



**Council Auditor's Office**

**Independent Agency  
Quarterly Summary for the Nine Months Ended June 30, 2021**

**August 13, 2021**

**Report #849**

**Released on: August 13, 2021**

**OFFICE OF THE COUNCIL AUDITOR**  
Suite 200, St. James Building



August 13, 2021

Special Report #849

Honorable Members of the City Council  
City of Jacksonville

Pursuant to Chapter 106 of the Ordinance Code, attached are the required financial statements and narratives for the nine months ended June 30, 2021 for the City's Independent Agencies. The various reporting entities prepared and submitted these unaudited reports to the Council Auditor's Office. These reports are not audited by the Council Auditor's Office, but rather are assessed for reasonableness. Thus, our report does not represent an audit or attestation conducted pursuant to Government Auditing Standards.

Municipal Code Sections 106.421 through 106.423 require this quarterly financial report. To meet the reporting dates specified by law, the Director of Finance and Administration of the City and the Chief Financial Officer of each of its Independent Agencies were to submit their reports to the Council Auditor on or before July 30, 2021, and we are to submit the consolidated financial report by August 15, 2021. The independent agencies, JEA, JAA, JPA and JTA, submitted their reports on time.

The City and the Jacksonville Housing Finance Authority have not submitted a quarterly financial report for the nine months ended June 30, 2020, which is the third quarterly summary report deadline that has not been met this fiscal year. Per the City's Chief Financial Officer (CFO) and Comptroller,

“Though significant progress has been made with the provision of a Draft FY20 Annual Comprehensive Financial Report (ACFR) to the City's external auditors, the City's quarterly report for FY21 is not yet available due to the focus placed on completing FY20 and the associated challenges of working through converting to the new 1Cloud system. Immediately upon filing of the Draft FY20 ACFR, the Accounting Division began the work of closing periods of FY21. The closing of October 2020 is currently in progress, which is being undertaken with a series of meetings between City staff and Oracle Consulting. The meetings are specifically focused on the closing process. City staff are walking through the closing process of each module in 1Cloud in a test environment, which allows Oracle to review and offer recommendations. Opportunities for system configuration changes, additional closing steps and re-sequencing of the step order have been identified. Module owners are not only reviewing October outstanding items and close reports, but also viewing November and December closing needs. While this review with Oracle is slowing the closing process, we believe that following Oracle's guidance will significantly improve the integrity of FY21's closing process and our confidence in the results of the process. We anticipate the closing of October 2020 in our

production environment in the coming week. After closing October, we will move on to November and December and our closing process should speed up considerably.

While we'd prefer getting a quarterly report out in alignment with routine deadlines, we believe it is of the utmost importance to get the monthly closing process right so that we can be fully confident in the reports we produce in the future. The work we are putting in now will reap dividends for many years going forward.”

While the Council Auditor's Office understands the circumstances in place, an accurate and timely quarterly summary is an important financial monitoring tool for the Administration and City Council as evidenced by the municipal code requirements of the report itself and the timing of each report. Additionally, the third quarter report is the last opportunity to identify and respond to any potential budgetary issues before the fiscal year ends. In order to meet our reporting deadline required by the municipal code, we are issuing this report on the independent agencies. Based on the response from the CFO, the Comptroller, and weekly conversations with the external auditor, it is unlikely that the third quarter report will be provided in a timeframe that makes it a useful report. If it is provided prior to the end of August whereby decisions could be made based on its contents, we will review it, draft our comments, and issue a separate report.

The narrative reports from the reporting entities are generally sufficient for understanding the statements presented; however, we have commented to provide further clarification.

## **INDEPENDENT AGENCIES**

### **JEA**

#### **All Systems**

JEA's quarterly summary for the nine months ending June 30, 2021, indicates no budgetary stress. Each utility system projects a balanced budget at year end.

#### **Electric System**

##### **Fuel Related Revenues & Expenses**

For the nine months ending June 30, 2021, the Electric System schedule of Fuel Related Revenues and Expenses is balanced. An unfavorable variance of \$16,033,246 in Fuel Revenues is projected due to a mild winter and a decrease in projected sales. There is a projected unfavorable variance of \$42,102,501 for Fuel and Purchased Power Expense due to anticipated increases in fuel and purchased power costs. If these projections materialize, this will result in a transfer from the Fuel Rate Stabilization Fund of \$22,629,717 to balance the account and the Fuel Rate Stabilization Fund would have an end of year balance of \$50,717,549 which is below the target balance of approximately \$68 million. JEA is currently reviewing the fuel rate and strategy to address the shortfall if the projections hold true.

##### **Base Related Revenues & Expenses**

For the nine months ending June 30, 2021, the Electric System schedule of Base Related Revenues and Expenses shows a surplus in actual revenues and expenses of \$963,353. There is a projected unfavorable budget variance of \$25,326,638 in Base Related Revenues offset by a

projected favorable budget variance of \$47,618,639 in Base Related Expenses. The projection for Base Related Revenues is primarily due to a mild winter and a decrease in projected sales. The projection for Base Related Expenses is primarily due to decreases of \$37,340,258 in Operating and Maintenance charges and \$6,619,444 in Non-Fuel Purchase Power. Base Income Before Transfers is projected to incur a favorable budget variance of \$21,688,571, which will be offset by increases in transfers to Operating Capital Outlay, Operating Capital Outlay – Environmental, and a decrease in the transfer to Renewal and Replacements.

### **Water & Sewer System**

For the nine months ending June 30, 2021, the Water & Sewer System schedule of revenues and appropriations shows a surplus of \$1,405,545 in actual revenues and expenses. Operating Revenues are projected to have an unfavorable budget variance of \$14,334,763 due to projected sales being lower than budgeted. Operating Expenses are projected to have a positive budget variance of \$17,887,193 primarily due to projected Operations and Maintenance charges being lower than budgeted. Income Before Transfers is projected to have a favorable budget variance of \$8,816,071 that will be offset by projected increases in transfers to Capacity/Extension Fees of \$7,901,166, Operating Capital Outlay of \$7,807,243, Contributed Capital of \$161,057 and a projected decrease in the transfer to Environmental Capital Outlay of \$7,053,395.

### **District Energy System**

Although for the nine months ending June 30, 2021, the District Energy System schedule of revenues and appropriations shows a deficit of \$68,550 in actual revenues and expenses, it projects a balanced budget at year end. There is a projected unfavorable variance in Operating Revenues of \$967,963 mainly due to the termination of the service agreement with the San Marco Place Condominium Association and lower sales to remaining customers. A positive variance is projected in Operating Expenses due to a reduction in charges for Operating and Maintenance costs of \$860,728. Income Before Transfers is projected to have a negative variance of \$105,378 which will be offset by projected decreases in the transfers to Operating Capital Outlay and Renewal and Replacements to balance the budget.

### **Bond Ratings**

On June 28, 2021 both S&P Global and Fitch Ratings revised their outlook for JEA's Water & Wastewater Bonds and District Energy System Bonds. S&P Global raised its outlook from developing to stable. Fitch Ratings raised its outlook from stable to positive. However, the ratings of the bonds remained unchanged.

## **Jacksonville Transportation Authority**

The financial report of the Jacksonville Transportation Authority (JTA) for the nine months ending June 30, 2021, indicates no budgetary stress for JTA as a whole. However, the following should be noted:

### **Bus Division**

Although the Bus Division shows a surplus of \$16,671,016 in actual revenues and expenditures as of June 30, 2021, JTA is projecting a favorable budget variance of \$12,743,021 at year-end.

