

# **OFFICE OF THE COUNCIL AUDITOR**

## **FY 2012/2013 PROPOSED BUDGET**

### **FINANCE COMMITTEE MEMBERS**

**John R. Crescimbeni - Chair**

**Greg Anderson - Vice Chair**

**Lori N. Boyer**

**Dr. Johnny Gaffney**

**Bill Gulliford**

**Stephen C. Joost**

**Clay Yarborough**



**Meeting #5**  
**August 23, 2012**

**COUNCIL AUDITOR'S OFFICE  
TABLE OF CONTENTS  
MEETING #5**

Finance – General Fund .....	1
Self Insurance.....	3
Insured Programs .....	5
Group Health.....	7
Neighborhoods – General Fund .....	9
Mosquito Control – State 1 .....	13
Air Pollution Tag Fee.....	15
Air Pollution EPA .....	17
Ambient Air Monitoring .....	19
Hazardous Waste Program.....	20
Animal Care and Control (Training and Cruelty Prevention).....	22
Veterinary Services.....	23
Animal Care & Control (Spay and Neuter Trust) .....	24
Environmental Protection .....	26
City Council.....	28
Tourist Development Council.....	30
Office of Economic Development .....	32
Special Events.....	38
Public Parking System .....	42
Parking Garage Revenue.....	44
Motor Vehicle Inspection .....	46
Jacksonville Economic Development Commission .....	47
Cecil Field Trust Fund .....	48

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
FINANCE  
GENERAL FUND (S/F 011)**

---

**PROPOSED BUDGET BOOK - Page # 92  
ON SCREEN PDF - Page # 105**

**BACKGROUND:**

The Finance Department includes the Office of the Director, Accounting, Budget, Treasury, Risk Management and Pension Administration. The department provides accounting services and financial reports to other city departments, provides support services to general government departments in the development of their budgets, provides efficient administration of risk and insurance analysis and acts as adviser to city government on insurance related matters. The Department also administers the pension plans to insure retiree benefits are paid.

**REVENUES:**

Charges For Services:

- This amount represents 10% of Gross Receipts for pier admission charges plus \$1,000 per month for rental of the Jacksonville Beach Pier.

**EXPENDITURES:**

Salaries:

- Total salaries decreased by \$99,929 largely due to the un-funding of an Accounting Projects Specialist position of \$46,786 and due to the deletion of a redlined position in the current year for the Accounting System/Reporting Analyst position of \$57,460. Additional changes occurred during the year, such as, additions and deletions of positions, salary decreases and increases and an adjustment to salaries to meet additional pension contribution cost which all have a net immaterial effect on the salaries line item.

Lapse:

- This amount represents a reduction in this Department's budget.

Employer Provided Benefits:

- The increase of \$108,592 is primarily due to higher pension contribution of \$74,973 and \$41,291 in group hospitalization insurance.

Internal Service Charges:

- The \$340,815 increase is primarily due to an increase of \$261,950 in ITD charges that are based on prior year time spent on maintaining and developing internal applications and \$109,109 in OGC legal. This was offset by decreases in System Development (Banking Fund) of \$19,456 and copy center charges of \$5,447.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
FINANCE  
GENERAL FUND (S/F 011)**

Other Operating Expenses:

- The decrease of \$43,117 is primarily due to reductions of \$50,000 in banking services charges which were adjusted based on current year banking service fees and \$15,064 in other operating supplies. Partially offsetting these decreases was an increase of \$24,250 in professional services due mainly to service charges of \$24,000 for arbitrage calculations and review of outstanding and refunded bond issues that have reached the 5 year IRS mandated deadline. This ensures that the City retains the tax exempt status for municipal bond issues.

**SERVICE LEVEL CHANGES:**

None

**EMPLOYEE CAP CHANGES:**

None

**RECOMMENDATIONS:**

We recommend the elimination of the \$305,430 proposed lapse. The administration should identify real budget cuts to offset the elimination of the lapse. There is no impact to the Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
FINANCE  
SELF INSURANCE (561)**

**PROPOSED Budget Book – Page # 94 - 96  
ON SCREEN – PDF Page # 107 - 109**

---

**BACKGROUND:**

This fund administers a self-insured Worker's Compensation and Auto/Liability program for the City and Independent Agencies such as the JEA, Jacksonville Port Authority, Jacksonville Housing Authority and the Jacksonville Aviation Authority. As an internal service fund, revenues are generally billings to other City funds and independent agencies. Exceptions to this rule include interest earnings and monies from the State of Florida for 2<sup>nd</sup> injury worker's compensation claims.

**REVENUES:**

Charges for Services:

- The increase of \$2,557,831 is attributable to an increase of \$2,557,831 in billings to Departments and Independent Agencies based on the most recent actuarial report.

Miscellaneous Revenue:

- The decrease of \$1,234,383 is mainly due to a decrease in expected investment pool earnings.

Transfers from Fund Balance:

- The decrease of \$369,162 is due to a reduction in the amount of fund balance being utilized in FY 2012/13.

Transfers in to Pay Debt Service

- This transfer in is associated with a receivable within this subfund for money loaned by the City for the Adam's Mark Hotel.

**EXPENDITURES:**

Salaries:

- The increase of \$72,204 is due an increase of \$68,552 in permanent and probationary salaries and \$3,650 in special pay pensionable costs due to the addition of three positions from Administrative Services Division offset by a decrease in the salary of one position.

Employer Provided Benefits:

- The increase of \$86,694 is primarily due to increases of \$46,383 in pension contribution, \$26,506 in group hospitalization insurance and \$12,764 in workers compensation insurance charges. These changes are caused by the additional personnel and increases in employer pension contributions and Group Health costs.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
FINANCE  
SELF INSURANCE (561)**

**PROPOSED Budget Book – Page # 94 - 96  
ON SCREEN – PDF Page # 107 - 109**

---

Internal Service Charges:

- The decrease of \$363,992 is attributable to decreases of \$327,390 in OGC legal allocation due to the elimination of the Workers Compensation portion of OGC. These costs are being offset with outside counsel, which is expected to cost \$250,000 for FY 2012/13. Additionally, there was a decrease in ITD charges of \$38,463 mainly attributable to an updated device count.

Other Operating Expenses:

- The increase of \$1,202,466 is attributable to increases of \$1,273,193 in change in liability and \$912,578 in paid loss costs. These were somewhat offset by decreases of \$720,998 in professional services, \$200,000 in state fee assessment and \$62,336 in insurance costs. The decrease in Professional Service contracts was possible because Risk Management encumbered FY 2011/12 funding of approximately \$550,000 to fund the costs of FY 2012/13.

Supervision Allocation:

- The increase of \$78,226 is due to increased administrative costs which are housed in Miscellaneous Insurance (S/F 581).

Indirect Cost:

- This represents Indirect Cost recovery computed by the full cost allocation plan study.

Lapse:

- This reflects an estimated salary and benefit lapse based on the average turnover ratio and the amount of time it will take to fill the position.

**EMPLOYEE CAP CHANGES:**

The employee cap increased by three positions due to the transfer in of eight positions from Administrative Services Division and the elimination of five of the positions transferred in.

**SERVICE LEVEL CHANGES:**

None

**RECOMMENDATIONS:**

None

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
FINANCE  
INSURED PROGRAMS (581)**

**PROPOSED Budget Book – Page # –97 - 99  
ON SCREEN – PDF Page # 110 – 112**

---

**BACKGROUND:**

This internal service fund administers a Miscellaneous Insurance Program for the City and Jacksonville Port Authority. Along with other policies, the City maintains property coverage, aviation insurance, a blanket crime policy and a policy covering the Northbank and Southbank River Walks.

**REVENUES:**

Charges for Services:

- The increase of \$323,960 is caused by an increase in the amount of insurance premiums which leads to an increase in the amount that needs to be billed to Departments. The increase in the insurance premiums was partially offset by an increase in the Transfer from Fund Balance.

Miscellaneous Revenue:

- The decrease of \$12,499 is due to a lower assumption on investment pool earnings.

Transfers from Fund Balance:

- The increase of \$731,827 is due to an increased fund balance appropriation for FY 2012/13.

**EXPENDITURES:**

Salaries:

- The increase of \$20,018 is mainly due to an \$18,570 increase in salary for one position.

Employer Provided Benefits:

- The increase of \$10,902 is attributable to an increase of \$14,371 in pension costs offset by a decrease of \$3,785 in insurance costs. The increase to pension costs was caused by an increase to the employer contribution percentage and the Group Health decrease was caused by a change in plan type by an employee.

Other Operating Expenses:

- The increase of \$1,109,484 is primarily due to increases of \$1,007,250 in property premium, \$70,000 in professional service, \$19,827 in general liability insurance, \$9,700 in out of state auto liability premium and \$3,000 in CSX rails liability premium charges. Per the Department, the increase in insurance premium is mainly due to the volatile marketplace. The increase in professional services is associated with increased data storage requirements to back-up workers compensation documents and the increased costs of the actuary when they separate heart and hypertension into their own actuarial study.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
FINANCE  
INSURED PROGRAMS (581)**

**PROPOSED Budget Book – Page # –97 - 99  
ON SCREEN – PDF Page # 110 – 112**

---

Supervision Allocation:

- The increase of \$78,224 is attributable to increases in administrative costs.

Indirect Cost:

- This represents Indirect Cost recovery computed by the full cost allocation plan study.

Lapse:

- This reflects an estimated salary and benefit lapse based on the average turnover ratio and the amount of time it will take to fill the position.

Cash Carryover:

- The elimination of \$6,886 is due to budgeted revenue being equal to budgeted expenses.

**EMPLOYEE CAP CHANGES:**

There are no changes.

**SERVICE LEVEL CHANGES:**

None

**RECOMMENDATIONS:**

None



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
EMPLOYEE SERVICES  
GROUP HEALTH (571)**

**PROPOSED Budget Book – Page # 88 - 90  
ON SCREEN – PDF Page # 100 - 102**

---

**BACKGROUND:**

This Internal Service Fund provides for the costs of group hospitalization, life insurance and other types of employee insurances.

