



Council Auditor's Office

**Independent Agency
Quarterly Summary for the Twelve Months Ended September 30, 2021**

December 13, 2021

Report #854

Released on: December 13, 2021

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



December 13, 2021

Special Report #854

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 twelve months ended September 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/CFO 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 November 30, 2021, and we are to submit the consolidated financial report by December 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 twelve months ended September 30, 2021, which is the fourth quarterly summary report deadline that has not been met this fiscal year.

Per the City's Director of Finance and Administration/CFO, and as stated in previous quarterly reports, they have been focused on the Fiscal Year 2020 Annual Comprehensive Financial Report and the close out of each month of Fiscal Year 2021 with the new accounting system. Currently, they are in the process of closing the last month of Fiscal Year 2021 and taking more time to ensure the accuracy of the closeout of the fiscal year. The City's Director of Finance and Administration/CFO anticipates submitting the quarterly financial report for the twelve months ended September 30, 2021 to our office sometime in December. Once the report is received, we will review it, draft our comments, and issue a separate report.

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 fourth quarter report provides the year-end financial outcome and identifies any budgetary variances. In order to meet our reporting deadline required by the municipal code, we are issuing this report on the independent agencies.

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 twelve months ending September 30, 2021, indicates no budgetary stress. Each utility system had a balanced budget at year end.

Electric System

Fuel Related Revenues & Expenses

For the twelve months ending September 30, 2021, the Electric System schedule of Fuel Related Revenues and Expenses is balanced. The unfavorable variance of \$17,002,046 in Fuel Revenues is due to actual sales not meeting budgeted sales. There is an unfavorable variance of \$50,084,254 for Fuel and Purchased Power Expense due to increases in actual fuel and purchased power costs. This necessitated a transfer from the Fuel Rate Stabilization Fund of \$31,580,270 to balance the account. The end of the year balance of the Fuel Rate Stabilization Fund is \$41,766,996. JEA anticipates exhausting the remaining balance in FY 2021/22 due to projections of continued increases in fuel and purchase power costs. At the October 26, 2021 board meeting, the JEA Board changed JEA's pricing policy, which will eliminate the Fuel Rate Stabilization Fund to avoid increasing the fuel rate to maintain the required balance and to increase transparency in rates. As of December 2021, the fuel charge for customers will fluctuate each month based on actual fuel costs.

Base Related Revenues & Expenses

For the twelve months ending September 30, 2021, the Electric System schedule of Base Related Revenues and Expenses is balanced. There is an unfavorable budget variance of \$28,427,726 in Base Related Revenues offset by a favorable budget variance of \$31,528,734 in Base Related Expenses. The unfavorable variance for Base Related Revenues is primarily due to actual sales not meeting budgeted sales. The favorable variance for Base Related Expenses is primarily due to reduced costs of \$16,080,803 in actual Operating and Maintenance charges, \$8,050,061 in actual Non-Fuel Purchase Power costs, and not using the \$5,000,000 Emergency Contingency. Base Income Before Transfers incurred an unfavorable budget variance of \$2,638,279, which was offset by decreases in transfers to Operating Capital Outlay – Environmental and Renewal and Replacements.

Water & Sewer System

For the twelve months ending September 30, 2021, the Water & Sewer System schedule of Revenues and Expenses is balanced. Operating Revenues have an unfavorable budget variance of \$12,889,677 due to actual sales being lower than budgeted. Operating Expenses have a favorable budget variance of \$2,397,296 primarily due to Operations and Maintenance expenses being lower than budgeted. Operating Income shows an unfavorable budget variance of \$10,492,381 which is primarily offset by the favorable variance in Capacity/Extension Fees under non-operating revenues due to increased construction volume in fiscal year 2021.

District Energy System

For the twelve months ending September 30, 2021, the District Energy System schedule of revenues and appropriations is balanced. There is an unfavorable variance in Operating Revenues of \$1,285,362 mainly due to the termination of the service agreement with the San Marco Place Condominium Association and lower sales to remaining customers. There is a favorable variance in in Operating Expenses of \$741,867 due to lower expenses for Operating and Maintenance costs due to the termination of the San Marco Place Condominium Association service agreement. Income Before Transfers has an unfavorable variance of \$541,220 which was offset by decreases in the transfers to Operating Capital Outlay and Renewal and Replacements.

Jacksonville Transportation Authority

The financial report of the Jacksonville Transportation Authority (JTA) for the twelve months ending September 30, 2021, indicates no budgetary stress for JTA as a whole. However, the Bus, Skyway, and General Fund/Engineering Divisions' expenditures exceeded the budgetary appropriation approved by City Council as noted below and separate legislation will need to be filed to amend their FY 2020/21 budgets.

Bus Division

The Bus Division shows a surplus of \$54,338,258 in actual revenues and expenditures at year-end. This is mainly due to a favorable variance of \$44,061,199 in Federal, State & Local Grants related to COVID funding and a favorable variance of \$17,389,236 in Net Sales Tax – Operating due to higher than budgeted sales tax collections. This is partially offset by an unfavorable variance of \$2,651,532 in Passenger Fares due to decreased ridership and an unfavorable variance of \$2,491,116 in Federal Preventative Maintenance due to JTA shifting these funds to capital projects. In Operating Expenses, there are unfavorable variances in Salaries and Fringe Benefits of \$1,342,154 and \$2,144,146 respectively, due mainly to hazard pay for union employees, an unfavorable budget variance of \$3,015,320 in Services due to legal expenses, Express Select services (service offered for St. Johns, Baker, and Nassau counties), increased security costs, and recruitment fees for senior level positions, and an unfavorable variance of \$1,160,909 in Transfer to Skyway mainly due to higher than anticipated expenditures for the Skyway Division. This is offset by favorable variances in various expenditure lines, including \$1,883,222 in a Contingency that was not utilized, and a favorable variance of \$1,105,790 for a Transfer to the CTC due to lower than budgeted ridership as a result of the pandemic.

