,400
		7,883,400	944,000	1,050,000	1,700,000	6,000,000	17,577,400
Cecil Airport	Design and Construct Hangar					6,000,000	6,000,000
	Fire Station 56				1,631,513	2,168,487	3,800,000
	Eastside Utility Corridor Phase 2	625,000			2,500,000		3,125,000
	Runway 9L/27R Rehab	600,000			600,000		1,200,000
	Eastside Infrastructure: Approach Road	506,513			506,513		1,013,026
	Taxiway D (B to A1) & West Ramp Rehab	80,000		720,000			800,000
	PAPI, REIL and RSA Improvements	195,000		405,000			600,000
	Eastside Infrastructure: Purchase and Install Modular Building	150,000			150,000		300,000
	Small Capital Under \$100,000	70,000					70,000
		2,226,513	0	1,125,000	5,388,026	8,168,487	16,908,026
Jacksonville Executive at Craig Airport	Terminal Access Road & Parking Rehab	60,000		540,000			600,000
	South Access Road	300,000			300,000		600,000
	Small Capital Under \$100,000	135,000					135,000
		495,000	0	540,000	300,000	0	1,335,000
Herlong Recreational Airport	Runway 11/29 & TXWY C&D Rehab	540,000			2,160,000		2,700,000
	Small Capital Under \$100,000	60,000					60,000
		600,000	0	0	2,160,000	0	2,760,000
Total Capital		11,204,913	944,000	2,715,000	9,548,026	14,168,487	38,580,426

REVISED SCHEDULE H

**JACKSONVILLE PORT AUTHORITY
COMPARISON OF BUDGETS
ANALYSIS OF FY 2016/2017 PROPOSED BUDGET**

	<u>Operating & Non-Operating</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total</u>
FY 2015/2016 Original	\$ 41,823,289	\$ 21,152,343	\$ 94,618,389	\$ 157,594,021
FY 2016/2017 Proposed	\$ 42,749,776	\$ 21,174,847	\$ 127,120,500	\$ 191,045,123
\$ Increase (Decrease)	\$ 926,487	\$ 22,504	\$ 32,502,111	\$ 33,451,102
% Increase (Decrease)	2.22%	0.11%	34.35%	21.23%

NOTE: The FY 2016/2017 Proposed Budget includes 170 full time positions (the same as FY 2015/2016) and 5200 part-time hours, which is a decrease from 7,867 part-time hours in FY 2015/2016.

