

OFFICE OF THE COUNCIL AUDITOR

FY 2014/2015 PROPOSED BUDGET

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Meeting #3
August 14, 2014

**COUNCIL AUDITOR'S OFFICE
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**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
TAX COLLECTOR (S/F 017)**

**PROPOSED BUDGET BOOK – Page # 383-385
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BACKGROUND:

The Tax Collector's budget includes funding for three (3) divisions identified as branch agencies, current and delinquent taxes, and supervision and general collection. There are nine (9) branches and one (1) satellite office which process various transactions such as property and local business taxes, driver's license services and fast title services.

REVENUES:

NON-DEPARTMENTAL

1. Miscellaneous Revenue:

- The decrease of \$21,015 is attributable to lower investment pool earnings.

2. Transfers from Other Funds:

- The transfer from the General Fund / General Services District (S/F 011) of \$6,875,898 is used to fund the disparity between budgeted revenues and expenses. The increase of \$1,606,295 is mainly due to increases in personnel costs, internal services – IT operations allocation, and due to a \$0 transfer from fund balance for FY 2014/15.

3. Transfers from Fund Balance:

- The elimination of \$350,000 in transfers from fund balance is due to a low projected level of retained earnings in this subfund.

TAX COLLECTOR

4. Charges for Services:

- The net increase of \$169,645 is mainly attributable to increases based on current year actuals within tag registrations of \$75,000 and fast title charges of \$15,000. In addition, there is an increase in real estate advertising charges of \$68,000 due to rate increases.

5. Miscellaneous Revenue:

- There is a decrease of \$2,000 in miscellaneous sales and charges to better reflect actuals.

EXPENDITURES:

NON-DEPARTMENTAL

1. Salaries and Benefits Lapse:

- The lapse of \$338,247 was calculated by the Budget Office based on employee turnover history within the Tax Collector's Office.

TAX COLLECTOR

2. Salaries:

- The net increase of \$330,242 is mainly due to the funding of six (6) positions that were unfunded during FY 2013/14 totaling \$171,198 (two (2) Revenue Collector Supervisor's and four (4) Revenue Collector Senior positions). There is also an increase of \$150,269

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for wages of select personnel (mainly revenue collector and revenue collector senior positions).

3. Employer Provided Benefits:

- The increase of \$345,455 is mainly due to increases in pension contributions of \$269,153 and hospitalization insurance of \$68,165.

4. Internal Service Charges:

- The net increase of \$101,572 is mainly due an increase in building cost maintenance for the Yates building of \$95,850 due to the recent move of the Tax Collector's call and mail center from the Gateway Shopping Center into the Yates Building and an increase of \$32,885 for OGC legal charges. These increases were slightly offset by decrease of \$24,678 to \$0 from IT system development due to the completion of a project.

5. Internal Service – IT Operations

- The change in information technology costs is a result of the newly implemented Customer Billing Model.

6. Other Operating Expenses:

- The net increase of \$84,626 is mainly due to an increase of \$55,102 in contractual services due to the Tax Collector outsourcing the opening and processing of mail related to taxes and the DMV. This was previously handled as an internal service charge through the Information Technologies Division. In addition, there are increases of \$30,000 in postage due to increased postage costs and \$21,258 in hardware/software maintenance and licenses due to new queuing hardware and a new electronic content management system. These increases were somewhat offset by decreases of \$13,480 in repairs and maintenance and \$11,350 in land and building rentals.

SERVICE LEVEL CHANGES:

There are no significant service level changes.

EMPLOYEE CAP CHANGES:

None

CAPITAL OUTLAY CARRYFORWARDS:

Per Schedule AF, there is a capital carry forward of \$156,029 for the Mandarin Branch relocation build-out (Ordinance 2012-686-E).

RECOMMENDATION:

We recommend the computer system maintenance allocation be reduced by \$53,000 due to an error in ITD billing for maintenance that is no longer required. This will reduce the overall budget of both the Tax Collector and ITD by \$53,000. Both the Tax Collector and ITD agree with this recommendation. There will be a positive impact of \$53,000 to Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PROPERTY APPRAISER (S/F 015)**

**PROPOSED BUDGET BOOK – Page # 309-311
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BACKGROUND:

The Property Appraiser is a constitutional officer within the consolidated City of Jacksonville. As established in Article 10 of the Jacksonville Charter, the Property Appraiser is responsible for assessing all real and personal property in Duval County. The Property Appraiser's Office is governed by the Florida Statutes and the Jacksonville Municipal Code. Pursuant to Section 193.1142 of the Florida Statutes, the Department of Revenue is responsible for reviewing and approving the Property Appraiser's assessment roll on a yearly basis. However, funding for the Property Appraiser's Office is mainly through a General Fund Contribution. The Property Appraiser's Office is divided into seven (7) departments which include: Administration, Commercial, Field Operations, Land Records, Personal Records (Tangible Personal Property), Records Management (Customer Services) and Residential.

REVENUES:

JACKSONVILLE CITYWIDE ACTIVITIES

1. Charges for Services:

- The net increase of \$22,849 is attributable to increases of \$14,000 from the Community Development District fees, \$7,875 from St. Johns River Water Management District (SJRWMD) fees, and \$974 in FL Inland Navigation District (FIND) fees. Per FL Statute 192.091(1)(a), the amount of the fees from the SJRWMD and the FIND is dependent upon the size of the Property Appraiser's annual budget.

2. Miscellaneous Revenue:

- The net increase of \$6,987 is due to an increase in investment pool earnings.

3. Transfers from Other Funds:

- The increase of \$1,300,230 in transfers from the general fund is due to an increase in proposed budgeted expenses and the lack of a transfer from fund balance.

4. Transfers from Fund Balance:

- The elimination of \$650,000 in transfers from fund balance is due to a low projected level of retained earnings in this subfund.

EXPENDITURES:

NON-DEPARTMENTAL

1. Salary & Benefit Lapse:

- The lapse of \$139,482 is calculated by the Budget Office based on employee turnover history with the Property Appraiser.

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PROPERTY APPRAISER (S/F 015)**

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PROPERTY APPRAISER

2. Salaries:

- The net increase of \$71,293 is mainly due to an increase of \$79,658 in permanent and probationary salaries which includes a 2% merit pool increase (or \$73,090) for approximately 118 employees. In addition, there is an increase of \$843 in part-time salaries. These increases are slightly offset by decreases of \$4,066 in leave rollback/sellback, \$3,500 in special pay, and \$1,642 in special pay pensionable.

3. Employer Provided Benefits:

- The net increase of \$248,677 is due to an increase of \$185,944 in pension contributions, \$51,747 in hospitalization insurance, \$6,230 in FICA taxes, \$2,649 in Medicare taxes, \$1,109 in workers' compensation insurance, and \$998 in group life insurance.

4. Internal Service Charges:

- The net increase of \$34,506 is mainly due to increases in charges of \$72,952 for building cost allocation, \$12,973 for tech refresh and pay-go, \$3,557 for copier consolidation, and \$2,569 for one new vehicle. These increases are somewhat offset by a decrease of \$49,703 in OGC legal charges and a decrease of \$8,356 in fleet repairs/maintenance and fleet parts/gas charges.

5. Internal Service – IT Operations

- The change in information technology costs is a result of the newly implemented Customer Billing Model.

6. Other Operating Expenses:

- The net increase of \$328,964 is mainly due to an increase of \$315,013 in professional services. The primary increase in professional services is a \$314,806 increase in the aerial photography and analysis contract which is procured and paid for every other year. There is a new line item for software and computer items of \$9,857 mainly due to the purchase of licenses for GIS and CAMA servers.

SERVICE LEVEL CHANGES:

There are no significant service level changes.

CAPITAL OUTLAY CARRYFOWARD:

None

EMPLOYEE CAP CHANGES:

There are no changes to the employee cap.

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COMMENTS AND RECOMMENDATIONS
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PROPERTY APPRAISER (S/F 015)**

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DEPARTMENT REQUESTS:

1. The Property Appraiser requests an additional \$15,176 within their OGC-Legal allocation for expenses associated with expert witness testimony. The department would fund this increase through a transfer from the fund balance. This would also impact the professional services budget within the Office of the General Counsel through an interfund transfer. There is no impact to the Special Council Contingency.
2. The Property Appraiser is requesting an additional \$22,832 for employee benefits associated with the merit pool increase of \$73,090. Employer provided benefits were not adjusted to reflect an increase in salaries due to a proposed 2% merit pool increase. If the Council approves the proposed budget for the Property Appraiser with the 2% merit pool increase in it, the Property Appraiser requests employer provided benefits be adjusted to reflect the Mayor's proposed salaries level. Council could fund these increases through a transfer from the Property Appraiser's fund balance. There would be no impact on the Special Council Contingency. Adjustments should occur as follows:

Subobject	Description	Mayor's Proposed	CAO Recommended	Increase (Decrease)
02101	Payroll Taxes (FICA)	\$ 22,517	\$ 22,823	\$ 306
02102	Medicare	\$ 69,430	\$ 70,490	\$ 1,060
02201	GEPP Pension Contribution	\$ 1,478,228	\$ 1,499,382	\$ 21,154
02207	GEPP Disability Contribution	\$ 14,217	\$ 14,436	\$ 219
02213	GEPP Defined Contribution	\$ 4,659	\$ 4,752	\$ 93
				\$ 22,832

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
CLERK OF THE COURTS – OPERATIONS (S/F 016)**

**PROPOSED BUDGET BOOK – Page # 402-404
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BACKGROUND:

Pursuant to Article 5 of the of the Florida Constitution and Section 28 of the Florida Statutes, the Clerk of the Circuit Court is the official recorder of all instruments that may, by law, be recorded in the county. Examples of these instruments included deeds, marriage licenses, documentary stamps, etc. A fee of \$10 for the first page and \$8.50 for each additional page is charged each time a document is recorded with the Clerk. The County side of the Clerk (S/F 016) receives \$5.00 for the first page and \$4.00 for each additional page. The rest of the fee goes into various other accounts. This sub-fund has Clerk County operations and Clerk Court-related costs that are a County obligation.

Distributed to/Used for	1st Page	Each Add'l Page	Subfund
City of Jacksonville (Clerk of Court County Related Duties)	\$ 5.00	\$ 4.00	016 - Clerk of Court
Clerk of the Court (Public Records Modernization Trust Fund - County Related IT Needs Except Salaries)	1.00	0.50	
Clerk of the Court (Public Records Modernization Trust Fund - Court Related IT Needs Including Salaries)	1.90	1.90	
Florida Association of Court Clerks and Comptrollers Inc.	0.10	0.10	
City of Jacksonville (Technology for State Trial Courts, State Attorney, and Public Defender)	2.00	2.00	15U - Recording Fees Technology
Total Fee	\$ 10.00	\$ 8.50	

REVENUE:

1. Charges for Services:

- The net decrease of \$277,700 is primarily due to a decrease of \$375,000 in recording fee revenue. This is offset somewhat by an increase of \$50,000 in tax deeds revenue, \$35,000 in documentary stamps and \$13,000 in marriage license revenue based on historical actuals.