JTA has been awarded \$42,553,101 of CARES Act funding, \$33,706,928 of Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funding, and \$57,957,622 of American Rescue Plan funding for a total of \$134,217,651 in funding related to the pandemic. JTA has received a total of \$55,822,490 in Fiscal Year 2020/21, of which \$37,379,643 was received on a reimbursement basis and \$18,442,847 in CRRSAA was received as a lump sum payment, which contributed to the favorable variance in Federal, State & Local Grants revenue.

The Bus Division's expenditures exceeded its budgetary appropriation approved by the City Council by an amount of \$2,298,962. JTA will need to file legislation to amend their Fiscal Year 2020/21 budget as soon as possible.

CTC Division

The CTC Division is showing a balanced budget at year-end. However, it should be noted that actual revenues were less than anticipated due to the amount budgeted for Federal Preventative Maintenance being used to help fund additional capital projects for the Bus and Skyway Divisions, and a reduced transfer from Bus Operations based on lower than anticipated expenditures. In Operating Expenditures, Services had a favorable variance due to reduced expenses caused by a decrease in ridership due to the pandemic, as well as \$483,000 in a Contingency that was not utilized.

Skyway Division

The Skyway Division is showing a balanced budget at year-end. However, it should be noted that the amount budgeted for Federal Preventative Maintenance was used to help fund additional capital projects for the Bus and Skyway Divisions, thus reducing revenues. Also, there was an increase in Transfer from Bus Operations to cover increased expenses in the Skyway Division. The Skyway Division's expenditures exceeded its budgetary appropriation approved by City Council by an amount of \$730,673. This is primarily due to higher expenses for hazard pay, increased cleaning due to the pandemic and additional maintenance costs for the system. JTA will need to file legislation to amend their Fiscal Year 2020/21 budget as soon as possible.

General Fund/Engineering Division

The General Fund/Engineering Division shows a surplus of \$4,421,044 in actual revenues and expenditures at year end. Operating Revenues is showing a favorable variance of \$4,887,524 which is due to a favorable variance of \$5,504,417 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 variance in Interest Earnings of \$616,893. In Operating Expenditures, there are unfavorable variances in Salaries and Wages of \$271,728, Fringe Benefits of \$382,243, and Services of \$164,349, which are partially offset by a favorable variance of \$366,778 in a Contingency that was not utilized. Despite the overall surplus, the General Fund/Engineering Division expenditures exceeded its budgetary appropriation approved by City Council by an amount of \$466,480. JTA will need to file legislation to amend their Fiscal Year 2020/21 budget as soon as possible.

Jacksonville Port Authority

The Jacksonville Port Authority's (JPA) financial report for the twelve months ending September 30, 2021, indicates no budgetary stress. Overall, JPA recorded Net Income Before Transfers of \$15,848,406 with \$7,598,128 being transferred to Operating Capital Outlay and \$8,250,278 shown as Surplus. However, it should be noted that JPA recorded an unfavorable variance of \$67,620 for Total Operating Revenues. This was primarily due to an unfavorable variance of \$2,499,782 in Container revenue, as well as an unfavorable variance of \$2,000,000 in Cruise revenue. These were partially offset by a favorable variance of \$3,026,314 in Other Operating Revenue primarily due to receiving higher than budgeted dredging permit fees, dockage revenue, escort fees, and unbudgeted insurance claims for two ship fires, as well as favorable variances in the other revenue line items.

The unfavorable variance in Container revenue was due to a contract amendment with a tenant that waived a \$6,000,000 lump sum rent payment in exchange for increased contractual cargo rates in future years. As part of the contract amendment, JPA paid an additional unbudgeted amount of \$4,000,000 to the tenant which is seen in Other Expenditures. JPA was able to enter into this contract amendment due to JPA experiencing a record year in moving TEU's (twenty-foot equivalent units) as well as experiencing savings in operating expenses and debt service.

For Total Operating Expenditures, JPA reported a favorable variance of \$3,036,698 due to reduced berth maintenance dredging, security services, and business travel and training expenses. For Total Non-Operating Expenses, JPA reported a favorable variance of \$2,320,786 mainly due to a favorable variance of \$7,033,119 in debt service primarily due to not making a budgeted payment in its line of credit. This was partially offset by an unfavorable variance of \$4,005,904 in Other Expenditures primarily due to the contract amendment mentioned above.

Jacksonville Aviation Authority

Jacksonville Aviation Authority's (JAA) financial report for the twelve months ending September 30, 2021, indicates no budgetary stress. Overall, JAA ended the year with a \$28,081,188 surplus. JAA has received \$28.4 million of CARES Act funds, with \$13.8 million received in FY 2020/21. JAA has also received \$8.7 million of Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA) funds, with \$745,000 received in FY 2020/21.

Operating Revenues experienced a favorable budget variance of \$11,733,856 at year end due to increases in Concessions revenue from car rentals, Fees & Charges revenue related to increased aircraft landings, cargo, and other aircraft ground support activity, and Parking revenues which were higher than budgeted due to increased passenger traffic and increased parking fees. Total passenger activity for the year was 4.2 million passengers, which is an increase of 5.11% over FY 2019/20, but still a decrease of -41.15% compared to FY 2018/19 (prior to the Pandemic). Operating Expenditures experienced a favorable budget variance of \$6,228,105 primarily due to not utilizing the operating contingency, decreases in Services and Supplies for contracted expenses related to the actual level of passenger traffic, and decreases in Repairs and Maintenance due to losses covered by insurance.

DEBT RATINGS

In an effort to monitor any significant changes in debt ratings on outstanding debt issued by the Independent Agencies, we asked 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.

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

November 22, 2021

SUBJECT: QUARTERLY FINANCIAL SUMMARY – September 30, 2021

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

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

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

For the twelve months ended September 30, 2021, JEA contributed \$120.0 million to the City's General Fund. JEA also paid to the City \$91.0 million in Public Service Taxes and \$39.6 million in City of Jacksonville Franchise Fees for a total combined payment to the City of \$250.6 million. This represents an increase of \$1.8 million from prior year.