**REVENUES:**

Charges for Services:

- The net increase of \$1,974,109 to is mainly attributable to a 7% increase in Group Health for calendar year 2013. The increase was mitigated due to decreases in the City's workforce. Additionally, the amount budgeted to be billed out to Departments was inaccurately increased from the 2011/12 budget because it did not take into account the offset from transfer from fund balance that needs to take place to reduce the employer and employee costs due to the City selling life insurance stock that it possessed. The proceeds were to reduce the amounts billed to employees and employer for calendar years 2012, 2013, and 2014.

Miscellaneous Revenue:

- The decrease of \$189,065 is attributable to a decrease in expected investment earnings due to an expected lower rate of return and fund balance.

Transfer from Fund Balance:

- The transfer from fund balance in FY 2011/12 was associated with Early Retiree Reinsurance Program funds received from the federal government and proceeds from the life insurance stock sold in FY 2010/11 that were utilized to offset costs in FY 2011/12.

**EXPENDITURES:**

Salaries:

- The decrease of \$150,528 is mainly attributable to a decrease of three positions.

Employer Benefits:

- The decrease of \$33,226 is mainly attributed to decreases in pension and group health insurance due to the decrease of three positions.

Internal Service Charges:

- The net decrease of \$81,285 is mainly attributable to decreases in ITD charges of \$40,493, mailroom charges of \$26,785 and copy center of \$11,434. The decreases are all caused by decreases in actual usage by Group Health.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
EMPLOYEE SERVICES  
GROUP HEALTH (571)**

**PROPOSED Budget Book – Page # 88 - 90  
ON SCREEN – PDF Page # 100 - 102**

---

**Other Operating Expense:**

- The net decrease of \$332,825 is primarily attributed to decreases of \$198,158 for insurance costs and professional services of \$121,501. The decrease in insurance costs can mainly be tied to the decrease in the size of the workforce; however, the decrease is offset by a 7% increase in insurance costs for calendar year 2013. Professional Services decreased by \$187,500 due to only funding the Wellness Program through the end of calendar year 2012 however this decrease was partially offset by an increase of \$66,000 associated with the new flexible spending account vendor to allow for a new contract in calendar year 2013 and to fund the fiscal 2011/12 contract through March 2013 to allow for a grace period for users.

**Indirect Cost:**

- The indirect cost is calculated by a third party consultant.

**Lapse:**

- The reduction in the size of the lapse is a result of the decreased number of positions within this subfund.

**EMPLOYEE CAP CHANGES:**

The cap decreased by three positions.

**SERVICE LEVEL CHANGES:**

None

**RECOMMENDATIONS:**

We recommend that the revenue budgeted to be received from the City and employees be reduced by the current years portion of the sale of life insurance stock. Specifically, revenue line items Employers Premium – Life and Employees Premium – Life should be reduced by \$382,714 and 574,071, respectively. This entry should be offset by a \$956,785 Transfer from Fund Balance. There is no impact to Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
GENERAL FUND (011)**

---

**PROPOSED BUDGET BOOK – Page 165-167  
ON SCREEN – PDF Page 187-189**

**BACKGROUND:**

The Neighborhoods Department (formerly the Environmental and Compliance Department) includes the Animal Care & Protective Services, Municipal Code Compliance, Housing and Community Development, Environmental Quality, Mosquito Control, and Office of the Director divisions.

**REVENUES:**

1. Charges for Services:

- The decrease of \$65,051 is mainly due to reductions of \$160,000 in animal licenses and permits and \$25,322 in water/air annual maintenance fees, both based on year to date actuals. These were partially offset by increases of \$69,291 in water conservation well permit fees, \$43,130 in application review fees for wastewater collection systems, and \$12,000 in owner surrender fees. These projected revenues are based on anticipated increased activity within the Divisions and proposed fee increases. See comment below about the potential impact of pending legislation on these revenue projections.

2. Fines and Forfeits:

- The increase of \$16,318 is due to increases of \$12,100 in animal care and control civil penalties and \$4,218 in Code Enforcement civil fines and penalties based on projected activity and stricter enforcement.

**EXPENDITURES:**

1. Salaries:

- The decrease of \$1,153,145 is primarily due to reductions of \$1,084,830 in permanent and probationary salaries (due to eliminations detailed below), \$53,950 in part time salaries (eliminated part time salaries within Administration-Neighborhoods, partly offset by increased part time salaries in Code Enforcement), and \$15,881 in overtime.

2. Lapse:

- There is a proposed salaries/benefits lapse of \$141,248, based on currently vacant positions. See recommendation #1 below regarding the lapse.

3. Employer Provided Benefits:

- The decrease of \$135,110 is mainly due to reductions of \$123,960 in group hospitalization insurance, \$13,057 in Medicare tax, and \$4,206 in group dental plan costs. These were slightly offset by an increase of \$8,317 in pension contributions.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
GENERAL FUND (011)**

---

4. Internal Service Charges:

- The decrease of \$151,735 is mainly due to decreases of \$83,256 in mailroom allocation (mostly decreased due to actual usage by Code Enforcement), \$76,320 in ITD GIS/Aerials (decreased based on actual usage), \$50,874 in computer system maintenance, and \$25,019 in copy center allocation charges. These were slightly offset by increases of \$90,054 in OGC legal allocation (mostly due to Administration – Neighborhoods and Animal Care & Protective Services), \$25,573 in fleet vehicle rental for replacements, and \$23,567 in fleet repairs/maintenance.

Other Operating Expenses:

- The decrease of \$1,567,311 is primarily due to decreases of \$911,206 in rentals (due to Office of the Director moving from the Jake Godbold Building to Ed Ball Building), \$287,850 in demolition and site clearance (Code Compliance), \$200,494 in contractual services (Code Compliance nuisance abatement), \$52,031 in miscellaneous services and charges (Code Compliance title searches, advertising for condemnation/demolitions, and recording of notices), \$36,332 in aviation/hull chemical insurance (decrease in premiums), \$29,113 in miscellaneous insurance, \$17,319 in other operating supplies, \$11,183 in office supplies other, and \$10,000 in feed for animals (within Animal Care and Protective Services).

**SERVICE LEVEL CHANGES:**

The Code Compliance Division's General Fund expenditures have been significantly reduced. Funding for nuisance abatement, including property maintenance, board-up, and demolition/site clearance activities, will be funded through the Nuisance Abatement Special Lien Fund in FY 2012/13 and dependent upon lien revenue received by the City. The current balance in this fund is approximately \$1.2 million.

**EMPLOYEE CAP CHANGES:**

The employee cap was decreased by a net of thirty four (34) positions.

**BY DIVISION:**

Animal Care & Protective Services:	Decreased from 58 to 45 positions
Municipal Code Compliance:	Decreased from 72 to 62 positions
Housing and Community Development:	Decreased from 4 to 3 positions
Environmental Quality:	Decreased from 39 to 31 positions
Mosquito Control:	Decreased from 28 to 27 positions
Office of the Director:	Decreased from 10 to 9 positions

**COUNCIL AUDITOR'S OFFICE  
 COMMENTS AND RECOMMENDATIONS  
 MAYOR'S PROPOSED FY 2012/13 BUDGET  
 NEIGHBORHOODS  
 GENERAL FUND (011)**

Action	# of Positions	Explanation
FY 2011/12 positions	211	Council approved position cap
Deleted 1 position in ERAC011	-1	Occurred during FY 2011/12
Transfer in from ASD	2	FY 2012/13 proposed budget
Proposed eliminations	-35	FY 2012/13 proposed budget (see below)
<b>Proposed FY 2012/13 positions</b>	<b>177</b>	

**ENHANCEMENTS IN BUDGET:**

Indexcode	Subobject	Subobject Title	Amount	Description
ERAC011	03109	Professional Services	\$15,000	Data entry of animal licenses/ Chameleon Software
EROD011AD	03109	Professional Services	\$19,058	Department request for HUD Audit and plan development

**PROPOSED ELIMINATIONS:**

Job Class	Job Class Description	Indexcode	Filled / Retiring / Vacant / Attrition	Budget Savings
04430	ACPS OPERATIONS COORDINATOR	ERAC011	Filled	\$72,425.89
C0141	CLERICAL SUPPORT AIDE III	ERAC011	Vacant	33,826.11
C0141	CLERICAL SUPPORT AIDE III	ERAC011	Filled	49,970.67
T0021	ANIMAL CODE ENFORCEMENT SENIOR	ERAC011	Vacant	40,232.67
T0024	ANIMAL CODE ENFORCEMENT SUPERVISOR	ERAC011	Filled	52,149.06
T0030	VETERINARY TECHNICIAN SENIOR	ERAC011	Filled	59,214.54
T0030	VETERINARY TECHNICIAN SENIOR	ERAC011	Filled	52,856.67
T0032	ANIMAL CARE ASSISTANT SR.	ERAC011	Vacant	35,620.83
T0035	ANIMAL CARE & MAINTENANCE SUPERVISOR	ERAC011	Filled	55,299.94
D0102	ANIMAL COMMUNITY RELATIONS SUPERVISOR	ERAC011	Filled	62,408.79
04488	AMIO - CODE ENFORCEMENT MANAGER	ERCC011CE	Filled	61,661.76
C0141	CLERICAL SUPPORT AIDE III	ERCC011CE	Filled	36,494.34
C0251	CLERICAL SUPPORT SUPERVISOR	ERCC011CE	Vacant	42,415.33
L0051	CODE COMPLIANCE OFFICER	ERCC011CE	Vacant	45,437.11
L0051	CODE COMPLIANCE OFFICER	ERCC011CE	Vacant	43,053.04
L0051	CODE COMPLIANCE OFFICER	ERCC011CE	Vacant	43,053.04
L0051	CODE COMPLIANCE OFFICER	ERCC011CE	Vacant	43,053.04
L0051	CODE COMPLIANCE OFFICER	ERCC011CE	Vacant	43,053.04
L0051	CODE COMPLIANCE OFFICER	ERCC011CE	Vacant	43,053.04

**COUNCIL AUDITOR'S OFFICE  
 COMMENTS AND RECOMMENDATIONS  
 MAYOR'S PROPOSED FY 2012/13 BUDGET  
 NEIGHBORHOODS  
 GENERAL FUND (011)**

