

OFFICE OF THE COUNCIL AUDITOR

FY 2011/2012 PROPOSED BUDGET

FINANCE COMMITTEE MEMBERS

Richard Clark - Chair
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Meeting #1
August 11, 2011

**COUNCIL AUDITOR'S OFFICE
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MEETING #1**

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<u>Overall Concerns on the Balancing of the FY 2011/12 Budget</u>	
Deferral of Actuarial Study	\$ 5,700,000
Uncertainty Concerning JSO:	
JSO 2%- FY 2011/12 Budget Assumes a 2% reduction in the funding budgeted for Salaries and Employer Provided Benefits Effective 10/1/11	\$ 5,500,000
Salary/Benefits Lapse- Savings from Future Reorganization	\$ 658,949
Solid Waste- 15 Litter Pick-Up and 3 Illegal Dumping Positions were Transferred from the General Fund to the Solid Waste Enterprise Fund	\$ 1,449,447
Possible Revenue Overstated (JEA Public Service Tax)	\$ 1,540,000
Sub-total	\$ 14,848,396
Salary/Benefits Lapse- Questionable Assumptions	
Sheriff's Lapse- Contingent upon receipt of a grant (A)	\$ 3,500,000
Total of Potential Budgetary Problems	\$ 18,348,396
<u>Note (A):</u>	
The Sheriff's Office has applied for a grant that will fund 50 new officers for three years beginning in FY 2011/12. However, the grant award will not be determined until September 30, 2011. After three years, these costs estimated at over \$4 million, will have to be covered by the General Fund. Therefore, this is a one-time savings assuming the Sheriff's Office is even awarded the grant.	
<u>Note (B):</u>	
The City has an agreement with Metropolitan Parking Solutions (MPS), in which the City guarantees a return on MPS's investment in three downtown parking garages. The City makes semi-annual loans to MPS in order to insure cash flows sufficient to cover all operating and ownership expenses, required reserves, an 8% return on the \$3 million ownership equity (10% if performance goals are met) and a Debt Service Coverage Ratio of 1.0. The contract that the City has with MPS contains a provision that grants the City an "early purchase option" where the City can purchase MPS's equity interest in the garages before December 31, 2011, as long as the City has loaned MPS at least \$16,000,000 (which it has). Based on information provided by the City Treasurer, the City will have to pay a total of \$52,463,135 to buy the garages if this option is exercised. All loans made to MPS since the inception of the contract would be forgiven. The City also has the option of purchasing the garages after the December 31, 2011 date, however the purchase price of the garages would increase to \$56,737,000 based on calculations provided by the City Treasurer.	
<u>Recommendation to Note (B):</u>	
We recommend that the Administration prepare a financial analysis comparing the purchase cost of the parking garages to the net present value of the estimated loans for the next 30 years and present the analysis to the Council Auditor and Finance Committee no later than August 16, 2011.	

2011/12 BUDGET LEGISLATION

2011-401 Rolled Back Rate Resolution

Informs the Property Appraiser of the “rolled back” millage rates and the proposed millage rates for notices to be sent to all property owners

2011-402 Millage Levy Ordinance

Establishes the millage rates to be levied by the consolidated government for the General Service District, not including Urban Service Districts 2, 3, 4 or 5 (Atlantic Beach, Neptune Beach, Jacksonville Beach, and Baldwin)

2011-403 Millage Levy Ordinance

Establishes the millage rates to be levied by the consolidated government for Urban Service Districts 2, 3, and 4 (Atlantic Beach, Neptune Beach and Jacksonville Beach)

2011-404 Millage Levy Ordinance

Establishes the millage rates to be levied by the consolidated government for Urban Service District 5 (Baldwin)

2011-405 Budget Ordinance

Approves the budgets for the City and its Independent Agencies

2011-406 Five Year Capital Improvement Plan (CIP)

Adopts the 5 five year (2012-2016) CIP

2011-407 Ordinance Increasing Principal Amount of Bonds

Increases principal amount of banking fund bonds to be issued up to \$71,089,088 net project funds

2011/12 AD VALOREM TAX TIMELINE OVERVIEW

2011

January 1	<p>This is the effective date of property valuation.</p> <ul style="list-style-type: none">• If a home under construction is not complete on this date, it is not taxed.• Taxpayer must reside in home on this date to be eligible for homestead exemption.
July 1	<p>Property Appraiser certifies to taxing authorities the preliminary valuation totals, via top portion of forms DR-420 Certification of Taxable Value, for computation of the proposed budget.</p>
July 15	<p>The Mayor submits the budget to Council.</p>
August 4	<p>Within 35 days of the Property Appraiser certification, City completes and files form DR-420 (Certification of Taxable Value) with the following information:</p> <ul style="list-style-type: none">• Proposed millage rate• Current year rolled-back rate pursuant to Florida Statute (F.S.) 200.065• Date, time and place of the tentative budget hearing
August 24	<p>Within 55 days of the Property Appraiser certification, the Notice of Proposed Property Taxes (TRIM Notice) is mailed out pursuant to F.S. 200.069.</p>
September 13	<p>Within 65 to 80 days of the Property Appraiser certification, usually the first Council meeting in September, hold a public hearing and adopt a tentative millage</p>
September 24	<p>Within 15 days of the tentative budget hearing, advertise the intent to adopt a final millage and budget pursuant to F.S.</p>
September 27	<p>Within 2 to 5 days of the advertisement, usually the second Council meeting in September, hold a public hearing and adopt the final millage and budget.</p>
October 1	<p>Fiscal year that is funded by this ad valorem tax cycle begins.</p>
October	<p>Property Appraiser informs taxing authority of final adjusted tax roll via top portion of forms DR-422 Certification of Final Taxable Value.</p>
October	<p>Within 30 days of passage, the City/Finance Department sends certified copies of the Millage Levy Ordinance and the Annual Budget Ordinance and other required documents and forms to the State Department of Revenue (DOR), Tax Collector and the Property Appraiser.</p>

2011/12 AD VALOREM TAX TIMELINE OVERVIEW

October	Within 30 days of passage, the City sends TRIM compliance package to the DOR including form DR-487, Certification of Compliance. The following is included in the package: <ul style="list-style-type: none">• Certification of Taxable Value, Forms DR-420• Legislation adopting the millage and the budget• Entire newspaper pages for all advertisements• Proof of publication from the newspaper for all advertisements• Certification of Final Taxable Value, Forms DR-422				
October	Council passes a resolution for the purpose of qualifying with the State for revenue sharing participation. This includes a certification of compliance with Statutes concerning ad valorem levy. Council Secretary sends the Resolution and three iterations of forms DR-700218 to the DOR.				
November	Tax bills are sent out. Pursuant to Statutes, discounts for early payment are: <table><tr><td>4 percent - November</td><td>3 percent - December</td></tr><tr><td>2 percent - January</td><td>1 percent - February</td></tr></table>	4 percent - November	3 percent - December	2 percent - January	1 percent - February
4 percent - November	3 percent - December				
2 percent - January	1 percent - February				
December	Council Audit staff calculates the required tax increment contributions based on the Property Appraiser's final certification. Contributions must be made by January 1.				

2012

March 31	Taxes are due without any discount or penalty.
August	Errors and Insolvencies for the 2011 tax roll are certified, including the total Discounts granted. Subsequently, Council Auditor staff reviews the list and the Council certifies it via resolution. The Tax Collector sends a recapitulation (form 502) to the DOR.

When Complete

Notice of Tax Impact of the Value Adjustment Board is published in the Times-Union. The Council Secretary sends an affidavit from the Times-Union and newspaper clippings to DOR.

CITY OF JACKSONVILLE						
SUMMARY OF AD VALOREM TAX CALCULATIONS						
MAYOR'S PROPOSED MILLAGE RATES						
2011/12 BUDGET						
			GF/GSD excluding	GF/GSD within	GF/GSD within	
			USDs 2 thru 5,	USDs 2-4, Jacksonville	USD 5,	
			Beaches & Baldwin	Beach, Atlantic Beach	Baldwin	Total
				& Neptune Beach		
2010/11 Preliminary Taxable Values		\$	49,548,525,716	\$	48,885,023	\$ 54,478,061,484
Operating Millage Rates			10.0353	6.7446	8.4472	
Total Estimated Revenues at . . .	95.5%	\$	474,858,776	\$	394,359	\$ 506,689,860
	Note 1 Less:					\$ (335)
	10/11 Council Approved					\$ 506,689,525
FY 2011/12 BUDGET						
2011/12 Preliminary Taxable Values		\$	46,334,908,439	\$	45,393,186	\$ 50,879,387,281
Less New Construction			(339,991,596)	(24,024,806)	(185,119)	(364,201,521)
Taxable Value of Property Existing Last Year		\$	45,994,916,843	\$	45,208,067	\$ 50,515,185,760
Operating Millage Rate			10.0353	6.7446	8.4472	
Estimated Revenues at . . .	95.5%					
BEFORE NEW CONSTRUCTION		\$	440,802,014	\$	364,697	\$ 469,990,994
Decreased Revenue on Property						
Existing Last Year		\$	(34,056,761)	\$	(29,662)	\$ (36,698,865)
Change in budgeted Ad Valorem Revenues, as a percent.						-7.24%
Estimated Revenues at . . .	95.5%					
ON NEW CONSTRUCTION		\$	3,258,381	\$	1,493	\$ 3,414,620
Change in budgeted Ad Valorem Revenues from new construction, as a percent.						0.67%
Total Estimated Revenues Decrease		\$	(30,798,380)	\$	(28,169)	\$ (33,284,245)
Change in budgeted Ad Valorem Revenues, as a percent.						-6.57%
Total Proposed Estimated Revenues at	95.5%	\$	444,060,396	\$	366,190	\$ 473,405,615
Net to the General Fund GSD						
Total Proposed Estimated Revenues at	95.5%	\$	444,060,396	\$	366,190	\$ 473,405,615
Less Tax Increment Amounts at	95.0%	\$	(13,948,308)	\$	-	\$ (18,600,066)
Net to the General Fund GSD		\$	430,112,088	\$	366,190	\$ 454,805,549
2011/12 ROLLED BACK RATES			10.7688	7.2074	9.2315	
2010/11 RATES AS PRESENTED ABOVE			10.0353	6.7446	8.4472	
PERCENTAGE ABOVE (BELOW) ROLLED BACK			-6.81%	-6.42%	-8.50%	
DIFFERENCE FROM GSD MILLAGE RATE				(3.2907)	118.8%	
MINIMUM PER INTERLOCAL AGREEMENT				(3.2907)	118.8%	
Note 1: During the proposed 10/11 budget review process the Council reduced the proposed millage levy by \$4,301,077 of net savings which had been posted to the Special Council Contingency during the budget review process. Due to the large value of the tax roll (\$54 billion) and the ability to adjust the millage levy by no less than 0.0001 mill, the smallest incremental change in the tax levy was approximately \$5,000. The \$335 balance remaining after the millage levy calculation was deducted from the final net ad valorem tax revenue to balance estimated revenue and appropriations.						

GENERAL SERVICES DISTRICT
SAMPLE RESIDENTIAL AD VALOREM TAX CALCULATION
COMPARING 2010 RATES TO THE MAYOR'S PROPOSED 2011 RATE

TAXABLE VALUE CALCULATION		2010 Tax Rates	2011 Proposed Tax Rates	Change from 2010 to 2011	
Median Assessed Value		\$ 111,222	\$ 112,890	\$ 1,668	1.50%
Less Original Homestead Exemption		(25,000)	(25,000)	-	0.00%
(1) Value Before Additional Homestead Exemption		\$ 86,222	\$ 87,890	\$ 1,668	1.93%
Value Not Subject to the Additional Homestead Exemption (A)		\$ (50,000)	\$ (50,000)	-	N/A
Value Subject to Additional Homestead Exemption		\$ 36,222	\$ 37,890	\$ 1,668	N/A
New Additional Homestead Exemption		\$ (25,000)	\$ (25,000)	-	N/A
Remaining After Additional Exemption (B)		\$ 11,222	\$ 12,890	\$ 1,668	N/A
(2) (A) Plus (B) Equals Taxable Value		\$ 61,222	\$ 62,890	\$ 1,668	N/A

MILLAGE RATES

Local Government, GSD	10.0353	10.0353	0.0000	0.00%
Duval County School Board	7.8440	7.5530	(0.2910)	-3.71%
St John's Water Mgmt. District	0.4158	0.3313	(0.0845)	-20.32%
Florida Inland Navigation District	0.0345	0.0345	0.0000	0.00%
Total Millage	18.3296	17.9541	(0.3755)	-2.05%

AD VALOREM TAXES

Local Government, GSD	\$ 614.38	\$ 631.12	\$ 16.74	2.73%
Duval County School Board	\$ 676.32	\$ 663.83	\$ (12.49)	-1.85%
St John's Water Mgmt. District	\$ 25.46	\$ 20.84	\$ (4.62)	-18.15%
Florida Inland Navigation District	\$ 2.11	\$ 2.17	\$ 0.06	0.26%
Total Tax Bill	\$ 1,318.27	\$ 1,317.95	\$ (0.32)	-0.02%
Less Four Percent Discount for Payment in November	(52.73)	(52.72)	(0.01)	0.02%
Net Tax Bill	\$ 1,265.54	\$ 1,265.24	\$ (0.30)	-0.02%

Footnotes:

1. This value is used to calculate the ad valorem taxes due to the Duval County School Board only.
2. This value is used to calculate the ad valorem taxes due to the GSD, St John's Water Management District, and the Florida Inland Navigation District.

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
AND ITS INDEPENDENT AGENCIES
BUDGET SUMMARY**

AGENCY		2010/2011		2011/2012	
		ORIGINAL BUDGET		MAYOR'S PROPOSED BUDGET	
		TOTAL AGENCY BUDGET (see footnote A)	CONTRIBUTION FROM (TO) CITY	TOTAL AGENCY BUDGET (see footnote A)	CONTRIBUTION FROM (TO) CITY
Jacksonville Aviation Authority	B	\$ 94,460,912	\$ -	\$ 112,446,445	\$ -
Jacksonville Port Authority					
Excess Telecommunications Contribution	C		7,989,018		5,905,702
Total Jacksonville Port Authority	D	\$ 125,960,338	\$ 7,989,018	\$ 182,920,975	\$ 5,905,702
Police and Fire Pension Fund	E	\$ 8,105,669	\$ -	\$ 9,094,792	\$ -
Business Improvement District	F	\$ 1,220,104	\$ 229,747	\$ 1,303,655	\$ 311,660
Jacksonville Transportation Authority					
General Fund for Community Trans Coordinator	G		1,254,804		1,284,270
Public Parking, Half of Trolley Revenue	H		35,424		35,424
Local Option Gas Tax per Interlocal Agreement	I		27,816,902		29,051,991
Local Option Sales Tax Fund	J		65,900,805		68,628,508
Total Jacksonville Transportation Authority		\$ 171,248,114	\$ 95,007,935	\$ 175,490,206	\$ 99,000,193
J E A					
Electric Operations		1,443,009,416	(81,921,684)	1,477,855,252	(83,037,710)
Electric Capital		251,700,000		165,000,000	
Water & Sewer Operations		354,267,472	(19,765,854)	403,831,945	(21,149,828)
Water & Sewer Capital		142,200,000		146,000,000	
District Energy System Operations		8,984,150		9,106,255	
District Energy System Capital		638,407		1,850,000	
Total JEA		\$ 2,200,799,445		\$ 2,203,643,452	
(Total Contribution to City General Fund)			\$ (101,687,538)		\$ (104,187,538)
Water Sewer Expansion Authority	K	\$ 1,134,672	\$ 334,672	\$ -	\$ -
Total of City Independent Agencies		\$ 2,602,929,254	\$ 1,873,834	\$ 2,684,899,525	\$ 1,030,017
Contribution to Shands Jacksonville	L		23,775,594		23,775,594
Net General Government Contributions			\$ 25,649,428		\$ 24,805,611
Total of Jacksonville General Government Budget		\$ 2,072,111,887		\$ 1,993,792,737	
Total Budget, General Government and Independent Agencies		\$ 4,675,041,141		\$ 4,678,692,262	

