



# Office of Mayor-Elect Lenny Curry

Transition Task Force (Budget)

June 29, 2015

City Hall, Mayor's Conference Room, 117 West Duval Street, Jacksonville FL 32202

IN ATTENDANCE:

**Transition Team**

Sam Mousa

Shari Shuman

Ashton Hudson

**Council Auditor's Office**

Kirk Sherman

Heather Reber

**Budget Office**

Patty Coleman

Julio Locado

**Treasurer**

Joey Greive

Marc Stickney

**Department: SMG – Bill McConnell, Dave Harrell, Mary Madsen, Keith Vanderleest, Joey Bergman, Tanisha Landry**

**Highlights of the Budget:**

Shari Shuman led the meeting starting with:

**Municipal Stadium-** 2 cent tourist development tax account has \$6.3 million projected from \$5.6 million last year. Kirk Sherman said that they work with the Tourist Development Council and there has been a strong resurgence in that area.

State sales tax rebate has not changed from the \$2 million budget.

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Parking fees-daily: at \$185K from events that the city promotes for the \$2 per space for the Jaguar games, which is adjusted by DVI each year.

NFL tickets surcharge has \$1,000,550 that is based off of \$2.50 NFL tickets surcharge for facility fees. That is monies paid directly from the Jaguars.

The electricity and water is contracted separately. Projecting a decrease in the coming year and have adjusted for the video boards and stadium improvements that were installed last year.

Interest and principal is coming from fixed rates securities for prior existing debts.

2 loans are being paid out of sub-fund general capital projects funds.

SMG operations - parking fees went down \$412,289 from \$630K due to decrease in revenue, but with the addition of the country music fest for 3 years or more that projection should be met.

Other tickets surcharge incentives- \$250k from ticket master fees.

Contractual revenue shows \$1.8 million from billables for the events as in security, and ushers.

\$244,540 is from cell site revenue and the \$184K is what is being predicted for the events.

Bottom line of expenses this year was at \$10 million, and going to \$9 million. Savings are from repairs and maintenance, electric and water in contractual services.

**Arena** – other ticket surcharge is at \$350K and should meet that projection with the addition of Garth Brooks and Paul McCartney events.

Internal service allocations: fleet is for the city trucks, utilities allocation, and maintenance all at \$1,000,791 million.

Parking is at \$634,313, and ticket surcharges are at \$1,000,175, suite licenses is at \$1.5 million.

Rental of city facilities is at \$1,000,050. Concessions are at \$988,659, advertising for signage is at \$650K.

Expenses are going from \$8.2 to \$7.6 million due to event, billable and contractual services all going down.

The anticipated loss on the Arena next year is \$272,507K. Cyclical due to fluctuations in the market, and revenues being shared with event promoters.

**Ballpark** – other tickets surcharge facilities fee for the Suns, but not for the Armada.

Rental of city facilities fees is at \$109K and that is collected monthly.

Professional services are at \$700K.

Revenues: parking fees at \$287K includes fair, Armada, and the Suns games. Other tickets surcharge club suites at \$63K, ticketing center fees at \$35K, contractual services revenue at \$760K for operational expenses for events. Rental of city facilities are at \$188K.

At this time, not able to see the true cost of the ballpark, because the costs are split with the Armada.

Expenses went from \$830K to \$1,670,000 due to billable contractual services.

**Performing-Arts Center:** Tickets surcharge of \$150K. Budget went to \$931K, from \$922K.

Parking surcharge of \$300K, \$126K is the rent received from the tenants of the symphony and the cultural council, and the promoter rental receipts is for \$384K.

Original budget is \$2.5 million and has gone up to \$2.8 million due to contractual service revenue going up as well.

**Convention Center:** building maintenance citywide is allocated in this general fund, parking is at \$130,751, contractual services is at \$898K and intrafund transfer in at \$584, expenses have gone up from \$2.4 million to \$2.6 million.

**Ritz Theatre:** expenses go from \$998K to \$1.1 million.

The Sports Complex Capital account (4G1) is where the video scoreboard and Wi-Fi are set up. Only for capital maintenance projects.

No further questions or comments at this time.

# FY 2016 PROPOSED BUDGET

	Veterans'							Performing-Arts			Ritz		
	<u>EverBank Field</u>	<u>Memorial Arena</u>	<u>Ballpark</u>	<u>Center</u>	<u>Center</u>	<u>Center</u>	<u>Theatre</u>	<u>Totals</u>					
<b>Event Revenues</b>													
FY 2016 Proposed Budget	3,542,604	5,388,450	1,295,911	2,624,115	2,055,488	377,240	15,283,808						
FY 2015 Approved Budget	4,345,720	6,024,707	317,704	2,310,167	1,960,318	194,670	15,153,286						
Dollar Change	(803,116)	(636,257)	978,207	313,948	95,170	182,570	130,522						
Percentage Change	-18.48%	-10.56%	307.90%	13.59%	4.85%	93.78%	0.86%						
<b>Net Event Income/&lt;Loss&gt;</b>													
FY 2016 Proposed Budget	(978,512)	2,158,620	352,866	1,131,281	1,327,104	(54,060)	3,937,299						
FY 2015 Approved Budget	(1,036,210)	2,528,057	183,220	1,032,618	1,363,665	(99,445)	3,971,905						
Dollar Change	57,698	(369,437)	169,646	98,663	(36,561)	45,385	(34,606)						
Percentage Change	-5.57%	-14.61%	92.59%	9.55%	-2.68%	-45.64%	-0.87%						
<b>Non-Event Revenues</b>													
FY 2016 Proposed Budget	508,292	2,224,640	63,515	127,492	(500)	18,500	2,941,939						
FY 2015 Approved Budget	512,632	2,190,000	71,365	129,916	400	18,750	2,923,063						
Dollar Change	(4,340)	34,640	(7,850)	(2,424)	(900)	(250)	18,876						
Percentage Change	-0.85%	1.58%	-11.00%	-1.87%	-225.00%	-1.33%	0.65%						
<b>Indirect Expenses</b>													
FY 2016 Proposed Budget	7,535,952	4,655,767	1,152,147	1,710,893	2,261,531	806,840	18,123,130						
FY 2015 Approved Budget	8,048,873	4,431,502	1,079,410	1,636,493	2,230,508	754,272	18,181,058						
Dollar Change	(512,921)	224,265	72,737	74,400	31,023	52,568	(57,928)						
Percentage Change	-6.37%	5.06%	6.74%	4.55%	1.39%	6.97%	-0.32%						
<b>Net Income/&lt;Loss&gt;</b>													
FY 2016 Proposed Budget	(8,006,172)	(272,507)	(735,766)	(452,120)	(934,927)	(842,400)	(11,243,892)						
FY 2015 Approved Budget	(8,572,451)	286,555	(824,825)	(473,959)	(866,443)	(834,967)	(11,286,090)						
Dollar Change	566,279	(559,062)	89,059	21,839	(68,484)	(7,433)	42,198						
Percentage Change	-6.61%	195.10%	-10.80%	-4.61%	7.90%	0.89%	-0.37%						