2. Non-Departmental Miscellaneous Revenue:

- The increase of \$7,015 is for investment earnings due to the fund having a positive balance.

3. Transfers from Fund Balance:

- The transfer of \$335,482 from Fund Balance is needed due to a projected shortage of revenue to cover budgeted expenditures in FY 2014/15.

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
CLERK OF THE COURTS – OPERATIONS (S/F 016)**

**PROPOSED BUDGET BOOK – Page # 402-404
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EXPENDITURES:

Clerk of the Court:

1. Salaries:
 - The decrease of \$20,075 is mainly attributable to a decrease in part time salaries.
2. Employer Provided Benefits:
 - The net increase of \$43,641 is mainly attributable to increases of \$39,514 in pension and \$6,876 in group health insurance. This is slightly offset by a decrease of \$3,851 in defined contribution.
3. Internal Service Charges:
 - The increase of \$105,117 is primarily due to a net increase of \$63,334 in building maintenance and utility allocation and an increase of \$44,186 in legal cost based on current actuals.
4. Internal Services – IT Operations:
 - The change in information technology costs is a result of the newly implemented Customer Billing Model.
5. Other Operating Expenses:
 - The net decrease of \$155,798 is mainly attributable to miscellaneous insurance for shared buildings being allocated via the public buildings allocations.
6. Supervision Allocation:
 - This is an allocation for the Clerk of the Courts administrative staff time paid for by the State that needs to be billed to the City. The increase of \$28,630 is due to an overall increase in administration cost.
7. Indirect Cost:
 - This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study.

Non-Departmental:

1. Salary and Benefit Lapse:
 - This reflects an estimated salary and benefit lapse based on the average turnover ratio and estimated number of vacancies in FY 2014/15.
2. Cash Carryover:
 - Estimated revenues do not exceed estimated expenditures in the proposed FY 2014/15 budget. As a result, there is no cash carryover budgeted in FY 2014/15.

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
CLERK OF THE COURTS – OPERATIONS (S/F 016)**

**PROPOSED BUDGET BOOK – Page # 402-404
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EMPLOYEE CAP CHANGES:

The employee cap has not changed.

SERVICE LEVEL CHANGES:

None.

CAPITAL OUTLAY CARRYFORWARD:

There is \$140,921 in Capital Outlay to be carried forward to finance the purchase of the Customer Queuing System pursuant to Ordinance 2013-293-E.

RECOMMENDATION:

1. We recommend that clerk circuit court-costs and fees be decreased by \$200,000 to reflect more realistic revenue projections based on current actuals. This will be offset by an increase of \$200,000 in transfers from fund balance. This will not impact Special Council Contingency.
2. We recommend that the IT billing allocation to the Clerk's Office be reviewed in detail during FY 2014/15 to determine the appropriate allocation to this subfund and determine whether part of the charges need to be allocated to another subfund of the Clerk's or another Department's budget. This needs to be addressed at the very least prior to the FY 2015/16. However, one item that needs to be addressed now is the Time and Attendance System (TAS) allocation to the Clerk which needs to be reduced by \$15,610. This will reduce the transfer from fund balance in the Clerk's budget and require a transfer from fund balance by a corresponding amount within IT Operations' budget (S/F 531). This will not impact Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
GENERAL FUND / GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK-Page #386-387
ON SCREEN-Page #394-395**

BACKGROUND:

This budget includes the Circuit and County Courts' expenses as well as the Guardian Ad Litem. The County is responsible for providing facilities, maintenance, utilities, security, communications, existing radio systems and the existing Multi-Agency Criminal Justice Information System (CJIS) to the Courts pursuant to Florida Statute 29.008.

EXPENDITURES:

1. Salaries:
 - The increase of \$106,155 is due to the addition of one (1) position, which was transferred over from Juvenile Drug Court. Pursuant to Ordinance 2013-600-E, a City Magistrate position was created during FY2013-14 to hear all municipal code violations in addition to hearing Drug Court cases.
2. Employer Provided Benefits:
 - The increase of \$43,347 is mainly due to the City Magistrate position that was transferred from Juvenile Drug Court.
3. Internal Service Charges:
 - The net increase of \$363,862 is attributable to overall increases in building maintenance allocation of \$317,765 for the Courthouse, \$38,048 for the Ed Ball building, and \$15,989 for the St. James building. Maintenance costs at the Ed Ball and St. James buildings are related to the Guardian Ad Litem program.
4. Internal Services – IT Operations:
 - The change in information technology costs is a result of the newly implemented Customer Billing Model. We found an issue with the IT cost allocation which will be addressed within the Recording Fee Technology (S/F 15U).
5. Other Operating Expenses:
 - The net decrease of \$6,980 is primarily attributable to a reduction of \$10,600 in professional services. This is somewhat offset by an increase of \$4,448 in general liability insurance.
6. Capital Outlay:
 - The proposed budget includes \$32,000 in capital outlay for the purchase of additional evidence carts for courtrooms and \$25,000 to replace furniture and equipment due to unforeseen problems throughout the year.

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COURTS
GENERAL FUND / GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK-Page #386-387
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EMPLOYEE CAP CHANGES:

The employee cap was increased by one (1) position during the current year after the budget for FY 2013/14 was approved. Pursuant to Ordinance 2013-600-E, a Municipal Code Hearing Officer position was transferred to Court from the Juvenile Drug Court sub-fund.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
DUVAL COUNTY LAW LIBRARY (15B)**

**PROPOSED BUDGET BOOK – Page #388-389
ON SCREEN-Page #396-397**

BACKGROUND:

The Duval County Law Library is for all judges, trial court law clerks, attorneys, courthouse personnel and the general public. As of July 1, 2004, a \$65 fee was imposed pursuant to Florida Statute 939.185 and Ordinance 2004-609-E on felony, misdemeanor or criminal traffic offenses of which 25% is used to fund personnel and legal materials for the public as part of a law library.

REVENUE:

1. Charges for Services:
 - The decrease of \$3,000 is due to lower revenues from the \$65 fee based on recent actuals.

EXPENDITURES:

1. Employer Provided Benefits:
 - The increase of \$1,108 is mainly due to an increase of \$1,081 in group health insurance.
2. Library Materials:
 - There is a decrease of \$2,141 due to less fee revenue being available to spend on library materials.
3. Indirect Cost:
 - This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study.

EMPLOYEE CAP CHANGES:

There are no cap changes.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
JUVENILE DRUG COURT (15L)**

**PROPOSED BUDGET BOOK – Page #390-391
ON SCREEN-Page #398-399**

BACKGROUND:

As of July 1, 2004, a \$65 fee was imposed pursuant to Florida Statute 939.185 and Ordinance 2004-609-E on felony, misdemeanor or criminal traffic offenses of which 25% is used to fund juvenile assessment and other juvenile alternative programs.

This is an “all years” sub-fund, which means once dollars are appropriated, the appropriation stays in place from year to year rather than lapsing. A schedule that shows a true year-to-year budget without any “all years” adjustments is below.

	FY 2013/14 Approved Before <u>Adjustments</u>	FY 2014/15 Proposed Before <u>Adjustments</u>	<u>Change</u>
REVENUE			
COURTS			
Charges for Services	250,000	247,000	(3,000)
NON-DEPARTMENTAL			
Miscellaneous Revenues	<u>5,539</u>	<u>8,480</u>	<u>2,941</u>
TOTAL REVENUE	255,539	255,480	(59)
EXPENDITURES			
COURTS			
Salaries	277,716	184,261	(93,455)
Employer Provided Benefits	115,328	91,598	(23,730)
Internal Services - IT Operations	966	3,301	2,335
Other Operating Expenses	<u>119,078</u>	<u>10,573</u>	<u>(108,505)</u>
TOTAL EXPENDITURES	513,088	289,733	(223,355)

REVENUE:

Community Services:

1. Charges for Services:

- The decrease of \$20,592 is due to “all years” adjustments made to decrease the budget to actuals for activities that are no longer used. No revenue is actually budgeted under Community Services for FY2014/15.

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MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
JUVENILE DRUG COURT (15L)**

**PROPOSED BUDGET BOOK – Page #390-391
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2. Transfers from Fund Balance:

- The decrease of \$243,487 is a plug number to balance the budget due to the “all years” adjustments made.

Courts:

3. Charges for Services:

- The increase of \$224,826 is primarily due to an “all years” adjustment made in the previous year to revenues from the \$65 fee. The amount budgeted to be collected in FY 2013/14 was actually \$250,000 compared to \$247,000 in FY 2014/15.

Non-Departmental / Fund Level Activities:

4. Miscellaneous Revenue:

- The decrease of \$14,046 is primarily due to “all years” adjustments made in the previous and current proposed budget. Interest earnings are actually \$8,480 in FY 2014/15 compared to \$5,539 in FY 2013/14.

EXPENDITURES:

1. Salaries:

- The decrease of \$21,456 is primarily due to a transfer of one (1) position of \$94,080 to the General Fund / General Services District (S/F 011) per Ordinance 2013-600-E. This was offset by an “all years” adjustments of \$69,052 made in the previous budget year. Salaries to be paid are actually \$184,261 in FY 2014/15 compared to \$277,716 in FY2013/14.

2. Employer Provided Benefits:

- The decrease of \$20,753 is mainly attributable to the position that was transferred to the General Fund / General Services District (S/F 011).

3. Other Operating Expenses:

- Other Operating Expenses are actually \$10,573 in FY 2014/15 compared to \$119,078 in FY 2013/14 due to the elimination of \$108,395 in Contractual Services which resulted from no longer utilizing drug treatment and rehabilitation services provided by River Region for juveniles. The decrease is offset by a net “all years” adjustment of \$100,509 made in the previous and current budget based on current year use, which results in the net decrease of \$7,996.

EMPLOYEE CAP CHANGES:

Effective 10/01/13, the employee cap was decreased by one (1) position after the budget for FY 2013/14 was approved. Pursuant to Ordinance 2013-600-E, a Municipal Code Hearing Officer

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COURTS
JUVENILE DRUG COURT (15L)**

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position was transferred from the Juvenile Drug Court sub-fund to the General Fund / General Services District (S/F 011).

SERVICE LEVEL CHANGES:

None.

CAPITAL OUTLAY CARRYFORWARD:

None.

RECOMMENDATIONS:

1. We recommend that contractual services be increased by \$20,000 due to the fact that there is not enough capacity for the entire “all years” adjustment included in the proposed budget for this line item and to provide enough funds to maintain the current level of service. This will be offset with a reduction in the reserve line. This will not impact Special Council Contingency.
2. We recommend the use of “all years” budgeting for this sub-fund cease effective 9/30/14 to provide a more transparent representation of the annual funding needs and operations of this program. Accounting will need to take the necessary steps in FY2014/15 to end this practice, which may require further action by City Council. This has no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
COURT INNOVATIONS-JUDICIAL SUPPORT (15Q)**

**PROPOSED BUDGET BOOK – Page #392-393
ON SCREEN-Page #400-401**

BACKGROUND:

As of July 1, 2004, a \$65 fee was imposed pursuant to Florida Statute 939.185 and Ordinance 2004-609-E on felony, misdemeanor or criminal traffic offenses of which 25% is used for Court Innovations which funds Judicial Support.