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
AND ITS INDEPENDENT AGENCIES
SUMMARY FOOTNOTES**

- A** Interfund and interagency transfers have not been eliminated.
- B** The proposed agency budget for the Jacksonville Aviation Authority (JAA) is increasing due to an increase in capital project spending, primarily at Cecil Field.
- C** Pursuant to interlocal agreement, the City provides a contribution to JPA each year consisting of \$800,000, a portion of telecommunications tax monies, and a quarter mill from JEA's electric contribution to the City. These funds are first used to pay debt service on the 1993 and 2003C Excise Tax Revenue Bonds issued by the City on behalf of the JPA. The JPA used the proceeds from these bonds for port expansion and capital items. The \$5,905,702 contribution to JPA included in the Mayor's Proposed Budget is the estimated excess telecommunications tax remaining after all debt service obligations have been met, however JPA budgeted \$6,128,779 for a difference of \$223,077. A budget amendment will be presented to reconcile the difference. The excess telecommunications tax monies transferred to JPA are a pledged revenue source for JPA's bonds which were used to finance the construction of the Mitsui container terminal. The decrease from the Fiscal Year 2010-2011 amount is primarily due to decreased telecommunications tax revenue from the state combined with increased debt service on the bonds issued for the benefit of JPA.
- D** The proposed agency budget for the Jacksonville Port Authority (JPA) is increasing due to an increase in capital project spending, primarily wharf structures at Blount Island and Mile Point improvements.
- E** The proposed budget for the Jacksonville Police and Fire Pension Fund is increasing primarily due to an increase in Money Manager fees which are tied to the investment earnings of the Police and Fire Pension Fund.
- F** Downtown Vision, Inc. (DVI) was created in 1999, pursuant to Ordinance 1999-1175-E and extended by Ordinance 2005-785-E, which authorized the imposition of a special assessment on the taxable commercial properties within the district at 1.1 mills of the assessed value. The City has budgeted a contribution of \$ 311,660. The funding from the City remains the same as FY 2010-2011 funding, however last year some funding for DVI was budgeted within Public Works Department.
- G** This is a City subsidy of CTC operations which provides door to door transportation service for persons unable to ride fixed route buses. The CTC Contribution of \$1,284,270 was calculated by the City, however JTA has budgeted an amount of \$1,279,692 for a difference of \$4,578. A budget amendment will be presented to reconcile the difference.
- H** JTA provides trolley service for people who park in City owned parking areas located in and around the Stadium and Arena. The City collects the monthly parking fees and pays JTA 50% of the gross revenues as a transportation fare. This is per the Joint Project Agreement between the City and JTA for the Design, Development, and Operation of a Park and Ride Facility dated May 28, 2000.
- I** The City budgeted \$29,051,991 in Local Option Gas Tax to be transferred to JTA pursuant to the Better Jacksonville Plan. However, JTA budgeted \$28,600,000 in Local Option Gas Tax revenue for a difference of \$451,991. A budget amendment will be presented to reconcile the difference.
- J** The City budgeted \$68,628,508 in Local Option Sales Tax to be transferred to JTA pursuant to the Better Jacksonville Plan. However, JTA budgeted \$68,000,000 in Local Option Sales Tax revenue for a difference of \$628,508. A budget amendment will be presented to reconcile the difference.
- K** Per Ordinance 2011-133-E the Water Sewer Expansion Authority (WSEA) terminated operations as of June 30, 2011.
- L** This contribution is for indigent care. Proposed Ordinance 2011-419 and a corresponding letter of agreement has been introduced to authorize funding for the 2011-2012 Fiscal Year.

CITY OF JACKSONVILLE, FLORIDA
SUMMARY OF BUDGETS

		FY 10-11 COUNCIL APPROVED	FY 11-12 MAYOR'S PROPOSED	FY 11-12 COUNCIL APPROVED
GENERAL FUND				
011	GENERAL FUND - GSD	990,365,838	962,548,308	
012	MOSQUITO CONTROL - STATE 1	87,357	289,008	
015	PROPERTY APPRAISER	8,775,888	8,630,937	
016	CLERK OF THE COURT	3,569,133	3,476,666	
017	TAX COLLECTOR	14,763,266	14,313,355	
018	EMERGENCY CONTINGENCY	44,362,825	47,571,751	
019	PUBLIC SAFETY INITIATIVE	10,083,162	10,155,762	
TOTAL	GENERAL FUND	1,072,007,469	1,046,985,787	
SPECIAL REVENUE FUNDS				
110	PLANNING, ECONOMIC DEV. & CONCUR MNGT	935,125	786,980	
120	AIR POLLUTION CONTROL & MONITORING	1,991,778	1,610,978	
130	SPORTS, CONVENTION & TOURISM DEV	5,476,592	4,576,500	
140	TRANSPORTATION	101,423,186	105,193,270	
150	GENERAL GOVERNMENT	18,143,088	16,799,030	
170	TAX INCREMENT DISTRICTS	4,996,147	4,830,652	
180	TAX INCREMENT DISTRICTS	23,455,796	22,032,234	
190	JACKSONVILLE CHILDREN'S COMMISSION	21,022,079	19,794,628	
1A0	COMMUNITY DEVELOPMENT BLOCK GRANT	489,957	456,004	
1D0	MAINTENANCE, PARKS AND RECREATION	4,793,247	4,624,257	
1F0	OTHER FEDERAL, STATE & LOCAL GRANTS	200,000	200,000	
1H0	GENERAL GOVERNMENT	1,128,630	1,230,070	
1I0	BETTER JACKSONVILLE TRUST FD	69,029,936	68,667,501	
1J0	CHOOSE LIFE TRUST FUND	47,000		
TOTAL	SPECIAL REVENUE FUNDS	253,132,561	250,802,104	
CAPITAL PROJECT FUNDS				
310	BOND PROJECTS	3,666,000	2,212,962	
320	GENERAL PROJECTS	139,824,836	56,628,812	
330	GRANT PROJECTS	896,800	510,000	
340	RIVER CITY RENAISSANCE PROJECT	1,170,540	142,304	
360	BOND PROJECTS	2,163,460	2,881,922	
TOTAL	CAPITAL PROJECT FUNDS	147,721,636	62,376,000	
ENTERPRISE FUNDS				
410	PUBLIC PARKING SYSTEM	6,335,931	4,004,534	
430	MOTOR VEHICLE INSPECTION	527,334	506,612	
440	SOLID WASTE DISPOSAL	83,865,592	87,962,282	
460	STORMWATER SERVICES	41,808,806	56,219,210	
4A0	MUNICIPAL STADIUM	38,418,852	37,294,496	
4B0	MEMORIAL ARENA	18,974,892	19,030,850	
4C0	BASEBALL STADIUM	3,889,706	3,757,356	
4D0	PERFORMING ARTS CENTER	3,320,160	3,431,371	
4E0	CONVENTION CENTER	3,915,178	3,641,221	
4F0	EQUESTRIAN CENTER	1,604,634	1,507,652	
4G0	SPORTS COMPLEX CAPITAL MAINT	4,303,253	4,198,162	
TOTAL	ENTERPRISE FUNDS	206,964,338	221,553,746	
INTERNAL SERVICE FUNDS				
510	FLEET MANAGEMENT	59,964,486	65,545,785	
520	PURCHASING	1,941,894	1,800,487	
530	INFORMATION TECHNOLOGIES	44,398,307	37,288,345	
550	OFFICE OF GENERAL COUNSEL	8,955,513	8,743,680	
560	SELF INSURANCE	31,681,013	29,613,986	
570	GROUP HEALTH	94,450,359	99,717,450	
580	INSURED PROGRAMS	8,856,161	8,649,719	
590	INTERNAL LOAN POOL	118,764,277	141,868,000	
TOTAL	INTERNAL SERVICE FUNDS	369,012,010	393,227,452	
TRUST AND AGENCY FUNDS				
610	GENERAL EMPLOYEES PENSION TRUST	11,394,411	11,090,280	
640	EXPENDABLE TRUST FUND	450,816	913,879	
TOTAL	TRUST AND AGENCY FUNDS	11,845,227	12,004,159	
COMPONENT UNITS				
720	JACKSONVILLE HOUSING FINANCE AUTHORITY	535,535	539,545	
750	JACKSONVILLE ECONOMIC DEVELOPMENT COMM	10,893,111	6,303,944	
TOTAL	COMPONENT UNITS	11,428,646	6,843,489	
TOTAL FOR ALL GENERAL GOVERNMENT FUNDS		2,072,111,887	1,993,792,737	

CITY OF JACKSONVILLE, FLORIDA
SUMMARY OF EMPLOYEE CAPS BY SUBFUND

	FY 10-11 COUNCIL APPROVED	FY 11-12 MAYOR'S PROPOSED	FY 11-12 COUNCIL APPROVED	CHANGE FROM FY11
GENERAL FUND				
011 GENERAL FUND - GSD	6,493	6,311		-182
015 PROPERTY APPRAISER	128	122		-6
016 CLERK OF THE COURT	35	35		0
017 TAX COLLECTOR	244	235		-9
019 PUBLIC SAFETY INITIATIVE	9	10		1
TOTAL GENERAL FUND	6,909	6,713		-196
SPECIAL REVENUE FUNDS				
112 CONCURRENCY MANAGEMENT SYSTEM	5	5		0
121 AIR POLLUTION TAG FEE	8	7		-1
127 AIR POLLUTION EPA	14	14		0
132 TOURIST DEVELOPMENT COUNCIL	1	1		0
154 HAZARDOUS WASTE PROGRAM	5	5		0
159 BUILDING INSPECTION	107	89		-18
15B DUVAL COUNTY LAW LIBRARY	3	3		0
15L JUVENILE DRUG COURT	2	2		0
15Q COURT INNOVATIONS-JUDICIAL SUPPORT	3	3		0
15V TEEN COURT PROGRAMS TRUST	8	8		0
15W LIBRARY CONFERENCE FACILITY TRUST	2	2		0
171 9-1-1 EMERGENCY USER FEE	7	7		0
191 JACKSONVILLE CHILDREN'S COMMISSION	49	44		-5
1A1 COMMUNITY DEVELOPMENT	4	4		0
1D1 HUGUENOT PARK	9	9		0
1D2 KATHRYN A HANNA PARK	16	15		-1
1DA CECIL FIELD COMMERCE CENTER	8	8		0
1H2 ANIMAL CARE & CONTROL PROGRAMS	1	1		0
TOTAL SPECIAL REVENUE FUNDS	252	227		-25
ENTERPRISE FUNDS				
411 PUBLIC PARKING SYSTEM	43	43		0
431 MOTOR VEHICLE INSPECTION	8	8		0
441 SOLID WASTE DISPOSAL	114	132		18
461 STORMWATER SERVICES	203	203		0
TOTAL ENTERPRISE FUNDS	368	386		18
INTERNAL SERVICE FUNDS				
511 FLEET MGMT - OPERATIONS	124	121		-3
512 FLEET MGMT - VEHICLE REPLACEMENT	3	3		0
521 COPY CENTER	7	7		0
531 ITD OPERATIONS	143	125		-18
533 COMMUNICATIONS	8	8		0
534 RADIO COMMUNICATIONS	14	13		-1
551 OFFICE OF GENERAL COUNSEL	70	70		0
561 SELF INSURANCE	18	18		0
571 GROUP HEALTH	12	11		-1
581 INSURED PROGRAMS	4	4		0
TOTAL INTERNAL SERVICE FUNDS	403	380		-23
TRUST AND AGENCY FUNDS				
611 GENERAL EMPLOYEES PENSION	7	7		0
64A SHERIFF'S TRUSTS	1	1		0
TOTAL TRUST AND AGENCY FUNDS	8	8		0
COMPONENT UNITS				
721 JACKSONVILLE HOUSING FINANCE AUTHORITY	2	3		1
751 JACKSONVILLE ECONOMIC DEVELOPMENT COMM	17	17		0
TOTAL COMPONENT UNITS	19	20		1
TOTAL EMPLOYEE CAP FOR ALL SUBFUNDS	7,959	7,734		-225

**Council Auditor's Office
Mayor's FY 2011/12 Proposed Budget
Overall Employee Cap Reconciliation**

FY 2010/11 Council Approved Employee Cap (City-Wide)	7,959
Net Change in Positions during FY 2010/2011	(38)
Sub-total FY 2010/2011	<u>7,921</u>
 Positions Added in Mayor's Proposed FY 2011/12 Budget	 27
Positions Eliminated in Mayor's Proposed FY 2011/12 Budget	(214)
 Proposed FY 2011/12 Employee Cap (City-Wide)	 <u><u>7,734</u></u>

Notes:

The reduction of 38 positions during FY 2010/11 was primarily due to redlined positions in the Fire and Rescue Department and the Sheriff's Office.

The 27 positions added in the proposed budget consist of the following:

- Thirteen (13) positions in Public Works in connection with the new County Courthouse Complex,
- Seven (7) positions in the Planning Department in connection with the new Downtown Community Empowerment Office and the Jax Sports & Entertainment Corp.,
- Three (3) AMIO positions in Central Operations,
- Two (2) positions in the Finance Department connected with the new Public Private Partnership Office, and
- Two (2) positions in the Recreation & Community Services Department for the new Office of the Education Commissioner.

Out of the 214 positions proposed to be eliminated city-wide, 202 equate to actual dollar savings (see attached list), per the Budget Office. Out of those 202 positions, 116 were vacant and 86 were filled (including retirees and attrition).

**FY 2011/12 Proposed Budget
Eliminated Positions Summary**

Based on Information Prepared by the Budget Office

General Fund:

	Number of Employees	Dollar Value of Employees
Total Vacant	87	5,239,733.45
Total Filled	49	2,735,942.56
Total Retired	3	231,192.91
Total Attrition	1	83,760.33
Total GF FTE	140	8,290,629.25

Non-General Fund:

	Number of Employees	Dollar Value of Employees
Total Vacant	29	1,550,500.73
Total Filled	30	1,938,969.76
Total Retiring	3	199,718.19
Total Attrition	0	-
Total Non-GF FTE	62	3,689,188.68

Grand Totals:

	Number of Employees	Dollar Value of Employees
Total Vacant	116	6,790,234.18
Total Filled	79	4,674,912.32
Total Retiring	6	430,911.10
Total Attrition	1	83,760.33

Grand Total 202 \$ 11,979,817.93

**POSITION REDLINES
FISCAL YEAR 2011 - 2012**

<u>Subfund</u>	<u>Activity</u>	<u>Jobcode</u>	<u>Position Title</u>	<u>Total</u>
511	OPFM511	Z0696	Welding Shop Supervisor	1
511	OPFM511AD	Z0291	Fleet Superintendent	1
011	OPOD011	04046	Deputy Director of Central Operations	1
011	PDOD011	04628	Deputy Director of Planning & Development	1
011	PWOD011	04060	Deputy Director of Public Works	1
011	AFAC011	04312	Accounting System / Reporting Analyst	1
				<hr/>
				6

NOTE:

An Accounting System/Reporting Analyst position was inadvertently left off of Schedule B2 as filed with the Budget Ordinance.

The Budget Office requests an amendment to attach this Revised Schedule B2.

Revised Schedule B-2

**CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND - GENERAL SERVICES DISTRICT
EMPLOYEE CAPS BY DEPARTMENT**

	FY 10-11 COUNCIL APPROVED	FY 11-12 MAYOR'S PROPOSED	FY 11-12 COUNCIL APPROVED	CHANGE FROM FY 11
FULL TIME EMPLOYEE POSITIONS				
ADVISORY BOARDS	5	5		-
CENTRAL OPERATIONS	233	198		(35)
CITY COUNCIL	81	77		(4)
ENVIRONMENTAL & COMPLIANCE	211	209		(2)
FINANCE	71	70		(1)
FIRE AND RESCUE	1,321	1,296		(25)
GENERAL COUNSEL	1	1		-
HUMAN RIGHTS COMMISSION	13	12		(1)
JACKSONVILLE CITYWIDE ACTIVITIES	5	5		-
MAYOR'S OFFICE	23	23		-
MEDICAL EXAMINER	27	27		-
OFFICE OF THE SHERIFF	3,354	3,283		(71)
PLANNING AND DEVELOPMENT	82	78		(4)
PUBLIC LIBRARIES	353	352		(1)
PUBLIC WORKS	466	444		(22)
RECREATION & COMMUNITY SERVICES	213	196		(17)
SUPERVISOR OF ELECTIONS	34	35		1
TOTAL FULL TIME EMPLOYEE POSITIONS				
GENERAL FUND - GENERAL SERVICES DISTRICT	<u>6,493</u>	<u>6,311</u>		<u>(182)</u>

Overall Explanation:

Within each department review, employee cap changes will be addressed. However, from an overall standpoint, main changes were as follows:

Central Operations: Thirty-four (34) positions are preposed to be eliminated and four (4) positions were transferred to other departments. Also, three (3) positions are being added during the budget process.

Fire and Rescue: Twenty (20) positions were redlined during FY 2011 and an additional one (1) position was eliminated during the year. Also, an additional four (4) positions are proposed to be eliminated.

Office of the Sheriff: Twenty (20) positions were redlined during FY 2011, ten (10) positions were moved from the general fund to grant funds and forty-one (41) positions are preposed to be eliminated.

Public Works: Eighteen (18) positions are proposed to be eliminated and an additional eighteen (18) positions are proposed to be transferred to another subfund. One (1) position was added during FY 2011 and thirteen (13) positions are proposed to be added during the budget process for maintenance of the new courthouse.