This is mainly due to a projected favorable budget variance of \$4,640,903 in Federal, State & Local Grants which includes \$18.4 million from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and a projected favorable budget variance of \$14,947,615 in Net Sales Tax – Operating. This is partially offset by a projected unfavorable budget variance of \$2,585,801 in Passenger Fares due to decreased ridership and a projected unfavorable budget variance of \$1,932,599 in Federal Preventative Maintenance due to JTA’s intention of shifting these funds from the Bus Division to the Skyway Division for anticipated preventative maintenance. In Operating Expenses, there are projected unfavorable budget variances in Salaries and Fringe Benefits of \$2,398,577 and \$2,178,117, respectively, due mainly to hazard pay for union employees, and a projected unfavorable budget variance of \$2,518,699 in Services, mainly due to Express Select services (service offered for St. Johns, Baker, and Nassau counties), increased security costs, and recruitment fees for three senior positions. This is offset by favorable budget variances projected in various expenditure lines, including \$1,883,222 in a Contingency that is projected not to be spent, and a favorable variance of \$1,459,063 for a Transfer to the CTC due to lower than budgeted ridership as a result of the pandemic.

To date, JTA has been awarded \$42,553,101 CARES Act funding, \$33,706,928 CRRSAA funding, and \$57,957,622 American Rescue Plan funding for a total of \$134,217,651 in funding related to the pandemic on a reimbursement basis. JTA has received a total of \$82,757,145, of which \$41,404,611 has been received in Fiscal Year 2020/21.

The Bus Division’s expenditures are projected to exceed its budgetary appropriation approved by the City Council by an amount of \$1,641,095. If these projections hold true, then JTA will need to file legislation to amend their Fiscal Year 2020/21 budget.

### **Skyway Division**

The Skyway Division is projecting a balanced budget at year end. However, the Skyway Division’s expenditures are projected to exceed its budgetary appropriation approved by City Council by an amount of \$902,346. This is primarily due to higher expenses for repairs to keep the Skyway operating safely and reliably. If these projections hold true, then JTA will need to file legislation to amend their Fiscal Year 2020/21 budget.

### **General Fund/Engineering Division**

As of June 30, 2021, the General Fund/Engineering Division shows a surplus of \$4,917,340 in actual revenues and expenditures. JTA is projecting a favorable budget variance of \$4,846,453 at year end. Operating Revenues is projecting a favorable budget variance of \$5,210,668 which is due to a favorable budget variance of \$5,829,295 in Non-Transportation Revenue because of the sale of property and the settlement of a legal claim, which is being partially offset by an unfavorable budget variance in Interest Earnings of \$618,627. In Operating Expenditures, there are unfavorable budget variances projected in Salaries and Wages of \$568,378, Fringe Benefits of \$81,597, and Services of \$79,185, which are offset by a positive variance of \$366,778 in a Contingency that is projected not to be spent. Also, the General Fund/Engineering Division expenditures are projected to exceed its budgetary appropriation approved by City Council by an amount of \$364,215. If these projections hold true, then JTA will need to file legislation to amend their Fiscal Year 2020/21 budget.

As previously mentioned in the last three quarterly summary reports, we noted that JTA needed to file legislation to amend their Fiscal Year 2018/2019 budget and Fiscal Year 2019/20 budget due to expenditures exceeding budgetary appropriation approved by City Council. The JTA Board has approved the budget amendments for Fiscal Year 2018/19 and Fiscal Year 2019/20, but legislation has not been filed. We once again recommend that JTA file legislation to amend their Fiscal Year 2018/19 and Fiscal Year 2019/20 budgets as soon as possible. JTA has stated they plan on submitting legislative amendments after their submission of the 4<sup>th</sup> quarter quarterly summary.

### **Jacksonville Port Authority**

The Jacksonville Port Authority's (JPA) financial report for the nine months ended June 30, 2021, indicates no budgetary stress. JPA is projecting a favorable variance in Total Operating Revenues of \$5,657,625, mainly due to projected favorable variances of \$3,369,077 and \$2,641,408 in Containers and Other Operating Revenues, respectively. For Total Operating Expenditures, JPA is projecting a favorable variance of \$1,006,402 due to the management of expenses. Overall, JPA is projecting year-end Net Income Before Transfers of \$17,503,042, with \$10,444,640 being transferred to Operating Capital Outlay and a surplus of \$7,058,402 remaining.

### **Jacksonville Aviation Authority**

Jacksonville Aviation Authority's (JAA) financial report for the nine months ending June 30, 2021 indicates an end of quarter surplus of \$22,810,606 before a \$513,482 transfer to Operating Capital Outlay, a \$1,439,396 transfer to Passenger Facility Charge Reserve, and a \$3,218,813 transfer to Retained Earnings. Operating Revenues are projected to experience a favorable budget variance of \$7,087,107 at year end due to increases in Concessions revenue from car rentals and Fees & Charges revenue related to increased aircraft landing weights, cargo, and other aircraft ground support activity. Enplanements are down 5.58% when compared to the second quarter of the current fiscal year but have improved 154.76% when compared to the third quarter of the previous fiscal year. Operating Expenditures are projected to experience a favorable budget variance of \$7,328,464 primarily due to decreases in contracted expenses related to the projected level of passenger traffic and projecting to not utilize the operating contingency. Overall, JAA is projecting a year-end Net Income Before Operating Capital Outlay, Passenger Facility Charge Reserve and Retained Earnings of \$31,014,515 before a \$847,915 transfer to Operating Capital Outlay, a transfer of \$1,919,195 to Passenger Facility Charge Reserve, and a transfer of \$3,218,813 to Retained Earnings. This will leave a projected surplus of \$25,028,592 at year end. JAA has received a total of \$25.8 million in CARES Act funds, with \$11.2 million received in Fiscal Year 2020/21.

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## **DEBT RATINGS**

In an effort to monitor any significant changes in debt ratings on outstanding debt issued by the Independent Agencies, we asked that the Independent Agencies who issue bonds to provide rating information on a quarterly basis. There were no changes to the debt ratings of the Independent Agencies during the quarter.

Please refer to page 23 for a detailed list of individual bond ratings.

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## **FINANCIAL REPORTS**

The following financial reports are presented as prepared by the various reporting entities.

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Respectfully submitted,

*Kim Taylor*

Kim Taylor, CPA  
Council Auditor



BUILDING COMMUNITY

July 27, 2021

**SUBJECT: QUARTERLY FINANCIAL SUMMARY – June 30, 2021**

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**FROM:** Joseph E. Orfano, VP, Financial Services, JEA

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**TO:** Ms. Kim Taylor, CPA Council Auditor City Hall

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The attached financial summary for JEA has been prepared in accordance with the instructions provided by the Council Auditor's Office.

For the nine months ended June 30, 2021, JEA contributed \$90.0 million to the City's General Fund. JEA also paid to the City \$65.4 million in Public Service Taxes and \$28.8 million in City of Jacksonville Franchise Fees for a total combined payment to the City of \$184.2 million. This represents an increase of \$2.7 million from prior year.