<b>Job Class</b>	<b>Job Class Description</b>	<b>Indexcode</b>	<b>Filled / Retiring / Vacant / Attrition</b>	<b>Budget Savings</b>
L0051	CODE COMPLIANCE OFFICER	ERCC011CE	Vacant	43,053.04
L0065	CODE COMPLIANCE OFFICER SR.	ERCC011CE	Filled	59,586.65
P0145	HUMAN SERVICES PLANNER III	ERCD011	Vacant	79,031.58
G0095	ENVIRONMENTAL TECHNICIAN SR.	EREQ011ESC	Filled	47,126.23
G0095	ENVIRONMENTAL TECHNICIAN SR.	EREQ011ESC	Filled	44,825.28
P0103	ENVIRONMENTAL SPECIALIST	EREQ011ESC	Vacant	51,982.98
P0103	ENVIRONMENTAL SPECIALIST	EREQ011WQER	Vacant	67,292.42
O0011	ENVIRONMENTAL ENGINEERING MGR	EREQ011WQWP1	Filled	120,393.73
P0101	ENVIRONMENTAL ENGINEER/ SCIENTIST	EREQ011WQWP1	Filled	75,898.13
G0016	PROFESSIONAL ENGINEER	EREQ011WQWP2	Vacant	94,331.56
P0103	ENVIRONMENTAL SPECIALIST	EREQ011WQWP2	Filled	75,675.69
P0111	MOSQUITO CONTROL WORKER	ERMC011	Vacant	26,737.11
P0122	PILOT A & P MECHANIC	ERMC011	Vacant	46,298.04
B0001	ADMINISTRATIVE ASSISTANT	EROD011AD	Vacant	76,214.40
B0012	OPERATIONS ANALYST	EROD011ASH	Filled	71,404.16
P0135	ENVIRONMENTAL PROGRAMS COORDINATOR	EROD011ASH	Filled	54,622.70
<b>Total savings from proposed eliminations:</b>				<b>\$1,949,752.61</b>

**COMMENT:**

1. It should be noted that projected revenues from water conservation well permit fees and application review fees are based on fee increases required to be submitted during the annual review of fees that occurs per Municipal Code Section 106.112. The Mayor presented a bill (Ordinance 2012-300) to waive any mandatory fee increases per Chapter 106 for fiscal year 2012/13. If that bill is passed or the Chief Financial Officer fails to file the change in fee structure with the Council Secretary, the projected revenue would be based on incorrect fee amounts resulting in a projected overstatement of approximately \$114,000.

**RECOMMENDATION:**

1. The lapse within the Neighborhoods Department is based on the proposed elimination of certain positions identified by the Budget Office. Rather than reducing salaries and eliminating the positions, the Budget Office placed a lapse within their budget. We recommend the removal of the proposed lapse of \$141,248. This reduction in the lapse should be offset by a corresponding decrease in salaries and benefits based on the positions identified by the Budget Office. This will reduce the employee cap by four positions. There is no impact to the Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
MOSQUITO CONTROL STATE 1 (012)**

---

**PROPOSED BUDGET BOOK – Page 168-169  
ON SCREEN – PDF Page 190-191**

**BACKGROUND:**

Subfund 012 is mandated by Florida Statute 388.261 to administer mosquito control activities within the county. The proposed budget for the Mosquito Control Division in FY 2012/13 will continue to support efforts to control the population of mosquitoes and help reduce mosquito borne illnesses in Duval County.

**REVENUES:**

Jacksonville Citywide Activities:

1. Miscellaneous Revenue:

- The increase of \$718 is due to higher investment pool earnings. See recommendation below.

2. Transfers from Fund Balance:

- The reduction of \$10,755 is attributable to a decrease in the transfer from fund balance for FY 2012/13. See recommendation below.

Neighborhoods:

1. Intergovernmental Revenue:

- The increase of \$21,000 is due to increased state funding for mosquito control operations based on year to date revenue.

2. Miscellaneous Revenue:

- The decrease of \$13,344 is due to a reduction of miscellaneous sales and charges for mosquito control services based on year to date revenue.

**EXPENDITURES:**

1. Employer Provided Benefits:

- The decrease of \$876 is mainly due to a reduction in charges for workers compensation insurance.

2. Internal Service Charges:

- The decrease of \$500 is due to a reduction in Copy Center allocation charges based on year to date actuals.

3. Other Operating Expenses:

- The decrease of \$1,008 is mainly due to a reduction of \$15,000 in repairs and maintenance, due to a non-recurring prior year expense of repainting and repairing an aircraft. This reduction was mostly offset by an increase of \$13,972 in repair and maintenance supplies related to helicopter parts.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
MOSQUITO CONTROL STATE 1 (012)**

---

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**EMPLOYEE CAP CHANGES:**

There are no positions in this subfund.

**CONCERN:**

The available fund balance of subfund 012 will be significantly reduced after the proposed transfer of \$239,243 in FY 2012/13 and will not be able to support the same level of expenditures after next year. Expenditures will need to be reduced or transferred back to the General Fund mosquito control activity in FY 2013/14.

**RECOMMENDATIONS:**

1. We recommend reducing investment pool earnings by \$6,000 and increasing the transfer from fund balance by \$6,000, based on a reduction in the projection for interest earnings in FY 2012/13. There will be less cash available in this subfund after the proposed transfer from fund balance of \$239,243.



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
AIR POLLUTION TAG FEE (121)**

---

**PROPOSED BUDGET BOOK – Page 170-172  
ON SCREEN – PDF Page 192-194**

**BACKGROUND:**

The Air Pollution Tag fee within the Environmental Quality Division helps support activities which ensure compliance with the National Ambient Air Quality Standards (NAAQS). Activities include but are not limited to permit compliance, inspection of air pollution sources, and citizen complaints.

**REVENUES:**

1. Miscellaneous Revenue:
  - The decrease of \$3,444 is attributable to a lower projection for investment pool earnings.
2. Transfers from Fund Balance:
  - The increase of \$23,874 is due to a proposed transfer from fund balance in FY 2012/13.
3. Intergovernmental Revenue:
  - The decrease of \$17,080 is due to lower revenue from the State for vehicle registrations, based on current year actuals.

**EXPENDITURES:**

Jacksonville Citywide Activities:

1. Cash Carryover:
  - The elimination of \$7,557 is due to increased expenditures within the Neighborhoods Department.

Neighborhoods Department:

1. Salaries:
  - The increase of \$19,058 is mainly due to an increase of \$18,253 in permanent and probationary salaries due to turnover and salary increases and an increase of \$1,067 in supervisory differential.
2. Employer Provided Benefits:
  - The increase of \$11,759 is mainly due to an increase of \$15,081 in pension contribution. This was partially offset by decreases of \$1,804 in group hospitalization insurance and \$1,684 in workers compensation insurance.
3. Internal Service Charges:
  - The increase of \$3,009 is mainly due to an increase of \$5,056 in ITD charges. These were somewhat offset by a decrease of \$2,051 in fleet charges.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
AIR POLLUTION TAG FEE (121)**

---

4. Other Operating Expenses:

- The decrease of \$2,921 is mainly due to reductions of \$3,000 in miscellaneous service and \$2,126 in travel charges. These were somewhat offset by increases of \$1,269 in office supplies – other & office supplies printers/ copiers, \$510 in employee training and \$496 in general liability insurance costs.

5. Capital Outlay:

- The decrease of \$19,998 is due to a reduction in budgeted purchases of air pollution monitoring equipment for FY 2012/13.

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**EMPLOYEE CAP CHANGES:**

There were no changes to the employee cap.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
AIR POLLUTION EPA (127)**

---

**PROPOSED BUDGET BOOK – Page 173-174  
ON SCREEN – PDF Page 195-196**

**BACKGROUND:**

The Clean Air Act of 1970 allows for the Air Pollution EPA grant, within the Environmental Quality Division, to help support activities to ensure compliance with Federal and State air quality standards. Activities include but are not limited to permit compliance, ambient air monitoring, and addressing citizen complaints.

**REVENUES:**

1. Miscellaneous Revenue:
  - The increase of \$8,066 is due to higher investment pool earnings based on year to date earnings.
2. Intergovernmental Revenue:
  - The increase of \$2,113 is due to increased grant funding from the Environmental Protection Agency (EPA).
3. Transfers from Other Funds:
  - There is a proposed transfer from the General Fund of \$424,267. This represents the City's required match for the EPA grant.

**EXPENDITURES:**

1. Salaries:
  - The increase of \$12,346 is due to increases of \$8,238 in permanent and probationary salaries and \$5,370 in special pay pensionable, which were partially offset by a decrease of \$1,262 in leave rollback/sellback. The net increase in permanent and probationary salaries was due to filling vacancies at higher rates and employee turnover, and was mostly offset by eliminating one vacant Clerical Support Aide III position.
2. Employer Provided Benefits:
  - The increase of \$24,494 is mainly due to increases of \$22,017 in pension contributions and \$4,220 in group hospitalization insurance. These were somewhat offset by a decrease of \$2,191 in workers compensation insurance.
3. Internal Service Charges:
  - The decrease of \$14,301 is mainly due to decreases of \$12,890 in fleet charges and \$2,340 in computer system maintenance. Decreases in fleet charges are due to current year actual expenditures and paying off two vehicles purchased in 2008.

**COUNCIL AUDITOR'S OFFICE  
 COMMENTS AND RECOMMENDATIONS  
 MAYOR'S PROPOSED FY 2012/13 BUDGET  
 NEIGHBORHOODS  
 AIR POLLUTION EPA (127)**

---

4. Other Operating Expenses:

- The decrease of \$8,379 is mainly due to decreases of \$3,021 in repair and maintenance supplies, \$2,994 in other operating supplies and \$2,500 in office supplies.

5. Capital Outlay:

- The decrease of \$3,980 is attributable to the elimination of air quality monitoring/lab equipment purchases in FY 2012/13.

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**PROPOSED ELIMINATIONS:**

Job Class	Job Class Description	Indexcode	Filled / Retiring / Vacant / Attrition	Budget Savings
C0141	CLERICAL SUPPORT AIDE III	EREQ127AQAPC	Vacant	\$33,826.11

**EMPLOYEE CAP CHANGES:**

The employee cap was reduced by one (1) position.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
AMBIENT AIR MONITORING (128)**

---

**PROPOSED BUDGET BOOK – Page 175-176  
ON SCREEN – PDF Page 197-198**

**BACKGROUND:**

The Environmental Quality Division is mandated by the U.S. Department of Environmental Protection to monitor air quality in Duval County and observe progress whenever possible.

