

**OFFICE OF THE CITY COUNCIL**

117 WEST DUVAL STREET, SUITE 425

4TH FLOOR, CITY HALL

JACKSONVILLE, FLORIDA 32202

904-630-1377

**FINANCE COMMITTEE BUDGET HEARING #3 MINUTES**

 **August 17, 2017**

**9:00 a.m.**

**Location:** City Council Chamber, City Hall – St. James Building; 117 West Duval Street,

**In attendance:** Council Members Garrett Dennis (Chair), Danny Becton, Lori Boyer, Katrina Brown, Reggie Brown, Reggie Gaffney, Matt Schellenberg

**Also**: Council Member Tommy Hazouri (arr. 10:50 a.m., dep. 12:00), John Crescimbeni (arr. 1:18 p.m.), Joyce Morgan (arr. 1:24 p.m.), Doyle Carter (arr. 2:02 p.m.); Peggy Sidman and Paige Johnston – Office of General Counsel; Kyle Billy and Brian Parks - Council Auditor’s Office; Crystal Shemwell– Legislative Services Division; Sam Mousa and Ali Korman Shelton – Mayor’s Office; Mike Weinstein and Angela Moyer – Finance and Administration Department; Jeff Clements, Colleen Hampsey and Yvonne Mitchell – Council Research Division

**Meeting Convened**: 9:07 a.m.

Chairman Dennis convened the meeting and the attendees introduced themselves for the record. Council Member Becton reported that the Special Council Contingency fund starts the day at $1,064,966 to the positive.

**Page references from this point refer to Auditor’s Budget Hearing #3 handout.**

Tax Collector

**Motion**: on p. 3, approve Council Auditor’s recommendation #1 to decrease the contribution to the Florida Retirement System by $4,650 and reduce the proposed transfer from the General Fund/GSD by that amount – a**pproved**

**Motion**: on p. 3, approve Council Auditor’s recommendation #2 to increase Collection Fees – Delinquent Tax Sales revenue by $120,630 and reduce the proposed transfer from the General Fund/GSD by that amount – **approved**.

Council Member Schellenberg asked if this revenue will continue to increase. Tax Collector Michael Corrigan said it should level off, but it depends on the economy. Council Member Becton suggested eliminating e-check fees ($2.50 per transaction) for online tax payments; Mr. Corrigan said that the outside vendor would still charge the fee so the city would have to cover the costs from General Fund. There is an option through the vendor wherein the city could pay one annual fee, which would be lower than what the public currently pays. More online payments could also save money on staffing in the Tax Collector’s office

**Motion** (Becton): have the City pay for the convenience fees for e-checks so residents don’t have to incur the fees. Change would be in the contractual services in their budget to add $60,000 to pay the e-check fees. If the fees exceed that amount, the Tax Collector would absorb the cost -

Chairman Dennis asked about the capital outlay carryover funds, which are for office supplies etc. for the new Westside Tax Collector branch, and whether those funds could be instead used for the e-check fees. Mr. Corrigan replied that the carryover funds are allocated for much needed capital projects only, but Mr. Billy indicated it could be done. OGC has concerns about the terms of the vendor’s contract which has another year before expiration. Council Member Schellenberg said he can’t support the amendment since people are accustomed to paying the fees already. Council Member Gaffney asked about how many jobs will be affected by this change; Mr. Corrigan said right now it would be 0 because there is already high employee turnover and demand for services in the branch offices. Mr. Mousa affirmed that the administration supports easing the burden on the public, and reminded the committee that this would be a recurring cost.

The Becton motion was **approved**.

Council Member Boyer posed several questions to Mr. Billy about how year-end fund balances are captured, either in fund-specific accounts or in a general reconciliation account.

In response to a question from Chairman Dennis, Mr. Corrigan and Sherry Hall discussed the demographics of the Tax Collector’s office, which is 46.9% minority. CAO Sam Mousa reported that the Mayor issued an executive order that has been conveyed to all City departments regarding implementation of the ordinance (sponsored by Mr. Dennis) passed recently by City Council regarding inclusive hiring and that the Employee Services Department will be making a report on the demographics of the City’s workforce when its budget is discussed at a future meeting.

Supervisor of Elections

**Motion**: on p. 6, approve Council Auditor’s recommendation #1 to move 8,734 part-time hours from the Elections Division to the Registration Division – **approved**.

**Motion**: on p. 6, approve Council Auditor’s recommendation #2 to reduce part-time salaries by $30,800 to align budget for 18 early voting sites staffed for 12 hours per day –

In response to a question from Chairman Dennis about why the SOE’s budget went up in a year when the number of elections was reduced, Supervisor Hogan explained that poll manager and poll worker salaries were increased for the first time in many years. Council Member Boyer asked about the source of the projected $300,000 year-end fund balance after some available funding was used for salary increases.

**Motion**: postpone the Supervisor of Elections’ budget to the wrap-up session – **approved 5-1** (Schellenberg opposed).