Recreation & Community Services: Three (3) positions were eliminated during FY 2011. Also, twenty-two (22) positions are proposed to be eliminated and two (2) positions are proposed to be added during the budget process.

The other decreases in the cap are made up of a combinations of cuts and transfers between departments.

**COUNCIL AUDITOR'S OFFICE
GENERAL FUND - GSD PERSONNEL EXPENSES
PROPOSED FY 2011/12 BUDGET**

	2010/2011 Original	2011/2012 Proposed	\$ Change	% Change
(A) SALARIES	\$ 370,281,808	\$ 369,783,318	\$ (498,490)	-0.13%
(B) LAPSE	\$ (8,796,337)	\$ (13,682,028)	\$ (4,885,691)	55.54%
(C) EMPLOYER PROVIDED BENEFITS	\$ 170,436,629	\$ 167,780,885	\$ (2,655,744)	-1.56%
TOTAL PERSONNEL	<u>\$ 531,922,100</u>	<u>\$ 523,882,175</u>	<u>\$ (8,039,925)</u>	-1.51%

- (A) Overall, personnel expenses within the General Fund decreased by \$8,039,925, or 1.51%. Regular salaries decreased by \$951,986, part-time salaries increased by \$768,554, overtime salaries increased by \$259,694, and special pay increased by \$605,700.

There is no COLA budgeted for any group of employees including elected officials.

Part-time salaries is increasing primarily due to a \$1,537,006 increase in the Sheriff's Office budget for the staffing of security at the new county courthouse.

Special Pay is increasing due to pay incentives and certifications achieved by employees in accordance with union contracts.

- (B) There is an increase of \$4,885,691 in the City's lapse of \$13,682,028. The increase is mainly attributed to a new lapse totaling \$3,587,350 placed on the Sheriff for a pending grant and a lapse of \$658,949 for anticipated savings from a future reorganization. Please refer to page 21 for a listing of the lapse calculated for each department.

- (C) The City's pension contribution rate for all three pension plans is remaining constant at last year's percentages.

The City's pension contribution for the General Employees' Pension plan is 13.50% at a budgeted \$13,116,004. The disability plan contribution is budgeted at \$302,522. The employee contribution remains at 8%.

The City's pension contribution for the Correction Officers' plan is 31.78% at a budgeted \$10,185,575. The employee contribution remains at 8%.

The City's pension contribution for the Police & Fire Pension plan is 49.6% at a budgeted \$78,493,025. The employee contribution remains at 7%.

Group health insurance is expected to increase by 9.14% effective January 1, 2012. Therefore, this equates to a 6.855% effective increase for the FY 2011/12. The 6.855% effective increase is further reduced to 4.5% due to the receipt of \$1,437,828 in the current year from the federal government from the Early Retiree Reinsurance Program (ERRP).

FRS Pension Contributions are decreasing by \$196,083 or 40.20% due to a lower State required contribution rate along with an employee contribution of 3%.

Group Life Insurance is decreasing by \$355,959 due to a cash balance from the sale of stock that will be utilized to lower the City's contributions over a three-year period. The cost of group life insurance is not decreasing.

Worker's Compensation is decreasing by \$2,150,388, or 14.81%, based on the annual actuarial study.

**COUNCIL AUDITOR'S OFFICE
SALARY LAPSE SCHEDULE
MAYOR'S PROPOSED BUDGET 11/12**

SF	Department	FY 10/11 Council Approved	FY 11/12 Proposed	Change
011	Administration and Finance	\$ (197,469)	\$ (287,520)	\$ (90,051)
011	City Council	(368,614)	(253,223)	\$ 115,391
011	Environmental Resource Mgmt	(616,667)	(889,734)	\$ (273,067)
011	Fire and Rescue	(1,584,059)	(1,460,991)	\$ 123,068
011	General Counsel	(3,509)	(3,647)	\$ (137)
011	Jax Human Rights Commission	(34,094)	(96,153)	\$ (62,059)
011	Mayor's Office	(143,434)	(144,961)	\$ (1,528)
011	Mayor's Boards and Commissions	(18,266)	(19,155)	\$ (890)
011	Medical Examiner	(228,887)	(200,049)	\$ 28,838
011	Central Operations	(435,691)	(890,083)	\$ (454,392)
011	Planning and Development	(217,947)	(433,903)	\$ (215,956)
011	Public Libraries	(159,067)	(1,181,560)	\$ (1,022,493)
011	Public Works	(1,082,988)	(989,787)	\$ 93,201
011	Recreation and Community Services	(943,532)	(835,920)	\$ 107,612
011	Supervisor of Elections	(79,018)	(97,632)	\$ (18,614)
011	Jacksonville Sheriff's Office	(2,683,095)	(1,651,411)	\$ 1,031,684
011	Jacksonville Sheriff's Office - Pending Grant	-	(3,587,350)	\$ (3,587,350)
011	Anticipated Savings From Reorganization**	-	(658,949)	\$ (658,949)

Total General Fund/GSD	\$ (8,796,336)	\$ (13,682,029)	\$ (4,885,693)
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015	Property Appraiser	\$ -	\$ (10,836)	\$ (10,836)
017	Tax Collector	(335,185)	(303,947)	\$ 31,238
411	Public Parking	(75,724)	(76,488)	\$ (764)
441	Solid Waste	(209,225)	(174,343)	\$ 34,882
511	Fleet Management	(174,762)	(254,809)	\$ (80,047)
531	Information Technology	(169,857)	-	\$ 169,857
534	Radio Communications	-	(27,959)	\$ (27,959)
551	General Counsel	(242,990)	(238,991)	\$ 3,999
571	Group Health	(37,783)	(37,874)	\$ (91)
581	Insured Programs	(11,759)	(11,463)	\$ 296
751	JEDC	(42,239)	(41,844)	\$ 395
1DA	Cecil Field Commerce Center	(34,596)	(19,413)	\$ 15,183

Total Lapse for Other Sub-funds	\$ (1,334,120)	\$ (1,197,967)	\$ 136,153
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Total Lapse	\$ (10,130,456)	\$ (14,879,996)	\$ (4,749,540)
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**COUNCIL AUDITOR'S OFFICE
SALARY LAPSE SCHEDULE
MAYOR'S PROPOSED BUDGET 11/12**

*** The Lapse Model**

The personnel lapse is applied to the non-departmental index code as opposed to the individual departments in the General Fund, with the exception of Sheriff (\$5,238,761), Fire/Rescue (\$1,460,991), and a portion of the lapse amounts in the following departments: Finance (\$62,922), Central Operations (\$121,481), Planning (\$119,325), and Public Works (\$157,518). Per the Administration, the reason it is applied to non-departmental is to establish a more defined personnel lapse that is based on true historical vacancy rates rather than an arbitrary percentage that forced departments to keep the same positions vacant year after year. Our main concern is that this lapse will need to be tightly monitored and controlled given that departments will no longer have a sense of responsibility to meet the lapse with it falling into a non-departmental line.

****** Per the Administration, this amount is anticipated savings from the re-organization that will take place during FY 2012.

The following subfunds do not have a lapse even though they have personnel:

016	Clerk of Courts
019	Public Safety Initiative
112	Concurrency Management System
121	Air Pollution Tag Fee
127	Air Pollution EPA
132	Tourist Development Council
154	Hazardous Waste Program
159	Building Inspection
171	911 Emergency User Fee
191	Jacksonville Children's Commission
431	Motor Vehicle Inspection
461	Stormwater Services
512	Motor Pool - Vehicle Replacement
521	Copy Center
531	Information Technology
533	Communications
561	Self Insurance
611	General Employees Pension
721	Housing Finance Authority
15B	Duval County Law Library
15L	Juvenile Alternative Program
15Q	Court Innovations
15V	Duval County Teen Court
15W	Library Conference Facility
1A1	Community Development
1D1	Hugenot Park
1D2	Hanna Park
1H2	Animal Care and Control Programs
64A	Inmate Welfare Trust Fund

CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND-GENERAL SERVICE DISTRICT
SCHEDULE OF REVENUES

	FN	FY 10/11 COUNCIL APPROVED	FY 11/12 MAYOR'S PROPOSED	INCREASE/ (DECREASE)	RECOMMENDATION REFERENCE
NON-DEPARTMENTAL REVENUES					
AD VALOREM TAXES	A	\$ 506,689,525	\$ 473,405,615	\$ (33,283,910)	
DISTRIBUTIONS TO TAX INCREMENT DISTRICTS		(21,156,253)	(18,600,066)	2,556,187	
NET AD VALOREM TAXES		\$ 485,533,272	\$ 454,805,549	\$ (30,727,723)	
SALES AND USE TAXES		1,138,500	1,097,022	(41,478)	
FRANCHISE FEES	B	43,924,385	44,227,187	302,802	
UTILITY SERVICE TAXES	C	133,171,627	133,993,917	822,290	1
BUSINESS TAXES	D	7,775,760	7,634,660	(141,100)	
FEDERAL PAYMENTS IN LIEU OF TAXES		25,000	24,000	(1,000)	
STATE SHARED REVENUES	E	123,857,232	127,721,006	3,863,774	
CONTRIBUTIONS FROM OTHER LOCAL UNITS	F	101,687,538	104,187,538	2,500,000	2
OTHER CHARGES FOR SERVICES	G	18,818,729	18,342,333	(476,396)	
VIOLATIONS OF LOCAL ORDINANCES	H	24,801	3,000	(21,801)	
OTHER FINES AND/OR FORFEITS	I	1,660,535	1,387,118	(273,417)	
INTEREST, INCL PROFITS ON INVESTMENTS	J	7,940,834	6,810,696	(1,130,138)	
RENTS AND ROYALTIES	K	680,235	659,210	(21,025)	
DISPOSITION OF FIXED ASSETS		40,000	50,000	10,000	
OTHER MISCELLANEOUS REVENUE	L	5,278,729	5,227,594	(51,135)	
CONTRIBUTIONS FROM OTHER FUNDS	M	4,937,689	5,388,734	451,045	
TOTAL NON-DEPARTMENTAL REVENUES		\$ 936,494,866	\$ 911,559,564	\$ (24,935,302)	
ADVISORY BOARDS		\$ 299,651	\$ 107,081	(192,570)	
CENTRAL OPERATIONS		168,409	71,896	(96,513)	
CITY COUNCIL		428,855	460,248	31,393	
COURTS		-	297	297	
ENVIRONMENTAL & COMPLIANCE		1,320,637	1,515,013	194,376	
FINANCE		58,257	58,920	663	
FIRE AND RESCUE		21,276,449	21,785,424	508,975	
HUMAN RIGHTS COMMISSION		109,550	113,800	4,250	
MEDICAL EXAMINER		1,122,707	1,256,720	134,013	
OFFICE OF THE SHERIFF		14,894,118	10,465,726	(4,428,392)	
PLANNING AND DEVELOPMENT		1,328,524	1,064,990	(263,534)	
PUBLIC LIBRARIES		1,553,325	1,603,000	49,675	
PUBLIC WORKS		9,644,323	9,903,483	259,160	
RECREATION & COMMUNITY SERVICES		1,656,167	1,868,297	212,130	
SUPERVISOR OF ELECTIONS		10,000	713,849	703,849	
TOTAL DEPARTMENTAL REVENUES	N	\$ 53,870,972	\$ 50,988,744	\$ (2,882,228)	
TOTAL GENERAL FUND-GSD REVENUES		\$ 990,365,838	\$ 962,548,308	\$ (27,817,530)	

CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND-GENERAL SERVICE DISTRICT
SCHEDULE OF REVENUES

	FN	FY 10/11 COUNCIL APPROVED	FY 11/12 MAYOR'S PROPOSED	INCREASE/ (DECREASE)	RECOMMENDATION REFERENCE
STATE SHARED REVENUE DETAIL					
1/2 CENT SALES TAX		\$ 72,728,053	\$ 74,305,912	\$ 1,577,859	
ALCOHOLIC BEVERAGE LICENSE		615,000	658,489	43,489	
GASOLINE TAXES 7TH CENT		3,741,717	3,780,594	38,877	
INSURANCE AGENTS LICENSES		200,000	180,000	(20,000)	
MOBILE HOME LICENSES		300,000	265,000	(35,000)	
MOTOR FUEL USE TAX-COUNTY		29,585	26,809	(2,776)	
MUNICIPAL FUEL TAX REFUND		228,562	225,009	(3,553)	
REV SHARED-1/17 CIGARETTE TAX		421,035	424,784	3,749	
REV SHARED-8TH CENT GAS TAX		5,738,720	6,556,488	817,768	
REV SHARED-COUNTY SALES		17,152,814	17,423,341	270,527	
REV SHARED-MUNICIPAL SALES		15,297,051	16,723,095	1,426,044	
REV SHARED-POPULATION(6.24) FS248.23(2)		5,671,724	5,389,401	(282,323)	
SURPLUS GAS TAX		1,730,821	1,754,887	24,066	
SPECIAL FUEL & MOTOR FUEL USE TAX		2,150	7,197	5,047	
TOTAL STATE SHARED REVENUE		\$ 123,857,232	\$ 127,721,006	\$ 3,863,774	
CONTRIBUTIONS FROM OTHER LOCAL UNITS					
CONTRIBUTION FROM JEA ELECTRIC	O	\$ 81,921,684	\$ 84,007,260	\$ 2,085,576	2
CONTRIBUTION FROM JEA WATER & SEWER	O	19,765,854	20,180,278	414,424	2
TOTAL CONTRIBUTIONS FROM OTHER LOCAL GOVERNMENTS		\$ 101,687,538	\$ 104,187,538	\$ 2,500,000	
CONTRIBUTIONS FROM OTHER FUNDS					
CONCURRENCY MANAGEMENT SYSTEM	P	\$ 176,816	\$ 53,341	\$ (123,475)	
ENVIRONMENTAL PROTECTION	Q	25,000	0	(25,000)	
SOUTHBANK TAX INCREMENT DISTRICT	R	532,209	1,483,009	950,800	
JIA TAX INCREMENT DISTRICT	R	4,064,064	3,725,348	(338,716)	
COMMUNITY DEVELOPMENT	S	139,600	127,036	(12,564)	
TOTAL CONTRIBUTIONS FROM OTHER FUNDS		\$ 4,937,689	\$ 5,388,734	\$ 451,045	

**COUNCIL AUDITOR'S OFFICE
GENERAL FUND/GENERAL SERVICES DISTRICT
REVENUE FOOTNOTES AND RECOMMENDATIONS**

FOOTNOTES:	
A.	The Mayor's budget includes the proposed rate of 10.0353 mills for the General Services District, 6.7446 for the Beaches and 8.4472 for Baldwin and are the same rates levied in the current fiscal year. These rates will generate an estimated \$473,405,615 in Ad Valorem Taxes and are in accordance with the interlocal agreements.
B.	Franchise Fees include payments from JEA and other businesses for the sale of water/sewer, electric and gas. The increase is based on projections provided by those businesses and additional analysis.
C.	Utility Service Taxes include Public Service Tax and Communications Services Tax. The increase is mostly due to Public Service Taxes from JEA.
D.	Business Taxes consist of Local Business Taxes which are paid by County businesses and renewed on an annual basis.
E.	A breakdown of State-Shared revenues can be seen on the Supporting Revenue Detail page.
F.	A breakdown of Contributions from Other Local Units can be seen on the Supporting Revenue Detail page.
G.	Other Charges for Services is indirect cost recovery, allocations to non-general funds for administrative services and overhead costs used by those activities.
H.	Violations of Local Ordinances consists of Faulty Equipment Compliance Fees for automobiles and have decreased based on actuals collected to date.
I.	The City receives 50.8% of Civil Traffic Citations of which 70% go to the General Fund and 30% go to the Police and Fire Pension fund.
J.	This includes Investment Pool Earnings and Interest Income. The decrease is mostly due to a decrease in earnings on the General Fund portfolio.
K.	Rents and Royalties includes payments from the Jacksonville Children's Commission for debt service on the building JCC currently operates from and the Jacksonville Landing rent payment.
L.	Other Miscellaneous Revenue consists mostly of a Payment in Lieu of Taxes by Florida Power and Light and fees received for the inmate pay telephone system and from payphones residing on City property.
M.	A breakdown of Contributions from Other Funds can be seen on the Supporting Revenue Detail page.
N.	Departmental revenues will be discussed with the department budgets.
O.	The contribution from JEA Electric and Water & Sewer reflects the guaranteed minimum annual increase of \$2,500,000 pursuant to Ordinance 2007-1132-E.
P.	This is a transfer from Concurrency Management (s/f 112) that covers the cost of General Fund employees who perform duties related to Concurrency. The decrease is due to these employees spending less time reviewing Concurrency applications because of the newly enacted Mobility Plan.
Q.	The deletion of the transfer from Environmental Protection of \$25,000 is due to the expiration of Ordinance 2006-310 which required \$25,000 be transferred to the General Fund each year for five years beginning in fiscal year 2006 and ending fiscal year 2011 for the Florida Yards and Neighborhood Program which is administered by the Recreation and Community Services Department. This program is now being funded by the stormwater activity in the Public Works Department.
R.	Chapter 163.387(7)(a) of the Florida Statutes requires that any unspent dollars remaining in the Tax Increment District trust funds (JIA Tax Increment District and Southbank Tax Increment District) on the last day of the fiscal year be returned to the taxing authorities that paid into the trust funds. Transfers from the tax increment districts to the general fund result when the incremental tax revenues in a district exceed the expenditures made within that district's trust fund in a given fiscal year.
S.	The transfer from Community Development subfund (1A1) is to fund a portion of salaries and operating expenditures within the Independent Living Division. The decrease is from a reduction in federal grant funding.