The Electric System experienced a positive fund balance of \$0.96m for the nine months ended June 30, 2021. This represents 0.07% of the original annual operating budget. The annual projection for the Electric System shows a balanced budget.

The Water and Wastewater System produced a positive fund balance of \$1.4 million for the nine months ended June 30, 2021. This represents 0.27% of the original annual operating budget. The annual projection for the Water and Wastewater System shows a balanced budget.

The District Energy System produced a negative fund balance of \$0.07 million for the nine months ended June 30, 2021, while the annual projection shows a balanced budget.

JEA experienced no budgetary stress during the nine months ended June 30, 2021. JEA is actively monitoring the credit markets in order to efficiently manage debt. A schedule of JEA's bond ratings as of June 30, 2021 is included with this report.

Joseph E. Orfano

Joseph E. Orfano  
VP, Financial Services and Treasurer

Attachments: As noted

**JEA QUARTERLY FINANCIAL SUMMARY - ELECTRIC SYSTEM**  
June 30, 2021

	Revised Budget	As of 9 Months Actual	Projected	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>ASSETS:</b>				
Cash and Investments	\$ 248,776,000			
Other Current Assets	197,405,000			
Fixed and Other Assets	3,574,383,000			
<b>TOTAL ASSETS</b>	<b>\$ 4,020,564,000</b>			
<b>LIABILITIES &amp; EQUITY:</b>				
Current Liabilities				\$ 142,133,000
Other Liabilities				2,426,831,000
Fund Equity (Net Assets)				1,451,600,000
<b>TOTAL LIABILITIES &amp; EQUITY</b>				<b>\$ 4,020,564,000</b>
<b>FUEL RELATED REVENUES &amp; EXPENSES:</b>				
<b>FUEL REVENUES</b>	<u>410,912,775</u>	<u>279,587,164</u>	<u>394,879,529</u>	<u>-16,033,246</u>
Total Net Fuel Revenues	<u>\$410,912,775</u>	<u>\$279,587,164</u>	<u>\$394,879,529</u>	<u>-\$16,033,246</u>
<b>FUEL EXPENSES</b>				
Transfer To/(From) Rate Stabilization, Net	35,506,030	-3,792,235	-22,629,717	58,135,747
Fuel & Purchased Power (1)	375,406,745	283,379,399	417,509,246	-42,102,501
Total Fuel & Purchased Power	<u>\$410,912,775</u>	<u>\$279,587,164</u>	<u>\$394,879,529</u>	<u>\$16,033,246</u>
<b>FUEL SURPLUS/(DEFICIT)</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>BASE RELATED REVENUES &amp; EXPENSES:</b>				
<b>BASE OPERATING REVENUES</b>				
Base Rate Revenues	793,579,500	545,544,546	768,204,105	-25,375,395
Environmental Charge Revenue	7,814,100	5,321,580	7,514,032	-300,068
Conservation Charge & Demand Side Revenue	768,600	444,131	659,782	-108,818
Other Revenues	131,989,836	126,283,849	132,569,152	579,316
Natural Gas Pass Through Revenue	967,784	604,164	846,111	-121,673
Total Base Related Revenues	<u>\$935,119,820</u>	<u>\$678,198,270</u>	<u>\$909,793,182</u>	<u>-\$25,326,638</u>
<b>BASE OPERATING EXPENSES</b>				
Operating and Maintenance	239,699,869	141,984,657	202,359,611	37,340,258
Environmental	1,891,598	637,164	1,027,914	863,684
Conservation & Demand-side Management	6,422,909	3,352,954	4,920,636	1,502,273
Natural Gas Pass Through Expense	915,183	743,464	969,530	-54,347
Non-Fuel Purchased Power	72,642,571	48,612,484	66,023,127	6,619,444
Non-Fuel Uncollectibles & PSC Tax	2,606,030	1,211,130	1,258,703	1,347,327
Emergency Contingency	5,000,000	0	5,000,000	0
Total Base Related Expenses	<u>\$329,178,160</u>	<u>\$196,541,853</u>	<u>\$281,559,521</u>	<u>\$47,618,639</u>
<b>BASE OPERATING INCOME</b>	<u>\$605,941,660</u>	<u>\$481,656,417</u>	<u>\$628,233,661</u>	<u>\$22,292,001</u>
<b>NON-OPERATING REVENUE</b>				
Investment Income	7,962,574	2,802,029	4,792,673	-3,169,901
Total Non-Operating Revenue	<u>\$7,962,574</u>	<u>\$2,802,029</u>	<u>\$4,792,673</u>	<u>-\$3,169,901</u>
<b>NON-OPERATING EXPENSES</b>				
Debt Service	238,022,041	201,299,430	232,577,769	5,444,272
Demand-side Management - Rate Stabilization	750,691	1,398,894	1,855,171	-1,104,480
Rate Stabilization - Debt Management	0	0	0	0
Environmental - Rate Stabilization	-9,423,646	-1,702,732	-7,650,325	-1,773,321
Total Non-Operating Expenses	<u>\$229,349,086</u>	<u>\$200,995,592</u>	<u>\$226,782,615</u>	<u>\$2,566,471</u>
<b>BASE INCOME BEFORE TRANSFERS</b>	<u>\$384,555,148</u>	<u>\$283,462,854</u>	<u>\$406,243,719</u>	<u>\$21,688,571</u>
City Contribution	-93,609,555	-70,207,166	-93,609,555	0
Interlocal Agreement	0	0	0	0
Renewal & Replacements	-64,012,472	-46,905,188	-62,540,250	1,472,222
Operating Capital Outlay	-217,292,441	-159,000,000	-235,957,472	-18,665,031
Operating Capital Outlay - Environmental	-9,640,680	-6,387,147	-14,136,442	-4,495,762
Operating Contingency	0	0	0	0
<b>BASE SURPLUS/(DEFICIT)</b>	<u>\$0</u>	<u>\$963,353</u>	<u>\$0</u>	<u>\$0</u>
<b>TOTAL SURPLUS/(DEFICIT)</b>	<u>\$0</u>	<u>\$963,353</u>	<u>\$0</u>	<u>\$0</u>
<b>TOTAL REVENUES</b>	<u>\$1,353,995,169</u>	<u>\$960,587,463</u>	<u>\$1,309,465,384</u>	
<b>TOTAL APPROPRIATIONS</b>	<u>\$1,353,995,169</u>	<u>\$959,624,110</u>	<u>\$1,309,465,384</u>	

(1) June 30, 2021 fuel fund reserve balance equals \$69.6MM

**JEA QUARTERLY FINANCIAL SUMMARY - WATER & WASTEWATER SYSTEM**

June 30, 2021

<b>ASSETS:</b>		<b>LIABILITIES &amp; EQUITY:</b>	
Cash and Investments	\$ 74,088,000	Current Liabilities	\$ 32,862,000
Other Current Assets	115,826,000	Other Liabilities	1,681,469,000
Fixed and Other Assets	3,367,763,000	Fund Equity (Net Assets)	1,843,346,000
<b>TOTAL ASSETS</b>	<b>\$ 3,557,677,000</b>	<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 3,557,677,000</b>