**REVENUES:**

1. Miscellaneous Revenue:
  - The decrease of \$1,835 is due to a reduction in investment pool earnings.
2. Intergovernmental Revenue:
  - This is a grant from the Florida State Department of Environmental Protection.

**EXPENDITURES:**

1. Cash Carryover:
  - The decrease of \$1,835 is due to reduced revenues available for expenditure.
2. Other Operating Expenses:
  - There is no change for other operating expenses, which consist of travel, office supplies, clothing, uniforms & safety equipment, and employee training.

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**EMPLOYEE CAP CHANGES:**

There are no positions associated with this sub fund.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
HAZARDOUS WASTE PROGRAM (154)**

---

**PROPOSED BUDGET BOOK – Page 177-179  
ON SCREEN – PDF Page 199-201**

**BACKGROUND:**

Duval County is mandated by Florida Statute 403.7225 to perform hazardous waste assessments within the county. Employees perform hazardous waste verification inspections that include pollution prevention, outreach, and education and compliance assistance activities. They inspect types, amounts, and sources of hazardous waste generated by generators and companies.

**REVENUES:**

1. Miscellaneous Revenue:
  - The increase of \$1,440 is due to higher projected investment pool earnings, based on year to date actual earnings.
2. Transfers from Fund Balance:
  - The increase of \$13,598 is due to a proposed transfer from fund balance in FY 2012/13.
3. Charges for Services:
  - The decrease of \$12,000 is due to lower projected hazardous waste annual verification inspection fee revenue, based on year to date actual revenue.

**EXPENDITURES:**

1. Cash Carryover:
  - The elimination of \$90,248 is due to a reduction in projected revenues.
2. Salaries:
  - The increase of \$12,097 is due to budgeting the salary for a vacant position at the median salary range, which is higher than the budgeted amount in the prior year.
3. Employer Provided Benefits:
  - The increase of \$9,076 is mainly due to an increase of \$11,850 in pension contributions related to budgeting a higher salary for a vacancy as mentioned above and a higher contribution rate. This was slightly offset by a decrease of \$1,898 in defined contribution pension.
4. Internal Service Charges:
  - There is no significant change in internal service charges.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
HAZARDOUS WASTE PROGRAM (154)**

---

5. Other Operating Expenses:

- The decrease of \$27,662 is primarily due to reductions of \$12,230 in miscellaneous services and charges (mostly due to reduced funding for parking of City vehicles which was over-budgeted in the prior year and moving the expense to Other Rent) and \$15,140 in other operating supplies (reduced funding for equipment such as GPS units, digital cameras, and laptops based on actual expenditures).

6. Capital Outlay:

- The increase of \$76,146 is attributable to an increase of \$76,145 in specialized equipment purchases for FY 2012/13. Budgeted equipment purchases include hazardous vapor analyzers and organic vapor detectors.

7. Indirect Cost:

- The increase of \$24,153 is due to the annual indirect cost study.

**SERVICE LEVEL CHANGES:**

There are no service level changes.

**EMPLOYEE CAP CHANGES:**

There are no changes to the employee cap.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
ANIMAL CARE & CONTROL (15D)**

---

**PROPOSED BUDGET BOOK – Page 180-181  
ON SCREEN – PDF Page 202-203**

**BACKGROUND:**

Ordinance 2010-527-E grants the Animal Care and Protective Services Division authority to oversee the Training and Cruelty Prevention Trust Fund. Revenues are derived from a \$5 surcharge on civil penalties related to animal cruelty ordinances.

**REVENUES:**

1. Fines and Forfeits:

- The decrease of \$1,305 is due to lower projected fines and forfeit fee revenue, based on year to date actuals.

2. Miscellaneous Revenue:

- The increase of \$1,005 is due to an increase of \$750 in contributions from private sources and \$255 in fees for classes, both based on year to date actuals and not budgeted in fiscal year 2011/12.

**EXPENDITURES:**

1. Other Operating Expenses:

- The decrease of \$300 is due to there being reduced revenue available to spend for travel and training in FY 2012/13.

**SERVICE LEVEL CHANGES:**

There are no service level changes.

**EMPLOYEE CAP CHANGES:**

There are no positions in this subfund.

**RECOMMENDATIONS:**

None.



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
VETERINARY SERVICES (15G)**

---

**PROPOSED BUDGET BOOK – Page 182-183  
ON SCREEN – PDF Page 204-205**

**BACKGROUND:**

Ordinance 2010-527-E grants the Animal Care and Protective Services Division (ACPS) authority to oversee the Veterinary Services Trust Fund. Revenues are derived from a portion of animal license fees. Authorized expenditures include in-house veterinarian services and supporting services for animals impounded by ACPS and sheltered by the City during any holding period or while waiting for adoption/placement, veterinary supplies and equipment, retrofitting of examination areas, contract veterinarian services and/or in-house veterinarian intern/training program, and emergency veterinarian services for at-large dogs and cats found in severe medical distress, provided by veterinarians not employed by ACPS.

**REVENUES:**

1. Charges for Services:

- The decrease of \$40,000 is due to the projection of lower sales volumes for animal licenses and permits based on current year actual revenue.

**EXPENDITURES:**

Jacksonville Citywide Activities:

1. Cash Carryover:

- The elimination of the cash carryover is due to projected expenditures equaling projected revenues.

Neighborhoods Department:

1. Other Operating Expenses:

- The increase of \$53,362 is attributable to increases of \$52,787 in chemicals and drugs and \$575 in travel expenses. The increase in funding for chemicals and drugs will partially offset decreases for this expenditure in subfund 1H2 – Animal Care and Control Programs. Travel expenses support personnel in the ACPS Division.

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**EMPLOYEE CAP CHANGES:**

There are no positions in this subfund.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
ANIMAL CARE & CONTROL PROGRAMS (1H2)**

---

**PROPOSED BUDGET BOOK – Page 187-189  
ON SCREEN – PDF Page 209-211**

**BACKGROUND:**

Ordinance 2010-527-E grants the Animal Care and Protective Services (ACPS) Division authority to oversee the Spay and Neuter Trust Fund. Revenues are derived from a portion of licensing fees and revenues generated by the adoption of animals from the City's Animal Care and Protective Services facilities.

**REVENUES:**

1. Charges for Services:

- The decrease of \$182,299 is due to decreases of \$180,000 in animal licenses and permits and \$27,299 in animal adoption fees based on year to date actual revenues. These decreases were somewhat offset by an increase of \$25,000 in animal control medical fees.

2. Fines and Forfeits:

- The increase of \$5,000 is attributable to an increase of \$5,000 in spay and neuter forfeited deposits.

3. Miscellaneous Revenue:

- The decrease of \$8,000 is due to a reduction of \$8,000 in contributions from private sources.

**EXPENDITURES:**

Jacksonville Citywide Activities:

1. Cash Carryover:

- The elimination of \$263,044 is due to a reduction of funds being available to appropriate to this line item.

Neighborhoods Department:

1. Salaries:

- The increase of \$9,753 is due to filling a vacant Veterinarian position at a higher rate.

2. Employer Provided Benefits:

- The increase of \$12,247 is primarily due to increases of \$7,180 in group hospitalization, \$4,316 in pension contribution, and \$570 in workers compensation charges.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
ANIMAL CARE & CONTROL PROGRAMS (1H2)**

---

3. Other Operating Expenses:

- The increase of \$55,763 is primarily due to an increase of \$274,495 in contractual services (increased funding to SpayJax, a no cost spay and neuter program). This increase was mostly offset by decreases of \$178,070 in chemical and drugs, \$16,362 in advertising and promotion, \$10,892 in other operating supplies, \$8,843 in miscellaneous services and charges, and \$4,000 in repairs and maintenance, decreased based on requests from the Division to be level with decreasing revenues.

**SERVICE LEVEL CHANGES:**

There are no significant changes to service levels.

**EMPLOYEE CAP CHANGES:**

There are no changes to the employee cap.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
ENVIRONMENTAL PROTECTION – ALL YEARS (1HK)**

---

**PROPOSED BUDGET BOOK – Page 190-191  
ON SCREEN – PDF Page 212-213**

**BACKGROUND:**

Municipal Code Section 155.109 grants the Department of Neighborhoods the authority to oversee the inspection of adult arcade amusement centers and electronic game promotions in Duval County. Revenues are derived from permitting fees from establishments offering gaming/sweepstakes entertainment services.

**REVENUES:**

1. Licenses and Permits:
  - The increase of \$10,000 is due to an increase in adult arcade fee revenue based on year to date actuals.

**EXPENDITURES:**

1. Cash Carryover:
  - The decrease of \$20,667 is due to an increase in budgeted expenditures.
2. Salaries:
  - The increase of \$30,437 is due to the transfer of an Operations Analyst position into this activity. A vacant Clerical Support Aide II position that was budgeted at a lower salary was deleted in order to partly offset the salary increase of the new employee in this activity and not increase the position cap.
3. Employer Provided Benefits:
  - The increase of \$14,201 is primarily due to increases of \$8,728 in pension contribution \$4,619 in group hospitalization insurance and \$442 in medicare tax charges.
4. Internal Service Charges:
  - The decrease of \$17,677 is due to a reduction of \$18,860 in OGC legal charges. FY 2011/12 was the first full year that this activity was functional and legal charges were incurred while establishing the activity. This was slightly offset by an increase of \$1,183 in ITD charges.
5. Other Operating Expenses:
  - The increase of \$3,703 is mostly due to an increase of \$3,600 in auto allowance.

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
NEIGHBORHOODS  
ENVIRONMENTAL PROTECTION – ALL YEARS (1HK)**

---

**EMPLOYEE CAP CHANGES:**

There are no changes to the employee cap.

**RECOMMENDATIONS:**

1. We recommend eliminating the funding of \$3,600 for auto allowance and increasing cash carryover by the same amount. Auto allowance is not needed since this activity uses a City vehicle to perform inspection activities.

