

Department

Port Everglades

OTHER FUNDS

	FY 07 Actual	FY 08 Budget	FY 09 Budget	Percent Change 2008-09	Positions	
					FY 08 Budget	FY 09 Budget
Port Everglades Operating Fund	\$69,998,195	\$95,138,210	\$92,797,750	(2)%	229	226
Subtotal	\$69,998,195	\$95,138,210	\$92,797,750	(2)%	229	226
Grand Total	\$69,998,195	\$95,138,210	\$92,797,750	(2)%	229	226

Division

Port Everglades Operating Fund

SECTION SUMMARY

	FY 07 Actual	FY 08 Budget	FY 09 Budget
Administration	\$28,425,343	\$31,167,720	\$31,662,260
Business Administration	\$5,171,654	\$6,385,660	\$5,982,940
Finance	\$2,213,766	\$16,337,380	\$15,892,680
Non-Departmental	\$13,507,159	\$16,840,490	\$14,306,260
Operations	\$20,680,273	\$24,406,960	\$24,953,610
Total	\$69,998,195	\$95,138,210	\$92,797,750

REVENUES

	FY 07 Actual	FY 08 Budget	FY 09 Budget
Petroleum	\$23,756,487	\$23,145,600	\$23,446,400
Container	\$28,556,927	\$29,726,800	\$30,505,700
Cruise	\$31,483,363	\$33,228,900	\$31,923,700
Bulk Cargo	\$3,251,765	\$4,351,800	\$1,903,000
Break Bulk	\$2,803,197	\$2,559,100	\$1,226,300
Navy	\$501,215	\$250,500	\$278,000
Lay-In	\$384,695	\$413,200	\$451,200
Real Estate	\$11,108,989	\$10,131,800	\$10,346,700
Foreign Trade Zone	\$867,135	\$493,000	\$725,800
Public Safety Services	\$1,451,638	\$1,203,000	\$1,228,000
Parking Garages	\$8,093,087	\$9,290,400	\$8,173,200
Interest Earnings	\$9,494,823	\$8,960,600	\$7,867,000
Miscellaneous Revenues	\$241,516	\$9,980,350	\$4,266,400
Less Five Percent	\$0	(\$6,608,600)	(\$6,117,070)
Reimbursement from Convention Center	\$0	\$0	\$5,000,000
Fund Balance	\$151,156,096	\$125,393,917	\$62,451,000
Total	\$273,150,933	\$252,520,367	\$183,675,330

APPROPRIATIONS

	FY 07 Actual	FY 08 Budget	FY 09 Budget
Personal Services	\$18,496,793	\$17,737,080	\$17,094,220
Operating	\$51,499,052	\$63,357,130	\$62,022,220
Capital	\$2,350	\$11,000	\$0
Reserves	\$0	\$14,033,000	\$13,681,310
Total	\$69,998,195	\$95,138,210	\$92,797,750
Positions	231	229	226
Capital Budget	\$13,733,990	\$128,341,757	\$62,097,750
Debt Service	\$25,454,227	\$29,040,400	\$28,779,830
Total	\$109,186,412	\$252,520,367	\$183,675,330

BUDGET VARIANCES

(135,730)	Decrease in personal services due to an increase in attrition.
560,290	Increase in the cost of fire protection and emergency medical services provided by the Broward Sheriff's Fire Rescue Department.
256,100	Increase in the cost of maintenance related materials.
6,820	Increase in operating expenses (\$54,000) to fund half a position in the Purchasing Division and an associated decrease in personal services (\$47,180) due to the deletion of one position. This is a joint effort with the Airport to centralize purchasing processes.
(11,000)	Decrease in capital expense due to the one time nature of the expenditure.
(351,690)	Decrease in reserves due to a decrease in fund balance.
1,510,600	Normal Increases
	102,200 Personal Services
	1,408,400 Operating Expense

BUDGET REDUCTIONS

(142,000)	Decrease in personal services due to the elimination of two vacant positions.
(420,150)	Decrease in personal services due to the freezing and unfunding of eight vacant positions.
(336,790)	Decrease in operating expense due to a decrease in contract parking personnel.
(100,900)	Decrease in operating expense due to a reduction in the pay telephone contract.
(128,290)	Decrease in utility expenses due to implementation of a facility energy conservation performance contract.
(1,510,300)	Decrease in insurance expenses based on actual expenses.
(1,537,420)	Decrease in operating expense based on historical expenditures.
(2,340,460)	TOTAL DECREASE

Section

Administration/Nondepartmental

GOAL STATEMENT

To coordinate the various administrative and financial activities of the divisions within Port Everglades Department to ensure compliance with County policies and goals, and to develop marketing and promotional strategies that create and promote commerce and industry and create employment within Broward County.

Program Description

Generating an estimated economic impact of more than \$2.371 billion annually, Port Everglades operates one of the largest seaports in the United States with approximately 2,190 acres within its jurisdictional boundaries. As part of a regional transportation system, the purpose of Port Everglades is to create and promote commerce and industry by developing, marketing, maintaining, operating, improving, regulating, and managing the Port and harbor facilities.