The Electric System produced a balanced budget for the year ended September 30, 2021.

The Water and Wastewater System experienced decrease in unit sales primarily due to higher than average rain days. The Water and Wastewater System produced a balanced budget for the year ended September 30, 2021.

The District Energy System produced a balanced budget for the year ended September 30, 2021.

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

	Original Budget	Revised Budget	As of 12 Months Actual	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
ASSETS:				
Cash and Investments	\$ 222,273,000			
Other Current Assets	223,595,000			
Fixed and Other Assets	3,776,956,000			
TOTAL ASSETS	\$ 4,222,824,000			
LIABILITIES & EQUITY:				
Current Liabilities			\$ 165,716,000	
Other Liabilities			2,547,431,000	
Fund Equity (Net Assets)			1,509,677,000	
TOTAL LIABILITIES & EQUITY			\$ 4,222,824,000	
FUEL RELATED REVENUES & EXPENSES:				
FUEL REVENUES	<u>410,912,775</u>	<u>410,912,775</u>	<u>393,910,729</u>	<u>-17,002,046</u>
Total Net Fuel Revenues	<u>\$410,912,775</u>	<u>\$410,912,775</u>	<u>\$393,910,729</u>	<u>-\$17,002,046</u>
FUEL EXPENSES				
Transfer To/(From) Rate Stabilization, Net	35,506,030	35,506,030	-31,580,270	67,086,300
Fuel & Purchased Power (1)	375,406,745	375,406,745	425,490,999	-50,084,254
Total Fuel & Purchased Power	<u>\$410,912,775</u>	<u>\$410,912,775</u>	<u>\$393,910,729</u>	<u>\$17,002,046</u>
FUEL SURPLUS/(DEFICIT)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
BASE RELATED REVENUES & EXPENSES:				
BASE OPERATING REVENUES				
Base Rate Revenues	793,579,500	793,579,500	764,447,723	-29,131,777
Environmental Charge Revenue	7,814,100	7,814,100	7,497,183	-316,917
Conservation Charge & Demand Side Revenue	768,600	768,600	814,326	45,726
Other Revenues	25,141,212	131,989,836	133,109,440	1,119,604
Natural Gas Pass Through Revenue	967,784	967,784	823,422	-144,362
Total Base Related Revenues	<u>\$828,271,196</u>	<u>\$935,119,820</u>	<u>\$906,692,094</u>	<u>-\$28,427,726</u>
BASE OPERATING EXPENSES				
Operating and Maintenance	239,699,869	222,609,136	206,528,333	16,080,803
Environmental	1,891,598	1,891,598	1,084,843	806,755
Conservation & Demand-side Management	6,422,909	5,364,046	5,105,763	258,283
Natural Gas Pass Through Expense	915,183	1,014,526	1,014,526	0
Non-Fuel Purchased Power	72,642,571	72,642,571	64,592,510	8,050,061
Non-Fuel Uncollectibles & PSC Tax	2,606,030	2,606,030	1,273,198	1,332,832
Emergency Contingency	5,000,000	5,000,000	0	5,000,000
Total Base Related Expenses	<u>\$329,178,160</u>	<u>\$311,127,907</u>	<u>\$279,599,173</u>	<u>\$31,528,734</u>
BASE OPERATING INCOME	<u>\$499,093,036</u>	<u>\$623,991,913</u>	<u>\$627,092,921</u>	<u>\$3,101,008</u>
NON-OPERATING REVENUE				
Investment Income	7,962,574	7,962,574	3,971,823	-3,990,751
Total Non-Operating Revenue	<u>\$7,962,574</u>	<u>\$7,962,574</u>	<u>\$3,971,823</u>	<u>-\$3,990,751</u>
NON-OPERATING EXPENSES				
Debt Service	131,173,417	238,022,041	232,409,214	5,612,827
Demand-side Management - Rate Stabilization	750,691	1,809,554	1,809,554	0
Rate Stabilization - Debt Management	0	0	0	0
Environmental - Rate Stabilization	-9,423,646	-9,423,646	-2,062,283	-7,361,363
Total Non-Operating Expenses	<u>\$122,500,462</u>	<u>\$230,407,949</u>	<u>\$232,156,485</u>	<u>-\$1,748,536</u>
BASE INCOME BEFORE TRANSFERS	<u>\$384,555,148</u>	<u>\$401,546,538</u>	<u>\$398,908,259</u>	<u>-\$2,638,279</u>
City Contribution	-93,609,555	-93,609,555	-93,609,555	0
Interlocal Agreement	0	0	0	0
Renewal & Replacements	-64,012,472	-64,012,472	-62,540,250	1,472,222
Operating Capital Outlay	-217,292,441	-234,283,831	-234,283,831	0
Operating Capital Outlay - Environmental	-9,640,680	-9,640,680	-8,474,623	1,166,057
Operating Contingency	0	0	0	0
BASE SURPLUS/(DEFICIT)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL SURPLUS/(DEFICIT)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL REVENUES	<u>\$1,247,146,545</u>	<u>\$1,353,995,169</u>	<u>\$1,304,574,646</u>	
TOTAL APPROPRIATIONS	<u>\$1,247,146,545</u>	<u>\$1,353,995,169</u>	<u>\$1,304,574,646</u>	

(1) September 30, 2021 fuel fund reserve balance equals \$41.8MM

JEA QUARTERLY FINANCIAL SUMMARY - WATER & WASTEWATER SYSTEM

September 30, 2021

ASSETS:		LIABILITIES & EQUITY:	
Cash and Investments	\$ 75,668,000	Current Liabilities	\$ 38,166,000
Other Current Assets	121,541,000	Other Liabilities	\$1,733,818,000
Fixed and Other Assets	3,442,100,000	Fund Equity (Net Assets)	1,867,325,000
TOTAL ASSETS	\$ 3,639,309,000	TOTAL LIABILITIES & EQUITY	\$ 3,639,309,000