Clerk of the Courts

Council Member Boyer asked about the apparent increase in internal service charges in the Clerk’s budget for ITD data center charges as a result of using the City’s IT system rather than maintaining its own. Angela Moyer explained that the Clerk’s Office is now being assigned a portion of the data center system maintenance and security overhead charge, which will reduce the charges to the other City users. Council Member Becton asked about the implementation of passport processing to the Clerk’s portfolio of services; Clerk of the Courts Ronnie Fussell said that the service is very popular and growing rapidly.

Council Member Boyer asked for clarification from the Council Auditor about his statement earlier in the meeting regarding the need for Council authorization for spending of departmental year-end fund balances. In response to a question from Council Member K. Brown about media reports on building security at the Courthouse, Mr. Fussell said that courthouse security is the responsibility of the Sheriff’s Office and ultimately the Chief Judge. In response to a question from the Chairman, Mr. Fussell described his office’s recruitment and hiring practices and said that his workforce is 53.8% minority.

Courts

**Motion**: on p. 11, approve Council Auditor’s recommendation to increase the Lease-Purchase (Equipment Agreements) line by $1,593 – **approved.**

**Motion**: on p. 14, approve Council Auditor’s recommendation to increase revenue in the Teen Court Programs Trust by $25,810 and offset with a decrease in transfer from Teen Court Fund Balance – **approved**.

In response to a question from Council Member Becton about the decrease in the revenue line for fines and fees, Chief Judge Mark Mahon said that fewer arrests are being made, fewer cases are being filed, and more cases are being assigned to diversionary programs rather than going to court. In response to a question from Council Member Hazouri about funding for Jacksonville Area Legal Aid, Mr. Billy described their one-quarter portion of the $65 court costs fee and said that any private donations to Legal Aid would not be reflected in the City’s budget.

Recording Fees

**Motion** (Schellenberg): on p. 19, approve the departmental request to allocate $183,995 additional from the Recording Fees Technology account to the following:

Courts -$63,000 increase to Repairs and Maintenance; $40,000 increase to Professional Services; $39,999 increase to Computer Equipment and Software; $10,000 increase in Software Computer Items under $1,000

State Attorney - $99,399 increase to Computer Equipment and Software; $2,500 increase to Repairs and Maintenance

Public Defender - $52,749 increase to Computer Equipment and Software

The amounts will be offset with the elimination of the contingency fund and a transfer from fund balance of $183,995.

Council Member Becton posed several questions about why City ITD does not maintain and operate some of the technology in the courthouse. The Clerk’s IT director for the courthouse, explained their specialized equipment and stated that City ITD does not deal with some of their equipment and software. ITD has authorized the separate courthouse IT operation for these applications.

The Schellenberg motion was **approved unanimously**.

Chief Judge Mahon said that he would be making a request at the appropriate time at a future meeting for General Fund budget enhancements for courthouse furniture acquisition, tablet computers ($20,508) and Drug Court client services (contractual services via River Region and Gateway Human Services). A federal grant application has been submitted to fund the drug court services; a response is not expected until early 2018. Judge Mahon prioritized the requests: 1) tablet computers, 2) furniture, 3) Drug Court services.

Public Defender’s Office

In response to questions from Council Member K. Brown, Public Defender Charles Cofer explained that when he took office a number of attorneys left (almost all voluntarily) and were replaced with a smaller number of better paid attorneys in an attempt to increase retention and reduce the very high level of attorney turnover. Turnover is a perennial problem. Mr. Cofer said that caseloads are generally manageable. Communication with clients is being emphasized and technology is being used to facilitate that communication without attorneys having to constantly travel back and forth to the courthouse.

State Attorney

**Motion**: on p. 21, approve Auditor’s recommendation to remove $1,594 of General Liability Insurance allocation erroneously included – **approved unanimously**.

State Attorney Melissa Nelson answered questions from Council Member Brown about how her office investigates allegations of wrongdoing by law enforcement officers, which she said are treated the same as any other allegation against any citizen. Citizens interested in the progress of any particular investigation can contact the State Attorney’s Office by telephone or e-mail, and since she has taken office she has emphasized to her staff the importance of prompt communication with the public. She also noted that the Office’s web site has a link for citizens to report suspected crimes. Her staff is in the process of mapping and analyzing processes in the office with an eye to improvements, and has established specialized divisions focusing on hate crimes, human rights, human trafficking and violent crimes. The State Attorney and law enforcement entities throughout the circuit have executed a new memorandum of understanding regarding enhanced use of civil citations for juveniles and will shortly appoint an advisory committee to assist in the civil citation process. All parties will meet by the end of the year to assess short-term progress. Council Member Hazouri praised the cooperative efforts of the State Attorney, U.S. District Attorney, Sheriff’s Office and the City on the good work being done in the area of combatting human trafficking. Council Member Boyer requested feedback from Ms. Nelson’s office on the implications of using non-sworn law enforcement officers (i.e. school resource officers, JSO community service officers, private security guards, etc.) to provide security and issue civil citations in parks, riverwalks, school properties, etc. What authority do those officers have to enforce the law?