	Adopted FY 2013/14 Before Adjustment	Proposed FY 2014/15 Before Adjustment	Change
REVENUE			
COURTS			
Charges for Services	<u>250,000</u>	<u>247,000</u>	<u>(3,000)</u>
TOTAL REVENUE	250,000	247,000	(3,000)
EXPENDITURES			
COURTS			
Salaries	77,100	77,100	-
Employer Provided Benefits	32,711	35,757	3,046
Internal Services - IT Operations	170	4,271	4,101
Other Operating Expenses	<u>42,879</u>	<u>42,870</u>	<u>(9)</u>
TOTAL EXPENDITURES	152,860	159,998	7,138

REVENUE:

1. Charges for Services:

- The increase of \$50,696 is primarily due to “all years” adjustments made in the prior fiscal year and new adjustments proposed in the current budget. Revenues from the \$65 fee are actually \$247,000 for FY 2014-15 compared to \$250,000 in FY2013-14.

EXPENDITURES:

1. Salaries:

- The net decrease of \$36,176 is due to an “all years” adjustment. Salary expenditures for FY 2014/15 are actually the same as in FY 2014/15.

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
COURT INNOVATIONS-JUDICIAL SUPPORT (15Q)**

**PROPOSED BUDGET BOOK – Page #392-393
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2. Internal Service Charges:

- The net decrease of \$19,548 is attributable to “all years” adjustments made in the prior fiscal year and new adjustments proposed in the current budget. There are actually no internal services to be charged in the current and prior budget.

3. Internal Services – IT Operations:

- The change in information technology costs is a result of the newly implemented Customer Billing Model.

4. Other Operating Expenses:

- The net increase of \$95,151 is primarily due to “all years” adjustments made in the prior fiscal year and new adjustments proposed in the current budget. Other Operating Expenses are actually \$42,870 in FY 2014/15 compared to \$42,879 in FY 2013/14.

5. Salary & Benefit Lapse:

- The increase is due to an “all years” adjustment in FY 2014/15.

EMPLOYEE CAP CHANGES:

The cap in this fund did not change.

RECOMMENDATION:

We recommend the use of “all years” budgeting for this sub-fund cease effective 9/30/14 to provide a more transparent representation of the annual funding needs and operations of this program. Accounting will need to take the necessary steps in FY2014/15 to end this practice, which may require further action by City Council. This has no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
COURT COST COURTHOUSE TRUST (15T)**

**PROPOSED Budget Book – Page #394-395
ON SCREEN – PDF Page # 402-403**

BACKGROUND:

As a result of Ordinance 2010-561-E, the State Court Facilities Surcharge was increased from \$15 to \$30. The surcharge is levied on non-criminal traffic violations and the criminal violations listed in Section 318.17 of the Florida Statutes and is to be used exclusively to fund the maintenance and the capital improvements associated with court facilities. Pursuant to Section 634.102 of the Municipal Code, no less than 25% of the \$30 fee should be spent on maintenance.

This is an “all years” subfund, which means once dollars are appropriated, the appropriation stays in place from year to year rather than lapsing. A schedule that shows the “all years” adjustments is below.

	FY 2013/14 Approved	FY 2014/15 Proposed Before Adjustments	All Years Adjustment	FY 2014/15 Proposed
REVENUE				
COURTS				
Charges for Services	2,393,437	2,718,157	0	2,718,157
NON-DEPARTMENTAL				
Miscellaneous Revenues	6,928	0	(54,247)	(54,247)
Transfers From Other Funds	0	0	15,232	15,232
	<u>6,928</u>	<u>0</u>	<u>(39,015)</u>	<u>(39,015)</u>
TOTAL REVENUE	2,400,365	2,718,157	(39,015)	2,679,142
EXPENDITURES				
COURTS				
Internal Service Charges	238,529	679,539	0	679,539
Other Operating Expenses	0	0	(17,044)	(17,044)
	<u>238,529</u>	<u>679,539</u>	<u>(17,044)</u>	<u>662,495</u>
NON-DEPARTMENTAL				
Debt Service	2,161,836	2,265,253	17,816	2,283,069
PUBLIC WORKS				
Other Operating Expenses	0	0	(260,821)	(260,821)
Capital Outlay	0	0	(5,601)	(5,601)
	<u>0</u>	<u>0</u>	<u>(266,422)</u>	<u>(266,422)</u>
TOTAL EXPENDITURES	2,400,365	2,944,792	(265,650)	2,679,142

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
COURT COST COURTHOUSE TRUST (15T)**

**PROPOSED Budget Book – Page #394-395
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REVENUE:

1. Charges for Services:
 - The increase of \$324,720 is due to an expected increase in revenue from the \$30 fee based on historical actuals.
2. Miscellaneous Revenue:
 - The decrease of \$61,175 is due to an “all years” adjustment of \$54,247 and an expected decrease of \$6,928 in interest income based on current year performance.
3. Transfers from Other Funds:
 - The transfer from other funds is a plug figure used to balance the budget due to the “all years” adjustment made.

EXPENDITURES:

Courts:

1. Internal Service Charges:
 - The increase of \$441,010 is due to the proper application of Section 634.102 of the Municipal Code which requires that no less than 25% of fee revenue to be used for building maintenance. The costs for maintaining the courthouse complex reside in the public buildings internal service fund and a portion is allocated to this subfund via an internal service charge.
2. Other Operating Expenses:
 - The decrease of \$17,044 is attributable to an “all years” adjustment made to an activity no longer used.

Non-Departmental / Fund Level Activities:

1. Debt Service:
 - The increase of \$121,233 is due to an increase of \$103,417 in debt service costs associated with the Courthouse bond issue and an “all years” adjustment of \$17,816 made to Debt Service – Interest.

Public Works:

1. Other Operating Expenses:
 - The decrease of \$260,821 is attributable to an “all years” adjustment made to an activity no longer used.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
COURT COST COURTHOUSE TRUST (15T)**

**PROPOSED Budget Book – Page #394-395
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2. Capital Outlay:

- The decrease of \$5,601 is attributable to an “all years” adjustment made to an activity no longer used.

EMPLOYEE CAP CHANGES:

There are no employees in this subfund.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

We recommend the use of “all years” budgeting for this sub-fund cease effective 9/30/14 to provide a more transparent representation of the annual funding needs and operations of this program. Accounting will need to take the necessary steps in FY2014/15 to end this practice, which may require further action by City Council. This has no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
TEEN COURT PROGRAMS TRUST (15V)**

**PROPOSED BUDGET BOOK – Page # 396-397
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BACKGROUND:

This program provides Duval County youth with an alternative to a conviction record by diverting them into programs where they are subject to peer group involvement as part of the rehabilitation process, and/or exposure to community service work, positive role models, law students, and the judicial system. In addition, a second program, the Teen Court Truancy Program, was developed in an effort to reduce truancy. These programs are funded by a \$3 fee charged pursuant to Florida Statute 938.19 to Fund Teen Court Programs.

REVENUE:

1. Fines and Forfeits:
 - The increase of \$5,000 is due to a slight increase in fine revenues based on historical actuals.
2. Transfers from Fund Balance:
 - The decrease of \$20,479 is a result of a reduction in budgeted expenses and the slight increase in other revenue.

EXPENDITURES:

1. Salaries:
 - The Substance Abuse – Mental Health Services Administration Grant (SAMHSA) paid for a portion of the salaries of two employees within this sub-fund in FY 2013/14. Since the SAMHSA Grant has not been officially approved to continue the next fiscal year, the salaries for these two employees had to be budgeted 100% within the Teen Court Program Trust (S/F 15V) for FY 2014/15. As a result, the increase of \$10,253 is mainly attributable to \$12,566 in employees' salary not being allocated to the SAMHSA Grant as occurred in FY 2013/14.
2. Employer Provided Benefits:
 - The decrease of \$8,335 is primarily due to a net decrease of \$4,642 in pension contributions as a result of one employee switching from Defined Benefits to Defined Contribution and a decrease of \$3,176 in group hospitalization insurance.
3. Internal Services – IT Operations:
 - The change in information technology costs is a result of the newly implemented Customer Billing Model.
4. Other Operating Expenses:
 - The decrease of \$2,559 is mainly due to a decrease in office supplies.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
COURTS
TEEN COURT PROGRAMS TRUST (15V)**

**PROPOSED BUDGET BOOK – Page # 396-397
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EMPLOYEE CAP CHANGES:

There are no employee cap changes.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
JUDICIAL - VARIOUS
RECORDING FEES TECHNOLOGY (S/F 15U)**

**PROPOSED BUDGET BOOK – Page #405-407
ON SCREEN-Page #413-415**

BACKGROUND:

This sub-fund receives \$2 for each page recorded by the Clerk into the Official Record pursuant to Florida Statute 28.24(12)(e)(1). These funds are to be used on the technology costs for the State Courts, State Attorney, and Public Defender as outlined in Florida Statute 29.008(1)(f)(2). Funds should be disbursed once the three parties mutually agree with the distribution of the funds pursuant to Section 111.388 of the Municipal Code.

REVENUE:

1. Charges for Services:
 - The decrease of \$375,691 is attributable to lower revenues from the \$2 recording fee based on recent actuals. This revenue is tied to the recording of deeds and mortgages.
2. Miscellaneous Revenue:
 - The decrease is attributable to lower projected investment pool earnings.
3. Transfer from Fund Balance:
 - There is no transfer from fund balance for FY 2014/15 because no additional funds over current year revenue were needed to cover budgeted expenses.

EXPENDITURES:

Courts:

1. Internal Services – IT Operations:
 - The change in information technology costs is a result of the newly implemented Customer Billing Model.

Non-Departmental:

1. Cash Carryover:
 - This represents the excess of proposed revenue over expenses.

Public Defender:

1. Internal Service Charges:
 - The net decrease of \$11,110 is primarily due to a decrease of \$34,633 in IT system development, which was offset by an increase of \$23,523 in tech refresh and pay-go.
2. Internal Services – IT Operations:
 - The change in information technology costs is a result of the newly implemented Customer Billing Model.
3. Other Operating Expenses:
 - The increase of \$16,763 is mainly due to an increase in software maintenance costs.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
JUDICIAL - VARIOUS
RECORDING FEES TECHNOLOGY (S/F 15U)**

**PROPOSED BUDGET BOOK – Page #405-407
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State Attorney:

1. Internal Services – IT Operations:

- The change in information technology costs is a result of the newly implemented Customer Billing Model.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this subfund.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATIONS:

1. A large portion of IT related expenditures were improperly budgeted in the General Fund / General Services District (S/F 011) under the individual index codes for Courts, State Attorney, and Public Defender instead of being funded under Recording Fees Technology (S/F 15U) as permitted by the Florida Statute 28.24(12)(e)(1). We recommend that Computer System Maintenance/Security of \$127,797 for Courts (S/F 011), \$297,774 for State Attorney (S/F 011), and \$42,201 for Public Defender (S/F 011) be moved from the General Fund / General Services District (S/F 011) to Recording Fees Technology (S/F 15U).