	<u>Revised Budget</u>	<u>As of 9 Months Actual</u>	<u>Projected</u>	<u>BUDGET VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>OPERATING REVENUES AND EXPENSES:</b>				
<b>OPERATING REVENUES</b>				
Water and Sewer Revenues	437,545,588	317,619,716	428,291,889	-9,253,699
Environmental Revenues	27,777,750	18,592,395	25,530,542	-2,247,208
Other Revenues	14,600,000	9,719,869	11,766,144	-2,833,856
<b>Total Operating Revenues</b>	<b>\$479,923,338</b>	<b>\$345,931,980</b>	<b>\$465,588,575</b>	<b>-\$14,334,763</b>
<b>OPERATING EXPENSES</b>				
Operating and Maintenance	175,430,345	112,768,835	160,228,424	15,201,921
Environmental CUP-DSM	2,394,238	1,846,708	460,244	1,933,994
Uncollectibles	1,395,970	641,693	644,692	751,278
Emergency Contingency	1,000,000	0	1,000,000	0
<b>Total Operating Expenses</b>	<b>\$180,220,553</b>	<b>\$115,257,236</b>	<b>\$162,333,360</b>	<b>\$17,887,193</b>
<b>OPERATING INCOME</b>	<b>\$299,702,785</b>	<b>\$230,674,744</b>	<b>\$303,255,215</b>	<b>\$3,552,430</b>
<b>NON-OPERATING REVENUES AND EXPENSES:</b>				
<b>NON-OPERATING REVENUES</b>				
Investment Income	2,975,171	1,891,132	2,634,925	-340,246
Capacity/Extension Fees	29,388,151	27,966,988	37,289,317	7,901,166
Contributed Capital	0	161,057	161,057	161,057
<b>Total Non-Operating Revenues</b>	<b>\$32,363,322</b>	<b>\$30,019,177</b>	<b>\$40,085,299</b>	<b>\$7,721,977</b>
<b>NON-OPERATING EXPENSES</b>				
Debt Service	65,436,531	45,832,155	61,105,906	4,330,625
Environmental - Rate Stabilization	0	8,282,162	6,788,961	-6,788,961
<b>Total Non-Operating Expenses</b>	<b>\$65,436,531</b>	<b>\$54,114,317</b>	<b>\$67,894,867</b>	<b>-\$2,458,336</b>
<b>INCOME BEFORE TRANSFERS</b>	<b>\$266,629,576</b>	<b>\$206,579,604</b>	<b>\$275,445,647</b>	<b>\$5,442,830</b>
City Contribution	-26,402,695	-19,802,021	-26,402,695	0
Interlocal Agreements	-942,201	-942,201	-942,201	0
Renewal & Replacements	-26,606,100	-19,954,575	-26,606,100	0
Operating Capital Outlay	-166,506,917	-132,313,414	-174,314,160	-7,807,243
Environmental Capital Outlay	-16,783,512	-4,033,803	-9,730,117	7,053,395
Capacity/Extension Fees	-29,388,151	-27,966,988	-37,289,317	-7,901,166
Contributed Capital	0	-161,057	-161,057	-161,057
Operating Contingency	0	0	0	0
<b>TOTAL SURPLUS/(DEFICIT)</b>	<b>\$0</b>	<b>\$1,405,545</b>	<b>\$0</b>	<b>-\$3,373,241</b>
<b>TOTAL REVENUES</b>	<b>\$512,286,660</b>	<b>\$375,951,157</b>	<b>\$505,673,874</b>	
<b>TOTAL APPROPRIATIONS</b>	<b>\$512,286,660</b>	<b>\$374,545,612</b>	<b>\$505,673,874</b>	

**JEA QUARTERLY FINANCIAL SUMMARY - DISTRICT ENERGY SYSTEM**

June 30, 2021

<b>ASSETS:</b>		<b>LIABILITIES &amp; EQUITY:</b>	
Cash and Investments	\$ 960,000	Current Liabilities	\$ 49,000
Other Current Assets	572,000	Other Liabilities	31,782,000
Fixed and Other Assets	36,433,000	Fund Equity (Net Assets)	6,134,000
<b>TOTAL ASSETS</b>	<b>\$ 37,965,000</b>	<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 37,965,000</b>

	<u>Revised Budget</u>	<u>As of 9 Months Actual</u>	<u>Projected</u>	<u>BUDGET VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>OPERATING REVENUES AND EXPENSES:</b>				
<b>OPERATING REVENUES</b>				
Operating Revenue	9,328,327	5,602,761	8,360,364	-967,963
<b>Total Operating Revenues</b>	<b>\$9,328,327</b>	<b>\$5,602,761</b>	<b>\$8,360,364</b>	<b>-\$967,963</b>
<b>OPERATING EXPENSES</b>				
Operating and Maintenance	5,193,927	3,080,537	4,333,199	860,728
<b>Total Operating Expenses</b>	<b>\$5,193,927</b>	<b>\$3,080,537</b>	<b>\$4,333,199</b>	<b>\$860,728</b>
<b>OPERATING INCOME</b>	<b>\$4,134,400</b>	<b>\$2,522,224</b>	<b>\$4,027,165</b>	<b>-\$107,235</b>
<b>NON-OPERATING REVENUES AND EXPENSES:</b>				
<b>NON-OPERATING REVENUES</b>				
Investment Income	0	1,857	1,857	1,857
<b>Total Non-Operating Revenues</b>	<b>\$0</b>	<b>\$1,857</b>	<b>\$1,857</b>	<b>\$1,857</b>
<b>NON-OPERATING EXPENSES</b>				
Debt Service	3,023,891	2,267,919	3,023,891	0
Rate Stabilization - Debt Management	0	0	0	0
<b>Total Non-Operating Expenses</b>	<b>\$3,023,891</b>	<b>\$2,267,919</b>	<b>\$3,023,891</b>	<b>\$0</b>
<b>INCOME BEFORE TRANSFERS</b>	<b>\$1,110,509</b>	<b>\$256,162</b>	<b>\$1,005,131</b>	<b>-\$105,378</b>
Renewal & Replacements	-437,313	-324,712	-434,041	3,272
Operating Capital Outlay	-673,196	0	-571,090	102,106
<b>TOTAL SURPLUS/(DEFICIT)</b>	<b>\$0</b>	<b>(\$68,550)</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL REVENUES</b>	<b>\$9,328,327</b>	<b>\$5,604,618</b>	<b>\$8,362,221</b>	
<b>TOTAL APPROPRIATIONS</b>	<b>\$9,328,327</b>	<b>\$5,673,168</b>	<b>\$8,362,221</b>	

**JEA QUARTERLY FINANCIAL SUMMARY**  
**RATE STABILIZATION AND FUEL RECOVERY FUNDS**  
**June 30, 2021**

**FUEL RATE  
STABILIZATION  
FUND**

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<b>\$73,347,266</b>	<b>October 1, 2020 Balance</b>
<b>(3,792,235)</b>	<b>Transfers to Fuel Rate Stabilization</b>
<b>-</b>	<b>Withdrawals from Fuel Rate Stabilization</b>
<b>\$69,555,031</b>	<b>Stabilization Balance as of June 30, 2021</b>

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JACKSONVILLE  
TRANSPORTATION  
AUTHORITY

**Administration**

121 W. Forsyth Street,  
Suite 200  
Jacksonville, FL 32202

**Operations**

P.O. Drawer "0"  
100 N. Myrtle Avenue  
Jacksonville, FL 32203

Main (904) 630-3181  
Fax (904) 630-3166  
[www.jtafla.com](http://www.jtafla.com)

July 30, 2021

Ms. Kim Taylor, CPA  
Council Auditor  
City Hall – Suite 200  
117 West Duval Street  
Jacksonville, Florida 32202

Dear Ms. Taylor,

Enclosed are the quarterly reports for the Jacksonville Transportation Authority for the quarter ended June 30, 2021. I am including a full-year projection variance narrative for each division.