Highlights

- ❖ As a self-supporting enterprise fund operating in an extremely competitive market, the Port Department continues to implement a strategic marketing plan. This plan, along with the continuous upgrading of infrastructure, continues to attract new business clients while maintaining existing business relationships. The Port's revenue originates from very diverse sources, such as container cargo, petroleum, cruise, real estate, parking, bulk and neobulk cargo, lay-in vessels, Navy and Coast Guard vessels, Foreign Trade Zone, and financial and municipal services. These revenue sources fund the Port operating expenses, debt service payments and capital improvement program.
- ❖ An Intermodal Center and Automated People Mover Study is underway to determine the feasibility of an environmentally friendly and efficient method of transporting people between Port Everglades and the Ft. Lauderdale International Airport.
- ❖ Construction on Terminal 18 to accommodate Royal Caribbean Cruise Line's new Oasis Class ships will be completed in FY 2009. Oasis class ships are the largest and most luxurious cruise ships to date and are projected to accommodate 584,000 billed passengers in Port Everglades annually.
- ❖ Under the Port's new long-term agreement with Royal Caribbean Cruises Ltd. (RCL) the value of the passenger-related guarantees total more than \$200 million in the initial 10-year contract period plus an additional \$49 million in recovery capital costs within six years.
- ❖ Currently, Port Everglades is ranked third in the world based on passenger counts. Port Everglades's strategy is to enter into long-term, guaranteed agreements with major cruise lines such as RCL to expand its market share.
- ❖ The Port also successfully completed negotiations with MSC, the second largest container line in the world, on an amendment to their terminal operating agreement which increased their terminal acres and related guarantees by 28%. The revised MSC agreement is projected to generate an additional \$83 million in revenue for the Port over the remaining 16 years of the agreement including the option periods.
- ❖ As of FY 2007, Port Everglades has overtaken all other Florida seaports as the number one container port. Port Everglades also moved up from the twelfth to the eleventh ranked port in the U.S. for the transport of foreign, waterborne containerized cargo. The Port's growth over the past several years has been fueled by the signing of long-term, guaranteed agreements with

container operators new to Port Everglades while retaining most existing tenants.

- ❖ Port Everglades will complete a channel dredging feasibility study in FY 2009 to determine the feasibility of deepening and widening the Port to accommodate larger cargo and transport vessels that will be traveling through the Panama Canal in FY 2010.
- ❖ Port Everglades continues to strengthen and improve security and is receiving Federal grant

monies from the Department of Homeland Security.

- ❖ In FY 2009, construction will begin on a new bridge that will connect Southport to Midport and provide a more efficient use of Port properties dock access.
- ❖ Two vacant positions have been eliminated from the Administration Section in FY 2009.

APPROPRIATIONS

	FY 07 Actual	FY 08 Budget	FY 09 Budget
Total Dollars	\$41,932,502	\$48,008,210	\$45,968,520
Total Positions	28	26	24

Section

Business Administration

GOAL STATEMENT

To provide Port-wide generalized administrative services, and to provide management, marketing, and administration of the Port real estate, property management, and parking facilities programs; to operate Foreign Trade Zone No. 25; to provide regulation of certain business activities through management of the franchise and business permit program; and to administer contracts to ensure that the tenants, concessionaires, and various contractual suppliers of the Port comply with acceptable business practices of the seaport.

PERFORMANCE MEASURES

	FY 07 Actual	FY 08 Budget	FY 09 Projected
Leases administered	112	104	112
New/renewal leases	44	38	34
Franchises and business permits processed	116	96	97
Percent of rental revenue goal reached	104%	95%	95%
Rental revenue generated from leases (millions)	\$11	\$10	\$10
Average time (in hours) to process a purchase order	6	5	5

Program Description

Business Administration operates Foreign Trade Zone No. 25 and manages real estate, franchises, business permits, and parking facilities. In addition, it administers Port-wide support for other Port divisions in the areas of human resources, risk management, procurement and safety and security contract administration.

Highlights

- ❖ Port Everglades in coordination with Ft. Lauderdale International Airport and Central Purchasing have re-organized the procurement process based on the recommendation from the Management and Efficiency Study Committee to create a synergistic process where procedures and staffing work together to be more efficient and compliant with County policies and procedures.
- ❖ Port Everglades’ unique collective bargaining unit agreements for Supervisory, Non-Supervisory and Maintenance units expire on September 30, 2008. Negotiations are expected to begin in late FY 2008 with the intention of having new contracts in place by early FY 2009.
- ❖ In FY 2008 many Port Everglades’ pay telephones were replaced with courtesy phones that operate with voice over IP, saving the County approximately \$100,000 annually.
- ❖ An automated lease management module to integrate efforts with the Finance and Public Works Departments, is currently in development and will be deployed in FY 2009.
- ❖ In FY 2009, the Division will process 76 franchises (including 2 estimated new franchises) and 21 business permits (including 2 estimated new permits) and administer approximately 112 lease agreements.
- ❖ A new franchise category entitled “Marine Security Terminal Service” will be established to monitor the activities of companies providing security services on County-owned properties within Port Everglades.