This will be offset by a decrease of \$358,160 in Cash Carryover and a transfer of \$109,612 from the General Fund / General Services District (S/F 011). This will have a positive impact of \$358,160 in Special Council Contingency.

2. Section 111.388 of the Municipal Code requires the three areas sign an agreement before funds are disbursed from this sub-fund. This MOU should be signed after the committee takes action on the above recommendation.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PUBLIC DEFENDER
GENERAL FUND / GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK – Page # 398-399
ON SCREEN-Page # 406-407**

BACKGROUND:

The Public Defender Office is an agency of the State of Florida. Chapter 29.008 of the Florida Statutes requires that the Public Defender's office be provided with such office space, utilities, maintenance, security, transportation, and communication services as may be necessary for the proper and efficient functioning of their offices.

EXPENDITURES:

1. Internal Service Charges:
 - The net increase of \$1,402,212 is due to the cost of the Banking Fund debt being allocated via the building allocation. Additionally, there was a slight increase in the building cost allocation.
2. Internal Services – IT Operations:
 - The change in information technology costs is a result of the newly implemented Customer Billing Model. We found an issue with the IT cost allocation which will be addressed within Recording Fees Technology (S/F 15U).
3. Other Operating Expenses:
 - The decrease of \$1,360,418 is attributable to the elimination of \$1,332,801 in rental expenses due to the purchase of the Jake Godbold Building and a reduction of \$27,617 in miscellaneous insurance. The banking fund allocation and associated insurance for the Jake Godbold Building are now included in the building cost allocation

EMPLOYEE CAP CHANGES:

There are no City funded positions.

SERVICE LEVEL CHANGES:

None.

CAPITAL OUTLAY CARRYFORWARD:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
STATE ATTORNEY
GENERAL FUND / GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK - Page #400-401
ON SCREEN-Page #408-409**

BACKGROUND

Chapter 29.008 of the Florida Statutes requires the City of Jacksonville to provide the State Attorney with office space, utility, maintenance, security, and communication services as may be necessary for the proper and efficient functioning of their offices.

EXPENDITURES:

Internal Service Charges:

- The net increase of \$249,948 is primarily due to an increase in building maintenance allocation cost.

Internal Services – IT Operations:

- The change in information technology costs is a result of the newly implemented Customer Billing Model. We found an issue with the IT cost allocation which will be addressed within Recording Fees Technology (S/F 15U).

Other Operating Expenses:

- The increase of \$2,666 is attributable to an increase in miscellaneous services and charges to pay for the record destruction service.

EMPLOYEE CAP CHANGES:

There are no City funded positions.

SERVICE LEVEL CHANGES:

None.

CAPITAL OUTLAY CARRYFORWARD:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
GENERAL FUND / GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK – Page #277-279
ON SCREEN – Page #285-287**

BACKGROUND:

The Parks, Recreation and Community Services Department was formed by City reorganization Ordinance 2013-209-E, which combined the former Parks and Recreation and Special Services Departments. The Department is comprised of six divisions: Office of the Director, Disabled Services, Recreation and Community Programming, Senior Services, Social Services, and Marine and Natural Resources.

The FY 13/14 Adopted column has been restated to reflect the reorganization, with the exception of the six new authorized positions and the five positions and operating expenditures related to the new Disabled Services Division transferred in from the Military Affairs and Veterans Department.

REVENUE:

1. Charges for Services

- The decrease of \$12,500 is mostly due to a projected decrease in organized event charges based on current year actuals.

2. Miscellaneous Revenue

- The increase of \$46,441 is mainly due to increases of \$154,646 in overtime reimbursement charges (community center rentals) and \$26,125 in miscellaneous sales and charges, both based on current year actuals. This is partially offset by the elimination of \$130,000 in State reimbursement revenue associated with the Sexual Assault Response Center (SARC). The SARC will be outsourced to the Women's Center beginning October 1, 2014.

EXPENDITURES:

1. Salaries

- The increase of \$738,730 is due to an increase of \$629,713 in permanent and probationary salaries, \$90,502 in overtime salaries, and \$23,000 in part-time salaries. The increase in overtime salaries is attributable to additional staff demands from rentals of community centers. The part-time salaries were added to the Disabled Services Division during the reorganization. The increase in permanent salaries is due to six positions added and five positions transferred into the Department during the reorganization.

Although the FY 13/14 cap includes the 4 positions that were eliminated from the Department post-budget and the 4 positions that were transferred to the Intra-governmental Services Department through the reorganization, the salaries and benefits for these positions were removed from the Parks, Recreation and Community Services Department's FY 13/14 budget, so they are not reflected in the increase mentioned above.

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
GENERAL FUND / GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK – Page #277-279
ON SCREEN – Page #285-287**

2. Employer Provided Benefits
 - The increase of \$588,203 is primarily due to increases of \$429,536 in pension costs, \$144,332 in group health insurance, and \$18,284 in Medicare taxes.
3. Internal Service Charges
 - The decrease of \$161,910 is primarily due to a decrease of \$374,657 in allocated building maintenance and utilities costs, which is partially offset by an increase of \$218,686 in fleet costs due to budgeted vehicle replacements.
4. Internal Services – IT Operations
 - The change in information technology costs is a result of the newly implemented Customer Billing Model.
5. Other Operating Expenses
 - The net decrease of \$1,038,252 is primarily due to the following:
 - Decrease of \$1,068,501 in contractual services
 - Transfer of approximately \$1.6 million in mowing costs to Public Works
 - \$500,000 in additional funding for various repairs and maintenance
 - Decrease of \$200,000 in miscellaneous services and charges (elimination of FY 13/14 Hemming Plaza appropriation)
 - Decrease of \$72,981 in repairs and maintenance (mowing costs transferred to the Public Works)
 - Decrease of \$60,020 in professional services (outsourcing SARC)
 - Increase of \$351,050 in miscellaneous insurance resulting from a re-allocation of costs by Risk Management
6. Grants, Aids and Contributions
 - The increase of \$50,000 represents City funding for Groundwork Jacksonville. The City has pledged \$50,000 annually for three years for this initiative which aims to restore Hogans Creek. The remaining funding of \$2,971,303 is for the senior meals program.

AUTHORIZED POSITION CAP:

The authorized position cap increased by fifty (50) positions primarily through City reorganization Ordinance 2013-209-E. The Parks and Recreation Department and Special Services Department were consolidated into the Parks, Recreation and Community Services Department. The net effect was an increase of three positions.

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
GENERAL FUND / GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK – Page #277-279
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Department	FY 13/14 Council Approved	FY 14/15 Mayor's Proposed	Increase/ (Decrease)
Former Parks and Recreation Department	207	0	(207)
Former Special Services Department	47	0	(47)
Parks, Recreation & Community Services Department	0	257	257
Total	254	257	3

Increase/ (Decrease)	Explanation
(4)	FY 13/14 post-budget movement – four vacant positions deleted via RC13154
(4)	Grant Compliance positions transferred to Intra-Governmental Services (Ord. 2013-209-E)
5	Five positions transferred in from Military & Veterans Affairs (Ord. 2013-209-E)
6	Six new positions authorized (Ord. 2013-209-E)
1	Net transfer from/(to) other departments during FY 13/14 (not related to reorganization)
(1)	FY 14/15 proposed budget FTE elimination - RPBH011GA
3	Net change in positions

SERVICE LEVEL CHANGES:

The Sexual Assault Response Center (SARC) will be outsourced to the Women's Center of Jacksonville effective October 1, 2014. This is expected to centralize and improve the quality of services available to citizens. The proposed budget for the Parks, Recreation and Community Services Department includes a \$125,000 appropriation to the Women's Center of Jacksonville for SARC operations, which is to be funded annually in the same amount pursuant to a memorandum of agreement expiring September 30, 2019. Although SARC expenditures will decrease as a result of the outsourcing, the City will no longer receive reimbursement revenue received from the State (up to \$500 per initial exam performed), for a net additional cost of approximately \$40,000.

DIVISION CHANGES:

- The increase in the Disabled Services Division is due to the addition of this division to the Parks, Recreation & Community Services Department pursuant to the reorganization. There are seven positions budgeted in this activity.
- The decrease in the Natural and Marine Resources Division is due to a reduction of approximately \$95,000 associated with mowing costs. Mowing costs are now budgeted within the Mowing and Landscape Maintenance Division of the Public Works Department.
- The increase in the Office of the Director Division is due to increases of \$166,293 in salaries and benefits due to an increase of two positions and one position reclassification, \$74,954 in miscellaneous insurance, \$50,000 in grants and aids (Groundwork Jacksonville), \$54,957 in Ed Ball building cost allocation, and \$41,006 in IT internal service charges. Included in the

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
GENERAL FUND / GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK – Page #277-279
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increases in internal service charges and insurance is \$91,565 in expenditures associated with the Equestrian Center that were previously budgeted in Subfund 4F1.

- The decrease in the Recreation and Community Programming Division is due to the transfer of approximately \$1.6 million of mowing expenditures to the Mowing and Landscape Maintenance Division of the Public Works Department, a decrease of \$227,100 in internal service charges, and the elimination of the one-time \$200,000 appropriation for Hemming Plaza in the FY 13/14 budget. These reductions were mostly offset by increases in ITD internal service charges of \$899,933, contractual services of \$500,000 (various park and community center repairs and maintenance), miscellaneous insurance of \$342,989, and salaries and benefits of \$291,696 (overtime salaries and pension contribution).
- The increase in the Senior Services Division is due to an increase of \$221,530 in salaries and benefits from two positions added during the reorganization and \$89,844 in IT internal service charges.
- The increase in the Social Services Division is due to increases of \$146,069 in salaries and benefits from a net increase of one position in the reorganization, \$24,999 in victim assistance, and \$22,776 in rent/mortgage assistance, which are partially offset by decreases of \$69,265 in professional services (outsourcing the SARC) and \$35,053 in IT internal service charges.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
HUGUENOT PARK (1D1)**

**PROPOSED BUDGET BOOK – Page 280-281
ON SCREEN – PDF Page 288-289**

BACKGROUND:

The Huguenot Park Trust Fund is funded by entrance fees, annual pass fees, camper rentals, miscellaneous sales and charges, and commissions, as well as a subsidy from the General Fund/General Services District (S/F 011).

REVENUE:

Non-Departmental/Fund Level Activities

1. Transfers from Other Funds:

- The decrease of \$116,198 is due to a reduction in the transfer from the General Fund/General Services District (S/F 011). The FY 2014/15 proposed General Fund/General Services District (S/F 011) subsidy is \$222,746.

Parks, Recreation & Community Services

2. Charges for Services:

- The increase of \$113,682 is primarily due to an increase in fees for admission and camping, which are detailed below under FEE INCREASES.

3. Miscellaneous Revenue:

- The increase of \$7,006 is due to the addition of a \$5 pet entrance fee and projected facility rentals for FY2014/15.