***Bus Fund***

Bus revenues are projected to be favorable for the year primarily due to sales taxes and the appropriation of \$18.4 million from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). Expenses are projected to be higher than budget, due to additional staffing and cleaning costs related to the COVID-19 pandemic. The net result is a substantial surplus.

***CTC Fund (Connexion)***

The forecast for Connexion reflects expenses under budget by \$3.0 million primarily resulting from lower ridership due to the pandemic. As a result, the transfer from the Bus fund is expected to be \$1.5 million lower than budgeted.

The majority of service provided by this fund is for riders covered under the federally mandated ADA program. The Connexion service requires a Bus fund transfer to support operations.

***Skyway Fund***

Skyway expenses are projected to be unfavorable primarily due to repairs needed to ensure the Skyway continues to run safely and reliably. As a result, the transfer from the Bus fund is forecast to be over budget by \$0.8 million. The Skyway is a fare-free service and requires a transfer from the Bus fund to support operations.



***Ferry Fund***

The St. Johns River Ferry is projected to be below budget for revenues due to the unexpected length of time the Ferry was closed. Expenses are also projected to be below budget, driven by lower fuel and services costs. The transfer from the Bus fund is forecast to be \$0.1 million lower than budgeted.

***General Fund***

General Fund revenues are projected to be higher than budget due to the sale of surplus property. Expenses are expected to be over budget primarily due to higher salaries expense resulting from lower wage recovery. This additional expenses is partially offset by contingency. A surplus is forecast for the full year.

Please call me at 632-5520 if you have any questions about these quarterly reports.

Respectfully,

***Kendra Burton***

Kendra Burton  
Manager, Financial Planning and Analysis  
Jacksonville Transportation Authority

cc: Nathaniel P. Ford, Sr.  
Greg Hayes

Jacksonville Transportation Authority  
 Mass Transit Division - Bus  
 Quarterly Summary  
 For The Period Ended  
 June 30, 2021

BALANCE SHEET INFORMATION

Cash & Investments	-\$1,337,506	Current Liabilities	\$12,027,332
Current Assets	408,042,344	Other Liabilities	393,998,981
Fixed Assets	190,187,499	Fund Equity	190,866,024
Total Assets	\$596,892,337	Total Liab. & Equity	\$596,892,337

BUDGET INFORMATION

	<u>FY21 Original Budget</u>	<u>9 MOS YTD Actual</u>	<u>FY21 Projected</u>	<u>Projected Favorable (Unfavorable) Budget Variance</u>
<u>Operating Revenues</u>				
Federal, State & Local Grants	\$24,647,593	\$28,716,372	\$29,288,496	\$4,640,903
Local Option Gas Tax	18,056,827	13,003,017	17,137,356	-919,471
Net Sales Tax - Operating	54,937,209	52,563,618	69,884,824	14,947,615
Passenger Fares	8,296,692	4,283,168	5,710,891	-2,585,801
Federal Preventative Maintenance	2,500,000	425,551	567,401	-1,932,599
Non-Transportation Revenue	600,995	774,482	832,643	231,648
Interest Earnings	1,580	2,551	3,401	1,821
Total Operating Revenues	\$109,040,896	\$99,768,759	\$123,425,012	\$14,384,116
<u>Operating Expenditures</u>				
Salaries and Wages	\$36,655,904	\$29,290,861	\$39,054,481	-\$2,398,577
Fringe Benefits	19,172,747	16,013,148	21,350,864	-2,178,117
Fuel and Lubricants	4,672,344	2,508,075	3,344,100	1,328,244
Materials and Supplies	5,157,568	2,876,162	3,834,883	1,322,685
Services	16,511,591	14,272,695	19,030,260	-2,518,669
Insurance	584,801	318,957	425,276	159,525
Travel/Training/Dues & Subscriptions	339,333	211,928	282,571	56,762
All Other/Miscellaneous	2,405,099	1,810,072	2,213,429	191,670
Contingency	1,883,222	0	0	1,883,222
Transfer to CTC (ADA expense)	13,310,635	8,626,179	11,851,572	1,459,063
Transfer to Skyway	6,628,157	5,820,863	7,511,151	-882,994
Transfer to Ferry	1,719,495	1,348,803	1,783,404	-63,909
Total Operating Expenditures	\$109,040,896	\$83,097,743	\$110,681,991	-\$1,641,095
Surplus/(Deficit)	0	16,671,016	12,743,021	12,743,021

Jacksonville Transportation Authority  
 Mass Transit Division - CTC  
 Quarterly Summary  
 For The Period Ended  
 June 30, 2021

BALANCE SHEET INFORMATION

Cash & Investments	-\$1,650	Current Liabilities	\$2,148,223
Current Assets	78,741,486	Other Liabilities	79,748,328
Fixed Assets	1,189,068	Fund Equity	-1,967,647
<b>Total Assets</b>	<b>\$79,928,904</b>	<b>Total Liab. &amp; Equity</b>	<b>\$79,928,904</b>

BUDGET INFORMATION

	FY21 Original Budget	9 MOS YTD Actual	FY21 Projected	Projected Favorable (Unfavorable) Budget Variance
<u>Operating Revenues</u>				
Federal, State & Local Grants	\$542,036	\$451,281	\$601,708	\$59,672
Passenger Fares	1,222,311	556,445	1,041,927	-180,384
State Transportation Disadvantaged Funds	2,090,616	855,621	1,140,828	-949,788
City of Jacksonville (Paratransit Contribution)	1,496,760	1,122,570	1,496,760	0
Federal Preventative Maintenance	1,000,000	416,667	555,556	-444,444
Non-Transportation Revenue	3,129	66	88	-3,041
Transfer from Bus Operations	13,310,635	8,626,179	11,851,572	-1,459,063
<b>Total Operating Revenues</b>	<b>\$19,665,487</b>	<b>\$12,028,829</b>	<b>\$16,688,439</b>	<b>-\$2,977,048</b>
<u>Operating Expenditures</u>				
Salaries and Wages	\$2,818,512	\$1,677,324	\$2,236,432	\$582,080
Fringe Benefits	1,184,868	1,043,100	1,390,800	-205,932
Fuel and Lubricants	1,370,890	703,968	1,038,624	332,266
Materials and Supplies	944,421	357,081	826,108	118,313
Services	12,682,596	8,128,921	10,838,561	1,844,035
Insurance	2,847	4,807	6,409	-3,562
Travel/Training/Dues & Subscriptions	60,288	34,664	46,219	14,069
All Other/Miscellaneous	118,065	78,964	305,286	-187,221
Contingency	483,000	0	0	483,000
<b>Total Operating Expenditures</b>	<b>\$19,665,487</b>	<b>\$12,028,829</b>	<b>\$16,688,439</b>	<b>\$2,977,048</b>
<b>Surplus/(Deficit)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Jacksonville Transportation Authority  
 Mass Transit Division - Skyway  
 Quarterly Summary  
 For The Period Ended  
 June 30, 2021