RECOMMENDATIONS:

1	We recommend that Public Service Taxes on electric revenues be decreased by \$1,000,000 and Public Service Taxes on water revenues be decreased \$540,000 for a total decrease of \$1,540,000. This will have a \$1,540,000 negative impact on Special Council Contingency.
2	We recommend that Contributions from Component Units be decreased by \$969,550 and that the Contribution from JEA/Water and Sewer be increased by \$969,550 to reflect the contribution budgeted by JEA. This will have no impact on Special Council Contingency.

**CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND - GENERAL SERVICES DISTRICT
SUMMARY OF EXPENDITURES**

	FY 10-11 COUNCIL APPROVED	FY 11-12 MAYOR'S PROPOSED	CHANGE FROM ORIGINAL BUDGET	% CHANGE
DEPARTMENTAL EXPENSES				
ADVISORY BOARDS	404,068	520,939	116,871	28.92%
CENTRAL OPERATIONS	20,265,271	16,674,308	(3,590,963)	-17.72%
CITY COUNCIL	8,883,614	8,353,607	(530,007)	-5.97%
COURTS	852,580	884,121	31,541	3.70%
ENVIRONMENTAL & COMPLIANCE	17,932,245	16,664,967	(1,267,278)	-7.07%
FINANCE	6,921,766	6,476,034	(445,732)	-6.44%
FIRE AND RESCUE	163,801,008	161,963,038	(1,837,970)	-1.12%
GENERAL COUNSEL	308,651	368,106	59,455	19.26%
HUMAN RIGHTS COMMISSION	982,048	879,856	(102,192)	-10.41%
MAYOR'S OFFICE	2,946,609	2,885,645	(60,964)	-2.07%
MEDICAL EXAMINER	2,839,653	2,614,602	(225,051)	-7.93%
OFFICE OF THE SHERIFF	350,387,721	349,118,737	(1,268,984)	-0.36%
PLANNING AND DEVELOPMENT	7,473,512	7,233,099	(240,413)	-3.22%
PUBLIC DEFENDER	936,989	1,013,642	76,653	8.18%
PUBLIC HEALTH	769,049	935,472	166,423	21.64%
PUBLIC LIBRARIES	39,602,759	38,696,857	(905,902)	-2.29%
PUBLIC WORKS	79,769,323	80,077,130	307,807	0.39%
RECREATION & COMMUNITY SERVICES	49,765,389	30,961,089 *	(18,804,300)	-37.79%
STATE ATTORNEY	188,343	179,129	(9,214)	-4.89%
SUPERVISOR OF ELECTIONS	9,493,916	8,174,073	(1,319,843)	-13.90%
TOTAL DEPARTMENTAL EXPENSES	764,524,514	734,674,451 **	(29,850,063)	-3.90%
NON-DEPARTMENTAL EXPENSES				
CITYWIDE ACTIVITIES	50,182,428	78,434,839	28,252,411	56.30%
CITYWIDE ACTIVITIES - COUNCIL	323,275	310,217	(13,058)	-4.04%
CONTINGENCIES	12,053,552	1,888,770	(10,164,782)	-84.33%
DEBT FEES - BOND RELATED	330,000	292,612	(37,388)	-11.33%
DEBT SERVICE TRANSFERS - FISCAL AGENT	1,017,158	517,236	(499,922)	-49.15%
DEBT SERVICE TRANSFERS - INTEREST	37,530,735	37,052,798	(477,937)	-1.27%
DEBT SERVICE TRANSFERS - PRINCIPAL	38,994,790	39,190,181	195,391	0.50%
INTER-LOCAL AGREEMENTS	2,745,904	2,164,264	(581,640)	N/A
SUBFUND LEVEL ACTIVITIES	15,144,411	7,714,711	(7,429,700)	-49.06%
TRANSFER OUT TO OTHER FUNDS	67,519,071	60,308,229	(7,210,842)	-10.68%
TOTAL NON-DEPARTMENTAL EXPENSES	225,841,324	227,873,857 ***	2,032,533	0.90%
TOTAL GENERAL FUND - GSD EXPENSES	990,365,838	962,548,308	(27,817,530)	-2.81%

* - Recreation and Community Services Department's expenses actually decreased by \$1,734,232 or -5.30%. Major expenses (listed below) totaling \$17,070,068 in FY 2010/11 were transferred from the department's budget to citywide activities under non-departmental expenses in FY 2011/12:

	<u>FY 2010/11</u>
MEDICAID INPATIENT HOSPITAL CARE	8,893,704
MEDICAID NURSING HOME CARE	1,441,647
ZOO CONTRACT	1,282,500
PUBLIC SERVICE GRANTS	2,452,217
PSG - CULTURAL COUNCIL	3,000,000
	<u>17,070,068</u>

** - Departmental expenses will be discussed within the departmental budgets.

*** - Breakdown of each category of non-departmental expenses can be seen in the pages that follow.

**CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND - GENERAL SERVICES DISTRICT
SCHEDULE OF NON-DEPARTMENTAL EXPENDITURES**

	FY 10-11 COUNCIL APPROVED	FY 11-12 MAYOR'S PROPOSED	CHANGE FROM ORIGINAL BUDGET	% CHANGE	FOOT NOTE
CITYWIDE ACTIVITIES					
LOBBYIST FEES	291,612	227,862	(63,750)	-21.86%	A
FLORIDA/GEORGIA GAME COSTS	400,000	309,000	(91,000)	-22.75%	B
SMG - GATOR BOWL GAME	300,000	370,000	70,000	23.33%	C
CITYWIDE INTERNAL SVC ALLOCATION	10,000	18,386	8,386	83.86%	
ECONOMIC GRANT PROGRAM		2,919,700	2,919,700	NA	D
QUALIFIED TARGET INDUSTRIES		572,729	572,729	NA	E
FLORIDA/GEORGIA GAME BLEACHERS	269,379	269,379	-	0.00%	
LICENSE AGREEMENTS AND FEES	6,631	17,265	10,634	160.37%	F
TRANSITIONAL GOVERNMENT-MAYORAL	75,000		(75,000)	-100.00%	
MEDICAID INPATIENT HOSPITAL CARE		11,164,250	11,164,250	NA	G
MEDICAID NURSING HOME CARE		1,441,647	1,441,647	NA	H
PUBLIC SERVICE GRANTS		2,327,217	2,327,217	NA	I
ANTICIPATED SAVINGS FROM REORGANIZATION		-658,949	(658,949)	NA	J
WATER SEWER EXPANSION AUTHORITY	334,672	52,057	(282,615)	-84.45%	K
ZOO CONTRACT		1,282,500	1,282,500	NA	L
JUVENILE JUSTICE	6,673,853	3,946,128	(2,727,725)	-40.87%	M
MUNICIPAL DUES & AFFILIATION	388,681	388,622	(59)	-0.02%	N
PSG - CULTURAL COUNCIL		2,850,000	2,850,000	NA	O
METRO PLANNING ORG ASSESSMENT	225,130	225,318	188	0.08%	
NORTH FLORIDA REGIONAL COUNCIL	368,015	368,015	-	0.00%	
SUBSIDIZED PENSION FUNDS	29,668	30,453	785	2.65%	
FILING FEE LOCAL ORD-STATE ATTORNEY	52,000	52,000	-	0.00%	
415 LIMIT PENSION COST	4,504	38,815	34,311	761.79%	P
REFUND - TAXES OVERPD/ERROR/CONTROVERSY	13,500	5,500	(8,000)	-59.26%	Q
TAX DEED PURCHASES	25,600	100,000	74,400	290.63%	R
SHANDS JAX MEDICAL CENTER CONTRIBUTION	23,775,594	23,775,594	-	0.00%	
BJP 20% GAS TAX CONTRIB TO FISCAL AGENT	1,730,821	1,754,887	24,066	1.39%	
CIP DEBT REPAYMENT TO BANKING FUND	14,633,021	21,929,804	7,296,783	49.87%	S
ANNUAL INDEPENDENT AUDIT	315,000	315,000	-	0.00%	
ECONOMIC DEVELOPMENT		2,000,000	2,000,000	NA	T
FILING FEE LOCAL ORD-PUBLIC DEFENDER	30,000	30,000	-	0.00%	
BUSINESS IMPRV DISTRICT-DOWNTOWN VISION	229,747	311,660	81,913	35.65%	U
TOTAL CITYWIDE ACTIVITIES	50,182,428	78,434,839	28,252,411	56.30%	
CITYWIDE ACTIVITIES - COUNCIL					
F.R.S.S. TIME BUYBACK	323,275	310,217	(13,058)	-4.04%	
TOTAL CITYWIDE ACTIVITIES - COUNCIL	323,275	310,217	(13,058)	-4.04%	
CONTINGENCIES					
FEDERAL PROGRAMS CONTINGENCY	704,648	266,350	(438,298)	-62.20%	V
EXECUTIVE OP CONTINGENCY - MAYOR	125,000	125,000	-	0.00%	
EXECUTIVE OP CONTINGENCY - JOINT	250,000	250,000	-	0.00%	
EXECUTIVE OP CONTINGENCY - COUNCIL	125,000	125,000	-	0.00%	
BUDGET STABILIZATION CONTINGENCY	9,447,975		(9,447,975)	-100.00%	W
FEDERAL MATCHING GRANTS (B1-B)	1,184,122	1,122,420	(61,702)	-5.21%	X
SP COUNCIL CONTINGENCY-SUPV OF ELECTIONS	216,807		(216,807)	-100.00%	
TOTAL CONTINGENCIES	12,053,552	1,888,770	(10,164,782)	-84.33%	
DEBT FEES - BOND RELATED					
FISCAL AGENT FEES GF-GSD	330,000	292,612	(37,388)	-11.33%	
TOTAL DEBT FEES - BOND RELATED	330,000	292,612	(37,388)	-11.33%	

CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND - GENERAL SERVICES DISTRICT
SCHEDULE OF NON-DEPARTMENTAL EXPENDITURES

DEBT SERVICE TRANSFERS - FISCAL AGENT

TRF FR 011 GF TO 22I - FISCAL AGENT FEES	1,000	1,000	-	0.00%
TRF FR 011 GF TO 259 - FISCAL AGENT FEES	998,122	498,719	(499,403)	-50.03%
TRF FR 011 GF TO 255 - FISCAL AGENT FEES	2,950	2,950	-	0.00%
TRF FR 011 GF TO 254 - FISCAL AGENT FEES	2,950	2,950	-	0.00%
TRF FR 011 GF TO 253 - FISCAL AGENT FEES	2,950	2,950	-	0.00%
TRF FR 011 GF TO 22Z - FISCAL AGENT FEES	431	431	-	0.00%
TRF FR 011 GF TO 22Y - FISCAL AGENT FEES	431	431	-	0.00%
TRF FR 011 GF TO 22X - FISCAL AGENT FEES	500	431	(69)	-13.80%
TRF FR 011 GF TO 22U - FISCAL AGENT FEES	431	431	-	0.00%
TRF FR 011 GF TO 22C - FISCAL AGENT FEES	2,950	2,950	-	0.00%
TRF FR 011 GF TO 229 - FISCAL AGENT FEES	400	400	-	0.00%
TRF FR 011 GF TO 227 - FISCAL AGENT FEES	431	431	-	0.00%
TRF FR 011 GF TO 225 - FISCAL AGENT FEES	431	431	-	0.00%
TRF FR 011 GF TO 222 - FISCAL AGENT FEES	500	500	-	0.00%
TRF FR 011 GF TO 25A - FISCAL AGENT FEES	1,350	1,350	-	0.00%
TRF FR 011 GF TO 25C-COURTHOUSE DEBT	450		(450)	-100.00%
TRF FR 011 GF TO 22W - FISCAL AGENT FEES	431	431	-	0.00%
TRF FR 011 GF TO 256 - FISCAL AGENT FEES	450	450	-	0.00%
TOTAL DEBT SERVICE TRANSFERS - FISCAL AGENT	1,017,158	517,236	(499,922)	-49.15%

Y

DEBT SERVICE TRANSFERS - INTEREST

TRF FR 011 GF TO 256-07 ETR (INT)	1,780,281	1,730,882	(49,399)	-2.77%
TRF FR 011 GF TO 22W-01B ETR/SHIPYARDS	2,031,237	1,978,014	(53,223)	-2.62%
TRF FR 011 GF TO 561-ADAM'S MARK	334,546	315,179	(19,367)	-5.79%
TRF FR 011 GF TO 25D-COURTHOUSE DEBT	1,787,040	1,926,868	139,828	7.82%
TRF FR 011 GF TO 25C-COURTHOUSE DEBT	2,541,789	2,298,214	(243,575)	-9.58%
TRF FR 011 GF TO 25B-09C SPEC REV	1,516,800	1,463,118	(53,682)	-3.54%
TRF FR 011 GF TO 259-08A&B (97'S&02)	3,435,368	3,734,984	299,616	8.72%
TRF FR 011 GF TO 255-06C ETR	237,135	216,333	(20,802)	-8.77%
TRF FR 011 GF TO 254-06B ETR REF	337,837	285,152	(52,685)	-15.59%
TRF FR 011 GF TO 253-06A ETR BONDS	1,656,880	1,605,076	(51,804)	-3.13%
TRF FR 011 GF TO 22Z-02B ETR BNDS/SHANDS	2,537,867	2,432,885	(104,982)	-4.14%
TRF FR 011 GF TO 22H-06C ETR/CARLING	195,928	185,572	(10,356)	-5.29%
TRF FR 011 GF TO 22X-02A ETR REFUNDING	608,458	293,856	(314,602)	-51.70%
TRF FR 011 GF TO 22Z-93 ETR FOR DSI	2,233,783	3,105,195	871,412	39.01%
TRF FR 011 GF TO 225-02 LOCAL GVT TAX	2,038,745	1,923,744	(115,001)	-5.64%
TRF FR 011 GF TO 227-03B&C ETR BONDS	1,684,805	1,681,047	(3,758)	-0.22%
TRF FR 011 GF TO 229-03AETRRIB/PROTON BM	612,965	582,096	(30,869)	-5.04%
TRF FR 011 GF TO 22C-ETR 2005A	1,168,769	1,166,640	(2,129)	-0.18%
TRF FR 011 GF TO 22Y-02 GUAR ENTITLEMENT	4,782,193	4,668,805	(113,388)	-2.37%
TRF FR 011 GF TO 22U-01 RCR SALES TAX	3,432,400	2,977,734	(454,666)	-13.25%
TRF FR 011 GF TO 25A-09AB&C	2,439,816	2,345,559	(94,257)	-3.86%
TRF FR 011 GF TO 22I-96 RCR SALES TX BDS	136,093	135,845	(248)	-0.18%
TOTAL DEBT SERVICE TRANSFERS - INTEREST	37,530,735	37,052,798	(477,937)	-1.27%

DEBT SERVICE TRANSFERS - PRINCIPAL

TRF FR 011 GF TO 22X-02A ETR REFUNDING	6,805,000	2,865,000	(3,940,000)	-57.90%
TRF FR 011 GF TO 22Y-02 GUAR ENTITLEMENT	2,080,000	2,680,000	600,000	28.85%
TRF FR 011 GF TO 22Z-02B ETR BNDS/SHANDS	2,400,000	2,495,000	95,000	3.96%
TRF FR 011 GF TO 254-06B ETR REF	1,490,000	1,830,000	340,000	22.82%
TRF FR 011 GF TO 256-07 ETR	1,105,000	1,145,000	40,000	3.62%
TRF FR 011 GF TO 259-08A&B (97'S&02)	3,427,219	2,600,302	(826,917)	-24.13%
TRF FR 011 GF TO 25A-09AB&C ETR	3,035,000	3,055,000	20,000	0.66%
TRF FR 011 GF TO 25C-COURTHOUSE DEBT		943,000	943,000	NA
TRF FR 011 GF TO 22W-01B ETR/SHIPYARDS	1,080,000	1,130,000	50,000	4.63%
TRF FR 011 GF TO 253-06A ETR BONDS	1,370,000	1,420,000	50,000	3.65%
TRF FR 011 GF TO 561-ADAM'S MARK	724,202	756,429	32,227	4.45%
TRF FR 011 GF TO 25B-09C SPEC REV	1,165,000	3,020,000	1,855,000	159.23%
TRF FR 011 GF TO 22H-06C CARLING	310,559	314,935	4,376	1.41%
TRF FR 011 GF TO 255-06C ETR	436,613	458,086	21,473	4.92%
TRF FR 011 GF TO 22U-01 RCR SALES TAX	8,580,000	9,050,000	470,000	5.48%
TRF FR 011 GF TO 229-03AETRRIB/PROTON BM	960,000	990,000	30,000	3.13%
TRF FR 011 GF TO 227-03B&C ETR BONDS	15,000	20,000	5,000	33.33%
TRF FR 011 GF TO 225-02 LOCAL GVT TAX	2,950,000	3,065,000	115,000	3.90%
TRF FR 011 GF TO 22Z-93ETR FOR DSP	1,061,197	1,352,429	291,232	27.44%
TOTAL DEBT SERVICE TRANSFERS - PRINCIPAL	38,994,790	39,190,181	195,391	0.50%

**CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND - GENERAL SERVICES DISTRICT
SCHEDULE OF NON-DEPARTMENTAL EXPENDITURES**

INTER-LOCAL AGREEMENTS

ATLANTIC BCH LIFEGUARD/BCH CLEAN-UP	186,410	192,002	5,592	3.00%	
ATLANTIC & NEPTUNE BCH FIRE SERVICE	233,696	240,705	7,009	3.00%	
BEACHES-SOLID WASTE DISPOSAL CHARGES	1,528,606	910,721	(617,885)	-40.42%	Z
NEPTUNE BCH LIFEGUARD/BCH CLEAN-UP	190,824	196,548	5,724	3.00%	
ATLANTIC BCH LG/BCH-CAPITAL ONLY	9,000	9,000	-	0.00%	
JACKSONVILLE BCH LIFEGUARD/BCH CLEAN-UP	597,368	615,288	17,920	3.00%	
TOTAL INTER-LOCAL AGREEMENTS	2,745,904	2,164,264	(581,640)	-21.18%	

SUBFUND LEVEL ACTIVITY

JPA - CONTRIBUTIONS TO/FROM	7,989,018	5,905,702	(2,083,316)	-26.08%	AA
ASH SETTLEMENT REPAYMENT TO BANKING FUND	2,077,541	2,709,177	631,636	30.40%	BB
PROPERTY LEASE W/ WJCT-JAZZ FESTIVAL	30,000	30,000	-	0.00%	
PERSONNEL LAPSE-CONTINGENCY	-5,073,863	-5,862,081	(788,218)	15.53%	CC
JTA - CONTRIBUTIONS TO/FROM	1,254,804	1,284,270	29,466	2.35%	DD
JEDC - CONTRIBUTIONS TO/FROM	8,866,911	3,647,643	(5,219,268)	-58.86%	EE
TOTAL SUBFUND LEVEL ACTIVITY	15,144,411	7,714,711	(7,429,700)	-49.06%	

TRANSFER OUT TO OTHER FUNDS

GEN FUND-GSD TRANSFER TO VEHICLE INSPECT	40,000		(40,000)	-100.00%	
GEN FUND-GSD TRANSFER TO STORMWATER OPS	869,685	1,482,501	612,816	70.46%	
GEN FUND-GSD TRANSFER TO SMG-STADIUM	6,526,670	5,743,052	(783,618)	-12.01%	
GEN FUND-GSD TRANSFER TO SMG-BBALL GRNDS	681,724	634,337	(47,387)	-6.95%	
GEN FUND-GSD TRANSFER TO SMG-PERFORM ARTS	595,907	623,320	27,413	4.60%	
GEN FUND-GSD TRANSFER TO SMG-EQUESTRIAN	744,772	679,358	(65,414)	-8.78%	
GEN FUND-GSD TRANSFER TO DIRECT VEH RPL	1,250,000		(1,250,000)	-100.00%	
GEN FUND-GSD TRANSFER TO PK GARAGE REV	1,075,715		(1,075,715)	-100.00%	
GEN FUND-GSD TRANSFER TO JCC	20,673,779	19,384,287	(1,289,492)	-6.24%	
GEN FUND-GSD TRANSFER TO SMG-CONVENTION	1,252,369	1,330,901	78,532	6.27%	
GEN FUND-GSD TRANSFER TO RECORDING FEES	544,845	1,122,784	577,939	106.07%	
GEN FUND-GSD TRANSFER TO ITD OPERATIONS	482,000		(482,000)	-100.00%	
GEN FUND-GSD TRANSFER TO PROP APPRAISER	8,414,084	8,307,657	(106,427)	-1.26%	
GEN FUND-GSD TRANSFER TO CLERK OF COURT	819,954	641,039	(178,915)	-21.82%	
GEN FUND-GSD TRANSFER TO TAX COLLECTOR	4,174,115	3,748,420	(425,695)	-10.20%	
GEN FUND-GSD TRANSFER TO PUBLIC SAFT INT	10,083,162	10,155,762	72,600	0.72%	
GEN FUND-GSD TRANSFER TO HANNA PARK	499,578	555,006	55,428	11.09%	
GEN FUND-GSD TRANSFER TO ALCOHOL REHAB	333,987	249,281	(84,706)	-25.36%	
GEN FUND-GSD TRANSFER TO PUBLIC PRKNG SY	60,427		(60,427)	-100.00%	
GEN FUND-GSD TRANSFER TO N.E. TID	2,220,543	3,322,168	1,101,625	49.61%	
GEN FUND-GSD TRANSFER TO CDBG	275,357	253,968	(21,389)	-7.77%	
GEN FUND-GSD TRANSFER TO CECIL COMM CTR	1,509,133	1,450,122	(59,011)	-3.91%	
GEN FUND-GSD TRANSFER TO BCH EROSION LOC	200,000	200,000	-	0.00%	
GEN FUND-GSD TRANSFER TO FY11 CIP FUND	2,803,200		(2,803,200)	-100.00%	
GEN FUND-GSD TRANSFER TO GRANT IMPRV PRJ	896,800		(896,800)	-100.00%	
GEN FUND-GSD TRANSFER TO AIR POLL EPA	491,265	424,266	(66,999)	-13.64%	
TOTAL TRANSFER OUT TO OTHER FUNDS	67,519,071	60,308,229	(7,210,842)	-10.68%	

TOTAL NON-DEPARTMENTAL EXPENDITURES	225,841,324	227,873,857	2,032,533	0.90%	
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CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND - GENERAL SERVICES DISTRICT
SCHEDULE OF NON-DEPARTMENTAL EXPENDITURES

- A** - Only federal government relations lobbyist contract with Patton Boggs was kept while funding for the contracts with various state government relations lobbyists was removed.
- B** - The decrease is due to the decrease in actual expenditures in the current year that were used to estimate FY 2011/12 expenditures. Approximately \$216,000 was spent in FY2010/11.
- C** - The increase is due to the increase in actual expenditures in the current year that were used to estimate FY 2011/12 expenditures. Approximately \$363,000 was spent in FY 2010/11.
- D** - Funding for economic grant program incentives was moved from JEDC to the General Fund for FY 2011/12. There was a decrease of \$874,476 of which approximately \$320,000 is attributed to the expiration of incentives for Winn-Dixie. Also, across the board reductions took place for most of the budgeted incentives. On average, 15% less was budgeted for the projects comparing to last year's budget due to the decreased assessed property values. The contractual payments are listed below:

Company Name (REV grants)	Budget Request
Advantus Corporation	\$ 1,000
Ameristeel	\$ 180,000
BMW	\$ 30,000
Deutsche Bank	\$ 13,400
Dupuy	\$ 100,000
Fidelity Global Brokerage	\$ 30,000
Fidelity National Financial	\$ 340,000
Flagler Interchange	\$ 1,700,000
Kaman Aerospace Corporation	\$ 21,000
Laney & Duke	\$ 300
Parks @ Cathedral	\$ 40,000
Southeast Toyota	\$ 255,000
Trend Offset Printing	\$ 62,000
Volvo Parts North America	\$ 28,000
BJ's/Casto Southeast	\$ 119,000
TOTAL	\$ 2,919,700

- E** - Funding for qualified target industries incentives was moved from JEDC to the General Fund for FY 2011/12. There was a decrease of \$673,271 mostly due to some expired projects. The contractual payments are listed below:

Company Name (QTI grants)	Budget Request
Deutsche Bank	\$ 93,000
Digital Risk	\$ 15,000
Everbank	\$ 18,000
Fidelity National Financial (Part 2)	\$ 226,720
Fidelity National Information Services	\$ 16,252
FNIS/ Lender Processing Services	\$ 57,750
FSV Payment Systems	\$ 2,807
Gestalt	\$ 2,500
Lender Processing Services	\$ 74,375
Pilot Corporation of America	\$ 4,400
PSS World Medical	\$ 17,750
Samsonite	\$ 6,625
System Service Engineering	\$ 6,000
Trend Offset Printing	\$ 4,500
Website Pro's	\$ 21,800
Whertec, Inc.	\$ 5,250
TOTAL	\$ 572,729

**CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND - GENERAL SERVICES DISTRICT
SCHEDULE OF NON-DEPARTMENTAL EXPENDITURES**

- F** - Required funding for additional license for public performance of musical works on behalf of copyright owners is budgeted in FY 2011/12.
- G** - The funding for Medicaid inpatient hospital care was moved out of Recreation and Community Services operating budget into a separate non-departmental activity. The funding was increased by \$2,270,546 in FY 2011/12 based on the level of actual expenditures in the current fiscal year.
- H** - The funding for Medicaid nursing home care was moved out of Recreation and Community Services operating budget into a separate non-departmental activity. There was no change in funding level.
- I** - The funding for public service grants (PSG) as reviewed and approved by the PSG committee was moved out of Recreation and Community Services into a separate non-departmental activity. The funding was decreased by \$125,000 in FY 2011/12. The details can be found in the PSG schedule (Budget Ordinance Schedule A2).
- J** - The savings will be obtained through additional personnel cuts in the beginning of FY 2011/12.
- K** - The decrease is due to the largest loans being paid off in FY 2010/11.
- L** - The funding for the contract with Zoo was moved out of Recreation and Community Services into a separate non-departmental activity. The funding remained flat.
- M** - The City is required to contribute funding to the State for the operation of Department of Juvenile Justice detention centers. The costs are estimated by the State of Florida.
- N** - The Municipal Dues and Affiliation budget includes dues to Florida Association of Counties, Florida League of Cities, Government Finance Officers Association, Leadership Florida State, Chamber of Commerce - Cornerstone, National League of Cities, Sister Cities International, and US Conference of Mayors.

Organization	Budget Request
Florida Association of Counties	\$ 99,884
Florida League of Cities	\$ 38,522
Government Finance Officers Association	\$ 1,775
Jacksonville Chamber of Commerce	\$ 200,000
Leadership Florida State	\$ 240
National League of Cities	\$ 22,941
Sister Cities International	\$ 1,665
US Conference of Mayors	\$ 23,595
TOTAL	\$ 388,622

- O** - The funding for public service grants (PSG) - Cultural Council as reviewed and approved by the PSG committee was moved out of Recreation and Community Services into a separate non-departmental activity. The funding was decreased by \$150,000 in FY 2011/12. The details can be found in the PSG schedule (Budget Ordinance Schedule A2).
- P** - The increase in pension costs is caused by an increase in the number of retirees receiving Section 415 pension benefits.
- Q** - The decrease is due to the decrease in actual expenditures in the current year that were used to estimate FY 2011/12 expenditures. Approximately \$2,200 was spent YTD in FY 2010/11.
- R** - The increase is due to the increase in actual expenditures in the current year that were used to estimate FY 2011/12 expenditures. Approximately \$153,000 was spent YTD in FY 2010/11. It is a payment for the title search fees on City-held tax certificates. Title search is a mandatory requirement during the tax deed application process.
- S** - The increase in the CIP debt payback to the banking fund is due to the increased number of loans issued.
- T** - No support for this new expenditure was provided by the Mayor's Office. See Recommendation 1.

CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND - GENERAL SERVICES DISTRICT
SCHEDULE OF NON-DEPARTMENTAL EXPENDITURES

- U** - Per Ordinance 2005-785, the City shares in the cost of the community enhancements provided by Downtown Vision, Inc. In FY2010/11, some of the expenses were paid by the Public Works Department. The FY 2011/12 amount correctly reflects all of the City's funding of DVI, which amounts to level funding compared to FY 2010/11.
- V** - The Federal Programs Contingency amount is to provide the local match for any additional grants that could possibly come up during the year. The decrease is due to the decrease in actual expenditures in the current year that were used to estimate FY 2011/12 expenditures. Approximately \$187,000 was spent YTD in FY 2010/11.
- W** - In FY 2010/11, this contingency accounted for the changes due primarily to a 2% reduction in personnel services funding rather than the 3% reduction anticipated when the FY 2010/11 Budget was adopted.
- X** - The funds for Federal Matching Grants are needed to provide the local match for State and Federal grants seen on the Federal/State Matching Grants Schedule (Budget Ordinance Schedule B1-B).
- Y** - Fiscal agent fees are banking fees incurred in the process of issuance and payment of bonds.
- Z** - The decrease is due to City no longer budgeting to pay for the landfill tipping fees for Neptune and Atlantic Beaches. Pursuant to interlocal agreements, free use of the landfill by Neptune and Atlantic Beaches ended when Jacksonville imposed uniform solid waste processing and disposal fees against residential premises.
- AA** - Pursuant to interlocal agreement, the City provides a contribution to JPA each year consisting of \$800,000, a portion of telecommunications tax monies, and a quarter mill from JEA's electric contribution to the City. These funds are first used to pay debt service on the 1993 and 2003C Excise Tax Revenue Bonds issued by the City on behalf of the JPA. The JPA used the proceeds from these bonds for port expansion and capital items. The \$5,905,702 contribution to JPA included in the Mayor's Proposed Budget is the estimated excess telecommunications tax remaining after all debt service obligations have been met. The excess telecommunications tax monies transferred to JPA are a pledged revenue source for JPA's bonds which were used to finance the construction of the Mitsui container terminal. The decrease from the F/Y 2010-11 amount is primarily due to decreased telecommunications tax revenue from the state combined with increased debt service on the bonds issued for the benefit of JPA.
- BB** - This is a payment on the \$25,000,000 borrowed to pay the settlement approved by Ordinance 2005-998. E. The bond repayment schedule was purposely structured to have a lower payment first year (FY 2010/11).
- CC** - The personnel lapse contingency represents the savings in each department's budget resulting from turnover in personnel.
- DD** - This is a contribution to JTA for the Community Transportation Coordinator (CTC) program.
- EE** - The general fund subsidy to JEDC was reduced due to funding for economic incentives agreements being moved out of JEDC operating budget into a separate non-departmental activity. See notes D and E above. The total amount budgeted for economic incentives in FY 2010/11 was \$5,040,176. Therefore, the actual subsidy to JEDC was reduced by \$179,092 or -2.02% in FY 2011/12.

Recommendation 1: As noted in note T, the Administration has provided no support for this item. We recommend that funding for Economic Development totaling \$2,000,000 be eliminated, which would have a positive impact on Special Council Contingency.

Council Auditor's Office
FY 2011/12 Mayor's Proposed Budget
Banking Fund Overview

Ordinance 2005-1373-E approved the creation of the City Banking Fund as a replacement for the City Loan Pool. The City Banking Fund may be used by City departments to finance purchases for which there are insufficient funds to purchase outright. Eligible purchases include projects with a useful life of greater than one year and a per-unit value of at least \$1,000, unless projects with a lesser per-unit value are approved in the legislation authorizing such funding. Items purchased through the banking fund shall not be financed for a term greater than their useful life. The interest rate charged on loans from the banking fund shall be the Fund's cost of money.

