

**RESOLUTION NO. 08272015-04**

**A RESOLUTION OF THE PORT OF PALM BEACH DISTRICT  
BOARD OF COMMISSIONERS ADOPTING BUDGET AND  
MAKING APPROPRIATION FOR FISCAL YEAR 2016**

**WHEREAS**, the Port of Palm Beach District staff has proposed an Operating, Renewal and Replacement, and Capital Improvement budgets, presented in accordance with generally accepted accounting principles, for the Port of Palm Beach District, an independent special taxing district established under state statutes as a political sub-division of the State of Florida, for the fiscal year, commencing October 1, 2015 and ending September 30, 2016; and

**WHEREAS**, the proposed Operating, Renewal and Replacement, and Capital Improvement budgets were approved by the Board of Commissioners of the Port of Palm Beach District on August 27, 2015 as follows; and

Operating Budget:	
Net Operating Revenues	\$ 16,250,437
Operating Expenses	(13,526,724)*
Non-operating revenues (expenses)	<u>( 1,638,113)</u>
Income before capital contributions	<u>\$ 1,085,600</u>
Renewal and Replacement Budget:	
Sources:	<u>\$ 852,678</u>
Uses:	<u>\$ 750,000</u>
Capital Budget	<u>\$ 47,096,000</u>

\* Appropriate reduction of Business Development Operating Budget percentage to approximately 4.99% of the previous fiscal year's gross revenues.

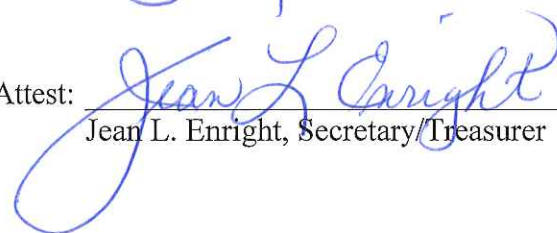
**WHEREAS**, now is the proper time to pass a resolution recording the official action of the Board, the foregoing Resolution was moved for adoption by Commissioner McArthur; seconded by Commissioner Richards; and the vote thereon was as follows:

Chairman Ciklin:	Vote: <u>Yes</u>	Commissioner Mastics:	Vote: <u>Yes</u>
Vice-Chairman Richards:	Vote: <u>Yes</u>	Commissioner McArthur:	Vote: <u>Yes</u>
Secretary/Treasurer Enright:	Vote: <u>Yes</u>		

**THEREFORE, BE IT FURTHER RESOLVED** that the Chairman thereupon declared this Resolution adopted this 27th day of August 2015.

**PORT OF PALM BEACH DISTRICT**

By:   
Blair J. Ciklin, Chairman

Attest:   
Jean L. Enright, Secretary/Treasurer

**PORT OF PALM BEACH DISTRICT TOTAL CAPITAL PROJECTS (in \$ thousands)**

<u>PROJECT NAME</u>	<u>External Funding Sources</u>	<u>Total Project Cost</u>	<u>Project Cost Ratio</u>	<u>Estimated Expenditures thru 9/30/15</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>BEYOND</u>	<u>TOTAL</u>
On Port Rail Facility Expansion Project	Florida Department of Transportation - FM # 436215 -1-94-01	\$500	50/50	\$126	\$100	\$200	\$74	\$0	\$0	\$0	\$374
Rail Conceptual Study Supplemental #1	Florida Department of Transportation - FM # 436215 -1-94-01	\$75	50/50	\$0	\$75	\$0	\$0	\$0	\$0	\$0	\$75
	Total Project	\$575		\$126	\$175	\$200	\$74	\$0	\$0	\$0	\$449
Berth 17 Enhancement	Florida Department of Transportation FM# 422827 Contract # AR857- Match	\$9,202	50/50	\$680	\$3,111	\$3,111	\$2,301	\$0	\$0	\$0	\$8,522
Slip# 3 Redevelopment	Florida Department of Transportation FM# 422827 Contract # AQ829- Match	\$27,300	76.5/23.5	\$27,175	\$125	\$0	\$0	\$0	\$0	\$0	\$125
	FY 2011 Port Security Grant - No Match	\$600	100%	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Project	\$27,900		\$27,775	\$125	\$0	\$0	\$0	\$0	\$0	\$125
Berth 1 Expansion	FDOT # 434833-1-94-01	\$6,000	50/50	\$0	\$0	\$0	\$3,000	\$3,000	\$0	\$0	\$6,000
Condition Survey & Conceptual Design	FDOT# 434833-1-94-01	\$150	50/50	\$38	\$112	\$0	\$0	\$0	\$0	\$0	\$112
Supplement #1	FDOT# 434833-1-94-01	\$619	50/50	\$0	\$0	\$0	\$619	\$0	\$0	\$0	\$619
	Total Project	\$6,769	50/50	\$38	\$112	\$0	\$3,619	\$3,000	\$0	\$0	\$6,731
Tropical Reefer Line Expansion	Florida Department of Transportation FM# 435033 Contract # ARJ70- Match	\$550	50/50	\$0	\$0	\$550	\$0	\$0	\$0	\$0	\$550
Passenger Loading Bridge	Unfunded	\$1,500	50/50	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0	\$1,500
FY 2014 Port Security Grant	U.S. Department of Homeland Security Partership Program	\$2,660									
	Port Program	(\$2,060)									
		\$600	75/25	\$0	\$600	\$0	\$0	\$0	\$0	\$0	\$600
<b>TOTAL CAPITAL PROJECTS</b>		<u>\$47,096</u>		<u>\$28,619</u>	<u>\$5,623</u>	<u>\$3,861</u>	<u>\$5,994</u>	<u>\$3,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$18,477</u>
<b>RENEWAL &amp; REPLACEMENT</b>					\$750	\$800	\$800	\$900	\$900	\$900	\$5,050
<b>TOTAL CASH</b>					<u>\$6,373</u>	<u>\$4,661</u>	<u>\$6,794</u>	<u>\$3,900</u>	<u>\$900</u>	<u>\$900</u>	<u>\$23,527</u>