	Original Budget	Revised Budget	As of 12 Months Actual	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
OPERATING REVENUES AND EXPENSES:				
OPERATING REVENUES				
Water and Sewer Revenues	437,545,588	437,545,588	427,954,866	-9,590,722
Environmental Revenues	27,777,750	27,777,750	25,197,954	-2,579,796
Other Revenues	14,600,000	14,600,000	13,880,841	-719,159
Total Operating Revenues	\$479,923,338	\$479,923,338	\$467,033,661	-\$12,889,677
OPERATING EXPENSES				
Operating and Maintenance	175,430,345	162,758,985	160,582,080	2,176,905
Environmental CUP-DSM	2,394,238	2,394,238	2,173,847	220,391
Uncollectibles	1,395,970	642,888	642,888	0
Emergency Contingency	1,000,000	0	0	0
Total Operating Expenses	\$180,220,553	\$165,796,111	\$163,398,815	\$2,397,296
OPERATING INCOME	\$299,702,785	\$314,127,227	\$303,634,846	-\$10,492,381
NON-OPERATING REVENUES AND EXPENSES:				
NON-OPERATING REVENUES				
Investment Income	2,975,171	2,975,171	2,574,829	-400,342
Capacity/Extension Fees	29,388,151	29,388,151	39,929,604	10,541,453
Contributed Capital	0	0	351,270	351,270
Total Non-Operating Revenues	\$32,363,322	\$32,363,322	\$42,855,703	\$10,492,381
NON-OPERATING EXPENSES				
Debt Service	65,436,531	60,795,187	60,795,187	0
Environmental - Rate Stabilization	0	6,704,447	6,704,447	0
Total Non-Operating Expenses	\$65,436,531	\$67,499,634	\$67,499,634	\$0
INCOME BEFORE TRANSFERS	\$266,629,576	\$278,990,915	\$278,990,915	\$0
City Contribution	-26,402,695	-26,402,695	-26,402,695	0
Interlocal Agreements	0	-942,201	-942,201	0
Renewal & Replacements	-26,551,286	-26,606,100	-26,606,100	0
Operating Capital Outlay	-167,503,932	-175,016,110	-175,016,110	0
Environmental Capital Outlay	-16,783,512	-9,742,935	-9,742,935	0
Capacity/Extension Fees	-29,388,151	-40,280,874	-39,929,604	351,270
Contributed Capital	0	0	-351,270	-351,270
Operating Contingency	0	0	0	0
TOTAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$512,286,660	\$512,286,660	\$509,889,364	
TOTAL APPROPRIATIONS	\$512,286,660	\$512,286,660	\$509,889,364	

JEA QUARTERLY FINANCIAL SUMMARY - DISTRICT ENERGY SYSTEM

September 30, 2021

ASSETS:		LIABILITIES & EQUITY:	
Cash and Investments	\$ 1,219,000	Current Liabilities	\$ 165,000
Other Current Assets	507,000	Other Liabilities	32,925,000
Fixed and Other Assets	37,587,000	Fund Equity (Net Assets)	6,223,000
TOTAL ASSETS	\$ 39,313,000	TOTAL LIABILITIES & EQUITY	\$ 39,313,000

	Original Budget	Revised Budget	As of 12 Months Actual	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
OPERATING REVENUES AND EXPENSES:				
OPERATING REVENUES				
Operating Revenue	9,328,327	9,328,327	8,042,965	-1,285,362
Total Operating Revenues	\$9,328,327	\$9,328,327	\$8,042,965	-\$1,285,362
OPERATING EXPENSES				
Operating and Maintenance	5,193,927	5,193,927	4,452,060	741,867
Total Operating Expenses	\$5,193,927	\$5,193,927	\$4,452,060	\$741,867
OPERATING INCOME	\$4,134,400	\$4,134,400	\$3,590,905	-\$543,495
NON-OPERATING REVENUES AND EXPENSES:				
NON-OPERATING REVENUES				
Investment Income	0	0	2,275	2,275
Total Non-Operating Revenues	\$0	\$0	\$2,275	\$2,275
NON-OPERATING EXPENSES				
Debt Service	3,023,891	3,023,891	3,023,891	0
Rate Stabilization - Debt Management	0	0	0	0
Total Non-Operating Expenses	\$3,023,891	\$3,023,891	\$3,023,891	\$0
INCOME BEFORE TRANSFERS	\$1,110,509	\$1,110,509	\$569,289	-\$541,220
Renewal & Replacements	-437,313	-437,313	-432,950	4,363
Operating Capital Outlay	-673,196	-673,196	-136,339	536,857
TOTAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$9,328,327	\$9,328,327	\$8,045,240	
TOTAL APPROPRIATIONS	\$9,328,327	\$9,328,327	\$8,045,240	

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

**FUEL RATE
STABILIZATION
FUND**

\$73,347,266	October 1, 2020 Balance
-31,580,270	Transfers to Fuel Rate Stabilization
0	Withdrawals from Fuel Rate Stabilization
\$41,766,996	Stabilization Balance as of September 30, 2021



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

November 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 September 30, 2021. A full-year variance narrative for each division is included.

JTA has been the recipient of Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and American Recovery Plan Act (ARPA) grant funding by virtue of being the Federal Transit Administration's designated recipient for the Jacksonville Urbanized Area.

Bus Fund

The infusion of federal relief funds totaling over \$52 million more than offset the negative revenue in passenger fares and the shift of federal preventative maintenance operating funds to capital projects. Net sales tax revenue was higher than budgeted by \$17.4 million, which is greater than the total amount of CARES Act funds included in the fiscal year 2021 budget. Expenses were \$2.3 million over budget due to COVID-19 related costs, particularly hazard pay, and additional expense for increased cleaning and supplies. The net result is a surplus for the year.

CTC Fund (Connexion)

Connexion services expense was under budget by \$1.6 million resulting from a decrease in ridership caused by the pandemic. Most other costs were also lower than budget, requiring a smaller transfer from the Bus fund.