JACKSONVILLE PORT AUTHORITY
ANALYSIS OF FY 2016/2017 OPERATING BUDGET

	2015/2016 ORIGINAL BUDGET	2015/2016 YTD as of May 31, 2015	2015/2016 PROJECTED (per JPA)	2016/2017 PROPOSED BUDGET	% Increase (Decrease) of 2016/2017 JPA Budget Over 2015/2016 ORIGINAL	
OPERATING REVENUES						
Containers	25,390,329	18,045,772	26,741,952	27,885,359	2,495,030	9.83%
Autos	\$ 18,552,688	\$ 11,667,778	\$ 17,262,847	\$ 18,207,793	\$ (344,895)	-1.86%
Break Bulk	4,063,562	2,831,711	4,246,255	4,213,526	149,964	3.69%
Cruise	4,487,953	3,504,002	4,658,384	4,596,703	108,750	2.42%
Liquid Bulk	1,303,171	809,252	1,211,084	1,190,232	(112,939)	-8.67%
Dry Bulk	1,809,493	1,202,325	1,651,082	1,758,705	(50,788)	-2.81%
Other Operating Revenues	2,079,485	1,768,188	2,348,893	2,112,091	32,606	1.57%
TOTAL OPERATING REVENUES	\$ 57,686,681	\$ 39,829,028	\$ 58,120,497	\$ 59,964,409	\$ 2,277,728	3.95%
OPERATING EXPENDITURES						
Salaries	\$ 11,749,018	\$ 7,748,868	\$ 11,316,692	\$ 12,082,336	\$ 333,318	2.84%
Employee Benefits	4,704,121	2,697,162	4,440,531	4,717,225	13,104	0.28%
Services & Supplies	4,246,520	2,474,782	3,697,814	4,103,002	(143,518)	-3.38%
Security Services	4,150,000	2,739,994	4,136,034	4,239,434	89,434	2.16%
Business Travel & Training	542,791	261,203	498,228	532,321	(10,470)	-1.93%
Promotion, Advertising, Dues	1,064,092	719,282	1,075,001	1,021,517	(42,575)	-4.00%
Utility Services	1,104,748	580,741	993,342	1,051,153	(53,595)	-4.85%
Repairs & Maintenance Projects	1,610,453	940,583	1,534,755	1,699,252	88,799	5.51%
Dredging	2,435,000	1,976,005	2,885,593	2,662,258	227,258	9.33%
Other Operating Expenditures	156,271	108,170	163,193	149,691	(6,580)	-4.21%
TOTAL OPERATING EXPENDITURES	\$ 31,763,014	\$ 20,246,789	\$ 30,741,183	\$ 32,258,189	\$ 495,175	1.56%
OPERATING INCOME	\$ 25,923,667	\$ 19,582,240	\$ 27,379,313	\$ 27,706,220	\$ 1,782,553	6.88%
NON-OPERATING REVENUES/(EXPENDITURES)						
Investment Income	121,603	113,046	136,267	263,375	141,772	116.59%
Shared Revenue from Primary Govt	5,163,488	3,321,639	5,098,821	3,692,980	(1,470,508)	-28.48%
Other Revenue	3,860	11,176	10,103	3,860	-	0.00%
Debt Service	\$ (21,152,343)	\$ (13,531,359)	\$ (30,729,405)	\$ (21,174,847)	22,504	0.11%
Contributions to Tenant	(1,901,700)	(1,010,035)	(1,714,129)	(1,753,177)	(148,523)	-7.81%
Other Claims & Recoveries	(2,050,000)	(62,036)	(100,000)	-	(2,050,000)	-100.00%
Litigation Claim Settlement	-	-	10,250,000	-	-	N/A
Crane Relocation	-	-	-	(1,500,000)	1,500,000	N/A
Other Expenditures	(8,575)	(5,809)	(6,452)	(8,575)	-	0.00%
NET INCOME BEFORE OPERATING CAPITAL OUTLAY AND CONTINGENCY	\$ 6,100,000	\$ 8,418,862	\$ 10,324,518	\$ 7,229,835	\$ 1,129,835	18.52%
TRANSFER TO OPERATING CAPITAL OUTLAY	\$ (6,100,000)	\$ (8,418,862)	\$ (10,324,518)	\$ (7,229,835)	(1,129,835)	-18.52%
SURPLUS/(DEFICIT)	\$ -	\$ - 81 -	\$ -	\$ -	\$ -	

JACKSONVILLE PORT AUTHORITY
FY 2015/2016 ORIGINAL BUDGET VS. FY 2016/2017 PROPOSED BUDGET

OPERATING REVENUE OVERVIEW	Increase/(Decrease)	
	\$	%
Containers	\$ 2,495,030	9.83%
Growth for the following customers: Tote Maritime due to increased market share from Puerto Rico, Trapac due to a new shipping line relocating to Trapac's facility and SSA Marine developing it's international cargo business at Blount Island Marine Terminal.		
Break Bulk	\$ 149,964	3.69%
Increase in paper and other products projected for FY 2016-17.		
Cruise	\$ 108,750	2.42%
The increase is due to current trends in FY 2015-16 that have exceeded budget and JPA expects to see continue in FY 2016 - 17.		
Liquid Bulk	\$ (112,939)	-8.67%
Reduced volumes of fructose and caustic soda are being projected for FY 2016-17 based on trends provided to JPA by the tenants.		
OPERATING EXPENDITURE OVERVIEW	\$	%
Salaries	\$ 333,318	2.84%
Represents a 3% salary increase for both union and non-union employees.		
Utilities	\$ (53,595)	-4.85%
Decrease in portwide electrical costs due to cost saving measures such as changing the high mast lights at Talleyrand Marine Terminal to LED in conjunction with JEA. This has provided better lighting at reduced cost.		
Repairs & Maintenance	\$ 88,799	5.51%
Increase is due to terminal pavement repairs at Blount Island and crane maintenance costs.		
Dredging	\$ 227,258	9.33%
The increase is due to cubic yards increasing to 180,000 CY (verses 165,000 CY budgeted for in FY 2015/2016) in addition to a rate increase from bids received from the dredging contractor.		