**PORT OF PALM BEACH DISTRICT GRANT FUNDING (in \$ thousands)**

PROJECT NAME	External Funding Sources	Total Project Cost	Grant Funding	Estimated Expenditures thru 9/30/15	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	BEYOND	TOTAL
On Port Rail Facility Expansion Project, Phase 1	Florida Department of Transportation - FM # 436215 - No JPA	\$500	\$250	\$63	\$50	\$100	\$37	\$0	\$0	\$0	\$187
Rail Conceptual Study Supplemental #1	Florida Department of Transportation - FM # 436215 -1-94-01	\$75	\$38	\$0	\$38	\$0	\$0	\$0	\$0	\$0	\$38
	Total Project	\$575	\$288	\$63	\$88	\$100	\$37	\$0	\$0	\$0	\$225
Berth 17 Enhancement	Florida Department of Transportation FM# 422827 Contract # AR857- Match	\$9,202	\$4,601	\$680	\$3,111	\$810	\$0	\$0	\$0	\$0	\$3,921
Slip# 3 Redevelopment	Florida Department of Transportation FM# 422827 Contract # AQ829- Match	\$27,300	\$20,892	\$20,767	\$125	\$0	\$0	\$0	\$0	\$0	\$125
	FY 2011 Port Security Grant - No Match	\$600	\$600	\$600	\$0	0	\$0	\$0	\$0	\$0	\$0
	Total Project	\$27,900	\$21,492	\$21,367	\$125	\$0	\$0	\$0	\$0	\$0	\$125
Berth 1 Expansion	FDOT # 434833-1-94-01	\$6,000	\$3,000	\$0	\$0	\$0	\$1,500	\$1,500	\$0	\$0	\$3,000
Condition Survey & Conceptual Design	FDOT# 434833-1-94-01	\$150	\$75	\$19	\$56	\$0	\$0	\$0	\$0	\$0	\$56
Supplement #1	FDOT# 434833-1-94-01	\$619	\$310	\$0	\$0	\$0	\$310	\$0	\$0	\$0	\$310
	Total Project	\$6,769	\$3,385	\$19	\$56	\$0	\$1,810	\$1,500	\$0	\$0	\$3,366
Tropical Reefer Line Expansion	Florida Department of Transportation FM# 435033 Contract # ARJ70- Match	\$550	\$275	\$0	\$0	\$275	\$0	\$0	\$0	\$0	\$275
Passenger Loading Bridge	Unfunded	\$1,500	\$750	\$0	\$750	\$0	\$0	\$0	\$0	\$0	\$750
FY 2014 Port Security Grant	U.S. Department of Homeland Security Partership Program	\$2,660									
	Port Program	<2060> \$600	\$450	\$0	\$450	\$0	\$0	\$0	\$0	\$0	\$450
TOTAL CAPITAL PROJECTS		\$47,096	\$31,240	\$22,129	\$4,579	\$1,185	\$1,847	\$1,500	\$0	\$0	\$9,111
RENEWAL & REPLACEMENT					\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL CASH					\$4,579	\$1,185	\$1,847	\$1,500	\$0	\$0	\$9,111



**PORT OF PALM BEACH DISTRICT  
RENEWAL AND REPLACEMENT PROJECTED CAPITAL EXPENDITURES  
FY 2016**

	<b>BUDGET FY 2016</b>
<b>Sources of Funds</b>	
Renewal and Replacement Estimated Account Balance as of 9/30/15	\$ 300,000
① Renewal and Replacement Estimated Allocation for FY 2016	752,678
Less: Renewal & Replacement Non-Capital Expenses	(200,000)
<b>Total Sources of Funds for Renewal and Replacement FY 2016 Budget</b>	<b><u>\$ 852,678</u></b>

<b>Uses of Funds</b>	
Lull Fork Lift & Equipment	100,000
Bobcat Loader & Equipment	80,000
Berth Fendering Improvements	75,000
Lighting Improvements	75,000
Ashpalt & Concrete Improvements	75,000
Rail Improvements	100,000
Water Box Upgrades	30,000
Computer Upgrades	75,000
Landscape Improvements	50,000
Vehicles	50,000
Building Improvements	<u>40,000</u>
<b>Total Uses of Funds for Renewal and Replacement FY 2016 Budget</b>	<b><u>\$ 750,000</u></b>

<b>Renewal and Replacement Estimated Account Balance as of 09/30/16</b>	<b><u>\$ 102,678</u></b>
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① Port revenue bond covenants require allocation of 5% of previous year's gross revenue to the Renewal & Replacement fund and shall be used only to pay the cost of additions, extensions and improvements or the renewal and replacement of capital assets of the Port Facilities. Currently using FY 2015 Revised Budgeted Gross Revenue. The cash is deposited on the 15th of each month.