FEE INCREASES:

The following fees increases are proposed for FY 2014/15:

Subobject	Description	Current Fee	New Fee (as of 9/2/14)	Increase	Additional Expected Revenue Due to Increased Fees
34740	Early Bird Fee (defined as 7am to 8am)	\$0.93	\$2.80	\$1.87	\$10,285
34740	Entrance Fees (defined as 8am to close)*	\$2.80	\$3.74	\$0.94	\$89,300
34740	Entrance Fees (Pedestrians, cyclists)	\$0.93	\$2.80	\$1.87	\$94
34748	Annual Pass Fee	\$80.00	\$90.00	\$10.00	\$1,870
34751	Camper Rentals Tent – Interior*	\$10.00	\$13.00	\$3.00	\$13,653
36907	Pet Fee	\$0.00	\$5.00	\$5.00	\$2,245
					\$117,447

*Prior fee increases were implemented in 2008

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
HUGUENOT PARK (1D1)**

**PROPOSED BUDGET BOOK – Page 280-281
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EXPENDITURES:

Non-Departmental/Fund Level Activities

1. Salary and Benefit Lapse:

- There is a proposed salaries/benefits lapse of \$15,329, based on the average turnover ratio and estimated number of vacancies in FY 2014/15.

Parks, Recreation & Community Services

2. Employer Provided Benefits:

- The net increase of \$6,931 is mainly due to an increase of \$9,395 in pension contributions. This is somewhat offset by reductions of \$3,725 in group hospitalization insurance.

3. Internal Service Charges:

- The net increase of \$24,627 is being driven by increased fleet repairs/maintenance and parts/oil/gas costs of \$22,650. Additionally, this subfund is scheduled for one vehicle replacement resulting in an increase of \$8,858 to fleet rental. These costs are somewhat offset by a reduction in the ADT/guard service allocation of \$15,868 due to the implementation of an automated admission kiosk system.

4. Internal Services – IT Operations:

- The change in information technology costs is a result of the newly implemented Customer Billing Model.

5. Other Operating Expenses:

- The net increase of \$8,754 is being driven by increases of \$4,250 in repairs and maintenance, \$3,825 in miscellaneous services and charges and \$2,875 in other operating supplies. These increases are partially offset by a decrease of \$4,301 in large volume container-sanitation.

6. Indirect Cost:

- This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study. Indirect costs have decreased by \$59,391

SERVICE LEVEL CHANGES:

None

EMPLOYEE CAP CHANGES:

There are no changes to the employee cap.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
HUGUENOT PARK (1D1)**

**PROPOSED BUDGET BOOK – Page 280-281
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CONCERNS:

As of July 30, 2014, the Huguenot Park subfund has a negative cash position of approximately \$70,000. The Administration needs to address the financial stability of this subfund, and adjust expenditures or service level to a financially sustainable level.

RECOMMENDATIONS:

The following revenues appear to be overstated a total of \$24,061 based on FY 2013/14 actuals and projected fee increases: \$12,357 in entrance fees, \$6,248 in annual pass, \$1,676 in telephone and \$3,780 in miscellaneous sales and charges. We recommend reducing these revenues by a total of \$24,061 and offsetting these decreases with a \$6,710 increase in camper rental revenue which appears to be understated based on the same assessments. We recommend offsetting the remaining difference of \$17,351 by an increase in the transfer from the General Fund/General Services District (011). This would have a negative impact of \$17,351 on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
KATHRYN A. HANNA PARK (1D2)**

**PROPOSED BUDGET BOOK – Page 282-283
ON SCREEN - PDF Page 290-291**

BACKGROUND:

The Kathryn A. Hanna Park Maintenance and Improvement Fund was established by Section 111.125 of the Municipal Code to receive all revenues and interest earned by the City from admission fees, rentals of facilities, and other funds from activities and events occurring at Hanna Park. The generated revenues and a contribution from the General Fund are used to offset the expenditures for personnel, operating, and capital outlay.

REVENUE:

Non-Departmental/Fund Level Activities

1. Transfers from Other Funds:

- The decrease of \$287,848 is due to a lower subsidy from the General Fund/General Services District (S/F 011). The FY 2014/15 proposed General Fund/General Services District (S/F 011) subsidy is \$416,992.

Parks, Recreation & Community Services

1. Charges for Services:

- The increase of \$196,986 is primarily due to an increase in fees for admission, rental of facilities and camping, which are detailed below under FEE INCREASES.

2. Miscellaneous Revenue:

- The increase of \$27,550 is primarily due to the increase of rates and fees as well as an increase in on-line reservations.

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**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
KATHRYN A. HANNA PARK (1D2)**

**PROPOSED BUDGET BOOK – Page 282-283
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FEE INCREASES:

The following fees increases are proposed for FY 2014/15:

Subobject	Description	Current Fee	New Fee (as of 9/2/14)	Increase	Additional Expected Revenue Due to Increased Fees
34740	Early Bird Fee (defined as 7am to 8am)	\$0.93	\$2.80	\$1.87	\$ 12,922
34740	Entrance Fees (defined as 8am to close)	\$2.80	\$4.67	\$1.87	\$ 193,545
34740	Entrance Fees (Pedestrians, cyclists)	\$0.93	\$2.80	\$1.87	\$ 1,103
34748	Annual Pass Fee	\$80.00	\$90.00	\$10.00	\$ 3,500
34751	Off Season RV (Nov 1 - Mar 1)	\$22.50	\$28.00	\$5.50	\$ 16,720
34751	Off Season Tent (Nov 1 - Mar 1)	\$13.50	\$18.00	\$4.50	\$ 1,440
36203	Rental of City Facilities (reflects minimum fee; \$50 cleaning fee automatically included)	\$500.00	\$750.00	\$250.00	\$ 6,500
36203	Shelter Rental	\$36.00	\$45.00	\$9.00	\$ 5,445
36203	Campground Amphitheater Rental	\$46.73	\$93.46	\$46.73	\$ 374
36203	Pelican Plaza Rental Fees (Full Facility Rental)	\$102.80	\$200.00	\$97.20	\$ 3,888
36203	Pelican Plaza Rental Fees (Half Facility Rental)	\$51.40	\$150.00	\$98.60	* \$ -
36907	Hanna Park Beach/Wedding Ceremony/Group Event Fees (Over 500 persons)	\$186.92	\$385.00	\$198.08	\$ 990
					\$246,427

*Additional revenue is \$0 due to the fact that no activity has been budgeted for this fee.

EXPENDITURES:

Non-Departmental/Fund Level Activities

1. Salary and Benefit Lapse:

- There is a proposed salaries/benefits lapse of \$25,537. This reflects an estimated salary and benefit lapse based on the average turnover ratio and estimated number of vacancies in FY 15.

Parks, Recreation and Community Services

2. Salaries:

- There is a \$9,375 decrease in salaries primarily caused by a \$7,367 decrease in permanent and probationary salaries due to salary reductions of vacant positions/ new hires and a \$1,311 decrease in leave rollback/ sellback.

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KATHRYN A. HANNA PARK (1D2)**

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Parks, Recreation & Community Services

1. Internal Service Charges:

- The increase of \$135,456 is primarily due to a \$71,408 increase in utility allocation, a \$48,176 increase in building maintenance and a \$16,322 increase in guard service ADT. Guard services and building maintenance's allocation percentages are similar to that of FY 2013/14. The utility allocations percentage has increased over that of FY 2013/14 and is intended to reflect actual historical data.

2. Internal Services – IT Operations:

- The change in information technology costs is a result of the newly implemented Customer Billing Model.

3. Other Operating Expenses:

- The net decrease of \$53,629 is mainly caused by a decrease of \$86,337 in miscellaneous services and charges due to the moving of mowing services to Public Works and the reclassification of maintenance expenses to the proper Sub-object. The removed mowing service was previously budgeted at \$44,800. This decrease is partially offset by an increase of \$44,537 in repairs and maintenance due to the shifting of the maintenance expenses mentioned above.

4. Indirect Cost:

- This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study. Indirect costs have decreased by \$141,070.

SERVICE LEVEL CHANGES:

None

EMPLOYEE CAP CHANGES:

There is no change in authorized positions.

RECOMMENDATION:

Based on FY 2012/13 and FY 2013/14 actual usage it appears that surcharges – miscellaneous revenue is overstated by \$34,600. We recommend reducing this line item by the \$34,600 and offsetting the decrease with an increase to the following revenue items that appear to be understated: \$8,000 in overtime reimbursement and \$5,976 in annual pass fees. We recommend the remaining difference be offset with an increase in the General Fund/General Services District (S/F 011) transfer of \$20,624. This will have a negative effect of \$20,624 on Special Council Contingency.

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METROPOLITAN PARK MAINTENANCE (S/F 1D4)**

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BACKGROUND:

Per Municipal Code Sec. 111.120, the Metropolitan Park Maintenance Trust receives all revenue in connection with admissions fees for special events, rentals, dock slip rentals, equipment and service charges or other funds from activities and events conducted or authorized by the City within Metropolitan Park. Expenses from the fund are utilized for the maintenance, improvements and support of operations at the park. Funding for this subfund was first budgeted for in FY13/14 and will be utilized to fund the Capital Improvement Project described below. This is an all-years subfund.

REVENUE:

1. Charges for Services:

- This represents the projected revenue of \$250,000 from all fees and charges related to the Metropolitan Park, a \$125,000 increase from FY13/14 revenues that were previously budgeted within miscellaneous revenue. This increase is in line with historical actuals.

2. Miscellaneous Revenue:

- This decrease of \$125,000 to \$0 represents revenues that are now accounted for within charges for services.

EXPENDITURES:

3. Transfers To Other Funds:

- This represents a transfer of \$250,000 to the 2015 Authorized Capital Projects fund (S/F 32D) to cover the expenses for a proposed capital project. The Parks and Recreation Department seeks to replace the tent at Metropolitan Park and determine the best placement of speakers and other outdoor concert materials in order to improve compatibility with surrounding neighborhoods while preserving the value of the park to the City. The 2014 CIP included \$125,000 for project development that is currently underway.

SERVICE LEVEL CHANGES:

No significant change in service level.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this subfund.

RECOMMENDATIONS:

Prior to FY 2005/06, transfers from fund balance were erroneously made within this subfund as if this was not an all years' subfund. Due to this accounting error, the revenue budget has inappropriately increased by the amount transferred from fund balance. To correct this error and

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eliminate the transfer from fund balance, we recommend revenues from the categories below be appropriated. This all years' adjustment reduces the subfund's budgetary capacity by \$647,670.

Subobject	Description	Recommended Increase (Decrease)
38901	Transfer from Fund Balance	\$ (647,670)
34754	Dockage	\$ 211,118
36203	Rental of City Facilities	\$ 264,590
36903	Concession Commissions / Telephone / Laundry	\$ 171,962
		\$ -

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PARKS, RECREATION AND COMMUNITY SERVICES
FLORIDA BOATER IMPROVEMENT PROGRAM (S/F 1D8)**

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BACKGROUND:

Pursuant to Section 110.413 of the Municipal Code, this trust fund was established to provide boat-related activities (including recreational channel marking and public launching facilities), removal of floating structures deemed a hazard to public safety and health, and manatee and marine mammal protection. Projects larger than \$30,000 require the approval of the Council. Revenues are derived from recreational vessel registration fees paid in accordance with Florida Statute 328.72.