**COUNCIL AUDITOR'S OFFICE  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
CITY COUNCIL GENERAL FUND (011)  
COMMENTS AND RECOMMENDATIONS**

---

**PROPOSED BUDGET BOOK – Page #80-82  
ON SCREEN-Page #91-93**

**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:

- This amount of \$110,001 represents the anticipated Value Adjustment Board protest fee revenue of \$110,000 and \$1 budgeted for fees collected for road and street closures.

2. Miscellaneous Revenue:

- The decrease of (\$3,390) is being driven by the reduction of IRB application fees.

**EXPENDITURES:**

1. Salaries

- The net increase of \$164,704 is being driven by funding being restored for two ECA positions in Council Staff Services and a position added in the Council Auditor's Office per Ordinance 2012-81. The overall increase was offset slightly by the removal of (\$4,319) for part-time salaries in the Value Adjustment Board.

2. Employer Provided Benefits:

- The net increase of \$143,705 is due to increased health care costs of \$61,687 as well as increases in general employee pension costs including the defined benefit plan of \$88,980 and defined contribution plan of \$22,335. These increases are slightly offset by a reduction in Florida retirement system pension costs of (\$22,080).

3. Internal Service Charges:

- The overall decrease of (\$2,128) in Internal Service Charges is due to various reductions in ITD allocation charges based on actual usage of services provided and ITD reducing their own costs.

4. Other Operating Expenses:

- The net decrease of (\$17,786) is being driven by reductions in professional services of (\$13,848) due to a contract providing digital conversion services expiring in mid-September. Also driving the overall decrease are reductions in proposed budget amounts for miscellaneous services & charges expenditures of (\$12,885) based on historical actuals. These decreases were somewhat offset by increases in employee training expenditures of \$8,950 and general liability insurance of \$3,530.

**COUNCIL AUDITOR'S OFFICE  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
CITY COUNCIL GENERAL FUND (011)  
COMMENTS AND RECOMMENDATIONS**

---

5. Banking Fund Debt Repayment:

- The table below compares the FY 12 and FY 13 banking fund debt repayment by project:

Project Title	FY12 B4		FY13 Proposed		Change
	Principal	Interest	Principal	Interest	
Creston System and various projects	27,271	2,526	26,509	1,151	-2,137

**SERVICE LEVEL CHANGES:**

There are no significant changes in service levels.

**FOOD AND BEVERAGE EXPENDITURE:**

Indexcode	Amount	Description of each Service/Event that requires the purchase of food/beverage	Explanation that the Service/Event serves a public purpose
CCSS011AD	\$1,000	Agenda Meetings & Workshop	Open to Public

**EMPLOYEE CAP CHANGES:**

One position was added during the fiscal year to the Council Auditor's Office pursuant to Ordinance 2012-81-E. In addition, funding and 480 part-time hours were removed from the Value Adjustment Board's budget.

**RECOMMENDATIONS:**

- We recommend funding of \$9,245 be added to City Council Direct Expenditures budget in order to provide parking spaces for nine (9) Council Members in FY 2012/13. This will have a \$9,245 negative impact on Special Council Contingency.
- VAB's expenditure amount for Professional Services should be decreased by \$50,000 based on current year actuals. As a result of this reduction, the revenue VAB receives from the Duval County School Board would be reduced by \$20,000. This will have a net positive impact on Special Council Contingency of \$30,000.
- We have the following recommendations regarding FY 2012/13 budgeted salary and benefit amounts in City Council's proposed budget:
  - Reduce the budgeted salary amount for Council Member Anderson's ECA by \$14,562 to reflect the actual salary and benefit amounts of the individual hired to fill this position. Additionally, an Administrative Assistant position that is currently vacant and a Research Assistant position scheduled to become vacant in September should be eliminated. This would reduce the employee cap by two (2) positions and salaries and benefits by \$119,667. There would be a total positive impact on Special Council Contingency for both of these items of \$134,229.
  - Reduce salaries in the Council Auditor's Office by \$20,851 to better reflect salary amount requirements for the upcoming fiscal year. In addition, an increase in pension contribution of \$4,244 needs to be made to accurately budget for employer contribution amounts needed in the upcoming fiscal year. The net impact on Special Council Contingency is a positive \$16,607.

**If all of the above recommendations are accepted, the total positive impact on Special Council Contingency is \$171,591.**

**DUVAL COUNTY TOURIST DEVELOPMENT COUNCIL**  
**BUDGET PROPOSAL 2012-13**

	<u>2010/11 ORIGINAL BUDGET</u>	<u>2011/12 ORIGINAL BUDGET</u>	<u>2012/13 TDC BUDGET</u>
<b><u>REVENUE</u></b>			
Tourist Development Taxes	4,211,810	4,518,000	5,142,095
Interest Earnings	60,000	58,500	58,500
Subtotal Revenue	<u>4,271,810</u>	<u>4,576,500</u>	<u>5,200,595</u>
Transfer from Fund Balance	1,204,782	1,502,342	1,500,000
Total Estimated Revenue	<u><u>5,476,592</u></u>	<u><u>6,078,842</u></u>	<u><u>6,700,595</u></u>
<b><u>EXPENDITURES</u></b>			
Operations Account			
Grants			
Other Grants	240,474	460,000	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	150,000
First Coast of Golf	122,588	128,717	135,000
Florida / Georgia Game	90,000	90,000	90,000
Total Grants	<u>1,053,062</u>	<u>1,278,717</u>	<u>1,285,000</u>
Visit Jacksonville			
Operating budget	3,073,364	3,289,980	3,474,402
Marketing Initiative	219,526	469,997	-0-
Total Visit Jacksonville	<u>3,292,890</u>	<u>3,759,977</u>	<u>3,474,402</u>
Operations Account	4,345,952	5,038,694	4,759,402
Festival Funding Account	75,000	75,000	75,000
Administration Account	114,915	117,524	119,013
Subtotal Expenditures	<u>4,535,867</u>	<u>5,231,218</u>	<u>4,953,415</u>
Contingency Account	940,725	847,624	1,747,180
Total Appropriations	<u><u>5,476,592</u></u>	<u><u>6,078,842</u></u>	<u><u>6,700,595</u></u>



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
TOURIST DEVELOPMENT COUNCIL (132)**

---

**PROPOSED BUDGET BOOK – Page #83-84  
ON SCREEN – Page #94-95**

**BACKGROUND:**

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

**REVENUES:**

Taxes:

- This represents the anticipated two cent tax levy on lodging for FY 13.

Miscellaneous Revenue:

- This is made up of anticipated interest earnings for FY 2012/13 which are expected to decrease due to lower investment returns.

Transfer from Fund Balance:

- The transfer from fund balance was removed pending budgetary review by the Tourist Development Council. This is addressed in a recommendation below.

**EXPENDITURES:**

Employer Benefits:

- The increase is caused by increased pension costs for the employee in this subfund.

Internal Service Charges:

- The net decrease is due to the General Counsel and mailroom/postage allocations.

Other Operating Expenses:

- The decrease is due to a reduction in trust fund expenditures to balance up the fund pending budgetary review by the Tourist Development Council.

**SERVICE LEVEL CHANGES:**

There are no service level changes in the budget.

**EMPLOYEE CAP CHANGES:**

There are no changes to the overall employee cap.

**RECOMMENDATIONS:**

1. Increase the Transfer from Fund Balance to \$1,500,000 and the Investment Pool Earnings by \$5,520. Subsequently increase the authorized expenditures within the Operations account by \$70,708 and the Contingency account by \$1,434,812. These actions reflect the total budget approval by the TDC on August 16, 2012. This will have no effect on the General Fund or Special Council Contingency.
2. Increase the OGC internal service charge by \$6,247 by reducing the Authorized Expenditures and the unused Communications Internal Service by \$5,000 and \$1,247, respectively. In addition, reduce the City Council OGC internal services charge by \$6,247 due to OGC charges for TDC being billed to the City Council's general fund account. This will have a positive impact on Special Council Contingency of \$6,247.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
GENERAL FUND (011)**

---

**PROPOSED BUDGET BOOK - Page #198-200  
ON SCREEN - PDF Page #221-223**

**BACKGROUND:**

Up until passage of 2012-212-E, the JEDC served as the economic development agency for the City of Jacksonville, implementing policies that result in sustainable job growth, raising personal incomes and creating broader tax base for the community. The JEDC oversaw the administration of local and state incentives, the redevelopment of Cecil Commerce Center, Downtown development and permitting, Film and Television initiatives and Sports and Entertainment programs including administration of the SMG Contract.

With the passage of 2012-212-E JEDC is no longer a component unit of the City and is being moved back into the General Fund – GSD as a City Department. The General fund portion of the department is comprised of the Office of the Director and the Equal Business Opportunity Office (EBO).

**REVENUES:**

Charges for Services:

- This amount represents City EBO Office revenue for providing Small and Emerging business certifications and mentoring services for JEA contractors. There is no change in FY 2012/13.

Miscellaneous Revenue:

- This amount is comprised of revenue of \$30,000 for rental of the City-owned building to River City Brewing Company, \$2,300 in miscellaneous sales and charges and \$2,000 in the Downtown Development Review Board services.

**EXPENDITURES:**

Salaries:

- This represents salaries within the Office of Economic Development.

Employer Provided Benefits:

- This represents fringe benefits for the Office of Economic Development.

Internal Service Charges:

- This represents internal service charges within the Office of Economic Development. It mostly consists of legal charges of \$373,216, system development charges of \$42,870 and computer system maintenance charges of \$43,501.

**COUNCIL AUDITOR'S OFFICE  
 COMMENTS AND RECOMMENDATIONS  
 MAYOR'S PROPOSED FY 2012/13 BUDGET  
 OFFICE OF ECONOMIC DEVELOPMENT  
 GENERAL FUND (011)**

**Other Operating Expenses:**

- This represents operating expenses for the Office of Economic Development. \$665,750 is budgeted in professional services, \$221,900 is budgeted in event contribution, and \$75,000 is budgeted in advertising.

**Grants, Aids & Contributions:**

- There is no change in FY 2012/13. \$84,875 is budgeted for Bob Hayes Track & Field, and \$98,940 is budgeted for UNF Business Center.