- ❖ A new category of business permit entitled “Off-Seaport Parking Operator” will require companies that are engaged in the business of operating one or more parking facilities located off seaport property and which provide transportation for its clients to and from Port Everglades, to pay a privilege fee for operating its vehicles on Port terminal access roadways.
- ❖ New Foreign-Trade Zone inventory control software and procedures are currently under development and will be fully deployed in FY 2009.
- ❖ In FY 2009 education and marketing outreach will be provided to local communities in order to increase Foreign-Trade Zone participation.
- ❖ One vacant position has been eliminated from the Business Administration Section in FY 2009.

APPROPRIATIONS

	FY 07 Actual	FY 08 Budget	FY 09 Budget
Total Dollars	\$5,171,654	\$6,385,660	\$5,982,940
Total Positions	28	32	31

Section

Finance**GOAL STATEMENT**

To provide accounting functions, fiscal planning, budgeting, and information technology services for the Port Everglades Department to ensure statutory compliance and to provide information for decision making.

PERFORMANCE MEASURES

	FY 07 Actual	FY 08 Budget	FY 09 Projected
Invoices generated	22,189	22,000	22,000
Percentage of checks received and deposited within one day of receipt	96%	96%	96%
Percentage of accounts receivable classified as current	95%	95%	96%
External customer satisfaction survey	N/A	N/A	4.65
Cost per Invoice	\$31	\$32	\$33
Number of days needed to process a receiver	28	32	29

Program Description

The Finance Division is responsible for all of the financial transactions at the Port including invoices, collections, accounts payable, payroll, grants, capital projects, bond compliance, internal and external financial reports, and Port-wide information systems services.

Highlights

- ❖ The Finance Section will implement a web-based billing and accounts receivable system to provide real time information for decision-making to Port staff and 24-hour access to Port users in the 3rd quarter of FY 2009.
- ❖ The Section plans to continue cross training efforts to gain efficiencies and provide seamless backup for business transaction processing.
- ❖ The Section partnered with Enterprise Technology Services to develop programming that allows the acceptance of credit cards and e-checks as alternative methods of payment. When fully implemented in FY 2009, it will promote efficiency and enhance the customer experience by providing the ability to pay invoices 24-hours per day via the Internet.

APPROPRIATIONS

	FY 07 Actual	FY 08 Budget	FY 09 Budget
Total Dollars	\$2,213,766	\$16,337,380	\$15,892,680
Total Positions	26	26	26

Section

Operations

GOAL STATEMENT

To provide the four functional areas with planning and administrative support; to coordinate and control the movement of all ships, cargo, and passengers moving through the seaport and to maintain the facilities affecting those movements in order to ensure prompt and efficient service to Port users.

PERFORMANCE MEASURES

	FY 07 Actual	FY 08 Budget	FY 09 Projected
Number of vessel calls	5,499	5,871	5,766
Number of cruise passengers	3,409,948	3,709,112	3,143,377
Vessel calls per deep water berth	174	183	180
Total revenue per vessel call	\$20,529	\$20,407	\$19,999
Total expense per vessel call	\$15,745	\$14,377	\$14,596

Program Description

The functional areas for the Operations Section include the Harbormaster, Linehandlers, Container Crane, and Public Works.

The Harbormaster's activities ensure safe vessel navigation and protection of the surrounding ecologically sensitive environment, while effectively managing the assignment of ship berths for maximum utilization and rapid dispatch of vessels.

The Linehandler Section is responsible, under the direction of Harbormaster Section personnel, for the physical handling of ship's lines during the docking, undocking, and shifting procedures at the full range of deep water berths throughout the Port.

The Container Crane Section is responsible for administering, overseeing, and inspecting the work of the container crane maintenance and repair contractor. Section staff orders, stocks, and maintains the crane spare parts inventory.

The Public Works Section is responsible for the maintenance and repair of the County owned facilities and equipment (except container cranes) throughout the Port. This includes transit sheds, office buildings, cruise ship terminals and related electrical, plumbing, fresh water, air conditioning, lighting, motorized equipment, painting, carpentry, welding, overhead doors, grounds keeping, cruise terminal passenger loading bridges (jet-ways), and ship bollard and fender systems. Staffing of cruise ship terminals during times of ship operation is a function of the Public Works Section. Parts, materials, and supplies are ordered, stocked, maintained, and dispersed by Section Storekeepers. Contracts for recurring projects such as roof and fencing repairs are administered by the Section.

Highlights

- ❖ The Operations Division maintains and enhances the required high level of service to port clients through the Harbormaster, Linehandler, Public Works, and Container Crane Sections. The Operations Director’s Office oversees, coordinates, and directs the activities of its four (4) subordinate Sections.
- ❖ This Division strives to maximize the efficient utilization of port facilities to include the cruise ship terminals, ship berths, container cranes, and passenger loading bridges.

APPROPRIATIONS

	FY 07 Actual	FY 08 Budget	FY 09 Budget
Total Dollars	\$20,680,273	\$24,406,960	\$24,953,610
Total Positions	148	145	145