- **Growth in Authorized Loan Pool/Banking Fund borrowing:**

FY 04/05	\$ 66,603,366
FY 05/06	\$118,656,171
FY 06/07	\$141,127,362
FY 07/08	\$233,075,540
FY 08/09	\$331,696,876
FY 09/10	\$438,925,824
FY 10/11	\$480,468,055
FY 11/12 Proposed	\$505,472,621

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
ANALYSIS OF BUDGETED DEBT SERVICE REQUIREMENTS
2011/12 MAYOR'S PROPOSED BUDGET**

S/F	Account Title	FY 2010/11 Council Approved Budget	FY 2011/12 Mayor's Proposed Budget	Change From FY 2010/11	Explanation
GENERAL FUND - GSD (Subfund 011):					
222	93 ETR FOR DSI	3,294,980	4,457,624	1,162,644	Increase in scheduled principal amortization.
22C	ETR 2005A	1,168,769	1,166,640	(2,129)	
22H	06C ETR/CARLING	506,487	500,507	(5,980)	
22I	RCR Sales Tax Bonds, 1996	136,093	135,845	(248)	
22U	RCR Sales Tax Bonds, 2001	12,012,400	12,027,734	15,334	
22W	01B ETR (Shipyards)	3,111,237	3,108,014	(3,223)	
22X	02A ETR Refunding	7,413,458	3,158,856	(4,254,602)	Decrease in scheduled principal amortization.
22Y	02 Guar Entitlement Ref & Improv	6,862,193	7,348,805	486,612	In FY 2010/11, \$500,000 in interest earnings was utilized to offset debt service payment.
22Z	02B ETR (Shands)	4,937,867	4,927,885	(9,982)	
225	02 Local Govt Sales Tax (Fix CP)	4,988,745	4,988,744	(1)	
227	03C ETRRIB (ref 93 ETR)	1,699,805	1,701,047	1,242	
229	03A ETRRIB (Proton Beam)	1,572,965	1,572,096	(869)	
253	ETR 2006A (ref SSGF 95A)	3,026,880	3,025,076	(1,804)	
254	ETR 2006B (ref 95A AMT)	1,827,837	2,115,152	287,315	Increase in scheduled principal amortization.
25A	09AB&C	5,474,816	5,400,559	(74,257)	Increase in scheduled principal amortization.
25B	09C Spec Rev	2,681,800	4,483,118	1,801,318	Increase in scheduled principal amortization.
25C	Courthouse Debt	2,541,789	3,241,214	699,425	FY 2010/11 amount of \$2,541,789 was a forecasted amount of yet-to-be issued bonds. FY 2011/12 budgeted amount of \$3,241,214 is based upon the actual issuance price.
25D	Courthouse Debt	1,787,040	1,926,868	139,828	FY 2010/11 amount of \$1,787,040 was a forecasted amount of yet-to-be issued bonds. FY 2011/12 budgeted amount of \$1,926,868 is based upon the actual issuance price.
255	ETR 2006C	673,748	674,419	671	
256	ETR 2007	2,885,281	2,875,882	(9,399)	
259	08A&B (97'S&02)	6,862,587	6,335,287	(527,300)	Decrease in scheduled principal amortization.
561	Adam's Mark	1,058,748	1,071,608	12,860	
Fiscal Charges - GSD Debt Service		\$ 1,347,158	\$ 809,848	\$ (537,310)	The reduction is primarily the result of savings from the elimination of the letter of credit due to the conversion of some variable rate debt to a fixed rate mode.
Total Budgeted - GSD Debt Service		\$ 77,872,683	\$ 77,052,828	\$ (819,855)	
Debt Service in All Other Sub-Funds		\$ 114,239,959	\$ 115,588,964	\$ 1,349,005	The major part of the increase is due to issuance of new bonds which was offset by the release of excess Debt Service Reserve funds, Parking Revenue bonds pay off, and scheduled decreases in principal amortization.
Total Budgeted Debt Service		\$ 192,112,642	\$ 192,641,792	\$ 529,150	

**SCHEDULE OF CAPITAL OUTLAY PROJECTS NOT LAPSED
FISCAL YEAR 2011 - 2012**

Reference Section 1.3(C)

Subfund	Description	Account	Amount Not to Exceed
GENERAL FUND			
011	Banking Fund - Council projects	011 - CCDE011AD - 069427 & 069516	1,126
011	Banking Fund - Voting Machines	011 - SEEL011 - 069402	1,796,010
017	Office Equipment-Imaging,Archiving,Surveillance, etc	017 - TCSG017 - 06403	1,471,673
SPECIAL REVENUE FUNDS			
15U	Computer Equipment	15U - SASA15U - 06427	230,274
INTERNAL SERVICE FUNDS			
512	Banking Fund - Vehicle Replacement	512 - OPFM512 - 069401	452,000
513	Mobile Equipment	513 - OPFM513 - 06401	811,834
536	ITP - Enterprise Resource/Fin Mgmt Software	536 - ITIT536 - 069427 - ITEF01 01	491,060
536	ITP - Enterprise Resource/Fin Mgmt Software	536 - ITIT536 - 069509 - ITEF01 01	1,508,940
536	ITP - Environ&Compliance Inspection System	536 - ITIT536 - 039109 - ITEQ01 02	31,080
536	ITP - Digital Imaging - Public Defender	536 - ITIT536 - 069427 - ITDS01 02	8,323

Recommendation:

We recommend that Revised Schedule AF be substituted for the original version filed in the Budget Ordinance to reflect updated numbers.

**Council Auditor's Office
2011/12 Mayor's Proposed Budget
Food and Beverage Expenditures**

Municipal Code Section 106.203

Any request for funds in the budget to be expended on food and beverages shall be identified by the public purpose for the expenditure and the persons who will be served.

No public funds shall be expended on food or beverages unless specifically authorized by legislation or ordinance as codified in the Jacksonville Municipal Code.

Municipal Code Section 106.1202

The expenditure of budgeted funds for food and beverages is authorized for the following activities and events:

1. All events hosted, sponsored, produced or coordinated by the City's Special Events Office; except events held principally for the benefit of City employees.
2. All events and activities where the funding of food and beverages has already been approved by specific reference in the budget ordinance, an appropriation ordinance, or any other duly enacted ordinance.

Council Auditor Recommendation:

Attach Revised Attachment A to correct an index code and add expenditures inadvertently left off of the attachment as filed.

Please refer to Revised Attachment A (attached) for review and approval of the public purpose for each expenditure.

FOOD AND BEVERAGE EXPENDITURES (ORD: 2007-1109-E)
SUBJECT 05206
FISCAL YEAR 2011 - 2012

\$109,889

SF	Indexcode	Amount	Description of each Service/Event that requires the purchase of food/beverage	Explanation that the Service/Event serves a public purpose
011	CCSS011AD	1,000	Agenda Meetings & Workshops	Open to Public
011	CCSS011AD	1,000	Dedication & Events requested by Council Members	Open to Public
011	CCSS011AD	1,125	Holiday Open House	Held for Public
011	CCSS011AD	3,000	Council Orientation / Training for new Council Members & Staff	Mandatory policies, ethics & sunshine laws
011	FRFO011FO	500	New employee orientation	To increase morale of new employees who will provide service to the public
011	FRFO011FO	1,000	Quarterly Promotion Ceremonies, dispatchers week, EMS week etc.	Rewards and recognition ceremonies to increase morale of employees who serve the public
011	FRFO011FO	1,000	Food for personnel at extended stay fires	Public Safety
011	RCBH011VC	16,962	The Victim Assistance Fund provides emergency assistance to help reduce the financial hardship incurred as a direct result of the crime. Food assistance is given via food card purchases from Winn Dixie.	Food assistance - Used to assist the crime victim or family member as a direct result of their victimization.
011	RCBH011VC	250	The Victim Services/Sexual Assault Response Center is the only sexual violence forensic examination program in Duval, Nassau and Baker County. There are three types of antibiotics that are given to victims following the completion of the forensic exam.	Antibiotics are given to prevent the spreading of Sexually Transmitted Diseases that can be passed on to victims as a result of rape. Food, such as crackers, noodles, apple sauce and juice is provided to eat to prevent health issues associated with taking medication on an empty stomach.
011	RCOD011CEXT	3,000	All items are used in educational programming for teaching purposes only. This account funds FCS & FNP educational programming which will generate an annual projected average of 25,000 contacts reaching a range of groups including at-risk youth, seniors, limited income adults and general public and provides training for 185 Teacher-volunteers.	These programs teach how to achieve a healthy lifestyle by using the dietary guidelines and food guide pyramid to establish eating patterns, manage resources and reduce the risk of certain chronic diseases. Partially funds Food & Nutrition educational programming to be presented to 74 Title I schools in Duval County.
011	RCOD011RT	15,000	Ticketed Events, Shows, Concerts and Performances; Catering	Concessions (Snacks and Beverages) resale for profit; Catering as per artist contract: hospitality services/catered meals required da/night of artist's performance. Also for museum exhibit openings. All for public purposes (Ordinance 1999-776-E)

SF	Indexcode	Amount	Description of each Service/Event that requires the purchase of food/beverage	Explanation that the Service/Event serves a public purpose
011	RCOD011SE	44,900	To promote various special events in the city including the FL/GA Game, World of Nations, Fun in the Sun, Jazz Fest and other events.	All events are required to supply volunteers with either snacks and or meals. These events promote the city, culture, and volunteers year round.
011	RCRC011PG	2,500	Fall Festivals (19 sites)	Fall playday and festival, open to the public at each staffed community center
011	RCRC011PG	600	Spring Play Day (1 central site)	Spring camp playday, 700 children
011	RCRC011PG	2,000	Joseph Lee Day	Summer playday, 1500 children
011	RCRC011PG	600	Club Rec Open House	700 children and their families
011	RCRC011PG	1,000	Art Events	public hands-on art events
011	RCRC011PG	3,000	Summer Night Lights snacks	extended hours at 5 centers and pools
011	RCRC011PG	1,000	Great Jacksonville Campout	family camping event for Mayor's Book Club members
011	RCRC011PG	52	Miscellaneous	
011	RCVS011	2,100	Homeless Veterans Resource Fair	Serves approximately 800 homeless Veterans
1DA	RCRC1DACF	1,100	Senior Time Out Program; Mommy and Me Toddler Program; Summer Enrichment Camp; Community Special Events; Homeschool Sports & Fitness program	Weekly social time for neighborhood seniors; Weekly time for parents and toddlers to participate in a structured program; End of the summer celebration/Joseph Lee Day; Quarterly family night out events in Aquati / Community Center; end of year celebration
011	JHRC011CR	1,400	Volunteer Appreciation Dinner	Recognition for JHRC Volunteers
751	JEJE751	800	Coffee service for JEDC commission meetings, board meetings, and guests	To further the economic development efforts in Jacksonville to promote job creation and private capital investment.
011	OPOD011EBO	1,000	Meet and Greet Workshops	Per Ordinance 2004-602,EBO is required to conduct outreach and mentoring to identify new JSEB's
011	COCI011JS	1,000	Conferences and Meetings	Held by the Chief Judge for distinguished guests
011	SEEL011	3,000	Elections for FY12	Food for election day workers 125 employees at \$12each for 2 elections

**Council Auditor's Office
Mayor's Proposed Budget 2011/2012
Public Service Grant Funding**

	2010/2011 Council Approved Budget	2011/2012 Agency Requested Amounts	2011/2012 Recommended Budgets	\$ Change 2011/2012 Proposed to 2010/2011	% Change 2011/2012 Proposed to 2010/2011
GENERAL FUND/GSD					
Angelwood Inc. - Macaw	\$ 15,342	\$ 29,000	\$ 12,954	\$ (2,388)	-15.56%
Angelwood Inc. - Sidesaddle Group Home	19,550	21,100	9,426	(10,124)	-51.79%
APEL Health Services, Inc - Chronic Disease Prevention	10,353	21,249	20,166	9,813	94.78%
Beaches Emergency Asst Ministry - Rent & Utility Assistance Program	47,629	75,000	23,985	(23,644)	-49.64%
Catholic Charities Bureau - Lawn Care Employment Program	45,000	49,500	27,510	(17,490)	-38.87%
Catholic Charities Bureau - Emergency Assistance	40,000	45,000	42,706	2,706	6.77%
Clara White Mission - Comprehensive Emergency Services	58,115	65,058	36,157	(21,958)	-37.78%
Community Connections of Jax - Davis Center Case Management	-	65,000	61,687	61,687	N/A
Community Connections of Jax - Davis Center Resident Assistants Program	31,132	150,000	62,393	31,261	100.41%
Compassionate Families - Homicide Grief Recovery & Advocacy Services	16,834	24,021	10,817	(6,017)	-35.74%
Daniel Memorial - Project Prepare	14,968	50,000	19,903	4,935	32.97%
Downtown Ecumenical Services Council - Financial Aid	33,275	-	-	(33,275)	-100.00%
Emergency Services & Homeless Coalition - Leadership to End Homelessness	17,420	36,000	20,007	2,587	14.85%
Family Foundations of NE Florida - 1000 in 1000	63,148	127,308	72,095	8,947	14.17%
Family Nurturing Center - Safe Swaps	57,705	107,433	48,380	(9,325)	-16.16%
Family Promise of Jacksonville	11,834	18,000	10,683	(1,151)	-9.72%
Family Support Services of NE Florida - Strengthening Ties and Empowering Parents (STEPS)	49,701	196,998	108,142	58,441	117.58%
Florida State College at Jacksonville - Independent Living for Adult Blind (ILAB)	69,343	75,610	-	(69,343)	-100.00%
Fresh Ministries - Core City Economic Development	-	188,757	104,903	104,903	N/A
Gateway Community Services - SAGES	15,096	66,938	63,526	48,430	320.81%
Greater Jacksonville USO - CyberCafe	29,527	81,489	-	(29,527)	-100.00%
Hands On Jacksonville - Community Organizing Program	75,428	103,910	57,749	(17,679)	-23.44%
Hart Felt Ministries	-	23,400	22,207	22,207	N/A
HELP Center - Transitional Living and Recovery Program	40,936	86,046	34,251	(6,685)	-16.33%
Hope Haven Children's Clinic - Project SEARCH	27,352	30,252	15,249	(12,103)	-44.25%
Hubbard House - Emergency Services	116,153	157,769	87,681	(28,472)	-24.51%
Hubbard House - Outreach Family Advocate	29,273	35,241	33,445	4,172	14.25%
I.M. Sulzbacher Center For The Homeless - Emergency Shelter Services	115,000	120,000	113,883	(1,117)	-0.97%
Jacksonville Area Legal Aid - Civil Legal Services	164,240	245,000	161,949	(2,291)	-1.39%
Jacksonville Area Legal Aid - Mental Health Advocacy	29,486	46,402	-	(29,486)	-100.00%
Jacksonville Area Sexual Minority Youth Network, Inc. - Safety Net Program for LGBT Young Adults	-	22,764	9,061	9,061	N/A
Jacksonville Speech & Hearing Center - Auditory Services	28,602	50,000	24,133	(4,469)	-15.63%
L'Arche Harbor House - Community Inclusion	13,624	23,000	15,411	1,787	13.12%
Learn to Read, Inc. - Jacksonville Reads	15,141	46,232	18,565	3,424	22.61%
Lutheran Social Services - AIDS Care & Education-Intervention Program	-	53,654	25,896	25,896	N/A
Lutheran Social Services - Second Harvest Food Bank	88,330	300,009	138,893	50,563	57.24%
Lutheran Social Services - Representative Payee Program	12,278	50,922	25,683	13,405	109.18%
Lutheran Social Services - Refugee & Immigration Services	5,463	53,190	21,360	15,897	290.99%
Mission House - Case Management	18,633	35,000	13,933	(4,700)	-25.23%
New Heights of Northeast Florida - Adult Developmental Training Program	13,283	31,000	-	(13,283)	-100.00%
Northeast Florida Community Action Agency - CSBG - Family Self Sufficiency	15,080	40,000	22,230	7,150	47.41%
Northeast Florida Community Action Agency - Emergency Food Assistance Program (TEFAP)	27,975	51,388	48,769	20,794	74.33%
Northeast Florida Healthy Start Coalition, Inc. - The Azalea Project	76,627	76,627	30,771	(45,856)	-59.84%
North Florida School of Special Education - Adult Student Transition Program (TILES)	18,112	20,050	19,028	916	5.06%
Opportunity Development Inc - Deaf Consumer Program	15,426	36,000	12,105	(3,321)	-21.53%
Opportunity Development Inc - Temporary Loan Closet	23,138	36,000	12,105	(11,033)	-47.68%
Opportunity Development Inc - Disabled Victims Advocate	15,426	36,000	12,105	(3,321)	-21.53%
Operation New Hope- Ready4Work	133,513	184,500	-	(133,513)	-100.00%
Pine Castle - Training, Education and Support Services	58,483	122,281	61,637	3,154	5.39%
Project SOS - Literacy/GED Services for Adults	58,453	-	-	(58,453)	-100.00%
River Region - Andy's Place	33,942	58,383	26,079	(7,863)	-23.17%
River Region - Adult Substance Abuse Level 2 Residential Treatment	48,300	69,000	38,347	(9,953)	-20.61%
Ronald McDonald House Charities - Ronald McDonald House	11,612	78,115	42,734	31,122	268.01%
Salvation Army - Homeless Emergency Services	63,176	92,535	38,490	(24,686)	-39.08%
The ARC Jacksonville - Community Employment	21,867	58,999	-	(21,867)	-100.00%
THORMINC, The House of Refuge Ministries, Inc. - Resolve to Stop Violence Program	-	95,008	39,518	39,518	N/A
Trinity Evangelical Lutheran Church Inc - Trinity Lutheran Church Food Pantry	10,888	24,000	14,815	3,927	36.07%
United Way of Northeast Florida - RealSense Prosperity	56,078	64,880	61,573	5,495	9.80%
United Way of Northeast Florida - United Way 2-1-1	18,223	18,223	10,128	(8,095)	-44.42%
Urban Jacksonville - Meals on Wheels	88,610	100,000	61,730	(26,880)	-30.33%
VIM Jax, Inc - Free Medical Clinic for Low Income & Uninsured	-	67,500	32,579	32,579	N/A
Vision Is Priceless - Adult Vision Care	18,057	70,847	34,194	16,137	89.37%
We Care Jacksonville - Access to Health Care	56,500	55,500	40,180	(16,320)	-28.88%
Women's Center - Expanded Horizons	28,580	35,000	21,083	(7,497)	-26.23%
Youth Crisis Center - Touchstone Village	114,957	120,962	72,227	(42,730)	-37.17%
SUBTOTAL PUBLIC SVC GRANTS GENERAL FUND/GSD NOT CULTURAL COUNCIL	\$ 2,452,217	\$ 4,619,050	\$ 2,327,217	\$ (125,000)	-5.10%
CULTURAL COUNCIL GRANTS GENERAL FUND/GSD					
Cultural Council of Greater Jacksonville	\$ 3,000,000	\$ 3,000,000	\$ 2,850,000	\$ (150,000)	-5.00%
TOTAL PSGS AND CULTURAL COUNCIL GRANTS GENERAL FUND/GSD	\$ 5,452,217	\$ 7,619,050	\$ 5,177,217	\$ (275,000)	-5.04%