**Banking Fund Debt Repayment:**

The table below compares the FY 2011/12 and FY 2012/13 banking fund debt repayment by project:

Project Title	FY12		FY13 Proposed		Change
	Principal	Interest	Principal	Interest	
Laura Street Trio Pension Contribution	\$200,000	\$12,796	\$200,000	\$4,496	(\$8,300)

**EMPLOYEE CAP CHANGES:**

There are twenty-two (22) authorized positions being transferred into the Office of Economic Development:

- 17 FTEs from former JEDC
- 4 FTEs from Office of Equal Business Opportunity Division
- 1 FTE was transferred in from Administrative Services Division

**COUNCIL AUDITOR'S OFFICE  
 COMMENTS AND RECOMMENDATIONS  
 MAYOR'S PROPOSED FY 2012/13 BUDGET  
 OFFICE OF ECONOMIC DEVELOPMENT  
 GENERAL FUND (011)**

**ANALYSIS OF EXPENDITURES BY DIVISION:**

EXPENDITURES TYPE	FY12 APPROVED PER REPORT 324 (JEDC ONLY)	REORG ADJUSTMENT (JEDC ONLY)	FY12 TOTAL AFTER REORG (JEDC ONLY)	FY13 PROPOSED (OED ONLY)	VARIANCE
SALARIES	\$ 1,171,744	\$ (147,962)	\$ 1,023,782	\$ 1,506,346	\$ 482,564
BENEFITS	\$ 354,056	\$ (32,480)	\$ 321,576	\$ 428,501	\$ 106,925
INTERNAL SERVICE CHARGES	\$ 455,763		\$ 455,763	\$ 444,577	\$ (11,186)
OTHER OPERATING EXPENSES	\$ 1,144,126	\$ (597,873)	\$ 546,253	\$ 902,666	\$ 356,413
CAPITAL OUTLAY	\$ 2	\$ -	\$ 2	\$ 5	\$ 3
GRANTS, AIDS & CONTRIBUTIONS	\$ 183,815	\$ -	\$ 183,815	\$ 183,815	\$ -
INDIRECT COST	\$ 162,591	\$ -	\$ 162,591	\$ -	\$ (162,591)
BANKING FUND DEBT REPAYMENT	\$ 212,796	\$ -	\$ 212,796	\$ 204,496	\$ (8,300)
LAPSE	\$ (1,708,093)	\$ 1,708,093	\$ -	\$ -	\$ -
	<b>\$ 1,976,800</b>	<b>\$ 929,778</b>	<b>\$ 2,906,578</b>	<b>\$ 3,670,406</b>	<b>\$ 763,828</b>

			FY12 APPROVED (EBO ONLY)	FY 13 PROPOSED (EBO ONLY)	VARIANCE
SALARIES			\$ 222,551	\$ 250,856	\$ 28,305
BENEFITS			\$ 69,162	\$ 81,089	\$ 11,927
INTERNAL SERVICE CHARGES			\$ 81,207	\$ 92,782	\$ 11,575
OTHER OPERATING EXPENSES			\$ 243,119	\$ 300,717	\$ 57,598
CAPITAL OUTLAY			\$ -	\$ 3	\$ 3
			<b>\$ 616,039</b>	<b>\$ 725,447</b>	<b>\$ 109,408</b>

			FY12 APPROVED EBO + OED	FY 13 PROPOSED EBO + OED	VARIANCE
SALARIES			\$ 1,246,333	\$ 1,757,202	\$ 510,869
BENEFITS			\$ 390,738	\$ 509,590	\$ 118,852
INTERNAL SERVICE CHARGES			\$ 536,970	\$ 537,359	\$ 389
OTHER OPERATING EXPENSES			\$ 789,372	\$ 1,203,383	\$ 414,011
CAPITAL OUTLAY			\$ 2	\$ 8	\$ 6
GRANTS, AIDS & CONTRIBUTIONS			\$ 183,815	\$ 183,815	\$ -
INDIRECT COST			\$ 162,591	\$ -	\$ (162,591)
BANKING FUND DEBT REPAYMENT			\$ 212,796	\$ 204,496	\$ (8,300)
			<b>\$ 3,522,617</b>	<b>\$ 4,395,853</b>	<b>\$ 873,236</b>

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
GENERAL FUND (011)**

---

**Office of Economic Development (EOD, former JEDC):**

- The increase of \$482,564 in salaries is mostly due to:
  - the department being required to meet reorg reduction of \$147,962 during current FY 2011/12 in salaries which could be mostly achieved through three vacancies (Executive Director – vacant since 1/8/12, Administrative Support Assistant – vacant since 6/5/12, Administrative Support Assistant – vacant since 5/26/12)
  - two positions totaling \$123,498 being replaced with two executive level positions totaling \$379,416 (Executive Director for DIA and Sports and Entertainment Director)
  - the salary for an Executive Director being increased by \$47,930 (from \$152,070 to \$200,000)
  - one position being unfunded resulting in savings of \$31,974
  
- The increase of \$106,925 in benefits is mostly due to:
  - the department being required to meet reorg reduction of \$32,480 during current FY 2011/12 in benefits which could be mostly achieved through three vacancies
  - the increase in pension contributions of \$55,790 which were increased in correlation with the increase in salaries and partially due to the overall increase in pension costs for the City
  
- The increase of \$356,413 in other operating expenses is mostly due to:
  - the department being required to meet reorg reduction of \$597,873 during current FY 2011/12 in other operating expenses which mostly consists of required reductions in:
    - rental charges of \$94,513 (moved to City-owned building during FY 2011/12)
    - professional services of \$377,113 of which \$149,820 is planned to be restored through Ordinance 2012-490 (it is also intention of the department to request restoration of the remaining \$227,293 that was removed during the reorganization)
    - event contributions of \$93,880 (it is also intention of the department to request restoration of the remaining funds that were removed during the reorganization)
  - an increase of \$39,743 in in-house rent that was incorrectly budgeted (see recommendation 1)
  - a decrease of \$189,025 in rent (moved into a City-owned building)
  - a decrease of \$45,000 in advertising and promotion
  - an increase of \$16,900 (over FY 2011/12 before reorg) in event contribution (see table below)

**COUNCIL AUDITOR'S OFFICE  
 COMMENTS AND RECOMMENDATIONS  
 MAYOR'S PROPOSED FY 2012/13 BUDGET  
 OFFICE OF ECONOMIC DEVELOPMENT  
 GENERAL FUND (011)**

EVENT	FY12 Approved BEFORE REORG	FY13 Proposed	CONTRACT
NAIOP Gold Marketing Opportunity	\$ 4,000	\$ 4,000	NO
UNF Small Business Week	\$ 600	\$ 500	NO
Business Development Seminars/ Sponsorships (CREW and NAIOP Bus Tours - Cecil/DT)	\$ 3,500	\$ 2,000	NO
Florida/Georgia Football Game (weekend activities)	\$ 80,000	\$ 80,000	YES
Florida/ Florida State Baseball	\$ 25,000	\$ 25,000	YES
Soccer	\$ 20,000	\$ 20,000	YES
Lacrosse	\$ 35,000	\$ 11,900	YES
Georgia/JU Baseball	\$ 5,000	\$ -	YES
FL/Rider Basketball Game	\$ 15,000	\$ -	YES
FSU/Georgia Basketball	\$ 10,000	\$ -	YES
Rugby Match	\$ 6,900	\$ -	NO
Davis Cup Tennis	\$ -	\$ 35,000	YES
FL Basketball	\$ -	\$ 25,000	YES
DT Event Sponsorship (Eat up Downtown)	\$ -	\$ 11,500	NO
EWC Basketball	\$ -	\$ 5,000	NO
Film Festival	\$ -	\$ 2,000	NO
<b>TOTAL</b>	<b>\$ 205,000</b>	<b>\$ 221,900</b>	

- o a decrease of \$64,450 (over FY 2011/12 before reorg) in professional services (see table below)

Description of Services	FY12 Approved BEFORE REORG	FY13 Proposed	Variance
Marketing/Labor Study	\$ 40,000	\$ 20,000	\$ (20,000)
Program Related Studies	\$ 30,000	\$ 15,111	\$ (14,889)
Misc. Surveys/Appraisals	\$ -	\$ 20,000	\$ 20,000
Outside Engineering Services	\$ 75,450	\$ 24,889	\$ (50,561)
Various TCEA/DRI Studies (Water, Traffic)	\$ 130,000	\$ 90,000	\$ (40,000)
Downtown Permitting	\$ 44,000	\$ 45,000	\$ 1,000
Misc. Surveys/Appraisals	\$ 80,000	\$ 80,000	\$ -
Shipyards Groundwater Monitoring	\$ 50,000	\$ 50,000	\$ -
Shipyards Repair Work	\$ 45,000	\$ 45,000	\$ -
Firestation No. 5 Environmental	\$ -	\$ 40,000	\$ 40,000
<b>TOTAL</b>	<b>\$ 494,450</b>	<b>\$ 430,000</b>	<b>\$ (64,450)</b>

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
GENERAL FUND (011)**

---

- The decrease of \$162,591 in indirect costs is due to the department's budget being moved into the General Fund (indirect costs for general government are allocated only to departments housed outside of the General Fund)

**Office of Equal Business Opportunity (EBO):**

- The increases of \$28,305 in salaries and \$11,927 in benefits are mostly due to an additional position being added to the Office of Equal Business Opportunity Division (transfer from Administrative Services Division) totaling \$42,248 in salaries and benefits.
- The decrease of \$11,575 in internal service charges is mostly due to a decrease of \$21,624 in computer system maintenance charges which was partially offset by an increase of \$9,588 in legal charges (both allocations are based on historical actuals).
- The increase of \$57,598 in other operating expenses is mostly due to \$58,460 being incorrectly budgeted for rent (see recommendation 1).

**RECOMMENDATION 1:**

Rental charges of \$98,203 that were erroneously billed to the Office of Economic Development should be removed since the budget for this department was moved into the General Fund. This will have no impact on the Special Council Contingency.