This is an “all years” sub-fund, which means once dollars are appropriated, the appropriation stays in place from year to year rather than lapsing. A schedule that shows a true year-to-year budget without any “all years” adjustments is below.

	FY 2013/14 Approved	Proposed FY 2014/15 Before Adjustment	Budget Office All Years Adjustment	FY 2014/15 Proposed
REVENUE				
NON-DEPARTMENTAL				
Miscellaneous Revenue	25,000	25,000	-	25,000
Transfer from Component Unit	-	-	(79,740)	(79,740)
PARKS, REC, & COM SERVICES				
Charges for Services	135,000	135,000	(11,934)	123,066
TOTAL REVENUE	160,000	160,000	(91,674)	68,326
EXPENDITURES				
NON-DEPARTMENTAL				
Cash Carryover	-	-	(185,346)	(185,346)
PARKS, REC, ENT, & CONS				
Capital Outlay	-	-	(20,229)	(20,229)
PARKS, REC, & COM SERVICES				
Other Operating Expenses	160,000	160,000	558,594	544,480
Capital Outlay	-	-	(225,683)	(225,683)
Cash Carryover	-	-	(44,896)	(44,896)
TOTAL EXPENDITURES	160,000	160,000	82,440	68,326

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REVENUES:

NON-DEPARTMENTAL / FUND LEVEL ACTIVITIES

1. Transfers from Component Units:

- The interest revenue is projected to be the same for FY 2014/15 as it was in FY 2013/14.

PARKS, RECREATION, & COMMUNITY SERVICES

2. Charges for Services:

- The boater registration revenue is projected to be the same for FY 2014/15 as it was in FY 2013/14.

EXPENDITURES:

Significant changes in expenditures are as follows:

PARKS, RECREATION, & COMMUNITY SERVICES

1. Other Operating Expenses:

- The amount budgeted for repair and maintenance for boating related infrastructure is the same for FY 2014/15 as it was in FY 2013/14.

SERVICE LEVEL CHANGES:

No significant change in service level.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this subfund.

RECOMMENDATION:

None.

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PARKS, RECREATION AND COMMUNITY SERVICES
CECIL FIELD COMMERCE CENTER (S/F 1DA)**

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BACKGROUND:

The Cecil Field Commerce Center includes the community center, aquatics complex, and the athletic complex.

REVENUE:

Non-Departmental/Fund Level Activities

1. Miscellaneous Revenue

- Miscellaneous revenue consists of projected interest earnings of \$7,532.

2. Transfers from Other Funds

- The increase of \$203,002 is due to an increased transfer from the General Fund/General Services District (011). The proposed General Fund/General Services District (011) subsidy is \$1,287,461.

3. Transfers From Fund Balance

- The proposed transfer from fund balance is \$125,000. See the recommendation below regarding this transfer.

Parks, Recreation & Community Services

4. Charges for Services

- The increase of \$3,800 is due to a projected increase in organized event charges, which consist of sports tournament, pool lane fees and specialty camps, based on current year actuals.

5. Miscellaneous Revenue

- The decrease of \$8,000 is due to a projected decrease in overtime reimbursement charges based on current year revenues.

EXPENDITURES:

Non-Departmental/Fund Level Activities

1. Salary and Benefit Lapse

- The proposed salaries and benefits lapse is \$16,193, which is based on the average turnover ratio and estimated number of vacancies in FY 2014/15.

Parks, Recreation & Community Services

2. Salaries

- The net decrease of \$2,245 is due to budgeting a vacant position at a lower salary.

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3. Employer Provided Benefits

The net increase of \$18,267 is primarily due to increases of \$13,178 in pension contributions and \$5,423 in health insurance.

4. Internal Service Charges

- The net decrease of \$95,253 is due to the removal of all public building allocations since the maintenance of this facility is contracted out.

5. Internal Services – IT Operations

- The change in information technology costs is a result of the newly implemented Customer Billing Model.

6. Other Operating Expenses

- The increase of \$15,271 is due to changing the facilities manager from SMG to another outside vendor. Funding has been moved from the various SMG line items into a generic contractual services line item with a net increase of \$151,379. This increase is somewhat offset by a \$133,851 reduction in miscellaneous insurance due to the reallocation of insurance costs to Subfund 759-Cecil Commerce Center.

7. Indirect Cost

- This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study. This is increasing by \$157,968 because indirect cost was not charged to this subfund in FY 2013/14.

SERVICE LEVEL CHANGES:

The Cecil Recreation Complex was included in the facilities management contract with SMG for the Equestrian Center. Since the Equestrian Center has retained a new facilities manager, SMG will no longer manage the Cecil Recreation Complex effective October 1, 2014. The Parks, Recreation & Community Services Department has indicated that they expect a new facilities manager will be procured by October 1. The Department does not expect a change in service level. However, the cost of this same service is budgeted to increase by \$151,379.

AUTHORIZED POSITION CAP:

There are no changes to the authorized employee cap.

CONCERN:

As of July 29, the facilities management contract has not been advertised for bid. If a new facilities manager is not secured by October 1, there may be some interruption in services at the Cecil Recreation Complex.

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CAPITAL OUTLAY CARRYFORWARD:

None.

RECOMMENDATION:

We recommend increasing the \$125,000 proposed transfer from fund balance by \$75,000 and reducing the General Fund/General Services District (011) transfer by \$75,000 based on Subfund 1DA's available fund balance. This will have a positive impact of \$75,000 on Special Council Contingency.

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PARKS, RECREATION & COMMUNITY SERVICES
EQUESTRIAN CENTER – NFES/HORSE (S/F 4F5)**

BACKGROUND:

Ordinance 2014-331-E transferred the management of the Equestrian Center from SMG to the Northeast Florida Equestrian Society (NFES)/H.O.R.S.E. Therapies, Inc. and appropriated \$97,728 from the Taye Brown Regional Trust Fund to fund transitional expenses through September 30, 2014. This legislation also approved the FY 2014/15 budget for the Equestrian Center but did not appropriate the funding.

RECOMMENDATION:

1. Subfund 4F5 was established for the Equestrian Center but not included in the Mayor's proposed budget. In order to appropriate the FY 2014/15 operating budget for the Equestrian Center, we recommend budgeting the following revenues and expenditures within Subfund 4F5 in accordance with the budget submitted by NFES/H.O.R.S.E.:

<u>Revenues</u>	<u>Amount</u>	<u>Subobject</u>
Ring Rentals	\$112,100	36203 - Rental of City Facilities
Stall Rentals	337,750	36203 - Rental of City Facilities
Concessions	10,000	36906 - Concession Sales
Vendor Rental	5,438	36213 - Tenant Revenue
RV Daily Rental	175,500	34751 - Camper Rentals
Miscellaneous Rental	<u>96,800</u>	36907 - Miscellaneous Sales and Charges
Total Operating Revenues	\$737,588	
*Transfer from Taye Brown Regional Park Trust Fund	<u>286,817</u>	38191 - Interfund Transfers In
Total Revenue	\$1,024,405	
<u>Expenditures</u>		
Contractual Services	\$1,024,405	03401 - Contractual Services

*Revenues from operations and contractual services were estimated by NFES/H.O.R.S.E. with any shortfall being funded through the Taye Brown Regional Park trust fund.

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NON-DEPARTMENTAL/FUND LEVEL ACTIVITIES
EQUESTRIAN CENTER – DEBT SERVICE (S/F 4F6)**

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BACKGROUND:

Ordinance 2014-331-E shifted the management of the Equestrian Center from SMG to the Northeast Florida Equestrian Society/H.O.R.S.E. Therapies, Inc. Debt service payments for the Equestrian Center will now be funded through a transfer from the General Fund/General Services District (S/F 011).

REVENUES:

1. Miscellaneous Revenue:
 - This represents anticipated interest earnings of \$962.
2. Transfer in to Pay Debt Service:
 - This amount represents a transfer from the General Fund/General Services District (S/F 011) to pay the debt service costs in FY 2014/15.

EXPENDITURES:

1. Fiscal and Other Debt Fees:
 - The debt service payments include both the principal and interest, which is based upon a repayment schedule that was established at the time the bonds were issued, and the fiscal agent fees, which represent the cost of paying agent and registrar services for the bond issue.

Account Title	Principal	Interest	Fiscal Agent Fees	Total
2005A Excise Tax Revenue Bonds	-	\$95,516	-	\$95,516
2008A Capital Projects Revenue Bonds	\$6,613	\$6,109	\$1,565	\$14,287
2008B Capital Projects Revenue Bonds	\$6,614	\$5,835	\$38	\$12,487
Total	\$13,227	\$107,460	\$1,603	\$122,290

EMPLOYEE CAP CHANGES:

There are no City positions associated with this subfund.

RECOMMENDATION:

None.

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GENERAL FUND/GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK – Page #297-299
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BACKGROUND

The Planning and Development Department manages existing and future development within the City of Jacksonville. Matters pertaining to zoning, the comprehensive plan, concurrency, land use, various trades inspections and building codes fall within the purview of this department.

The general fund portion of the Planning and Development Department consists of the Office of the Director, Community Planning Division, Current Planning Division, Development Services Division, Housing & Community Development Division, and Transportation Planning Division.

REVENUE

1. Charges for Services

- The net increase of \$547,489 is primarily due to increases of \$206,588 in zoning and rezoning fee revenue, \$174,200 in construction inspection fee revenues, \$99,038 in comprehensive/amendment fee revenues, and \$85,170 in subdivision regulation plat fees. These increases are partially based on FY 2013/14 actual revenues, which are projected to exceed FY 2013/14 budgeted revenues for several line items. Also contributing to the increase is a fee increase that went into effect on July 1, 2014, for some fees. The table in the “Fee Increases” section below breaks down these fee increases.

2. Miscellaneous Revenue

- The net increase of \$73,284 is primarily due to an expected increase of \$72,284 in right of way permit filing fees revenue which more closely reflects actual revenues in the current year and also includes fee increases that went into effect on July 1, 2014, as can be seen in the “Fee Increases” section below.