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 salaries and service expenses are over budget primarily resulting from activities related to cleaning due to the pandemic, hazard pay through half the year, and additional maintenance costs for the system. Federal preventative maintenance operating funds were transferred to capital projects, reducing revenues. The combination of these factors required a greater than budgeted transfer from Bus fund.

The Skyway is a fare-free service and requires a transfer from the Bus fund to support operations.

Ferry Fund

Revenues for the St. Johns River Ferry were under budget due to the extended Ferry maintenance haul-out early in the year. This resulted in an increased transfer from the Bus Fund. The budgeted contingency was more than sufficient to cover any expense variances.

General Fund

The General Fund revenues were higher than budget due to the sale of surplus property. Expenses were greater than budgeted primarily due to service and salary expenses. The increased service expenses were related to project management software, and construction and legal consulting services. Increased salary expenses were due to headcount additions to manage increased capital projects. The combination of all of these factors resulted in a surplus.

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
 September 30, 2021

BALANCE SHEET INFORMATION

Cash & Investments	-\$3,369,947	Current Liabilities	\$9,067,137
Current Assets	135,149,494	Other Liabilities	86,661,008
Fixed Assets	<u>192,853,961</u>	Fund Equity	<u>228,905,363</u>
Total Assets	<u><u>\$324,633,508</u></u>	Total Liab. & Equity	<u><u>\$324,633,508</u></u>

BUDGET INFORMATION

	<u>FY21 Original Budget</u>	<u>FY21 Revised Budget</u>	<u>FY21 Actuals</u>	<u>Favorable (Unfavorable) Budget Variance</u>
<u>Operating Revenues</u>				
Federal, State & Local Grants	\$24,647,593	\$24,647,593	\$68,708,792	\$44,061,199
Local Option Gas Tax	18,056,827	18,056,827	17,908,832	-147,995
Net Sales Tax - Operating	54,937,209	54,937,209	72,326,445	17,389,236
Passenger Fares	8,296,692	8,296,692	5,645,160	-2,651,532
Federal Preventative Maintenance	2,500,000	2,500,000	8,884	-2,491,116
Non-Transportation Revenue	600,995	600,995	1,075,114	474,119
Interest Earnings	<u>1,580</u>	<u>1,580</u>	<u>4,889</u>	<u>3,309</u>
 Total Operating Revenues	 <u>\$109,040,896</u>	 <u>\$109,040,896</u>	 <u>\$165,678,116</u>	 <u>\$56,637,220</u>
 <u>Operating Expenditures</u>				
Salaries and Wages	\$36,655,904	\$36,655,904	\$37,998,058	-\$1,342,154
Fringe Benefits	19,172,747	19,172,747	21,316,893	-2,144,146
Fuel and Lubricants	4,672,344	4,672,344	3,468,797	1,203,547
Materials and Supplies	5,157,568	5,157,568	3,956,007	1,201,561
Services	16,511,591	16,511,591	19,526,911	-3,015,320
Insurance	584,801	584,801	423,848	160,953
Travel/Training/Dues & Subscriptions	339,333	339,333	329,943	9,390
All Other/Miscellaneous	2,405,099	2,405,099	2,469,003	-63,904
Contingency	1,883,222	1,883,222	0	1,883,222
Transfer to CTC (ADA expense)	13,310,635	13,310,635	12,204,845	1,105,790
Transfer to Skyway	6,628,157	6,628,157	7,789,066	-1,160,909
Transfer to Ferry	<u>1,719,495</u>	<u>1,719,495</u>	<u>1,856,487</u>	<u>-136,992</u>
 Total Operating Expenditures	 <u>\$109,040,896</u>	 <u>\$109,040,896</u>	 <u>\$111,339,858</u>	 <u>-\$2,298,962</u>
 Surplus/(Deficit)	 <u><u>\$0</u></u>	 <u><u>\$0</u></u>	 <u><u>\$54,338,258</u></u>	 <u><u>\$54,338,258</u></u>

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

BALANCE SHEET INFORMATION

Cash & Investments	-\$9,988	Current Liabilities	\$1,473,925
Current Assets	26,825,456	Other Liabilities	28,507,394
Fixed Assets	1,093,528	Fund Equity	-2,072,323
Total Assets	\$27,908,996	Total Liab. & Equity	\$27,908,996

BUDGET INFORMATION

	FY21 Original Budget	FY21 Revised Budget	FY21 Actuals	Favorable (Unfavorable) Budget Variance
<u>Operating Revenues</u>				
Federal, State & Local Grants	\$542,036	\$542,036	\$451,281	-\$90,755
Passenger Fares	1,222,311	1,222,311	682,080	-540,231
State Transportation Disadvantaged Funds	2,090,616	2,090,616	1,561,755	-528,861
City of Jacksonville (Paratransit Contribution)	1,496,760	1,496,760	1,651,371	154,611
Federal Preventative Maintenance	1,000,000	1,000,000	0	-1,000,000
Non-Transportation Revenue	3,129	3,129	251	-2,878
Transfer from Bus Operations	13,310,635	13,310,635	12,204,845	-1,105,790
Total Operating Revenues	\$19,665,487	\$19,665,487	\$16,551,583	-\$3,113,904
<u>Operating Expenditures</u>				
Salaries and Wages	\$2,818,512	\$2,818,512	\$2,381,037	\$437,475
Fringe Benefits	1,184,868	1,184,868	1,444,736	-259,868
Fuel and Lubricants	1,370,890	1,370,890	994,608	376,282
Materials and Supplies	944,421	944,421	491,940	452,481
Services	12,682,596	12,682,596	11,043,958	1,638,638
Insurance	2,847	2,847	6,969	-4,122
Travel/Training/Dues & Subscriptions	60,288	60,288	53,332	6,956
All Other/Miscellaneous	118,065	118,065	135,003	-16,938
Contingency	483,000	483,000	0	483,000
Total Operating Expenditures	\$19,665,487	\$19,665,487	\$16,551,583	\$3,113,904
Surplus/(Deficit)	\$0	\$0	\$0	\$0