**RECOMMENDATION 2:**

We recommend moving \$80,000 event contribution for the FL/GA Football Game weekend activities into the Special Events Division budget (01A) where special events are typically budgeted. This will have no impact on the Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
SPECIAL EVENTS (01A)**

---

**PROPOSED BUDGET BOOK – Page 201-202  
ON SCREEN – PDF Page 224-225**

**BACKGROUND:**

Special Events was an activity of the Recreation and Community Services Department in the FY 2011/12 approved budget. Pursuant to Ord. 2012-732-E, it became an activity under the Jacksonville Economic Development Commission (JEDC). With the passage of Ord. 2012-212-E, JEDC is no longer a component unit of the City and was moved back into the General Fund – GSD as a City department (Office of Economic Development). Special Events is now being transferred into its own subfund (01A) that is project driven to better track event revenues and costs and provide transparency. It is still under the oversight of the Office of Economic Development.

The increases and decreases noted below are in comparison with the FY 2011/12 approved budget for Special Events, when it was budgeted within the Recreation and Community Services Department.

**REVENUES:**

1. Miscellaneous Revenue:

- This amount represents reimbursement of FL/GA expenses from the Tourist Development Council (TDC) and miscellaneous sales and charges from event permit fees.

2. Transfer From other Funds:

- There is a \$3,275,082 proposed transfer from the General Fund to support operations within the Office of Special Events. The FY 2011/12 General Fund subsidy (including FL/GA game costs) was \$3,414,366.

**EXPENDITURES:**

Jacksonville Citywide Activities:

1. Other Operating Expenses:

- This amount represents equipment rentals for the Florida/Georgia game and has not changed from the FY 2011/12 amount.

2. Grants, Aids & Contributions:

- This amount represents travel costs related to the Florida/Georgia game, which have increased by \$23,500 from FY 2011/12 due to air travel costs.



**COUNCIL AUDITOR'S OFFICE  
 COMMENTS AND RECOMMENDATIONS  
 MAYOR'S PROPOSED FY 2012/13 BUDGET  
 OFFICE OF ECONOMIC DEVELOPMENT  
 SPECIAL EVENTS (01A)**

Office of Economic Development:

1. Salaries:

- Salaries are decreasing by \$45,179, mostly due to position changes that occurred during FY 2011/12 and filling the Special Events Public Relations Manager position and Special Events Manager position at lower salaries.

2. Employer Provided Benefits:

- Employer provided benefits are decreasing by \$2,800, mostly due to decreased pension costs related to position changes noted above.

3. Internal Service Charges:

- Internal service charges are decreasing by \$71,839. The decrease is mostly due to a reduced copy center allocation based on year to date actual expenditures.

4. Other Operating Expenses:

- Other operating expenses are decreasing by \$40,469. The majority of the decrease was due to a \$164,231 decrease in miscellaneous services and charges (which represents overall reductions in expenditures for all events), which was partially offset by a \$113,200 increase in equipment rentals (this is an error – see recommendation #3 below).

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**EMPLOYEE CAP CHANGES:**

Authorized positions are being transferred from the former JEDC 751 subfund into the new Special Events subfund 01A, providing an increase of 16 positions. Previously, 15 positions were authorized in the FY 2011/12 budget for Special Events under the Recreation and Community Services Department. Authorized positions within Special Events increased by one position during the 2011/12 fiscal year.

**EMPLOYEE CAP CHANGES:**

Action	# of Positions	Explanation
FY 2011/12 positions - RCOD011SE	15	Council approved position cap
Transfer in from Playgrounds & Centers - RPCM011PG	1	Transferred in during FY 11/12
Transfer in from Admin Services Division - OPAS011	1	FY 12/13 proposed budget
Transfer out to Senior Services - RCAH011	-1	FY 12/13 proposed budget
<b>Proposed FY 2012/13 positions</b>	<b>16</b>	

**COUNCIL AUDITOR'S OFFICE  
 COMMENTS AND RECOMMENDATIONS  
 MAYOR'S PROPOSED FY 2012/13 BUDGET  
 OFFICE OF ECONOMIC DEVELOPMENT  
 SPECIAL EVENTS (01A)**

**FOOD AND BEVERAGE EXPENDITURES:**

<b>Indexcode</b>	<b>Amount</b>	<b>Description of each Service/Event that requires the purchase of food/beverage</b>	<b>Explanation that the Service/Event serves a public purpose</b>
JEJE01ASE	\$2,700	World of Nations Celebration	Promote variety of cultures/volunteers
JEJE01ASE	\$3,600	Mayor's Initiatives	Promote Downtown Jax
JEJE01ASE	\$5,310	Military Events - Various	Promote the Military presence in Jax
JEJE01ASE	\$5,400	Downtown Events	Promote revitalization of Downtown/Volunteers
JEJE01ASE	\$7,650	Jazz Festival	Promote Downtown Jax, entertainers, Volunteers
JEJE01ASE	\$11,250	GA/FL Weekend	Promote the Annual Rivalry/Volunteers

**PRIOR YEAR BUDGET COMPARISON:**

<b>Expenditure</b>	<b>FY 11/12 Approved</b>	<b>FY 12/13 Proposed</b>	<b>Increase/ (Decrease)</b>
Salaries	\$939,155	\$893,976	\$(45,179)
Employer Provided Benefits	266,172	263,372	(2,800)
Internal Service Charges	358,995	287,156	(71,839)
Other Operating Expenses	1,309,165	1,268,696	(40,469)
Capital Outlay	0	3	3
<b>Total Expenditures</b>	<b>\$2,873,487</b>	<b>\$2,713,203</b>	<b>\$(160,284)</b>
FL/GA Game Expenditures			
Equipment Rentals	269,379	269,379	0
Subsidies and Contributions	309,000	332,500	23,500
<b>Total FL/GA Game Expenditures*</b>	<b>\$578,379</b>	<b>\$601,879</b>	<b>\$23,500</b>
<b>Total Expenditures – Special Events</b>	<b>\$3,451,866</b>	<b>\$3,315,082</b>	<b>\$(136,784)</b>

\*Total budgeted expenditures for the FY 12/13 FL/GA game include:

Equipment Rentals:	\$269,379
Subsidies and Contributions:	332,500
Food:	11,250
Other Operating Expenses:	204,649
OED Recommendation #2:	80,000
<b>Total</b>	<b>\$897,778</b>

**COUNCIL AUDITOR'S OFFICE  
 COMMENTS AND RECOMMENDATIONS  
 MAYOR'S PROPOSED FY 2012/13 BUDGET  
 OFFICE OF ECONOMIC DEVELOPMENT  
 SPECIAL EVENTS (01A)**

<b>EVENTS BUDGETED FY 12/13</b>	<b>Advertising/ Promotion 4801</b>	<b>Equipment Rentals 4402</b>	<b>Misc. Services &amp; Charges 4938</b>	<b>Total</b>
4th of July Celebration	\$-	\$12,106	\$11,600	\$23,706
Downtown/Live Events- (Monthly Live at Snyder Event held Oct-Aug)	\$4,000	\$6,244	\$12,000	\$22,244
Blessing of the Fleet	\$-	\$-	\$500	\$500
Environmental Luncheon	\$2,000	\$-	\$4,000	\$6,000
FL/GA Weekend	\$27,000	\$20,000	\$157,649	\$204,649
Jacksonville Jazz Festival	\$13,000	\$15,000	\$277,174	\$305,174
Light Parade	\$-	\$-	\$-	\$0
Martin Luther King Jr Breakfast	\$3,500	\$5,000	\$46,711	\$55,211
Mayor's College Expo*	\$1,500	\$-	\$4,087	\$5,587
Mayor's Holiday Open House	\$1,000	\$-	\$1,752	\$2,752
Military Related Events	\$-	\$-	\$-	\$0
Sea and Sky	\$10,000	\$40,000	\$120,000	\$170,000
Memorial Wall	\$-	\$-	\$2,000	\$2,000
Veterans Day Parade	\$2,000	\$3,000	\$15,000	\$20,000
Mayor Brown's Business Builder*	\$1,500	\$2,000	\$4,276	\$7,776
Starry Nights/Music Festival or Concert	\$3,500	\$5,000	\$30,000	\$38,500
Interfaith Celebration*	\$1,646	\$2,500	\$4,000	\$8,146
Hispanic Heritage Celebration*	\$1,000	\$-	\$2,336	\$3,336
World of Nations Celebration	\$5,000	\$16,500	\$85,000	\$106,500
<b>Totals</b>	<b>\$76,646</b>	<b>\$127,350</b>	<b>\$778,084</b>	<b>\$982,081</b>

\* - indicates new event in FY12/FY13

**RECOMMENDATIONS:**

1. We recommend a salaries/benefits lapse of \$31,979 based on average turnover and historical vacancies within Special Events and reducing the transfer from the General Fund by the same amount. This will have a positive impact of \$31,979 on Special Council Contingency.
2. We recommend eliminating building rentals charges of \$46,156 and decreasing the transfer in from the General Fund by the same amount to remove rent erroneously charged to an activity that is within General Fund. This will have no impact on Special Council Contingency.
3. We recommend reducing equipment rentals by \$127,350 and reducing the transfer in from the General Fund by the same amount. This subobject was double budgeted for \$254,700 in error by the Budget Office and should be reduced to match the Department's request. This will have a positive impact of \$127,350 on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PUBLIC PARKING SYSTEM (S/F 411)**

---

**PROPOSED BUDGET BOOK-Page #203-205  
ON SCREEN-Page #226-228**

**BACKGROUND:**

The Public Parking Division manages On-Street (parking meter) and Off-Street parking, specifically, Bay Street, Courthouse, Forsyth, and JEA parking lots. Revenues are generated through daily, monthly, and special event parking fees, as well as other fines and forfeitures.

**REVENUES:**

Office of Economic Development:

1. Charges for Services:

- The decrease of \$44,509 is primarily attributable to a decrease of \$476,632 in parking fees due to the loss of revenue at the old Courthouse lot and the discontinuation of the Shuttle Lot. This decline in revenue is somewhat offset by an increase of \$432,119 in collection fees primarily due to an expected collection of 12,000 tickets that were not properly sent to the collection agency in FY2012.

2. Fines and Forfeits:

- The decrease of \$88,360 is attributable to an anticipated decrease of \$147,960 in parking fines based on projections. This was slightly offset by an increase of \$59,600 due to the creation of a new subobject to track vehicle immobilization fees.