**PORT OF PALM BEACH DISTRICT  
FY 2016 OPERATING BUDGET**

	FY 2014 ACTUAL UNAUDITED	FY 2015 REVISED BUDGET	FY 2016 ADOPTED BUDGET	FAV (UNFAV) BUDGET VARIANCE FY 16 vs FY 15
<b>OPERATING REVENUES:</b>				
Wharfage	\$ 3,562,456	\$ 3,018,952	\$ 3,319,271	\$ 300,319
Dockage	1,731,439	1,518,059	1,686,775	168,716
Parking	1,186,040	1,290,160	1,862,271	572,111
Passenger Charges - Day Cruise	59,305	159,747	562,500	402,753
Passenger Charges - Multiday	5,266,755	4,930,521	6,507,900	1,577,379
Storage	66,939	26,085	54,329	28,244
Water	79,888	71,869	84,015	12,146
Line Handling	28,000	33,600	27,201	(6,399)
Switching	528,987	591,533	658,289	66,756
Licenses and Permits	111,300	110,400	103,700	(6,700)
Vessel Bunkers	45,480	46,290	85,000	38,710
Cargo Terminal Fee	661,301	589,715	624,870	35,155
Security Fee	536,966	510,660	493,936	(16,724)
Identification Badging	47,496	36,390	25,585	(10,805)
Harbor Master Fees	107,500	150,698	175,436	24,738
Rental Income	4,515,033	4,315,613	4,572,036	256,423
Miscellaneous Income	391,387	445,698	134,575	(311,123)
<b>Gross Operating Revenues</b>	<b>18,926,272</b>	<b>17,845,990</b>	<b>20,977,689</b>	<b>3,131,699</b>
Marketing Support	(3,252,874)	(2,793,636)	(4,727,252)	(1,933,616)
<b>Net Operating Revenues</b>	<b>15,673,398</b>	<b>15,052,354</b>	<b>16,250,437</b>	<b>1,198,083</b>
<b>OPERATING EXPENSES:</b>				
Administration	656,305	700,735	705,175	(4,440)
Finance, HR and MIS	889,070	819,020	813,737	5,283
General Expense	1,735,225	1,694,142	1,728,594	(34,452)
Engineering	12,000	12,000	12,000	-
Consulting	36,033	39,000	39,000	-
Legal	125,244	150,000	200,000	(50,000)
Operations	148,398	192,642	151,117	41,525
General Maintenance	1,261,340	1,313,909	1,393,998	(80,089)
Maritime Office Complex	302,987	281,700	301,500	(19,800)
Cruise Terminal	205,979	209,700	223,600	(13,900)
Southgate	63,358	66,950	61,500	5,450
Railroad	138,655	161,682	149,787	11,895
Security	1,845,002	1,722,469	1,906,413	(183,944)
Business Development	515,311	652,853	751,486	(98,633)
Community Grants	8,765	10,000	10,000	-
Renewal and Replacement	235,495	522,500	200,000	322,500
<b>OPERATING EXPENSES</b>	<b>8,179,167</b>	<b>8,549,302</b>	<b>8,647,907</b>	<b>(98,605)</b>
<b>OPERATING INCOME before Depr. &amp; Amort.</b>	<b>7,494,231</b>	<b>6,503,052</b>	<b>7,602,530</b>	<b>1,099,478</b>
Amortization Expense	(28,817)	(28,817)	(28,817)	-
Depreciation Expense	(4,159,615)	(4,228,500)	(4,850,000)	(621,500)
<b>OPERATING INCOME</b>	<b>3,305,799</b>	<b>2,245,735</b>	<b>2,723,713</b>	<b>477,978</b>
<b>Non-Operating Revenues (Expenses):</b>				
Operating Grant Revenue	146,674	278,000	-	(278,000)
Operating Grant Expenses	(2,000)	-	-	-
Feasibility Study	(225,678)	-	-	-
FP&L Distribution Line Relocation	-	(126,000)	-	126,000
Gain (Loss) on disposition of assets	(562)	330,000	-	(330,000)
Interest Earnings	1,933	1,200	1,200	-
Interest on Bonds	(1,659,947)	(1,725,415)	(1,639,313)	86,102
<b>Total Non-Operating Revenue (Expenses)</b>	<b>(1,739,580)</b>	<b>(1,242,215)</b>	<b>(1,638,113)</b>	<b>(395,898)</b>
<b>INCOME before capital contributions</b>	<b>\$ 1,566,219</b>	<b>\$ 1,003,520</b>	<b>\$ 1,085,600</b>	<b>\$ 82,080</b>