BALANCE SHEET INFORMATION

Cash & Investments	\$27,444	Current Liabilities	\$1,313,397
Current Assets	47,791,712	Other Liabilities	51,889,640
Fixed Assets	66,176,825	Fund Equity	60,792,944
Total Assets	\$113,995,981	Total Liab. & Equity	\$113,995,981

BUDGET INFORMATION

	FY21 Original Budget	9 MOS YTD Actual	FY21 Projected	Projected Favorable (Unfavorable) Budget Variance
<u>Operating Revenues</u>				
Federal, State & Local Grants	\$136,870	\$131,328	\$175,104	\$38,234
Federal Preventative Maintenance	500,000	70,564	494,085	-5,915
Non-Transportation Revenue	13,000	25	33	-12,967
Transfer from Bus Operations	6,628,157	5,820,863	7,511,151	882,994
Total Operating Revenues	\$7,278,027	\$6,022,780	\$8,180,373	\$902,346
<u>Operating Expenditures</u>				
Salaries and Wages	\$2,469,906	\$2,010,965	\$2,681,287	-\$211,381
Fringe Benefits	1,337,877	1,097,341	1,463,121	-125,244
Fuel and Lubricants	8,961	1,416	1,888	7,073
Materials and Supplies	1,062,522	954,146	1,672,195	-609,673
Services	1,339,505	1,237,055	1,499,407	-159,902
Insurance	497,512	325,569	434,092	63,420
Travel/Training/Dues & Subscriptions	25,535	14,426	19,235	6,300
All Other/Miscellaneous	344,209	381,862	409,148	-64,939
Contingency	192,000	0	0	192,000
Total Operating Expenditures	\$7,278,027	\$6,022,780	\$8,180,373	-\$902,346
Surplus/(Deficit)	\$0	\$0	\$0	\$0

Jacksonville Transportation Authority  
 Mass Transit Division - Ferry  
 Quarterly Summary  
 For The Period Ended  
 June 30, 2021

BALANCE SHEET INFORMATION

Cash & Investments	-\$120	Current Liabilities	\$364,784
Current Assets	29,830,365	Other Liabilities	32,321,256
Fixed Assets	21,898,368	Fund Equity	19,042,573
<b>Total Assets</b>	<b>\$51,728,613</b>	<b>Total Liab. &amp; Equity</b>	<b>\$51,728,613</b>

BUDGET INFORMATION

	FY21 Original Budget	9 MOS YTD Actual	FY21 Projected	Projected Favorable (Unfavorable) Budget Variance
<u>Operating Revenues</u>				
Federal, State & Local Grants	\$0	\$51,509	\$68,679	\$68,679
Passenger Fares	1,321,289	734,505	979,340	-341,949
Non-Transportation	0	0	0	0
Transfer from Bus Operations	1,719,495	1,348,803	1,783,404	63,909
<b>Total Operating Revenues</b>	<b>\$3,040,784</b>	<b>\$2,134,817</b>	<b>\$2,831,423</b>	<b>-\$209,361</b>
<u>Operating Expenditures</u>				
Salaries and Wages	\$228,413	\$183,570	\$244,760	-\$16,347
Fringe Benefits	67,799	85,136	113,515	-45,716
Fuel and Lubricants	294,524	148,071	197,428	97,096
Materials and Supplies	17,430	4,852	6,469	10,961
Services	2,248,676	1,604,230	2,138,973	109,703
Insurance	54,464	38,845	51,793	2,671
Travel/Training/Dues & Subscriptions	7,817	5,818	7,757	60
All Other/Miscellaneous	46,661	64,295	70,728	-24,067
Contingency	75,000	0	0	75,000
<b>Total Operating Expenditures</b>	<b>\$3,040,784</b>	<b>\$2,134,817</b>	<b>\$2,831,423</b>	<b>\$209,361</b>
<b>Surplus/(Deficit)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Jacksonville Transportation Authority  
General Fund  
Quarterly Summary  
For the Period Ended  
June 30, 2021

BALANCE SHEET INFORMATION

Cash & Investments	\$95,031,131	Current Liabilities	\$769,836
Current Assets	31,210,101	Other Liabilities	1,930,623
Fixed Assets	<u>0</u>	Fund Equity	<u>123,540,773</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$126,241,232</u></u></b>	<b>TOTAL LIAB &amp; EQUITY</b>	<b><u><u>\$126,241,232</u></u></b>

BUDGET INFORMATION

	FY21 Original Budget	9 MOS YTD Actual	FY21 Projected	Projected Favorable (Unfavorable) Budget Variance
<u>Operating Revenues</u>				
Net Sales Tax - Operating	\$2,032,848	\$1,524,636	\$2,032,848	\$0
Non-Transportation Revenue	95,706	5,568,751	5,925,001	5,829,295
Interest Earnings	<u>763,700</u>	<u>108,805</u>	<u>145,073</u>	<u>-618,627</u>
<b>Total Operating Revenues</b>	<b><u><u>2,892,254</u></u></b>	<b><u><u>7,202,192</u></u></b>	<b><u><u>8,102,922</u></u></b>	<b><u><u>5,210,668</u></u></b>
<u>Operating Expenditures</u>				
Salaries & Wages	\$1,096,082	\$1,023,345	\$1,664,460	-\$568,378
Fringe Benefits	417,332	561,697	498,929	-81,597
Materials and Supplies	26,432	-2,330	16,893	9,539
Services	913,407	631,944	992,592	-79,185
Insurance	513	869	1,159	-646
Training/Travel/Dues & Subscriptions	14,164	11,691	15,588	-1,424
All Other/Miscellaneous	57,546	57,636	66,848	-9,302
Contingency	<u>366,778</u>	<u>0</u>	<u>0</u>	<u>366,778</u>
<b>Total Operating Expenditures</b>	<b><u><u>\$2,892,254</u></u></b>	<b><u><u>\$2,284,852</u></u></b>	<b><u><u>\$3,256,469</u></u></b>	<b><u><u>-\$364,215</u></u></b>
<b>Surplus/(Deficit)</b>	<b><u><u>\$0</u></u></b>	<b><u><u>\$4,917,340</u></u></b>	<b><u><u>\$4,846,453</u></u></b>	<b><u><u>\$4,846,453</u></u></b>



July 26, 2021

Ms. Kim Taylor  
Council Auditor  
City Hall at St. James, Suite 200  
117 W. Duval St.  
Jacksonville, FL 32202

Re: Quarterly Report for period ending 6-30-21

Dear Ms. Taylor,

Enclosed is the Jacksonville Port Authority Unaudited Quarterly Report as of June 30, 2021.

Revenue projections for FY2021 reflect positive trends in containers, auto, break-bulk, and “other operating revenues” categories. Other operating revenues, which include dredge permit fees, vessel lay-up fees, and non-cargo related dockage fees, account for approximately \$2.6 million in positive revenue variances. Cruise revenue projections for FY 2021 have been adjusted to zero versus a budget of \$2 million. Expenses are well managed, forecasting modest savings to budget in most line items with the exception of berth maintenance dredging. JAXPORT anticipates no budgetary stress in fiscal year 2021.

As of June 30, 2021, JAXPORT Bond Ratings (unchanged) are as follows:

Fitch – A (Affirmed Rating – April 2021)  
Moody’s – A2 (Affirmed Rating – September 2020).

If you have any questions or need additional information, please call me at 357-3004.