**EXPENDITURES:**

Jacksonville Citywide Activities:

1. Lapse:

- This reflects an estimated salary and benefit lapse based on the average turnover ratio and estimated number of vacancies in FY 2013.

2. Cash Carryover:

- The decrease of \$13,592 is due to a reduction of excess funds being appropriated to this line item.

Office of Economic Development:

1. Salaries:

- The decrease of \$97,830 is primarily due to the transfer of one position to the Disabled Services Department and the elimination of three positions in this activity.

2. Internal Service Charges:

- The decrease of \$23,423 is primarily attributable to a reduction of \$39,156 in computer system maintenance charges due to reductions in ITD estimates. These were somewhat offset by increases of \$11,107 in fleet, \$2,883 in copy center allocation, \$2,651 in OGC Legal, and \$1,605 in copier consolidation charges.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PUBLIC PARKING SYSTEM (S/F 411)**

---

**PROPOSED BUDGET BOOK-Page #203-205  
ON SCREEN-Page #226-228**

3. Other Operating Expenses:

- The increase of \$133,517 is primarily attributable to increases of \$214,110 in hardware/software maintenance and licenses requested to upgrade the license plate recognition system, and to replace the citation management database and handheld units, \$17,739 increase in building rental, \$9,640 in insurance allocation and \$7,154 in credit card fee charges. These were somewhat offset by the elimination of \$87,166 in contractual services due to the discontinuation of the Shuttle lot, and decreases of \$25,584 in other operating supplies and \$3,484 in repair and maintenance charges.

4. Capital Outlay:

- The decrease of \$95,256 is attributable to the elimination of meter equipment purchases. A purchase request for new meter equipment was not authorized in this subfund for FY 2013.

5. Indirect Costs:

- This amount represents Indirect Cost recovery computed by the full cost allocation plan study.

**EMPLOYEE CAP CHANGES:**

The employee cap was reduced by four (4) positions.

**SERVICE LEVEL CHANGES:**

None

**CAPITAL OUTLAY CARRYFORWARDS:**

None

**CONCERN:**

Based on current year expenditures and revenue, the Public Parking System is projected to have a negative available cash balance of (\$240,299) at year end. This subfund should closely monitor what is being spent compared to revenue received to avoid a potential negative effect on Fund Balance in the current year as well as future years.

**RECOMMENDATIONS:**

None

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PARKING GARAGE REVENUE (S/F 412)**

---

**PROPOSED BUDGET BOOK – Page #206-207  
ON SCREEN-Page #229-230**

**BACKGROUND:**

The Public Parking Division manages the Ed Ball, St. James Building, Yates, City Hall Annex and Water Street garages. Revenues are generated through daily and monthly parking fees.

**REVENUES:**

Office of Economic Development:

1. Charges for Services:

- The increase of \$499,560 is primarily attributable to increases of \$482,764 in monthly parking fees due to EverBank employees moving into the area, \$10,000 in parking fees for special events and \$6,796 in daily parking fees.

**EXPENDITURES:**

Jacksonville Citywide Activities:

1. Cash Carryover:

- The increase of \$694,767 is due to funds being appropriated to this line item.

Office of Economic Development:

1. Other Operating Expenses:

- The decrease of \$94,627 is primarily due to a reduction of \$168,266 in repairs and maintenance due to aesthetic upgrades not being performed for FY 2012/13. This was somewhat offset by an increase of \$73,016 in miscellaneous insurance charges that were properly allocated to the Ed Ball Building for FY 2012/13.

2. Capital Outlay:

- The decrease of \$50,834 is due to a reduction in additional specialized equipment purchases for FY 2012/13. The department requested \$100,845 for facilities automation and revenue control system upgrade in FY 2011/12. Since these funds have not been spent as of July 2012, the Public Parking Division is requesting to carry forward this amount under Schedule AF and is additionally requesting \$50,000 under Specialized Equipment (subject), for the same purpose.

3. Indirect Cost:

- The decrease of \$49,746 represents indirect cost recovery computed by the full cost allocation plan study.

**EMPLOYEE CAP CHANGES:**

There are no positions associated with this subfund.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PARKING GARAGE REVENUE (S/F 412)**

---

**PROPOSED BUDGET BOOK – Page #206-207  
ON SCREEN-Page #229-230**

**SERVICE LEVEL CHANGES:**

None

**CAPITAL OUTLAY CARRYFORWARDS:**

Per Schedule AF, the following item is requested as a capital carryforward:

- Automation of Ed Ball Parking Garage \$100,845

**CONCERN:**

As noted in the Council Auditor's Office quarterly summary for the nine months ended June 30, 2012, subfund 412 is in poor financial condition. As of June 30, 2012, Parking Garage Revenue has a negative cash balance of approximately \$2 million. Based on current year expenditures and revenue, this subfund should closely monitor what is being spent compared to revenue received to avoid a potential negative effect on Fund Balance in the current year as well as future years.

**RECOMMENDATIONS:**

None

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
MOTOR VEHICLE INSPECTION (S/F 431)**

---

**PROPOSED BUDGET BOOK-Page #208-209  
ON SCREEN-Page #232-233**

**BACKGROUND:**

The Public Parking Division manages the inspection stations for school buses, city vehicles and vehicles for hire.

**REVENUES:**

1. Transfers from Fund Balance:
  - The increase of \$9,234 is due to an increase in the fund balance appropriation for FY 2013.
2. Charges for Services:
  - The decrease of \$24,000 is due to school bus routes being consolidated or eliminated (for example, Magnet school transportation was eliminated) resulting in fewer school bus inspections required.

**EXPENDITURES:**

1. Salaries:
  - The decrease of \$12,994 is due to the elimination of a vacant position budgeted at \$24,518. This was somewhat offset by an increase of \$11,000 in part-time salaries.
2. Internal Service Charges:
  - The decrease of \$13,048 is primarily due to decreases in ITD allocation charges resulting from lower costs incurred by ITD.
3. Indirect Cost:

The increase of \$12,751 is due to Indirect Cost recovery computed by the full cost allocation plan study.

**EMPLOYEE CAP CHANGES:**

The employee cap was reduced by one (1) position.

**SERVICE LEVEL CHANGES:**

None

**CAPITAL OUTLAY CARRYFORWARDS:**

None

**RECOMMENDATIONS:**

None



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION (751)**

---

**PROPOSED BUDGET BOOK - Page #238-239  
ON SCREEN - PDF Page #261-262**

**BACKGROUND:**

Up until passage of 2012-212-E, the JEDC served as the economic development agency for the City of Jacksonville, implementing policies that result in sustainable job growth, raising personal incomes and creating broader tax base for the community. The JEDC oversaw the administration of local and state incentives, the redevelopment of Cecil Commerce Center, Downtown development and permitting, Film and Television initiatives and Sports and Entertainment programs including administration of the SMG Contract.

With the passage of 2012-212-E, JEDC, now Office of Economic Development, is no longer a component unit of the City and is being moved back into the General Fund – GSD as a City Department. At the close of the FY 2011/12, the fund as a whole will be collapsed. The FY 2012/13 proposed budget includes the transfer of the remaining fund balance back to the General Fund – GSD.

**REVENUES:**

Transfers from Fund Balance:

- This amount represents the estimated year-end balance in this fund which will be transferred to the General Fund – GSD.

**EXPENDITURES:**

Transfers to Other Funds:

- This amount represents the fund balance transfer to the General Fund – GSD as mentioned above.

**EMPLOYEE CAP CHANGES:**

With the passage of 2012-212-E, the authorized positions and part-time hours have been moved out of this fund into Office of Economic Development budget in the General Fund.

**RECOMMENDATION:**

Transfer from Fund Balance should be decreased by \$300,000 from \$712,518 to \$412,518 to align it with the fund balance expected at the year end. It will have a negative impact on Special Council Contingency of \$300,000.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
CECIL FIELD TRUST FUND (759)**

---

**PROPOSED BUDGET BOOK - Page #240-241  
ON SCREEN - PDF Page #263-264**

**BACKGROUND:**

Established per ordinance 98-1052, all revenues received or earned by the City from the development and operation of the Cecil Commerce Center (excluding revenues related to an interlocal agreement with the Jacksonville Aviation Authority) are deposited into this trust fund. This fund is an all years fund.

**REVENUES:**

Jacksonville Citywide Activities:

- The decrease of \$54,110 in miscellaneous revenue represents a reduction in investment earnings. While only \$68,126 is budgeted for FY 2012/13, it is probable that actual revenue collected will exceed the budgeted amount. Currently, budgeted revenues for investment earnings exceed actual revenues collected over the years. Budgeting slightly lower than the expected amount will help to align all years actual revenues with all years budgeted revenues.
- In transfers from component units, there is no proposed transfer from the General Fund in FY 2012/13 since a subsidy from the General Fund is no longer needed.

Office of Economic Development

- The decrease of \$2,499 in charges for services is due to a reduction in the hunting, fishing, and archery permits revenues (no revenues were collected year to date).
- The net increase of \$637,347 in miscellaneous revenue represents an increase of \$106,276 in timber products and \$599,869 in gain on sale of real property that occurred during FY 2011/12 and will be appropriated in FY 2012/13. These were slightly offset by a decrease in rental of city facilities.

Parks and Recreation

- The decrease of \$33,429 in miscellaneous revenue is from timber products. While \$61,577 is expected to be collected, only \$36,571 is budgeted for timber revenues. Since it is all years subfund and there is no subsidy from the General Fund, underbudgeted revenues will be used in the future.

**EXPENDITURES:**

Other Operating Expenses:

- The decrease of \$18,581 in the Office of Economic Development is due to a reduction in professional services (forest management contract's cost is expected to be lower for FY 2012/13 since only one forester will be utilized in FY 2012/13 instead of two foresters as in the current fiscal year).
- The decrease of \$12,834 in Parks and Recreation is due to a reduction in professional services (forest management contract's cost is expected to be lower

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2012/13 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
CECIL FIELD TRUST FUND (759)**

---

for FY 2012/13 since only one forester will be utilized in FY 2012/13 instead of two foresters as in the current fiscal year).

**SERVICE LEVEL CHANGES:**

There are no service level changes to the budget.

**EMPLOYEE CAP CHANGES:**

There are no authorized positions in this subfund.

**RECOMMENDATIONS:**

None