JACKSONVILLE PORT AUTHORITY
FY 2015/2016 ORIGINAL BUDGET VS. FY 2016/2017 PROPOSED BUDGET

NON-OPERATING REVENUES/(EXPENDITURES) OVERVIEW	Increase/(Decrease)	
	\$	%
Investment Income	\$ 141,772	116.59%
The increase in investment income is due to a shift from bank money market funds to municipal bond, government agency and corporate bond funds implemented in the second half of FY 2015/16		
Shared Revenue from Primary Gov't	\$ (1,470,509)	-28.48%
The decrease is due to projected Telecommunications Tax received by the City being less than last year as well as increased debt service amounts for the bonds that were issued by the City on behalf of JPA. The total budgeted FY 2016/17 City financial assistance to JPA is \$10,242,884, consisting of debt service of \$7,246,814 plus cash payments of \$2,996,070. (See Recommendations)		
(Contributions to Tenant)	\$ (148,525)	-7.81%
The decrease is the tenant's contract is volume based. JPA is projecting the tenant will receive 7,000 fewer vehicles for FY 2016/17 as compared to FY 2015/16.		
(Other Claims & Recoveries)	\$ (2,050,000)	-100.00%
The current year budget amount was for a litigation claim which was settled in FY 2015/16; therefore no amount is needed for Other Claims & Recoveries in the proposed budget.		
(Crane Relocation)	\$ 1,500,000	N/A
This funding is for the relocation of two cranes from Blount Island to Talleyrand Terminal in preparation for Crowley's move to the TMT Terminal in 2017.		
Transfer to Operating Capital Outlay	\$ 1,129,835	18.52%
Revenues in excess of expenditures are budgeted as pay-go for the Capital Budget.		

**JACKSONVILLE PORT AUTHORITY
FY 2016/2017 BUDGET**

OPERATING REVENUES	
Autos	\$ 18,207,793
Containers	27,885,359
Break Bulk	4,213,526
Cruise	4,596,703
Liquid Bulk	1,190,232
Dry Bulk	1,758,705
Other Operating Revenues	<u>2,112,091</u>
TOTAL OPERATING REVENUES	<u>\$ 59,964,409</u>
OPERATING EXPENDITURES	
Salaries	\$ 12,082,336
Employee Benefits	4,717,225
Services & Supplies	4,103,002
Security Services	4,239,434
Business Travel & Training	532,321
Promotion, Advertising, Dues	1,021,517
Utility Services	1,051,153
Repairs & Maintenance Projects	1,699,252
Dredging	2,662,258
Other Operating Expenditures	<u>149,691</u>
TOTAL OPERATING EXPENDITURES	<u>\$ 32,258,189</u>
OPERATING INCOME	<u>\$ 27,706,220</u>
NON-OPERATING REVENUES	
Investment Income	\$ 263,375
Shared Revenue from Primary Govt	3,692,980
Other Revenue	<u>3,860</u>
TOTAL NON-OPERATING REVENUES	<u>\$ 3,960,215</u>
NON-OPERATING EXPENDITURES	
Debt Service	\$ 21,174,847
Contributions to Tenant	1,753,177
Crane Relocation	1,500,000
Other Expenditures	<u>8,575</u>
TOTAL NON-OPERATING EXPENDITURES	<u>\$ 24,436,600</u>
NET INCOME BEFORE OPERATING CAPITAL OUTLAY AND CONTINGENCY	<u>\$ 7,229,835</u>
Transfer to Operating Capital Outlay	<u>\$ (7,229,835)</u>
SURPLUS/(DEFICIT)	<u>\$ -</u>
TOTAL REVENUES & TRANSFERS IN	<u>\$ 63,924,624</u>
TOTAL APPROPRIATIONS	<u>\$ 63,924,624</u>
Full Time Positions	<u>170</u>
Temporary Employee Hours	<u>5,200</u>