FEE INCREASES:

Subobject	Description	Previous	New Fee (as of 7/1/14)	Increase	Additional Expected Revenue Due to Increased Fees
	Community Planning Division				
34905	Land Use Amendment-Small Scale Flat Fee	\$3,225	\$3,950	\$725	\$21,750
34905	Land Use Amendment-Large Scale Flat Fee	\$4,848	\$5,696	\$848	\$10,176
34905	Development Regional Impact – Related (DRI) – Flat Fee	\$5,129	\$5,780	\$651	\$651
34905	DRI Reviews - Notice of Proposed Change	\$3,715	\$4,495	\$780	\$3,120

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Subobject	Description	Previous	New Fee (as of 7/1/14)	Increase	Additional Expected Revenue Due to Increased Fees
	Current Planning Division				
342504	Application for zoning exception (commercial/industrial)	\$927	\$1,009	\$82	\$3,608
342504	Application for zoning variance/waiver (commercial/industrial)	\$927	\$1,009	\$82	\$738
342504	Appeal of Written Interpretation	\$1,245	\$1,490	\$245	\$980
342504	Administrative Deviations - Residential	\$830	\$898	\$68	\$4,828
342504	Administrative Deviations – Amendments to Orders	\$355	\$366	\$11	\$209
342504	Cell Towers – Track II	\$800	\$852	\$52	\$364
	Development Services Division				
342504	Zoning Counter- Zoning Confirmation Letters (per parcel)	\$67	\$78	\$11	\$3,036
341901	Zoning Counter- Name Change of Business	\$67	\$78	\$11	\$748
342504	Review Group–Site Dev. Review (10 Set) Subdivision– Preliminary	\$620	\$683	\$63	\$1,575
342504	Review Group–Site Dev. Review (10 Set) Non-Subdivision– Prelim.	\$530	\$589	\$59	\$16,520
36932	Right of Way Permits - Residential (excluding fee exempt)	\$111	\$127	\$16	\$16,160
36932	Right of Way Permits - Commercial (excluding fee exempt)	\$170	\$191	\$21	\$3,360
36932	Right of Way Permits – Overhead Utility (excluding fee exempt)	\$125	\$140	\$15	\$15
36932	Right of Way Permits – Annual Maintenance (excluding fee exempt)	\$600	\$707	\$107	\$214
Total Additional Expected Revenue Due to Increased Fees					\$88,052

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GENERAL FUND/GENERAL SERVICES DISTRICT (S/F 011)**

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EXPENDITURES

1. Salaries

- The net increase of \$226,383 is mostly due to the addition of seven (7) positions in the department. Through the city reorganization approved by Ordinance 2013-209-E, the Planning & Development Department received three (3) positions when the Housing & Community Development Division moved in from the Regulatory Compliance (formerly Neighborhoods) Department. One (1) additional position is proposed to be added to the Housing and Community Development Division in the FY 2014/15 budget. This position would manage the Northwest Jacksonville Economic Development Trust Fund. Also, the city reorganization ordinance approved the creation of three (3) new positions to staff the new Transportation Planning Division. The increase in salaries is also due in part to a \$15,000 pay raise to the department director.

2. Employer Provided Benefits

- The net increase of \$201,640 is primarily due to an increase of \$161,873 for general employee pension contribution costs and an increase of \$31,765 for health insurance costs. These increases are due in part to the addition of the seven (7) positions, as referenced above.

3. Internal Service Charges

- The net increase of \$217,080 is primarily due to increases of \$117,031 in OGC legal costs, which more accurately reflect legal costs incurred so far by the department in FY 2013/14. The increase also includes a budgeted increase of \$103,511 in the department's building cost allocation.

4. Internal Service – IT Operations

- The change in information technology costs is a result of the newly implemented customer billing model.

5. Other Operating Expenses

- The net decrease of \$211,894 is primarily due to a decrease of \$200,000 in professional services in the Office of the Director's budget. This amount was a one-time appropriation made in FY 2013/14 to implement a contract for the creation of a Community Redevelopment Area (CRA) plan for the Village of Mayport. The department is presently in the RFP award process for this contract and expects to encumber the \$200,000 before the end of FY 2013/14.

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6. Supervision Allocation

- The supervision allocation for the Planning & Development Department's general fund portion is increasing by \$14,549, meaning that an additional \$14,549 in costs is being passed on to two other subfunds (Concurrency Management – S/F 112 and Building Inspection – S/F 159). The costs that are being passed on are a percentage of the salaries and benefits of three (3) employees who work in the Office of the Director Division of the Planning & Development Department, but spend a portion of their time working on items related to the two subfunds mentioned above.

AUTHORIZED POSITION CAP

The department's authorized position cap is increasing by seven (7) compared to FY 2013/14. Through the city reorganization approved by Ordinance 2013-209-E, the Planning & Development Department received three (3) positions when the Housing & Community Development Division moved in from the Regulatory Compliance (formerly Neighborhoods) Department. One (1) additional position is proposed to be added to the Housing and Community Development Division in the FY 2014/15 budget. This position would manage the Northwest Jacksonville Economic Development Trust Fund. Also, the city reorganization ordinance approved the creation of three (3) new positions to staff the new Transportation Planning Division.

SERVICE LEVEL CHANGES:

The Housing & Community Development Division moved into the Planning & Development Department via the city reorganization legislation. This division will also manage the Northwest Jacksonville Economic Development Trust Fund. Also, a new Transportation Planning Division was established in the city reorganization legislation. This division took over all transportation planning duties that were formerly managed within the Community Planning Division of the Planning & Development Department.

RECOMMENDATION: None.

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PLANNING & DEVELOPMENT
CONCURRENCY MANAGEMENT SYSTEM (S/F 112)**

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BACKGROUND

The City of Jacksonville implemented the Concurrency and Mobility Management System Office to ensure the availability of public facilities (except traffic circulation and mass transit) and the adequacy of those facilities at adopted levels of service, concurrent with the impacts of development, and to provide traffic circulation and mass transit public facilities at the adopted performance standards consistent with the 2030 Mobility Plan. It provides the local structure for administering the state law, Chapter 163, Part II, Florida Statutes.

The Concurrency and Mobility Management System (CMMS) measures the potential impact of a proposed development on the adopted minimum levels of service for all public facilities (except traffic circulation and mass transit). It also manages the collection of mobility fees pertaining to traffic circulation and mass transit public facilities consistent with the 2030 Mobility Plan (as established in the 2030 Comprehensive Plan) when an application for a final development order or final development permit is submitted. The CMMS ensures that the adopted levels of service and performance standards are not degraded by the issuance of a final development order, or a final development permit.

REVENUE

Non-Departmental / Fund Level Activities

1. Miscellaneous Revenue

- This line item represents investment pool earnings and is budgeted to decrease by \$2,631 due to a lower expected rate of return.

Planning and Development

2. Charges for Services

- The net increase of \$87,868 is due to mobility plan management fees increasing by \$48,272 and concurrency management fees increasing by \$39,596; actual revenues in FY 2013/14 for these two line items are projected to exceed what was budgeted in FY 2013/14, which is part of the reason for the budgeted increase in FY 2014/15. In addition, some fees were increased effective July 1, 2014. The breakdown of these increases can be seen in the “Fee Changes” section below.

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CONCURRENCY MANAGEMENT SYSTEM (S/F 112)**

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FEE CHANGES:

Subobject	Description	Previous	New Fee (as of 7/1/14)	Increase/ (Decrease)	Additional Expected Revenue Due to Increased/ (Decreased) Fees
343903	De Minimis Concurrency and Mobility Fee Review	\$15	\$18	\$3	\$7,200
343903	Informal Reviews	\$130	\$141	\$11	\$11
343903	Special Trip Generation or Traffic Study (per hour)	\$75	\$73	(\$2)	(\$12)
343903	Application for Amendment to Proportionate Share Agreement	\$720	\$861	\$141	\$705
343921	Expedited Mobility Fee Calculation Certificate	\$165	\$180	\$15	\$225
343921	Mobility Fee Contract Application	\$745	\$906	\$161	\$805
Total Additional Expected Revenue Due to Increased Fees					\$8,934

EXPENDITURES

Non-Departmental / Fund Level Activities

1. Cash Carryover

- This represents the excess of budgeted revenues over budgeted expenses.

Planning and Development

2. Salaries

- Salaries are decreasing overall by \$4,716, due to a decrease in the funding level of a vacant position, which the department expects to fill.

3. Employer Provided Benefits

- Benefits are increasing overall by \$6,837, primarily due to an increase of \$9,973 in pension contributions. This is partially offset by a \$3,317 decrease in health insurance costs.

4. Internal Service Charges

- Internal service charges are experiencing a net increase of \$3,110, primarily due to an increase of \$3,855 in the subfund's building cost allocation.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PLANNING & DEVELOPMENT
CONCURRENCY MANAGEMENT SYSTEM (S/F 112)**

**PROPOSED BUDGET BOOK – Page #300-302
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5. Internal Services - IT Operations
 - The change in information technology costs is a result of the newly implemented customer billing model.
6. Other Operating Expenses
 - The net increase of \$75,275 is primarily due to an increase in professional services of \$74,999 for the update of the 2030 Mobility Plan. Per municipal code section 655.509, Planning & Development is required to evaluate and report recommendations for amendments to the 2030 Mobility Plan, as well as Chapter 655, every five years. This requirement was put in place in 2011, meaning the evaluation and recommendations are due in 2016.
7. Capital Outlay
 - There are no capital outlay project expenditures budgeted for FY 2014/15
8. Supervision Allocation
 - The supervision allocation is budgeted to increase by \$11,749 due to an increase in the percentage of salaries and benefits of three (3) Planning & Development – Office of the Director employees that are charged to the Concurrency Management System subfund for time worked.
9. Indirect Cost
 - This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study. Although the amount budgeted for indirect cost in FY 2014/15 shows no change compared to FY 2013/14 (\$47,025), the subfund's indirect cost allocation should have been \$171,814, per the indirect cost study. This error was addressed during the review of the non-departmental revenues, and no additional actions are needed. The increase in indirect costs was offset by an elimination of the cash carryover line (\$67,178) and a transfer from fund balance (\$57,611) within the Concurrency Management System subfund.

AUTHORIZED POSITION CAP

No changes.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PLANNING AND DEVELOPMENT
COMMUNITY DEVELOPMENT (S/F 1A1)**

**PROPOSED BUDGET BOOK – Page # 307-308
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BACKGROUND:

In accordance with a recommendation from the Affordable Housing Task Force in 2006, federal and state housing and community development grants are not included in the Mayor's annual budget and are handled through separate legislation. Subfund 1A1 receives a Federal grant which is subsequently transferred to the General Fund to subsidize the City's Independent Living program. In addition, Subfund 1A1 receives a transfer from the Northwest/Northside Tax Increment District which must be deposited in the CDBG subfund pursuant to Ordinance 1999-1206-E.

REVENUE:

Non-Departmental/ Fund Level Activity:

1. Transfers from Other Funds

- This represents a transfer from the Northside East Tax Increment District as an annual repayment for the \$1.5 million grant to the Museum of Modern Art for the acquisition of the building at Duval and Laura Streets. The Tax Increment District is repaying the grant over 20 years without interest. This is the fourteenth annual payment.

Planning and Development:

1. Intergovernmental Revenue

- The revenue from the federal funding to the Independent Living Program is assumed to remain at \$121,220.

Public Works:

1. Intergovernmental Revenue

- The increase of \$4,500 is due to additional federal funding provided to mitigate mowing for properties acquired with federal funds.

EXPENDITURES:

Non-Departmental/ Fund Level Activity:

1. Transfers to Other Funds

- This is the transfer of federal funding to the Independent Living Program.

Planning and Development:

1. Grants, Aids and Contributions

- This represents grants and aids to the Clara White Mission (\$24,026) and Catholic Charities Bureau (\$50,974).