Sincerely,

*Mike McClung*

Mike McClung  
Director of Finance

MM/bd  
Attachments

**JACKSONVILLE PORT AUTHORITY**  
**QUARTERLY REPORT SUMMARY**  
For the Nine Months Ending June 30, 2021  
**UNAUDITED**

**BALANCE SHEET**

Cash and Investments	\$38,144,357	Current Liabilities	\$8,560,094
Accounts Receivable & Other Assets	45,357,574	Notes and Bonds Payable	266,017,924
Fixed Assets	847,478,218	Other Liabilities	160,555,139
<b>TOTAL ASSETS</b>	<b>\$930,980,149</b>	Net Position	495,846,991
		<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$930,980,149</b>

**OPERATING & NON-OPERATING ITEMS**

	ORIGINAL BUDGET	YTD ACTUAL	ANNUAL PROJECTED	FAVORABLE (UNFAVORABLE) BUDGET VARIANCE
<b>OPERATING REVENUES</b>				
Containers	\$31,064,366	\$25,825,082	\$34,433,443	\$3,369,077
Autos	14,985,447	11,661,214	15,548,285	562,838
Military	1,270,000	903,857	1,270,000	0
Break Bulk	4,093,136	3,896,586	4,957,448	864,312
Liquid Bulk	1,312,622	1,121,164	1,494,885	182,263
Dry Bulk	2,018,956	1,542,512	2,056,683	37,727
Cruise	2,000,000	0	0	-2,000,000
Other Operating Revenues	2,550,480	3,893,916	5,191,888	2,641,408
<b>TOTAL OPERATING REVENUES</b>	<b>\$59,295,007</b>	<b>\$48,844,331</b>	<b>\$64,952,632</b>	<b>\$5,657,625</b>
<b>OPERATING EXPENDITURES</b>				
Salaries	\$12,229,040	\$8,881,375	\$12,063,530	\$165,510
Employee Benefits	5,356,482	4,001,016	5,319,122	37,360
Services & Supplies	4,090,702	2,832,439	3,885,088	205,614
Security Services	5,009,338	3,360,113	4,781,209	228,129
Business Travel & Training	443,111	95,850	280,388	162,723
Promotion, Advertising & Dues	631,897	387,436	598,087	33,810
Utility Services	803,875	490,938	727,678	76,197
Repairs & Maintenance Projects	1,812,165	1,374,200	1,705,161	107,004
Crane Maintenance Pass Thru	-450,000	-345,351	-401,140	-48,860
Berth Maintenance Dredging	5,499,738	3,031,140	5,499,738	0
Miscellaneous	234,457	119,194	195,542	38,915
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$35,660,805</b>	<b>\$24,228,350</b>	<b>\$34,654,403</b>	<b>\$1,006,402</b>
<b>OPERATING INCOME</b>	<b>\$23,634,202</b>	<b>\$24,615,981</b>	<b>\$30,298,229</b>	<b>\$6,664,027</b>
<b>NON-OPERATING REVENUES</b>				
Investment Income	\$146,344	\$7,324	\$10,000	-\$136,344
Shared Revenue from Primary Govt	9,588,317	7,403,209	9,757,089	168,772
Other Revenue	8,500	270	4,520	-3,980
	<b>\$9,743,161</b>	<b>\$7,410,803</b>	<b>\$9,771,609</b>	<b>\$28,448</b>
<b>NON-OPERATING EXPENSES</b>				
Debt Service	\$22,929,363	\$15,189,863	\$21,851,923	\$1,077,440
Crane Relo/Demo	0	706,429	706,429	-706,429
Other Expenditures	3,360	6,764	8,444	-5,084
	<b>\$22,932,723</b>	<b>\$15,903,056</b>	<b>\$22,566,796</b>	<b>\$365,927</b>
<b>NET INCOME BEFORE CAPITAL OUTLAY AND CONTINGENCY</b>	<b>\$10,444,640</b>	<b>\$16,123,728</b>	<b>\$17,503,042</b>	<b>\$7,058,402</b>
Transfer (to)/from Operating Capital Outlay	-\$10,444,640	-\$5,786,790	-\$10,444,640	\$0
<b>SURPLUS (DEFICIT)</b>	<b>\$0</b>	<b>\$10,336,938</b>	<b>\$7,058,402</b>	<b>\$7,058,402</b>
<b>TOTAL REVENUES</b>	<b>\$69,038,168</b>	<b>\$56,255,134</b>	<b>\$74,724,241</b>	
<b>TOTAL APPROPRIATIONS</b>	<b>\$69,038,168</b>	<b>\$45,918,196</b>	<b>\$67,665,839</b>	



July 30, 2021

Ms. Kim Taylor, CPA, MACC  
Council Auditor  
City Hall at St. James, Suite 200  
117 W. Duval Street  
Jacksonville, FL 32202

RE: Quarterly Report

Dear Ms. Taylor:

The attached financial summary for the Jacksonville Aviation Authority has been prepared in accordance with the instructions provided by the Council Auditor's Office.

Enclosed is the Unaudited Quarterly Report of the Jacksonville Aviation Authority for the nine months ended June 30, 2021.

Year-to-date Operating Revenues were \$55.58 million which projects to a positive budget variance of \$7.09 million at year end. Year-to-date Operating Expenditures were \$37.78 million which projects a full-year positive budget variance of \$7.33 million at year end. The quarter closes with a positive budget Operating Income variance of \$14.42 million at year end. The Jacksonville Aviation Authority is operating in a challenging financial and operational environment, however we are currently tracking to meet or exceed our budget. Our plan is to monitor passenger activity and adjust spending accordingly, for the purposes of maintaining a stable financial position.

If you have any questions or need additional information, please call Carolyn Reed, 904-741-2351.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ross Jones', is enclosed in a thin blue rectangular border.

Ross Jones  
Chief Financial Officer

**Jacksonville Aviation Authority**  
**Jacksonville, Florida**  
**Quarterly Report Summary**  
**For the Nine months ended June 30, 2021**  
**UNAUDITED**