**Council Auditor's Office
Mayor's Proposed Budget 2011/2012
Public Service Grant Funding**

		2010/2011 Council Approved Budget	2011/2012 Agency Requested Amounts	2011/2012 Recommended Budgets	\$ Change 2011/2012 Proposed to 2010/2011	% Change 2011/2012 Proposed to 2010/2011
SPECIAL REVENUE FUNDS						
Catholic Charities- Choose Life Trust	(1)	\$ 47,000	N/A	\$ -	\$ (47,000)	-100.00%
Duval County Public Schools- Driver Education Safety Trust		500,000	N/A	500,000	-	0.00%
Gateway Community Services- Alcohol Rehab Trust		604,307	N/A	513,661	(90,646)	-15.00%
TOTAL SPECIAL REVENUE FUNDS		\$ 1,151,307	N/A	\$ 1,013,661	\$ (137,646)	-11.96%
GRANTS CLASSIFIED UNDER CONTRACTUAL SERVICES						
Bob Hayes Track & Field (JEJE751)		\$ 84,875	N/A	\$ 84,875	\$ -	0.00%
UNF Business Center (JEJE751)		98,940	N/A	98,940	-	0.00%
Jacksonville Community Council- Race Relations Progress Report (JHRC011CR)		20,000	N/A	-	(20,000)	-100.00%
Jacksonville Sister Cities Association (OPOD011PI)		15,000	N/A	15,000	-	0.00%
Jacksonville Zoological Society (JXMS011ZOO)		1,282,500	N/A	1,282,500	-	0.00%
TOTAL CONTRACTUAL SERVICES		\$ 1,501,315	N/A	\$ 1,481,315	\$ (20,000)	-1.33%
TOTAL GSD, SPECIAL REVENUE, and CONTRACTUAL SERVICES		\$ 8,104,839	\$ 7,619,050	\$ 7,672,193	\$ (432,646)	-5.34%
FOOTNOTE:						
(1) Pursuant to a change in Florida Statutes, funding for the Choose Life program will now be administered by a State designated nonprofit agency and will no longer flow through the City.						
RECOMMENDATION:						
1. We recommend that Schedule A-2 in the Budget Ordinance be revised to correct the funding for Gateway Community Services - Alcohol Rehab Trust. This program is budgeted for \$513,661 in the FY 2011/12 proposed budget.						

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY2011/12 BUDGET
CITY COUNCIL
GENERAL FUND (S/F 011)**

PROPOSED BUDGET BOOK - Page #35-37

BACKGROUND:

This Department provides for the operation and salary expenditures for the City Council and its staff including the Office of the Council Auditor and the Value Adjustment Board.

REVENUES:

1. Charges for Services:

- The decrease of \$10,300 is due to a \$10,000 decrease in anticipated Value Adjustment Board protest fee revenue.

2. Miscellaneous Revenue:

- There is a net increase of \$41,693 due to a Value Adjustment Board reimbursement increase of \$45,193 from the Duval County School Board based on the statutory 2/5 cost calculation.

EXPENDITURES:

1. Salaries:

- The net decrease of \$37,677 is due to the elimination of four positions. The savings from cutting those positions was offset by various salary changes in Council Direct Expenditures and the Office of the Council Auditor. Council Members' salaries are budgeted to not increase in the proposed budget. Also Council Members will not receive a Cost of Living adjustment in the upcoming fiscal year. It should be noted that the position in the Office of Council Auditor was eliminated in error (see Service Level Changes and Recommendation).

2. Employer Provided Benefits:

- The net decrease of \$77,484 is due to the impact of eliminating four positions as well as a reduction in the Florida retirement system pension costs with 3% of the cost being passed on to elected official. The pension cost reduction is also due to a lower Employer Contribution rate. The savings are offset slightly by the impact of various salary changes in Council Direct Expenditures and the Office of the Council Auditor.

3. Internal Services Charges:

- The net decrease is mainly due to a \$103,362 reduction in the General Counsel Services allocation and reductions in various IT allocations totaling \$89,721.

4. Other Operating Expenses:

- The main causes for the overall decrease of \$215,410 include the impact of switching to live web video streaming instead of televised Council hearings saving a total of \$158,763, a reduction of \$25,000 in advertising & promotion and a \$20,514 reduction in miscellaneous services and charges used for the transitioning of new Council Members. The majority of the remaining savings comes from the reduction of Printing and Binding expenditures.

5. Banking Fund Debt Repayment:

- The reduction of \$6,332 is due to a reduction in the interest and principal payback for Banking Fund borrowing.

SERVICE LEVEL CHANGES:

There will be a negative impact on services provided to City Council due to the elimination of a position in the Council Auditor's Office (see Recommendation).

EMPLOYEE CAP CHANGES:

One filled Public Accounts Auditor I position in the Office of the Council Auditor was eliminated. The following vacant positions were eliminated from Council Staff Services: one Research Assistant, one Executive Council Assistant, one Legislative Assistant II and 479 part-time hours.

CAPITAL OUTLAY CARRYFORWARD:

Per Schedule AF, there is a capital carryforward of \$1,126 for Council projects previously funded by the Banking Fund.

RECOMMENDATIONS:

1. We recommend the elimination of two vacant positions in Council Staff Services, an Executive Council Assistant and a Legislative Assistant II. We also recommend the position cut from the Office of Council Auditor be restored. In addition to these employee position changes, based on actual historical expenditures, we recommend the Communications Allowance for the Council Members be reduced. The net effect of these recommendations would be a \$74,320 positive impact on the Special Council Contingency.

If Council decides to reduce the Communications Allowance for Council Members, Sec. 10.105 part (c) of the Municipal Code (see below) must be waived.

Sec. 10.105. - Postage and communication expenses of Council members

C) Emergency, mobile or converged communication device. Effective July 1, 2005, and notwithstanding anything in Chapter 10 to the contrary, City cellular phones shall not be issued to any elected or appointed official or employee in the legislative branch except as provided herein. Based on an annual request for an

emergency mobile communications allowance, City Council Members and appointed officials or employees of the legislative branch as authorized by their Director may receive a monthly allowance not to exceed \$90 for cellular phone service and not to exceed \$40 for converged device service. The use shall be requested and verified. The Personnel Committee is authorized to promulgate the policy and rules for this subsection.

2. Given that the City Council Members' salaries for the FY 2011/12 proposed budget remain below the level required in Sec. 129.102 of the Municipal Code (see below), we recommend City Council waive that section in the budget ordinance.

Sec. 129.102 - Salary of members of Council; salary of Council President.

A) Each member of the Council, other than the Council President, shall receive an annual salary equal to one-half of the salary allowed for a member of the Board of County Commissioners in a county with a population equal to that of Duval County, in accordance with the provisions of F.S. §§ 145.031(1) and 145.19.

B) The Council President shall receive a salary equal to the salary allowed for a member of the Council in subsection (a) of this Section plus an additional amount equal to one-third of that salary.

DUVAL COUNTY TOURIST DEVELOPMENT COUNCIL
BUDGET PROPOSAL 2011-2012

	2009/10 ORIGINAL BUDGET	2010/11 ORIGINAL BUDGET	2011/12 APPROVED TDC BUDGET
<u>REVENUE</u>			
Tourist Development Taxes	4,766,132	4,211,810	4,518,000
Interest Earnings	60,000	60,000	58,500
Subtotal Revenue	4,826,132	4,271,810	4,576,500
Transfer from Fund Balance	2,637,000	1,204,782	1,500,000
Total Estimated Revenue	7,463,132	5,476,592	6,076,500
<u>EXPENDITURES</u>			
Operations Account			
Grants			
Other Grants	460,000	240,474	460,000
CVB Convention Grants	100,000	100,000	100,000
* Gator Bowl Game	350,000	350,000	350,000
Gator Bowl Game Advertising 2011-2014	-	150,000	150,000
First Coast of Golf	110,329	122,588	128,717
Florida / Georgia Game	90,000	90,000	90,000
Florida / Georgia Game Bleachers	269,379	-	-
Gator Bowl Game - SMG Payment	250,000	-	-
Total Grants	1,629,708	1,053,062	1,278,717
Visit Jacksonville			
Operating budget	3,551,571	3,073,364	3,289,980
Marketing Initiative	507,368	219,526	469,997
Total Visit Jacksonville	4,058,939	3,292,890	3,759,977
Operations Account	5,688,647	4,345,952	5,038,694
Festival Funding Account	75,000	75,000	75,000
Administration Account	115,879	114,915	115,182
Subtotal Expenditures	5,879,526	4,535,867	5,228,876
Contingency Account	1,583,606	940,725	847,624
Total Appropriations	7,463,132	5,476,592	6,076,500

* Previously encumbered

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2011/12 BUDGET
CITY COUNCIL
TOURIST DEVELOPMENT COUNCIL (S/F 132)**

PROPOSED BUDGET BOOK – Page #38-39

BACKGROUND:

This fund accounts for the first two percent tax levy on lodging. The Tax Collector collects the Tourist Development Tax and remits it to the City for administration by the Duval Tourist Development Council (TDC).

REVENUES:

1. Taxes:
 - Revenues are projected to increase to just below FY 10 levels.
2. Miscellaneous Revenue:
 - Interest earnings for FY 12 are expected to decrease due to lower investment returns.
3. Transfer from Fund Balance:
 - The transfer from fund balance has been removed pending budgetary review by the Tourist Development Council. This is addressed in Recommendation #1 as approved by the TDC.

EXPENDITURES:

1. Salaries:
 - The increase is mainly due to realizing a 2% reduction in funding for personnel services rather than the 3% reduction anticipated when the FY 2010/11 budget was adopted.
2. Employer Benefits:
 - There were no significant changes.
3. Internal Service Charges:
 - The net decrease is due to a reduction in the General Counsel allocation.
4. Other Operating Expenses:
 - The decrease is due to a reduction in trust fund expenditures to balance up the fund. Recommendation #1 increases Other Operating Expenses.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no changes to the employee cap.

RECOMMENDATIONS:

Increase the Transfer from Fund Balance from \$0 to \$1,500,000. Subsequently increase the Operations account by \$1,243,101 and the Contingency account by \$256,899. These actions reflect the budget approved by the TDC on August 3, 2011. This will have no effect on the General Fund or Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2011/12 BUDGET
OFFICE OF THE MAYOR (S/F 011)**

PROPOSED BUDGET BOOK- Page #213

BACKGROUND:

This fund provides the operating and salary expenditures of the Mayor's Office and the Office of the Inspector General.

REVENUES:

There are no revenues.

EXPENDITURES:

Significant changes in expenditures are as follows:

1. Salaries:
 - The net decrease of \$83,458 is mainly due to the reduction of \$50,193 in part time salaries and a 20 percent salary reduction totaling approximately \$35,000 for the mayor. The decreases are partially offset by an increase of \$3,203 to the leave rollback/sellback line item.
2. Employer Provided Benefits:
 - The net decrease of \$45,470 is mainly due to the reduction of \$24,989 in group life and hospitalization insurance, \$16,988 in Florida retirement pension contribution, \$2,764 in workers' compensation insurance and \$1,050 in Medicare taxes.
3. Internal Service Charges:
 - The net increase of \$12,445 is due to a net increase of \$7,986 in ITD charges and \$4,459 from fleet charges.
4. Other Operating Expenses:
 - The net increase of \$55,519 is mainly due to the increase of \$60,000 in travel. Neither the Budget Office nor the Mayor's Office was able to provide specific information as to how the travel dollars will be spent. Additionally, the Inspector General's Office employee training increased from \$0 to \$3,300 due to required CPE. The increases were somewhat offset by reductions of \$3,350 in other operating supplies for online legislative tracking and \$4,240 in dues, subscriptions and memberships for Lean Consortium, Florida Times Union and Urban Land Institute.

SERVICE LEVEL CHANGES:

No significant change in service level.

EMPLOYEE CAP CHANGES:

None.

CAPITAL OUTLAY CARRYFORWARDS:

None.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2011/12 BUDGET
ADVISORY BOARDS & COMMISSIONS (S/F 011)**

PROPOSED BUDGET BOOK - Page #15

BACKGROUND:

This fund includes the Mayor's Asian Commission, Civil Service Board, Construction Trades Qualifying Board (CTQB), Hispanic American Advisory Board, and the Mayor's Commission on the Status of Women. Additionally, the fund proposes to include nine newly organized advisory boards for FY 12.

REVENUES:

1. Charges for Services:
 - The net decrease of \$187,500 is primarily due to the seasonality of the contractor certification and renewal revenue. The CTQB issued certificates are renewed every two years and this year is not a renewal year.
2. Miscellaneous Revenue:
 - The net decrease of \$5,070 is due to a decrease of \$4,500 in miscellaneous sales and charges and \$570 in the sale of books, maps and regulations.

EXPENDITURES:

1. Salaries:
 - The net decrease of \$2,102 is mainly due to a reduction of \$1,815 in leave rollback/sellback.
2. Employer Provided Benefits:
 - The net increase of \$1,722 is mainly due to an increase of \$1,770 in group hospitalization insurance (\$1,649 from CTQB and \$121 from the Civil Service Board).
3. Internal Service Charges:
 - The net increase of \$8,273 is mainly due to an increase of \$12,388 in ITD charges. This increase was slightly offset by the reduction of \$2,305 in OGC Legal and \$2,210 in mailroom charges.
4. Other Operating Expenses:
 - The net increase of \$108,978 is mainly due to nine newly funded advisory boards. Funding for the nine new boards includes travel, miscellaneous services and charges and office supplies. The overall net increase includes \$89,310 in miscellaneous services and charges, \$12,000 in travel expense and \$8,950 in office supplies. These increases are slightly offset by a decrease of \$1,124 in printing and binding.

EMPLOYEE CAP CHANGES:

None

CAPITAL OUTLAY CARRYFORWARDS:

None

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2011/12 BUDGET
ADVISORY BOARDS & COMMISSIONS (S/F 011)**

SERVICE LEVEL CHANGES:

Proposed New Advisory Boards	Proposed FY 11/12
Advisory Council on Downtown	\$ 13,000
Advisory Council on Military Affairs	13,000
Advisory Council on Neighborhoods	12,000
Advisory Council on Quality of Life	12,000
Advisory Council on Seniors	12,000
Advisory Council on The Port	13,000
Advisory Council on Youth	12,000
Education and Workforce Development	12,000
Small Business and Entrepreneurship	12,000
Total of Proposed Advisory Boards:	<u>\$ 111,000</u>

RECOMMENDATIONS:

We recommend the proposed funding be removed for all newly proposed boards and commissions due to overlapping and redundant services. This will have a positive impact on Special Council Contingency of \$111,000.