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

BALANCE SHEET INFORMATION

Cash & Investments	\$22,284	Current Liabilities	\$1,441,849
Current Assets	19,420,704	Other Liabilities	23,984,463
Fixed Assets	<u>66,059,103</u>	Fund Equity	<u>60,075,779</u>
Total Assets	<u><u>\$85,502,091</u></u>	Total Liab. & Equity	<u><u>\$85,502,091</u></u>

BUDGET INFORMATION

	<u>FY21 Original Budget</u>	<u>FY21 Revised Budget</u>	<u>FY21 Actuals</u>	<u>Favorable (Unfavorable) Budget Variance</u>
<u>Operating Expenditures</u>				
Federal, State & Local Grants	\$136,870	\$136,870	\$194,295	\$57,425
Federal Preventative Maintenance	500,000	500,000	0	-500,000
Non-Transportation Revenue	13,000	13,000	25,339	12,339
Transfer from Bus Operations	<u>6,628,157</u>	<u>6,628,157</u>	<u>7,789,066</u>	<u>1,160,909</u>
Total Operating Revenues	<u><u>\$7,278,027</u></u>	<u><u>\$7,278,027</u></u>	<u><u>\$8,008,700</u></u>	<u><u>\$730,673</u></u>
<u>Operating Expenditures</u>				
Salaries and Wages	\$2,469,906	\$2,469,906	\$2,645,508	-\$175,602
Fringe Benefits	1,337,877	1,337,877	1,429,744	-91,867
Fuel and Lubricants	8,961	8,961	2,124	6,837
Materials and Supplies	1,062,522	1,062,522	1,284,579	-222,057
Services	1,339,505	1,339,505	1,589,612	-250,107
Insurance	497,512	497,512	525,536	-28,024
Travel/Training/Dues & Subscriptions	25,535	25,535	25,046	489
All Other/Miscellaneous	344,209	344,209	506,551	-162,342
Contingency	<u>192,000</u>	<u>192,000</u>	<u>0</u>	<u>192,000</u>
Total Operating Expenditures	<u><u>\$7,278,027</u></u>	<u><u>\$7,278,027</u></u>	<u><u>\$8,008,700</u></u>	<u><u>-\$730,673</u></u>
Surplus/(Deficit)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

BALANCE SHEET INFORMATION

Cash & Investments	\$0	Current Liabilities	\$317,354
Current Assets	64,476	Other Liabilities	2,841,230
Fixed Assets	23,158,836	Fund Equity	20,064,728
Total Assets	<u><u>\$23,223,312</u></u>	Total Liab. & Equity	<u><u>\$23,223,312</u></u>

BUDGET INFORMATION

	FY21 Original Budget	FY21 Revised Budget	FY21 Actuals	Favorable (Unfavorable) Budget Variance
<u>Operating Revenues</u>				
Federal, State & Local Grants	\$0	\$0	\$79,119	\$79,119
Passenger Fares	1,321,289	1,321,289	1,082,346	-238,943
Non-Transportation	0	0	0	0
Transfer from Bus Operations	1,719,495	1,719,495	1,856,487	136,992
Total Operating Revenues	<u><u>\$3,040,784</u></u>	<u><u>\$3,040,784</u></u>	<u><u>\$3,017,952</u></u>	<u><u>-\$22,832</u></u>
<u>Operating Expenditures</u>				
Salaries and Wages	\$228,413	\$228,413	\$253,950	-\$25,537
Fringe Benefits	67,799	67,799	121,727	-53,928
Fuel and Lubricants	294,524	294,524	227,852	66,672
Materials and Supplies	17,430	17,430	7,208	10,222
Services	2,248,676	2,248,676	2,252,577	-3,901
Insurance	54,464	54,464	51,881	2,583
Travel/Training/Dues & Subscriptions	7,817	7,817	8,851	-1,034
All Other/Miscellaneous	46,661	46,661	93,906	-47,245
Contingency	75,000	75,000	0	75,000
Total Operating Expenditures	<u><u>\$3,040,784</u></u>	<u><u>\$3,040,784</u></u>	<u><u>\$3,017,952</u></u>	<u><u>\$22,832</u></u>
Surplus/(Deficit)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

BALANCE SHEET INFORMATION

Cash & Investments	\$121,333,367	Current Liabilities	\$1,071,616
Current Assets	5,501,686	Other Liabilities	3,201,327
Fixed Assets	<u>0</u>	Fund Equity	<u>122,562,110</u>
TOTAL ASSETS	<u><u>\$126,835,053</u></u>	TOTAL LIAB & EQUITY	<u><u>\$126,835,053</u></u>

BUDGET INFORMATION

	<u>FY21 Original Budget</u>	<u>FY21 Revised Budget</u>	<u>FY21 Actuals</u>	<u>Favorable (Unfavorable) Budget Variance</u>
<u>Operating Revenues</u>				
Net Sales Tax - Operating	\$2,032,848	\$2,032,848	\$2,032,848	\$0
Non-Transportation Revenue	95,706	95,706	5,600,123	5,504,417
Interest Earnings	<u>763,700</u>	<u>763,700</u>	<u>146,807</u>	<u>-616,893</u>
Total Operating Revenues	<u><u>\$2,892,254</u></u>	<u><u>\$2,892,254</u></u>	<u><u>\$7,779,778</u></u>	<u><u>\$4,887,524</u></u>
<u>Operating Expenditures</u>				
Salaries & Wages	\$1,096,082	\$1,096,082	\$1,367,810	-\$271,728
Fringe Benefits	417,332	417,332	799,575	-382,243
Materials and Supplies	26,432	26,432	-10,504	36,936
Services	913,407	913,407	1,077,756	-164,349
Insurance	513	513	1,107	-594
Training/Travel/Dues & Subscriptions	14,164	14,164	51,213	-37,049
All Other/Miscellaneous	57,546	57,546	71,777	-14,231
Contingency	<u>366,778</u>	<u>366,778</u>	<u>0</u>	<u>366,778</u>
Total Operating Expenditures	<u><u>\$2,892,254</u></u>	<u><u>\$2,892,254</u></u>	<u><u>\$3,358,734</u></u>	<u><u>-\$466,480</u></u>
Surplus/(Deficit)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$4,421,044</u></u>	<u><u>\$4,421,044</u></u>