Jacksonville Port Authority

Capital Projects - Budget 2016-2017 PROPOSED

Location	Description	STATE	FEDERAL	TENANT CONTRIBUTION	JPA OPERATING FUNDS	CASH RESERVE	JPA FINANCING	Amount
Blount Island	Three (3) 100 Gauge Container Cranes	10,000,000						\$ 10,000,000
	Tenant Parking Improvements				225,085		2,474,915	\$ 2,700,000
	Rehabilitate Wharf Structures (BERTH 35)	2,500,000						\$ 2,500,000
	Auto Processing Improvements	750,000		1,250,000				\$ 2,000,000
	Roof Replacement (Amparts Bldg/Volkswagen)				300,000			\$ 300,000
	Upgrade IHI 2253	125,000						\$ 250,000
	Berth 20 Yokohama Fendering System				225,000			\$ 225,000
	Tenant Asphalt Facility Rehab				100,000			\$ 100,000
	Breasting Dolphin for Berth 22				100,000			\$ 100,000
	Total Blount Island	\$ 13,375,000	\$ -	\$ 1,250,000	\$ 1,075,085	\$ -	\$ 2,474,915	\$ 18,175,000
Dames Point	Dames Point Ro/Ro Development PH1			5,900,000				\$ 5,900,000
	MOL/Trapac Asphalt Rehab					2,000,000		\$ 2,000,000
	Intermodal Cargo Transfer Facility (ICTF)	750,000						\$ 750,000
	Total Dames Point	\$ 750,000	\$ -	\$ 5,900,000	\$ -	\$ 2,000,000	\$ -	\$ 8,650,000
Talleyrand	Wood Pellet Operation Development		24,000,000					\$ 24,000,000
	Rehabilitate Wharf Structures - Berths 7 & 8	9,850,000			1,150,000			\$ 11,000,000
	Auto Processing Terminal Improvements			3,900,000				\$ 3,900,000
	Rehabilitate Under Deck Concrete	1,500,000			500,000			\$ 2,000,000
	Tenant Improvements (Security Plaza) - Crowley	500,000			500,000			\$ 1,000,000
	S.E.T. Warehouse Improvements				825,000			\$ 825,000
	Tenant Improvements (Aisle F / Asphalt) - Crowley	250,000			250,000			\$ 500,000
	Resurface Leased Areas - TMT				100,000			\$ 100,000
	Pump & Treat System for Environmental Compliance				75,000			\$ 75,000
	Reefer Row Upgrade of Plug Replacements				75,000			\$ 75,000
	Total Talleyrand	\$ 12,100,000	\$ 24,000,000	\$ 3,900,000	\$ 3,475,000	\$ -	\$ -	\$ 43,475,000
Port Related	Harbor Deepening GRRII	31,600,000					15,000,000	\$ 46,600,000
	Freshwater Mitigation Land Acquisition						3,000,000	\$ 3,000,000
	Saltwater Marsh Mitigation Land Acquisition						500,000	\$ 500,000
	Land Acquisition						1,600,000	\$ 1,600,000
	Billing System Upgrade				750,000			\$ 750,000
	Mile Point Navigation Project	614,500						\$ 614,500
	Capitalize In-House Engineering Services				400,000			\$ 400,000
	FY15 & FY16 Federal Security Grant Projects							
	* Physical Security Enhancements (Fiber,Conduit, Cameras)		412,500		137,500			\$ 550,000
	* CBRNE Marine Vessel		255,000		85,000			\$ 340,000
	* (IT) Cybersecurity Risk/Vulnerability Assessment		195,000		65,000			\$ 260,000
	* Port-Wide Interoperable Communication Sustainment		75,000		25,000			\$ 100,000
	* Public Safety Vehicles (4)		45,000		15,000			\$ 60,000
	* Hi Mast Light in SSA/Amparts Yard		63,750		21,250			\$ 85,000
	Total Miscellaneous	\$ 32,214,500	\$ 1,046,250	\$ -	\$ 1,498,750	\$ -	\$ 20,100,000	\$ 54,859,500
	Total Other Capital (detail below)	\$ -	\$ -	\$ 780,000	\$ 1,181,000	\$ -	\$ -	\$ 1,961,000
TOTAL CAPITAL PROJECTS		\$ 58,439,500	\$ 25,046,250	\$ 11,830,000	\$ 7,229,835	\$ 2,000,000	\$ 22,574,915	\$ 127,120,500

OTHER CAPITAL PROJECTS

Spreader Bars for Cranes		\$ 780,000						\$ 780,000
Upgrade Hanjung Apex Connections					250,000			\$ 250,000
Hanjung Complete Generator Set Rebuild (8811) (BI)					225,000			\$ 225,000
Bromma STR45 Container Spreader Replacement (BI)					195,000			\$ 195,000
Weight Load System (Crane 3805)					186,000			\$ 186,000
Hanjung Elevator Upgrade (8810, 8811, 8841) (BI)					160,000			\$ 160,000
Mechanic Shop Upgrade (Equipment & Vehicle Lift) (BI)					85,000			\$ 85,000
Repair Hanjung Cracked Trolley Rail (8844) TMT					50,000			\$ 50,000
(IT) Hardware/Software Upgrades					20,000			\$ 20,000
Elevator Safety Devices - TMT					10,000			\$ 10,000
Total Other Capital	\$ -	\$ -	\$ -	\$ 780,000	\$ 1,181,000	\$ -	\$ -	\$ 1,961,000