OVERLAPPING SERVICES:

Currently Funded Services	FY 11/12 Proposed Funding	Newly Proposed Advisory Boards	FY 11/12 Proposed Funding
Jacksonville Economic Development Commission	\$ 4,251,488	Advisory Council on Downtown	\$ 13,000
Veteran & Disabled Services within Recreation and Community Services	1,011,686	Advisory Council on Military Affairs	13,000
Housing and Neighborhoods Department *	995,549	Advisory Council on Neighborhoods	12,000
Public Service Grants and Cultural Service Grant	5,177,217	Advisory Council on Quality of Life	12,000
Adult Services Division within Recreation & Community Services	5,019,664	Advisory Council on Seniors	12,000
Jacksonville Port Authority	60,021,555	Advisory Council on the Port	13,000
Jacksonville Children's Commission	19,794,628	Advisory Council on Youth	12,000
Jacksonville Journey within the Public Safety Initiative	10,155,762	Advisory Council on Youth	12,000
Jacksonville Children's Commission	19,794,628	Education and Workforce Development	12,000
Equal Business Opportunity Office within Central Operations	622,037	Small Business & Entrepreneurship	12,000

* This amount includes only a portion of the Housing and Neighborhoods Budget. The remaining dollars are reviewed and budgeted through separate legislation.

**COUNCIL AUDITOR'S OFFICE
MAYOR'S PROPOSED FY 2011/12 BUDGET
INFORMATION TECHNOLOGY
ITD OPERATIONS (S/F 531)**

PROPOSED BUDGET BOOK – Page #119-121

BACKGROUND:

This internal service fund accumulates and allocates current application maintenance costs of computer software and/or equipment owned, leased or operated by the City and selected independent agencies and records management (archive) functions.

REVENUES:

1. Charges for Services:
 - The reduction in charges billed to other entities is directly related to the reduced expenditures in this subfund.
2. Miscellaneous Revenue:
 - The increased projection is based on current year actuals.
3. Transfers From Other Funds:
 - The transfers from the General Fund (011) and the IT System Development fund (536) have been removed. A General Fund contribution for the end user equipment refresh is no longer required.

EXPENDITURES:

1. Salaries/Employer Provided Benefits:
 - The decrease is due to the elimination of 18 positions (10 filled and 8 vacant) and moving two positions to other IT funds (533 and 534). These reductions are offset slightly by the addition of two positions during the fiscal year.
2. Internal Service Charges:
 - The increase is mainly due to higher allocations for IT services based on the addition of new billing subobjects within this subfund.
3. Other Operating Expenses:
 - The net decrease is due to across the board operating cost reductions totaling approximately \$1.7 million including Hardware/Software Maintenance & Licenses (\$631,624), the use of Professional Services (\$267,899), and the purchase of new PCs (\$213,257). This is substantially offset by the movement of networking costs into this fund from the Communications fund (533) totaling \$1,173,390.

4. Capital Outlay:
 - The decreases are due to the end user equipment refresh costs (purchase of new PCs) no longer meeting the individual capital threshold and now being budgeted in other operating expenses.
5. Indirect Cost:
 - The change is due to revisions in the indirect cost study preformed by MAXIMUS Consulting Services, Inc.
6. Banking Fund Debt Repayment:
 - The reduction is due to a lower outstanding principal amount of Banking Fund borrowing.
7. Lapse:
 - The salary and benefit lapse has been removed due to the elimination of 18 positions.
8. Cash Carryover:
 - This amount represents the estimated revenues over expenditures related to the end user equipment refresh. This amount will be used will be used as pay go monies in future year's budgets if realized.

SERVICE LEVEL CHANGES:

The changes to service levels are anticipated to be minimal; however, with the elimination of certain hardware/software maintenance and license agreements, customers (City agencies) could experience problems should issues arise.

EMPLOYEE CAP CHANGES:

The net reduction of 18 positions is made up of 18 eliminated positions, the movement of two positions to other IT funds (533 and 534) offset by the addition of two positions during the fiscal year.

IT SYSTEM DEVELOPMENT PROJECTS:

Project	Total Cost of Project	Current Year's Cost
ITD Server Refresh	\$142,165	\$29,254

RECOMMENDATIONS:

Require ITD to obtain an accurate device count of all devices and report it the Finance Committee no later than November 30, 2011. This year and in prior year's they have relied on the information provided by the department/division regarding the inventory count. Because of this mechanism used, the accurate device count has never been obtained City-wide. Since the allocation methods used to bill out for ITD's costs are based on inventory counts, correct physical counts of devices that ITD services should be accurate and up-to-date.

**COUNCIL AUDITOR'S OFFICE
MAYOR'S PROPOSED FY 2011/12 BUDGET
INFORMATION TECHNOLOGY
COMMUNICATIONS (S/F 533)**

PROPOSED BUDGET BOOK – Page #122-123

BACKGROUND:

This internal service fund accumulates and allocates the costs for the City's network and telephone communications including installs, upgrades and repairs. This fund also accounts for cellular phone and wireless data access for the general government and some other agencies.

REVENUES:

1. Charges for Services:

- This revenue consists of internal service revenues from charges billed to other departments and agencies. Revenues are decreasing due to the costs of network connectivity totaling \$1,173,390 being transferred to S/F 531 – ITD Operations, and other departmental cuts.

2. Miscellaneous Revenue:

- Anticipated interest earnings are expected to decrease due to lower investment returns.

EXPENDITURES:

1. Salaries:

- The increase is due to a position moving into this fund from the IT operations fund (531) as well as realizing a 2% reduction in funding for personnel services rather than the 3% reduction anticipated when the FY 2010/11 budget was adopted. These increases are offset slightly by the elimination of one position.

2. Other Operating Expenses:

- The decrease is mainly due to the movement of \$1,173,390 in network costs to the IT operations fund (531) and a reduction in telephone and data line costs of \$1,058,047 due to a result of a recently issued request for proposal (RFP).

3. Supervision Allocation:

- This amount represents the administrative cost of the Department which is allocated to each activity within Information Technology based on employee count this year rather than an equal spread as was done in FY 2010/11.

4. Indirect Cost:

- The change is due to revisions in the indirect cost study preformed by MAXIMUS Consulting Services, Inc.

SERVICE LEVEL CHANGES:

There are no significant reductions in service level.

EMPLOYEE CAP CHANGES:

One position was moved into this fund from the IT operating fund (531) and one position was eliminated as part of the budget process, resulting in a net change of zero.

RECOMMENDATIONS:

1. Reduce the amount directly billed to the Sheriff's Office for wireless communications by \$106,020. The Sheriff's Office has negotiated a lower rate with one of their wireless data card providers resulting in this savings. This will have a positive effect on Special Council Contingency of \$106,020.
2. Require ITD to obtain an accurate device count of all communications devices (phone lines, cell phones, data cards, etc.) and report it the Finance Committee no later than November 30, 2011. This year and in prior year's they have relied on the information provided by the department/division regarding the inventory count. Because of this mechanism used, the accurate device count has never been obtained City-wide. Since the allocation methods used to bill out for ITD's costs are based on inventory counts, correct physical counts of devices that ITD services should be accurate and up-to-date.

**COUNCIL AUDITOR'S OFFICE
MAYOR'S PROPOSED FY 2011/12 BUDGET
INFORMATION TECHNOLOGY
RADIO COMMUNICATION (S/F 534)**

PROPOSED BUDGET BOOK – Page #124-126

BACKGROUND:

This internal service fund accumulates and allocates the cost for radio communications including installs, upgrades and repairs for the general government as well as JEA, JTA and JAA.

REVENUES:

1. Charges for Services:
 - The increase is due to increases in costs billed to other departments and agencies because of an increase in the banking fund repayment for the new radio system.
2. Miscellaneous Revenue:
 - This revenue consists of anticipated interest earnings for FY 12.
3. Transfers from Fund Balance:
 - This represents an accumulation of excess revenue over expenditures from prior years and will be used to fund one time capital and operating costs related to the FY 11/12 ITP and Courthouse needs listed below.

EXPENDITURES:

1. Salaries:
 - The decrease is due to the elimination of one position. This is offset by the realization of a 2% reduction in funding for personnel services rather than the 3% included in the FY 2010/11 adopted budget.
2. Employee Provided Benefits:
 - The decreases are due to the elimination of one position.
3. Internal Service Charges:
 - The decrease is largely due to the reduction in principal payments related to banking fund borrowing for previously purchased replacement radio batteries
4. Other Operating Expenses:
 - The decrease is due mainly to the movement of the JEA debt repayment of \$1,333,144 to a separate category, Grants, Aids & Contributions. This reduction is partially offset by the funding of 4,500 radio battery replacements for First Responders at a cost of \$232,045.

5. Capital Outlay:
 - Funding is provided for the purchase of 20 replacement remote mounted radio control stations utilized by JSO and JFRD (a FY 11/12 ITP project - \$120,804) and the purchase of 40 new radios for courthouse security (\$158,598).
6. Grants, Aids & Contributions:
 - This represents the JEA debt repayment for various radio infrastructures noted above.
7. Supervision Allocation:
 - This amount represents the administrative cost of the Department which is allocated to each activity within Information Technology based on employee count.
8. Indirect Cost:
 - The change is due to revisions in the indirect cost study preformed by MAXIMUS Consulting Services, Inc.
9. Banking Fund Debt Repayment:
 - The increase is due to the amortization of the CIP Radio System project.
10. Lapse:
 - This reflects an estimated salary and benefit lapse based on the average turnover ratio and estimated number of vacancies in FY 12.

SERVICE LEVEL CHANGES:

There are no significant changes in service level.

EMPLOYEE CAP CHANGES:

One position was eliminated as part of the budget process.

RECOMMENDATIONS:

1. Adjust the inventory count of radio devices for Public Parking and Public Works to reflect accurate counts. This will cause a reallocation of ITD radio charges and result in a savings to the General Fund and increase to Special Council Contingency of \$29,610. Cash Carryover will be utilized to cover the increased expenses within these subfunds.
2. Require ITD to obtain an accurate device count of all radios and report it the Finance Committee no later than November 30, 2011. This year and in prior year's they have relied on the information provided by the department/division regarding the inventory count. Because of this mechanism used, the accurate device count has never been obtained City-wide. Since the allocation methods used to bill out for ITD's costs are based on inventory counts, correct physical counts of devices that ITD services should be accurate and up-to-date.

**COUNCIL AUDITOR'S OFFICE
MAYOR'S PROPOSED FY 2011/12 BUDGET
INFORMATION TECHNOLOGY
TECHNOLOGY SYSTEM DEVELOPMENT (S/F 536)**

PROPOSED BUDGET BOOK – Page #127-128

BACKGROUND:

This internal service fund houses IT system development projects. This fund is project driven and will allow transparency and accountability related to IT projects outside the day to day operations. This internal service fund accumulates and allocates the cost of IT system development for the City of Jacksonville and various independent agencies.

REVENUES:

1. Charges for Departmental Services:
 - This revenue consists of internal service revenues from charges billed to other departments and agencies. It is driven by the number of system development projects carried out for ITD's customers. The decrease is reflective of projects being paid off in FY 2010/11 by ITD's customers and a smaller portion of projects being added in the proposed budget.
2. Other Sources:
 - This amount represents the proposed Banking Fund borrowing for the FY 12 proposed ITP. The FY 2010/11 amount included new projects and carryovers of prior year projects.

JACKSONVILLE CITYWIDE ACTIVITIES:

1. Miscellaneous Revenue:
 - This reflects anticipated interest earnings for FY 12.
2. Transfers from Fund Balance:
 - The accumulation of excess revenue over expenditures from prior years will be used as a funding source in FY 12.

EXPENDITURES:

1. Other Operating Expenses:
 - This amount represents the FY 12 proposed Banking Fund borrowing related to external software development and licensing costs for the proposed ITP.
2. Capital Outlay:
 - This amount represents the FY 12 proposed Banking Fund capital borrowing costs for the proposed ITP.
3. Banking Fund Debt Repayment:
 - This amount represents the FY 12 interest and principal payback for Banking Fund borrowing. This amount includes prior year approved items and the FY 12 proposed borrowing as detailed above. The increase is related to the Transfer

from Fund Balance above as ITD has collected revenue from its customers more timely than Treasury has billed ITD for Banking Fund borrowing.

4. Transfers to Other Funds:

- A transfer to subfund 531 – ITD Operations to subsidize a bad cash position is not occurring this year.

SERVICE LEVEL CHANGES:

There are no significant reductions in service level.

EMPLOYEE CAP CHANGES:

There are no positions in this fund.

FY 2011/12 PROPOSED PROJECTS:

Project	User	Total Cost of Project	Current Year's Cost
Mobile Data Terminal Refresh (40 MDTs)	Fire/Rescue	\$248,849	\$46,639
Environmental GIS Update (TMDL Upgrade)	Environmental & Compliance	\$102,507	\$19,212
Family Court Case Management System	Court Administration	\$51,934	\$9,734
As-Builts Digital Imaging	Public Works	\$142,195	\$28,589
ITD Server Refresh	ITD	\$142,165	\$29,254
Totals		\$687,650	\$133,428

CAPITAL OUTLAY CARRYFORWARDS:

Per Schedule AF, the following items are capital carryforwards for FY 2011/12:

Capital Project	Carryforward
Enterprise Resource/Financial Management Software	\$491,060
Enterprise Resource/Financial Management Software	\$1,508,940
Environmental & Compliance Inspection System	\$31,080
Public Defender Digital Imaging	\$8,323

RECOMMENDATIONS:

During our budget review, it was discovered that ITD was incorrectly billing customers for system development projects. ITD needs to make sure that billing for Systems Development is done accurately and on time for the correct customers.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2011/12 BUDGET
OFFICE OF GENERAL COUNSEL (OGC) (S/F 011)**

PROPOSED BUDGET BOOK - Page #104

BACKGROUND:

This fund accounts for the Duval Legislative Delegation, Ethics Office and Judgments and Claims and Losses Division which provides resources to be used for the defense of the City against legal action.

REVENUES:

There are no revenues for the General Fund divisions of this department.

EXPENDITURES:

Significant changes in expenditures are as follows:

1. Employer Provided Benefits:
 - The net increase of \$926 is mainly due to an increase of \$130 in retirement contributions and \$871 in group hospitalization insurance. These increases were slightly offset by decreases in life insurance and workers compensation.
2. Internal Service Charges:
 - The net increase of \$58,912 is mainly due to a \$61,540 addition of OGC Legal Internal Service charges. This increase is reflected in the Ethics Office Division and was not included in previous years' budgets. This increase was slightly offset by a decrease of \$4,707 in ITD charges.
3. Other Operating Expenses:
 - The net decrease of \$1,179 is primarily due to a reduction in travel of \$1,050.

SERVICE LEVEL CHANGES:

There are no significant changes in service level.

EMPLOYEE CAP CHANGES:

There are no changes to employee cap.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2011/12 BUDGET
OFFICE OF GENERAL COUNSEL (S/F 551)**

PROPOSED BUDGET BOOK- Page #106

BACKGROUND:

This internal service fund accumulates and allocates the cost of the General Counsel's Office and recovers its costs via charges to its users/customers which include the City, independent authorities and boards/commissions of the government.

REVENUES:

1. Charges for Services
 - This revenue consists of internal service revenue funds from charges billed to other departments and agencies. The decrease of \$206,454 is primarily the result of lower billings.
2. Miscellaneous Revenue:
 - The reduction of \$5,379 is due to a decrease from investment pool earnings.

EXPENDITURES:

Significant changes in expenditures are as follows:

1. Salaries:
 - The net decrease of \$25,206 is mainly due to a reduction of \$16,628 from leave rollback/sellback and \$8,057 from permanent and probationary salaries.
2. Employer Provided Benefits:
 - The net increase of \$16,697 is mainly due to an increase of \$44,565 in group hospitalization insurance and the addition of \$17,375 for the defined contribution pension. This was partially offset by a decline of \$27,595 in pension contribution, \$9,312 in workers compensation and \$8,132 in group life insurance.
3. Internal Service Charges:
 - The net decrease of \$49,544 is mainly due to reductions in charges of \$177,834 from ITD Data and copier consolidation and \$7,345 from ITD Network. These large reductions are primarily due to a new allocation method. These were partially offset by allocating additional funds of \$109,605 into computer system maintenance and helpdesk services, \$11,607 in telecommunications and \$3,296 in tech refresh charges. The decreases were also offset by an increase of \$4,251 in copy center charges.
4. Other Operating Charges:
 - The net decrease of \$60,670 is mainly due to reductions of \$34,500 in miscellaneous services and charges, \$15,270 in dues, subscriptions and memberships, \$10,000 in court reporters, and \$8,261 in supplies. Slightly offsetting the reduction was an increase of \$9,345 in building rental expense due to more accurate assessment of office space.
5. Indirect Costs:
 - The decrease of \$97,109 is based on the annual indirect cost study performed by Maximus Consulting Services, Inc.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2011/12 BUDGET
OFFICE OF GENERAL COUNSEL (S/F 551)**

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There were no employee cap changes.

RECOMMENDATIONS:

The Office of General Counsel has requested that one legal assistant position that is currently vacant be eliminated. The salary and benefits totaling \$46,144 are to be removed and offset by a decrease of the lapse by the same amount totaling \$46,144. With the offset to the salary lapse, there will be no effect on Special Council Contingency in the FY 2011/12 budget. However, the elimination of this position will represent future cost savings of \$46,144.