November 9, 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 9-30-21

Dear Ms. Taylor,

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

In FY2021 JAXPORT moved a record 1.4 million TEU (twenty-foot equivalent units), exceeding the previous record (FY2019) by over 60,000 units. It should be noted that total container revenue dollars were adjusted in late FY2021, by a contract amendment which replaced a \$6 million lump sum rent receipt with increased contractual cargo throughput rates in future years. This adjustment explains the change from JAXPORT's June 30, 2021 forecast of Annual Projected Revenues. The absence of Cruise revenues in FY2021 was significantly offset by other revenue line items exceeding budget targets. Savings in operating expenses and debt service categories also allowed for a \$4 million outlay within other expenditures, part of the contract amendment noted above.

JAXPORT experienced no budgetary stress in FY2021.

As of September 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

Attachments

JACKSONVILLE PORT AUTHORITY
QUARTERLY REPORT SUMMARY
For the Twelve Months Ending September 30, 2021
UNAUDITED

BALANCE SHEET

Cash and Investments	\$41,414,195	Current Liabilities	\$11,931,382
Accounts Receivable & Other Assets	46,825,328	Notes and Bonds Payable	262,442,460
Fixed Assets	857,604,233	Other Liabilities	154,391,752
TOTAL ASSETS	\$945,843,757	Net Position	517,078,164
		TOTAL LIABILITIES & EQUITY	\$945,843,757

OPERATING & NON-OPERATING ITEMS

	2020/2021 ORIGINAL BUDGET	2020/2021 AMENDED BUDGET	2020/2021 YTD ACTUAL	FAVORABLE (UNFAVORABLE) BUDGET VARIANCE
OPERATING REVENUES				
Containers	\$31,064,366	\$31,064,366	\$28,564,584	-\$2,499,782
Autos	14,985,447	14,985,447	15,251,247	265,800
Military	1,270,000	1,270,000	1,352,805	82,805
Break Bulk	4,093,136	4,093,136	4,880,043	786,907
Liquid Bulk	1,312,622	1,312,622	1,558,678	246,056
Dry Bulk	2,018,956	2,018,956	2,043,236	24,280
Cruise	2,000,000	2,000,000	0	-2,000,000
Other Operating Revenues	2,550,480	2,550,480	5,576,794	3,026,314
TOTAL OPERATING REVENUES	\$59,295,007	\$59,295,007	\$59,227,387	-\$67,620
OPERATING EXPENDITURES				
Salaries	\$12,229,040	\$12,229,040	\$12,280,187	-\$51,147
Employee Benefits	5,356,482	5,356,482	5,184,655	171,827
Services & Supplies	4,090,702	4,090,702	3,820,946	269,756
Security Services	5,009,338	5,009,338	4,365,308	644,030
Business Travel & Training	443,111	443,111	142,582	300,529
Promotion, Advertising & Dues	631,897	631,897	537,843	94,054
Utility Services	803,875	803,875	669,388	134,487
Repairs & Maintenance	1,812,165	1,812,165	1,945,019	-132,854
Crane Maintenance Pass Thru	-450,000	-450,000	-463,430	13,430
Berth Maintenance Dredging	5,499,738	5,499,738	3,985,836	1,513,902
Miscellaneous	234,457	234,457	155,773	78,684
TOTAL OPERATING EXPENDITURES	\$35,660,805	\$35,660,805	\$32,624,107	\$3,036,698
OPERATING INCOME	\$23,634,202	\$23,634,202	\$26,603,280	\$2,969,078
NON-OPERATING REVENUES				
Investment Income	\$146,344	\$146,344	\$9,559	-\$136,785
Shared Revenue from Primary Govt	9,588,317	9,588,317	9,847,144	258,827
Other Revenue	8,500	8,500	360	-8,140
	\$9,743,161	\$9,743,161	\$9,857,063	\$113,902
NON-OPERATING EXPENSES				
Debt Service	\$22,929,363	\$22,929,363	\$15,896,244	\$7,033,119
Crane Relocation	0	0	706,429	-706,429
Other Expenditures	3,360	3,360	4,009,264	-4,005,904
	\$22,932,723	\$22,932,723	\$20,611,937	\$2,320,786
NET INCOME BEFORE CAPITAL OUTLAY AND CONTINGENCY	\$10,444,640	\$10,444,640	\$15,848,406	\$5,403,766
Transfer (to)/from Operating Capital Outlay	-\$10,444,640	-\$10,444,640	-\$7,598,128	\$2,846,512
SURPLUS (DEFICIT)	\$0	\$0	\$8,250,278	\$8,250,278
TOTAL REVENUES	\$69,038,168	\$69,038,168	\$69,084,450	
TOTAL APPROPRIATIONS	\$69,038,168	\$69,038,168	\$60,834,172	



November 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 twelve months ended September 30, 2021.

FY21 Operating Revenues, prior to remaining year-end adjustments, were \$81.98 million leading to a positive budget variance of \$11.73 million at year end. FY21 Operating Expenditures, prior to remaining year-end adjustments, were \$55.43 million leading to a positive budget variance of \$6.23 million at year end. The quarter closes with a positive budget Operating Income variance of \$17.96 million. The Jacksonville Aviation Authority remains in a challenging financial and operational environment, however business has been on an improving trend line since May. 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 written over a light blue horizontal line.