SCHEDULE J

**COUNCIL AUDITOR'S OFFICE
RECOMMENDATIONS
JACKSONVILLE PORT AUTHORITY
PROPOSED BUDGET FY 2016/2017**

AUDITOR 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 increase the "Debt Service" line under "Non-Operating Expenditures" on Schedule I by \$1 from \$21,174,847 to \$21,174,848 on REVISED Schedule I. This will correct the rounding errors in the Non-Operating Expenditures. JPA concurs.
2. To decrease the "Shared Revenue from Primary Govt" line under "Non-Operating Revenues" on Schedule I by \$696,910 from \$3,692,980 to \$2,996,070 on REVISED Schedule I. This amount will be in agreement with the amount the Finance Committee amended at its' August 11, 2016 Budget Hearing that will be paid to JPA. We also recommend that JPA decrease the "Transfer to Operating Capital Outlay" line item on Schedule I by \$696,910 from \$7,229,835 to 6,532,925 on REVISED Schedule I. This will balance the revenues and expenditures for JPA's budget. JPA concurs.
3. Rename "SET Warehouse Improvements" as "Tenant Warehouse Improvements" on Schedule J. Reduce JPA Operating Funds by \$696,910 from \$825,000 to \$128,090. Increase JPA Financing from \$0 to \$696,910. JPA concurs.
4. We recommend removing and replacing Schedule J with Revised Schedule J to include formatting changes made for consistency purposes. JPA concurs.
5. We recommend removing and replacing Sections 4.1 and 4.2 of the Budget Ordinance narrative with revised Sections 4.1 and 4.2, which inserts "REVISED" before Schedule I and Schedule J as well as clarifies the transfer language to the Florida Retirement System. JPA concurs.

JPA REQUEST:

6. JPA is requesting to change the funding source for "Wood Pellet Operation Development" from Federal to JPA Financing because it did not receive the federal grant it applied for.
7. JPA has requested to replace all tenant names as seen on Schedule J with generic names as seen on REVISED Schedule J.

**JACKSONVILLE PORT AUTHORITY
FY 2016/2017 BUDGET**

OPERATING REVENUES	
Containers	27,885,359
Autos	\$ 18,207,793
Break Bulk	4,213,526
Cruise	4,596,703
Liquid Bulk	1,190,232
Dry Bulk	1,758,705
Other Operating Revenues	2,112,091
	<u>\$ 59,964,409</u>
OPERATING EXPENDITURES	
Salaries	\$ 12,082,336
Employee Benefits	4,717,225
Services & Supplies	4,103,002
Security Services	4,239,434
Business Travel & Training	532,321
Promotion, Advertising, Dues	1,021,517
Utility Services	1,051,153
Repairs & Maintenance Projects	1,699,252
Dredging	2,662,258
Other Operating Expenditures	149,691
	<u>\$ 32,258,189</u>
TOTAL OPERATING EXPENDITURES	<u>\$ 32,258,189</u>
OPERATING INCOME	<u>\$ 27,706,220</u>
NON-OPERATING REVENUES	
Investment Income	\$ 263,375
Shared Revenue from Primary Govt	2,996,070
Other Revenue	3,860
TOTAL NON-OPERATING REVENUES	<u>\$ 3,263,305</u>
NON-OPERATING EXPENDITURES	
Debt Service	\$ 21,174,848
Contributions to Tenant	1,753,177
Crane Relocation	1,500,000
Other Expenditures	8,575
TOTAL NON-OPERATING EXPENDITURES	<u>\$ 24,436,600</u>
NET INCOME BEFORE OPERATING CAPITAL OUTLAY AND CONTINGENCY	<u>\$ 6,532,925</u>
Transfer to Operating Capital Outlay	<u>\$ (6,532,925)</u>
SURPLUS/(DEFICIT)	<u>\$ -</u>
TOTAL REVENUES	<u>\$ 63,227,714</u>
TOTAL APPROPRIATIONS	<u>\$ 63,227,714</u>
Full Time Positions	
	<u>170</u>
Temporary Employee Hours	
	<u>5,200</u>