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PLANNING AND DEVELOPMENT
COMMUNITY DEVELOPMENT (S/F 1A1)**

**PROPOSED BUDGET BOOK – Page # 307-308
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Public Works:

1. Other Operating Expenses

- The increase of \$4,500 is due to the addition of contractual services to mitigate mowing for properties acquired with federal funds.

SERVICE LEVEL CHANGES:

None

EMPLOYEE CAP CHANGES:

There are no authorized positions in this subfund.

CAPITAL OUTLAY CARRYFORWARD:

None

RECOMMENDATION:

Reduce the HUD grant revenue by \$1,212 to match the amount approved by the Jacksonville Housing & Community Development Commission Board. This decrease in revenue should be offset by a decrease of \$1,212 in stipends expense within the Independent Living Program; Parks, Recreation & Community Service (GSD – 011). This will have no effect on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PLANNING & DEVELOPMENT
BUILDING INSPECTION (159)**

**PROPOSED BUDGET BOOK – Page #303-306
ON SCREEN-Page #311-314**

BACKGROUND

The Building Inspection Subfund accounts for the finances of the Building and Inspection Division within the Planning and Development Department and to a lesser degree the finances of the Fire Plans Review Section of the Jacksonville Fire and Rescue Department. The Building Inspection Division is responsible for ensuring that existing and future developments and construction comply with the Florida Building Code and local ordinances. The Division's primary roles are to ensure the safety of buildings and related landscapes by performing inspections and enforcing building, electrical, plumbing, mechanical, and other related city codes. In addition, the Division performs reviews of various permit applications and plans examination.

REVENUE

Fire and Rescue:

- This portion of the subfund will be discussed during the Fire and Rescue Department budget meeting.

Non-Departmental / Fund Level Activities:

- The Increase of Miscellaneous Revenue of \$63,491 is due to increased projected investment pool earnings.

Planning and Development:

1. Charges for Services:

- The increase of \$1,513,975 is primarily due to increases of \$690,612 in building inspections fees, \$396,170 in building permit review fees, \$218,949 in mechanical inspection fees, and \$180,784 in electrical inspection fees and \$103,000 in re-inspection fees. These increases are slightly offset by a \$122,486 decrease in plumbing inspection fees. These changes are based on actual historical revenues.

2. Fines and Forfeits:

- The increase of \$45,920 is primarily due to increases of \$36,970 in reactivation/reinstatement fees and \$7,500 in code violation fines collection.

3. Miscellaneous Revenue:

- The decrease of \$3,230 is due to decreases of \$2,243 in miscellaneous sales and charges, and \$987 in sale of books, maps & regulations fees.

FEE INCREASES:

This subfund was included in the annual fees assessment but no fee increases were proposed.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PLANNING & DEVELOPMENT
BUILDING INSPECTION (159)**

**PROPOSED BUDGET BOOK – Page #303-306
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EXPENDITURES:

Fire and Rescue:

- This portion of the subfund will be discussed during the Fire and Rescue Department budget meeting.

Non-Departmental / Fund Level Activities:

1. Salary & Benefits Lapse:
 - There is a proposed salaries/benefits lapse of \$130,220, based on the average turnover ratio and estimated number of vacancies in FY 2014/15.
2. Cash Carryover:
 - This amount is due to revenues exceeding expenses. In prior year, residual revenue over expenses was used to pay down debt service in this fund. Due to restrictions on recently refunded debt, this practice cannot be continued.

Planning and Development:

1. Salaries:
 - The net increase of \$240,626 is primarily the result of four (4) additional Construction Trades Inspectors (2 are currently vacant), one (1) Professional Engineer and one (1) Building Plans Examiner. These additions were offset by the elimination of one (1) Administrative Assistant Principle and one (1) Contract Trades Plans Examiner.
2. Employer Provided Benefits:
 - The net increase of \$314,129 is primarily due to increases of \$231,714 in pension contribution, \$41,020 in group hospitalization insurance and \$19,344 in payroll taxes (FICA). These increases are partially related to the net addition of four positions to the subfund.
3. Internal Service Charges:
 - The net increase of \$65,059 is primarily due to an increase of \$61,041 in building allocation costs.
4. Internal Service – IT Operations:
 - The change in information technology costs is a result of the newly implemented Customer Billing Model.
5. Other Operating Expenses:
 - The net increase of \$48,404 is primarily due to increases of \$40,000 in professional services to provide floodplain community outreach and floodplain design support.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PLANNING & DEVELOPMENT
BUILDING INSPECTION (159)**

**PROPOSED BUDGET BOOK – Page #303-306
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6. Capital Outlay:

- Capital Outlays are proposed at \$74,225. Of this amount, \$64,038 is for the replacement of two (2) archive desktop scanners while the remaining \$10,187 is for four (4) new computers and fourteen (14) monitors.

7. Supervision Allocation:

- The decrease of \$64,683 is due to an error in the recording of supervision allocation expenses for the Planning and Development Director's Office (General Fund/General Services District (011)). \$67,482 should have been assigned for distribution amongst the activities within this subfund for time spent by individuals in the Director's Office in activities relating to this subfund. See RECOMMENDATIONS.

8. Indirect Costs:

- The net increase of \$11,109 is due to an error in the budget of the allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study. It was budgeted twice within this subfund. This error was addressed during the review of the non-departmental revenues, and no additional actions are needed.

9. Banking Fund Debt Repayment:

- The table below compares the FY 2013/14 and FY 2014/15 banking fund debt repayment by project:

	1,996,661		155,673		260,459		8,237		
	FY14 Budget		FY15 Proposed						-1,883,638
Project Title	Principal	Interest	Principal	Interest					Change
Building Inspection Capital Repayment (ord 2009-445-E)	1,996,661	155,673	260,459	8,237					-1,883,638

(a) Additional principal payment added to budget in FY14 has not been done in FY15 due to constraints on the refunded debt.

EMPLOYEE CAP CHANGES:

The overall authorized position cap increased by four (4) positions. This net increase is due to the addition of four (4) Construction Trades Inspectors (2 are currently vacant), one (1) Professional Engineer and one (1) Building Plans Examiner. These additions are being offset by the elimination of one (1) Administrative Assistant Principle and one (1) Contract Trades Plans Examiner. Additionally, part time hours have increased from zero (0) to 2,600. These increases are due to an increased demand within the construction industry.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
PLANNING & DEVELOPMENT
BUILDING INSPECTION (159)**

**PROPOSED BUDGET BOOK – Page #303-306
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	FY 2013/14 Adopted	FY 2014/15 Proposed	Change
Authorized Positions	85	89	4
Part-time Hours	0	2,600	2,600

SERVICE LEVEL CHANGES:

None

RECOMMENDATION:

1. Based on the Mayor's Proposed Budget and the Department's allocation method, it appears that the supervision allocation being allocated from the administrative portion of this subfund has not been properly allocated to the remaining portions of the operation. It appears that the Building Inspection aspect is understated by \$98,221 while the following areas of the operation appear to be overstated: \$9,142 in Code Inspection, \$27,292 in Electrical Inspection, \$5,117 in Land Inspection, \$17,012 in Mechanical Inspection, \$23,128 in Plans Examination and \$ 16,530 in Plumbing Inspection. We recommend adjusting the supervision allocation distribution within this subfund to properly reflect the proposed budget. These changes will have no effect on Special Council Contingency.
2. In addition to the error discussed in recommendation 1, the Planning Department in the General Fund General Services District (011) employs staff that spends a portion of their time working in support of this subfund. As such, the planning department has reduced its expenses by \$67,482 with the intent to increase this subfund's expenses. However, there has been no recording of the subsequent expense causing the supervision allocation within this subfund to be understated by \$67,482. We recommend increasing Supervision allocation by \$67,482 in order to match the supervision allocation budgeted by the Director's Office General Services District (011). This amount should be distributed amongst the index codes within the subfund in accordance with the method described in recommendation 1. This increase in expenses should be offset with a decrease to cash carryover. These changes will have no effect on Special Council Contingency.
3. A cash carryover of \$2,444,310 has been proposed as a result of budgeted revenues exceeding budgeted expenditures. We recommend Building Inspection transfer all residual cash carryover (after Finance Committee actions) for the pay down of their banking fund debt. This will not pay off the debt associated with the project, but will allow for the relending of funds as originally intended when the banking fund was introduced. This will likely reduce future costs of issuance related to the re-loaned proceeds.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
MILITARY AFFAIRS AND VETERANS
GENERAL FUND / GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK – Page #204-205
ON SCREEN – Page #212-213**

BACKGROUND:

Pursuant to the FY 2013/14 reorganization ordinance (2013-209-E) approved by City Council, the Disabled Services function previously included within the Military Affairs and Veterans Department was moved to the Parks, Recreation and Community Services Department.

REVENUE:

Miscellaneous Revenue:

- The \$800 is expected from the sale of a software program that manages client appointments and information. This program is sold directly to county veterans service offices throughout the state.

EXPENDITURES:

1. Salaries:

- The decrease of \$174,558 is primarily due to five (5) position transfers. These changes are caused by Disabled Services moving to the Parks, Recreation and Community Services Department as a result of City reorganization.

2. Employer Provided Benefits:

- The decrease of \$91,940 is primarily due to reduction in benefits costs associated with the movement of five (5) positions. These changes are caused by Disabled Services moving to the Parks, Recreation and Community Services Department as a result of City reorganization.

3. Internal Service Charges:

- The net increase of \$6,478 is mostly due to an increase of \$16,915 in building costs and allocations. The increase is a result of an improvement in the St. James building cost allocation that more accurately reflects its values. This is somewhat offset by decreases of \$3,491 in tech refresh, of \$3,441 in OGC legal and of \$3,277 in fleet parts/oil/gas.

4. Internal Services – IT Operations:

- The change in information technology costs is a result of the newly implemented Customer Billing Model.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2014/15 BUDGET
MILITARY AFFAIRS AND VETERANS
GENERAL FUND / GENERAL SERVICES DISTRICT (S/F 011)**

**PROPOSED BUDGET BOOK – Page #204-205
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5. Other Operating Expenses:

- The decrease of \$8,676 is mostly due to reductions of \$2,000 in local mileage, \$1,782 in general liability insurance and \$1,125 in dues, subscriptions and memberships. These changes are primarily caused by Disabled Services moving to the Parks, Recreation and Community Services Department as a result of City reorganization.

FOOD AND BEVERAGE EXPENDITURES:

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	MVOD011	\$750	Bottled Water-Memorial Day and Purple Heart events.	Serves approximately 2,000 attendees at the Memorial Day Observance in May and at the Purple Heart Trail Walk in August.
011	MVOD011	\$1,200	Quarterly Meeting with Base Commanding Officers.	Serves approximately 20 attendees each at the Quarterly Area Base Commanding Officers Luncheon.

SERVICE LEVEL CHANGES:

Services previously provided by the Disabled Services activity have been transferred to the Parks, Recreation and Community Services Department.

EMPLOYEE CAP CHANGES:

The cap has decreased by five (5) positions. These positions moved with Disabled Services to the Parks, Recreation and Community Services Department as part of the City's reorganization.

RECOMMENDATIONS:

None.