Ross Jones
Chief Financial Officer

Jacksonville Aviation Authority
Jacksonville, Florida
Quarterly Report Summary
For the twelve months ended September 30, 2021
UNAUDITED

Cash and investments	\$170,457,062	Current liabilities	\$32,370,659
Other current assets	12,931,610	Other liabilities	77,900,505
Fixed and other assets	512,981,857	Total equity	586,099,365
Total assets	<u>\$696,370,529</u>	Total liabilities and equity	<u>\$696,370,529</u>
			Budget
			Variance
	2020/2021	2020/2021	YTD
	Original Budget	Revised Budget	Actual
			Favorable
			(Unfavorable)
OPERATING REVENUES			
Concessions	\$10,351,720	\$10,351,720	\$15,632,994
Fees & Charges	16,547,348	16,547,348	20,754,852
Space & Facility Rentals	31,102,721	31,102,721	30,947,466
Parking	10,730,115	10,730,115	13,000,182
Sale of Utilities	1,364,883	1,364,883	1,353,557
Other Miscellaneous Operating Revenue	153,798	153,798	295,390
TOTAL OPERATING REVENUES	<u>\$70,250,585</u>	<u>\$70,250,585</u>	<u>\$81,984,441</u>
OPERATING EXPENDITURES			
Salaries	\$19,190,369	\$19,262,869	\$19,130,511
Benefits	7,922,610	7,828,711	7,537,133
Services and Supplies	18,774,766	15,833,407	14,058,219
Repairs & Maintenance	4,366,311	9,140,260	7,824,403
Promotion, Advertising and Dues	658,927	699,069	578,961
Registration & Travel	367,580	300,959	157,616
Insurance Expense	1,939,972	1,724,186	1,724,013
Cost of Goods for Sale	660,000	650,000	547,866
Utilities, Taxes & Gov't Fees	4,714,790	4,117,772	3,867,617
Operating Contingency	3,059,119	2,097,211	0
TOTAL OPERATING EXPENDITURES	<u>\$61,654,444</u>	<u>\$61,654,444</u>	<u>\$55,426,339</u>
OPERATING INCOME	<u>\$8,596,141</u>	<u>\$8,596,141</u>	<u>\$26,558,102</u>
NON-OPERATING REVENUES			
Passenger Facility Charges	\$8,558,827	\$8,558,827	\$8,729,473
Investment income	1,209,000	1,209,000	1,205,455
Other Revenues	772,860	772,860	7,396,745
TOTAL NON-OPERATING REVENUES	<u>\$10,540,687</u>	<u>\$10,540,687</u>	<u>\$17,331,673</u>
NON-OPERATING EXPENDITURES			
Debt Service	\$7,270,000	\$7,270,000	\$7,877,950
Other Expenditures	726,100	726,100	169,385
TOTAL NON-OPERATING EXPENDITURES	<u>\$7,996,100</u>	<u>\$7,996,100</u>	<u>\$8,047,335</u>
NET INCOME BEFORE OPERATING CAPITAL OUTLAY, PFC RESERVE AND RETAINED EARNINGS	<u>\$11,140,728</u>	<u>\$11,140,728</u>	<u>\$35,842,440</u>
Transfer (to) Operating Capital Outlay	-\$4,715,000	-\$4,715,000	-\$579,003
Transfer (to)/from Passenger Facility Charge Reserve	-3,206,915	-3,206,915	-3,963,436
Transfer (to)/from Retained Earnings	-3,218,813	-3,218,813	-3,218,813
SURPLUS/(DEFICIT)	<u>\$0</u>	<u>\$0</u>	<u>\$28,081,188</u>
TOTAL REVENUES	<u>\$80,791,272</u>	<u>\$80,791,272</u>	<u>\$99,316,114</u>
TOTAL APPROPRIATIONS	<u>\$80,791,272</u>	<u>\$80,791,272</u>	<u>\$71,234,926</u>
FULLTIME POSITIONS	<u>255</u>	<u>255</u>	<u>244</u>
TEMPORARY EMPLOYEE HOURS	<u>5,220</u>	<u>5,220</u>	<u>0</u>

Bond Ratings for Independent Agencies				
As of September 30, 2021				
	<u>Fitch</u>	<u>S&P</u>	<u>Moody</u>	
<u>JEA</u>				
Uninsured Long Term				
Electric Senior Bonds	AA	A+	A2	
Electric Subordinated Bonds	AA	A	A3	
Uninsured Short Term				
Electric Senior Bonds	F1+	A-1	VMIG-1	
Electric Subordinated Bonds	F1+	A-1	VMIG-2	
Uninsured Long Term				
SJRPP Bonds	AA	A+	A2	
Uninsured Long Term				
Water and Sewer Senior Bonds	AA	AA+	Aa3	
Water and Sewer Subordinated Bonds	AA	AA	Aa3	
Uninsured Short Term				
Water and Sewer Senior Bonds	F1 - F1+	A-1	VMIG-1	
Water and Sewer Subordinated Bonds	F1+	A-1 – A-1+	VMIG-1	
Uninsured Long Term				
Bulk Power Supply System Bonds	AA	A+	A2	
District Energy System Bonds	AA	AA	A1	
<u>Jacksonville Transportation Authority</u>				
Local Option Gas Tax Revenue Bonds - Series 2015	AA-	AA	Not Rated	
Local Option Gas Tax Revenue Bonds - Series 2020	AA-	AA	Not Rated	
<u>Jacksonville Port Authority</u>				
Revenue Bonds - Series 2012	A	Not Rated	A2	
Revenue Bonds - Series 2018B	A	Not Rated	A2	
Revenue Bonds - Series 2020B	A	Not Rated	A2	
Source: 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		A+	A-1	A+	F1	Upper medium grade
A2	A	A	A			
A3	P-2	A-	A-2	A-	F2	Upper medium grade
Baa1		BBB+		BBB+		
Baa2	P-3	BBB	A-3	BBB	F3	Medium grade
Baa3		BBB-		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		CCC+	C	CCC	C	
Caa2	CCC	CC				
Caa3	CCC-	C		Speculative, in or near default		
Ca	CC	C				
C	C	D	D	RD/D	RD/D	In default, little prospect of recovery
/	D					
/	D					

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