Jacksonville Port Authority

Capital Projects - Budget 2016-2017 PROPOSED

Location	Description	STATE	FEDERAL	CUSTOMER CONTRIBUTION	JPA OPERATING FUNDS	CASH RESERVE FROM SETTLEMENT	JPA FINANCING	Amount
Blount Island	Three (3) 100 Gauge Container Cranes	10,000,000						\$ 10,000,000
	Tenant Parking Improvements				225,085		2,474,915	\$ 2,700,000
	Rehabilitate Wharf Structures (BERTH 35)	2,500,000						\$ 2,500,000
	Auto Processing Improvements	750,000		1,250,000				\$ 2,000,000
	Roof Replacement				300,000			\$ 300,000
	Upgrade IHI Crane #2253	125,000			125,000			\$ 250,000
	Berth 20 Yokohama Fendering System				225,000			\$ 225,000
	Tenant Asphalt Facility Rehab				100,000			\$ 100,000
	Breasting Dolphin for Berth 22				100,000			\$ 100,000
	Total Blount Island	\$ 13,375,000	\$ -	\$ 1,250,000	\$ 1,075,085	\$ -	\$ 2,474,915	\$ 18,175,000
Dames Point	Dames Point Ro/Ro Development Phase 1			5,900,000				\$ 5,900,000
	Tenant Asphalt Rehab					2,000,000		\$ 2,000,000
	Intermodal Cargo Transfer Facility (ICTF)	750,000						\$ 750,000
	Total Dames Point	\$ 750,000	\$ -	\$ 5,900,000	\$ -	\$ 2,000,000	\$ -	\$ 8,650,000
Talleyrand	Wood Pellet Operation Development - New Business						24,000,000	\$ 24,000,000
	Rehabilitate Wharf Structures - Berths 7 & 8	9,850,000			1,150,000			\$ 11,000,000
	Auto Processing Terminal Improvements			3,900,000				\$ 3,900,000
	Rehabilitate Under Deck Concrete	1,500,000			500,000			\$ 2,000,000
	Tenant Improvements (Security Plaza)	500,000			500,000			\$ 1,000,000
	Tenant Warehouse Improvements				128,090		696,910	\$ 825,000
	Tenant Improvements (Aisle F / Asphalt)	250,000			250,000			\$ 500,000
	Resurface Leased Areas - TMT				100,000			\$ 100,000
	Pump & Treat System for Environmental Compliance				75,000			\$ 75,000
	Reefer Row Upgrade of Plug Replacements				75,000			\$ 75,000
	Total Talleyrand	\$ 12,100,000	\$ -	\$ 3,900,000	\$ 2,778,090	\$ -	\$ 24,696,910	\$ 43,475,000
Port Related	Harbor Deepening	31,600,000					15,000,000	\$ 46,600,000
	Freshwater Mitigation Land Acquisition related to Harbor Deepening						3,000,000	\$ 3,000,000
	Saltwater Marsh Mitigation Land Acquisition related to Harbor Deepening						500,000	\$ 500,000
	Land Acquisition (Port Expansion)						1,600,000	\$ 1,600,000
	Billing System Upgrade				750,000			\$ 750,000
	Mile Point Navigation Project	614,500						\$ 614,500
	Capitalize In-House Engineering Services				400,000			\$ 400,000
	Federal Security Grant Projects							
	* Physical Security Enhancements (Fiber, Conduit, Cameras)		412,500		137,500			\$ 550,000
	* Marine Vessel (Security Boat)		255,000		85,000			\$ 340,000
	* (IT) Cybersecurity Risk/Vulnerability Assessment		195,000		65,000			\$ 260,000
	* Port-Wide Interoperable Communication Sustainment		75,000		25,000			\$ 100,000
	* Public Safety Vehicles (4 SUV's)		45,000		15,000			\$ 60,000
	* Hi Mast Light in SSA/Amports Yard		63,750		21,250			\$ 85,000
	Total Miscellaneous	\$ 32,214,500	\$ 1,046,250	\$ -	\$ 1,498,750	\$ -	\$ 20,100,000	\$ 54,859,500
Other Capital	Spreader Bars for Cranes			780,000				\$ 780,000
	Upgrade Hanjung Apex Connections				250,000			\$ 250,000
	Hanjung Complete Generator Set Rebuild (8811) (BI)				225,000			\$ 225,000
	Bromma STR45 Container Spreader Replacement (BI)				195,000			\$ 195,000
	Weight Load System (Crane 3805)				186,000			\$ 186,000
	Hanjung Elevator Upgrade (8810, 8811, 8841) (BI)				160,000			\$ 160,000
	Mechanic Shop Upgrade (Equipment & Vehicle Lift) (BI)				85,000			\$ 85,000
	Repair Hanjung Cracked Trolley Rail (8844) TMT				50,000			\$ 50,000
	(IT) Hardware/Software Upgrades				20,000			\$ 20,000
	Elevator Safety Devices - TMT				10,000			\$ 10,000
	Total Other Capital	\$ -	\$ -	\$ 780,000	\$ 1,181,000	\$ -	\$ -	\$ 1,961,000
TOTAL CAPITAL PROJECTS		\$ 58,439,500	\$ 1,046,250	\$ 11,830,000	\$ 6,532,925	\$ 2,000,000	\$ 47,271,825	\$ 127,120,500