Cash and investments	\$ 156,075,280	Current liabilities	\$ 24,221,493		
Other current assets	12,731,069	Other liabilities	\$ 78,029,132		
Fixed and other assets	513,459,573	Total equity	580,015,297		
Total assets	<u>\$ 682,265,922</u>	Total liabilities and equity	<u>\$ 682,265,922</u>		
	<b>2020/2021</b>	<b>YTD</b>	<b>Annual</b>	<b>Budget</b>	
	<b>Revised Budget</b>	<b>Actual</b>	<b>Projected</b>	<b>Variance</b>	
				<b>Favorable</b>	
				<b>(Unfavorable)</b>	
				<b>Variance %</b>	
<b>OPERATING REVENUES</b>					
Concessions	\$ 10,351,720	9,898,477	14,302,975	\$ 3,951,255	38.17%
Fees & Charges	16,547,348	13,934,377	19,480,656	2,933,308	17.73%
Space & Facility Rentals	31,102,721	23,067,138	30,839,668	(263,053)	-0.85%
Parking	10,730,115	7,591,298	11,215,114	484,999	4.52%
Sale of Utilities	1,364,883	957,526	1,323,847	(41,036)	-3.01%
Other Miscellaneous Operating Revenue	153,798	131,571	175,432	21,634	14.07%
<b>TOTAL OPERATING REVENUES</b>	<u>\$ 70,250,585</u>	<u>\$ 55,580,387</u>	<u>\$ 77,337,692</u>	<u>\$ 7,087,107</u>	<u>10.09%</u>
<b>OPERATING EXPENDITURES</b>					
Salaries	19,242,869	14,062,295	18,747,309	495,560	-2.58%
Benefits	7,937,135	5,461,133	7,358,197	578,938	-7.29%
Services and Supplies	15,368,926	9,488,766	13,027,964	2,340,962	-15.23%
Repairs & Maintenance	8,801,864	3,898,804	8,738,405	63,459	-0.72%
Promotion, Advertising and Dues	632,399	384,936	513,248	119,151	-18.84%
Registration & Travel	334,790	67,548	90,064	244,726	-73.10%
Insurance Expense	1,939,722	1,244,192	1,626,261	313,461	-16.16%
Cost of Goods for Sale	660,000	387,214	516,285	143,715	-21.78%
Utilities, Taxes & Gov't Fees	4,426,040	2,781,185	3,708,247	717,793	-16.22%
Operating Contingency	2,310,699	-	-	2,310,699	-100.00%
<b>TOTAL OPERATING EXPENDITURES</b>	<u>\$ 61,654,444</u>	<u>\$ 37,776,073</u>	<u>\$ 54,325,980</u>	<u>\$ 7,328,464</u>	<u>-11.89%</u>
<b>OPERATING INCOME</b>	<u>\$ 8,596,141</u>	<u>\$ 17,804,314</u>	<u>\$ 23,011,712</u>	<u>\$ 14,415,571</u>	<u>167.70%</u>
<b>NON-OPERATING REVENUES</b>					
Passenger Facility Charges	8,558,827	5,508,356	8,200,711	(358,116)	-4.18%
Investment income	1,209,000	932,498	1,243,331	34,331	2.84%
Other Revenues	772,860	6,345,757	6,615,913	5,843,053	756.03%
<b>TOTAL NON-OPERATING REVENUES</b>	<u>\$ 10,540,687</u>	<u>\$ 12,786,611</u>	<u>\$ 16,059,955</u>	<u>\$ 5,519,268</u>	
<b>NON-OPERATING EXPENDITURES</b>					
Debt Service	7,270,000	7,674,992	7,916,716	(646,716)	-8.90%
Other Expenditures	726,100	105,327	140,436	585,664	80.66%
<b>TOTAL NON-OPERATING EXPENDITURES</b>	<u>\$ 7,996,100</u>	<u>\$ 7,780,319</u>	<u>\$ 8,057,152</u>	<u>\$ (61,052)</u>	
<b>NET INCOME BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS</b>	<u>\$ 11,140,728</u>	<u>\$ 22,810,606</u>	<u>\$ 31,014,515</u>	<u>\$ 19,873,787</u>	
Transfer (to) Operating Capital Outlay	(4,715,000)	(513,482)	(847,915)	\$ 3,867,085	-82.02%
Transfer (to)/from Passenger Facility Charge Reserve	(3,206,915)	(1,439,396)	(1,919,195)	\$ 1,287,720	-40.15%
Transfer (to)/from Retained Earnings	(3,218,813)	(3,218,813)	(3,218,813)	-	0.00%
<b>SURPLUS/(DEFICIT)</b>	<u>\$ -</u>	<u>\$ 17,638,915</u>	<u>\$ 25,028,592</u>	<u>\$ 25,028,592</u>	
<b>TOTAL REVENUES</b>	<u>\$ 80,791,272</u>	<u>\$ 68,366,998</u>	<u>\$ 93,397,647</u>	<u>\$ 12,606,375</u>	
<b>TOTAL APPROPRIATIONS</b>	<u>\$ 80,791,272</u>	<u>\$ 50,728,083</u>	<u>\$ 68,369,055</u>	<u>\$ 12,422,217</u>	
<b>FULLTIME POSITIONS</b>	<u>255</u>	<u>243</u>	<u>250</u>	<u>5</u>	
<b>TEMPORARY EMPLOYEE HOURS</b>	<u>5,220</u>	<u>-</u>	<u>-</u>	<u>5,220</u>	

<b>Bond Ratings for Independent Agencies</b>				
<b>As of June 30, 2021</b>				
	<u>Fitch</u>	<u>S&amp;P</u>	<u>Moody</u>	
<b><u>JEA</u></b>				
<b>Uninsured Long Term</b>				
Electric Senior Bonds	AA	A+	A2	
Electric Subordinated Bonds	AA	A	A3	
<b>Uninsured Short Term</b>				
Electric Senior Bonds	F1+	A-1	VMIG-1	
Electric Subordinated Bonds	F1+	A-1	VMIG-2	
<b>Uninsured Long Term</b>				
SJRPP Bonds	AA	A+	A2	
<b>Uninsured Long Term</b>				
Water and Sewer Senior Bonds	AA	AA+	Aa3	
Water and Sewer Subordinated Bonds	AA	AA	Aa3	
<b>Uninsured Short Term</b>				
Water and Sewer Senior Bonds	F1 - F1+	A-1	VMIG-1	
Water and Sewer Subordinated Bonds	F1+	A-1 – A-1+	VMIG-1	
<b>Uninsured Long Term</b>				
Bulk Power Supply System Bonds	AA	A+	A2	
District Energy System Bonds	AA	AA	A1	
<b><u>Jacksonville Transportation Authority</u></b>				
Local Option Gas Tax Revenue Bonds - Series 2015	AA-	AA	Not Rated	
Local Option Gas Tax Revenue Bonds - Series 2020	AA-	AA	Not Rated	
<b><u>Jacksonville Port Authority</u></b>				
Revenue Bonds - Series 2012	A	Not Rated	A2	
Revenue Bonds - Series 2018B	A	Not Rated	A2	
<b>Source:</b> JEA- Joe Orfano, VP, Financial Services and Treasurer				
JTA- Kendra Burton, Manager of Financial Planning & Analysis				
JPA- Mike McClung, Director of Finance				

## Bond Ratings Scale

Moody's		S&P		Fitch		Definition
Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	
Aaa	P-1	AAA	A-1+	AAA	F1+	Prime
Aa1		AA+		AA+		High grade
Aa2		AA		AA		High grade
Aa3		AA-		AA-		
A1	P-2	A+	A-1	A+	F1	Upper medium grade
A2		A		A		
A3		A-		A-		F2
Baa1	P-3	BBB+	A-2	BBB+		
Baa2		BBB		BBB	F3	Medium grade
Baa3		BBB-				
Ba1	Not Prime (NP)	BB+	B	BB+	B	Non-investment grade speculative
Ba2		BB		BB		
Ba3		BB-		BB-		
B1		B+		B+		Highly speculative
B2		B		B		
B3		B-		B-		
Caa1		C		CCC+		
Caa2	CCC		CCC			
Caa3	CCC-		CC			
Ca	CC		C	Speculative, in or near default		
C	C		C			
/	D	D	D	RD/D	RD/D	In default, little prospect of recovery
/						

## Municipal Short Term Ratings (Moody's)

Short Term	Demand Obligation	Definition
MIG1	VMIG1	Superior credit quality
MIG2	VMIG2	Strong credit quality
MIG3	VMIG 3	Acceptable credit quality
SG	SG	Speculative-grade credit quality