1 funds are available. Once cumulative transfers between **Schedule G**
2 and **Schedule H** exceed \$50,000, City Council approval must be
3 obtained. There shall be provided to the Council Auditor, within
4 twenty-four hours after Board approval, a copy of the written
5 documentation of all proposed additional appropriations of funds.
6 JAA shall not make any budget transfers related to any runway
7 expansion at Craig Airport without seeking prior approval from City
8 Council. There shall also be provided to the Council Auditor at the
9 end of each quarter a copy or a summary of the written
10 documentation of all transfers made between approved budget line
11 items. The number of full-time employees authorized at any one time
12 shall not exceed 286. The Council authorizes 5,460 temporary
13 employee hours.

14 **Part IV. Jacksonville Port Authority**

15 **Section 4.1 Estimated Revenues: Appropriations.**

16 From the estimated operating, tax and other revenues set forth
17 on REVISED **Schedule I** and REVISED **Schedule J**, there are hereby
18 appropriated the sums set forth on REVISED **Schedule I** and REVISED
19 **Schedule J** for the indicated purposes of the Jacksonville Port
20 Authority. The estimated revenues and appropriations provided
21 therein, together with the other applicable provisions of this
22 ordinance, shall constitute the annual budget and appropriations
23 for the Jacksonville Port Authority for its fiscal year beginning
24 October 1, 2016 and ending September 30, 2017, which budget is
25 hereby adopted and approved by the Council pursuant to Section 5 of
26 the Charter, as amended, and Chapter 2001-39, Laws of Florida, as
27 amended.

28 **Section 4.2 Allocations, Allotments and Transfers.**

29 The Jacksonville Port Authority is authorized to allocate,
30 allot and transfer within, but not between (unless less than
31 \$50,000 cumulative), the sums herein appropriated for more specific

1 purposes within each of the total sums specified on REVISED
2 **Schedule I** and REVISED **Schedule J** and to transfer from time to
3 time, without Council approval, appropriated funds from one of the
4 purposes for which funds are appropriated by this Part IV to
5 another of such purposes, if, in the discretion of the Jacksonville
6 Port 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 Port Authority shall
9 pay the employer's contribution over to the Florida Retirement
10 System, in addition to any other contribution to the pension funds
11 required by law, which shall be paid as often as funds are
12 available. Once cumulative transfers between REVISED **Schedule I** and
13 REVISED **Schedule J** exceed \$50,000, City Council approval must be
14 obtained. There shall be provided to the Council Auditor, within
15 twenty-four hours after Board approval, a copy of the written
16 documentation of all proposed additional appropriations of funds.
17 There shall also be provided to the Council Auditor at the end of
18 each quarter a copy or a summary of the written documentation of
19 all transfers made between approved budget line items. The number
20 of full-time employees authorized at any one time shall not exceed
21 170. The Council authorizes 5,200 temporary employee hours.

22 **Part V. Jacksonville Transportation Authority**

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

24 From the estimated revenues and fund balances set forth on
25 **Schedule O** and **Schedule Q** there are hereby appropriated the sums
26 set forth on **Schedule P** and **Schedule R** for the indicated purposes
27 of the Mass Transit Division and the Engineering Division of the
28 Jacksonville Transportation Authority. The estimated revenues, fund
29 balances and appropriations provided therein, together with the
30 other applicable provisions of this ordinance, shall constitute the
31 annual budgets and appropriations for the Jacksonville