**The committee was in recess from 12:03 a.m. to 1:18 p.m.**

Parks, Recreation and Community Services

**Motion**: on p. 27, approve Auditor’s recommendation #1 to increase Natural and Marine Resources revenues by $18,000 – **approved unanimously**

**Motion**: on p. 27, approve Auditor’s recommendation #2 to remove $109,715 for Equestrian Center utilities from the Office of Director (already budgeted in the Equestrian Center budget) – **approved unanimously**

**Motion**: on p. 27, approve Auditor’s recommendation #3 to move $48,000 in part-time salaries from the Aquatics Division to Playgrounds and Centers - **approved unanimously.**

In response to a question from Chairman Dennis about the increase in overtime hours despite the addition of several new employees, Angela Moyer explained that it results from a combination of underfunding part-time hours in the last two fiscal years, indicating a need for greater resources, and the addition of new programs in FY17-18 that will require additional part-time hours (9A/Baymeadows Park tennis center and Splash Zone swimming program). In response to a question from Chairman Dennis, Sam Mousa explained the need for the contract with Billy Casper Golf to manage the Brentwood Golf Course in place of First Tee, which used to manage the course, and how the contract amount was determined.

Council Member Boyer initiated a discussion of the diminishing availability of community centers for after-school activities, the increasing role of libraries in fulfilling that need, and the cost of contracting with private third-party providers to fulfill that need. Daryl Joseph, Director of the Parks, Recreation and Community Services Department , provided a list of the community centers the department currently staffs and operates itself, centers that are contracted to third party operators, and community center buildings that are not staffed or open after school hours or in the summer (6 centers). He reported that the cost of having the 6 closed/unstaffed centers open from 2:30 to 6:30 p.m. on school days and 5 days a week during the summer is $48,000 per site per year, for a total of $288,000. Council Member R. Brown suggested that senior centers that currently close in the afternoon could also be used for after-school youth programming. Chairman Dennis requested the administration to look at the department’s budget and try to identify $288,000 out of the department’s $44 million budget to fund this service need. Council Member Schellenberg requested a map showing all community centers and public schools. Council Member Becton requested information on the facilities available at each of the community centers (basketball courts, computers, etc.).

Sam Mousa committed the administration to find the $288,000 in the department’s budget to staff the 6 additional community centers, but cautioned the committee that the budget is very tight and the allocation of funds for this use will constrain the department’s ability to respond to other mid-year requests from the Council or its members for additional services and initiatives. Ms. Moyer said that opening these centers would also require an allocation of part-time hours.

Council Member R. Brown noted that all of the discussion about dealing with safe and productive activities for young people centers around elementary and middle school ages and ignores the needs of older teenagers. Daryl Joseph said the department does not have any dedicated teen centers, but does teen programming at some community centers.

Council Member Boyer asked Mr. Joseph for the department’s plans to improve security and reduce vandalism at parks. Mr. Joseph explained that vandalism consumes about 20% of the department’s capital maintenance budget in repairs and replacement of damaged amenities. He said that activation of the parks with more people using the facilities more hours of the day helps to discourage vandalism. The proposed budget contains funding for additional security cameras at problem parks. Ms. Boyer decried the practice of engineering parks for the purpose of resisting vandalism in ways that make them unattractive to use. Mr. Joseph reported that he has 1 police officer assigned from JSO to be the liaison to the Parks Department and to patrol parks, although that officer is primarily reactive to complaints at this point. Ms. Boyer requested information about the department’s contract for JSO officers providing off-duty security in parks and the potential for contracting with private security guards. Mr. Joseph said that some communities have deputized park rangers with arrest powers to deal with park security. Council Member R. Brown suggested that ballfields (baseball, softball, football, soccer) need to be much better maintained. Mr. Joseph said that private athletic associations have taken over maintenance of a number of ballfields where their leagues perform, and the department has created a fields team to give intensive attention to those not maintained by associations.

Huguenot Park

Council Member Boyer asked for clarification about the relationship between sweeping year-end fund balances out of the Huguenot Park and the Council Auditor’s concern about Subfund 1D1 having a negative fund balance. It would seem that if revenues vary substantially from year to year and the fund sometimes runs a concerning negative balance, it might be better to not sweep the fund balance out of the subfund annually. Mr. Joseph explained the temporary closure of camping sites due to damage to the park road and the revenue shortfall that caused.

Hanna Park

**Motion**: on p. 32, approve Auditor’s recommendation #1 to change a transfer of $24,525 from General Fund/GSD to a transfer of that amount from the Hanna Park Trust Fund balance – **approved unanimously**.

**Motion**: on p. 33, approve Auditor’s recommendation #2 to decrease entrance fee revenue by $60,000 and increase annual pass revenue by $20,000 and camper fee rental by $40,000 – **approved unanimously**.

In response to a question from Chairman Dennis, Mr. Billy explained the Maximus study that annually calculates the City’s overhead charge for allocation of internal service costs among the departments. Ms. Moyer said that the calculations are performed 2 years in arrears, and offered to give the committee the last 2 years of the calculations for Hanna Park so that the reason for the increase in the charge for next year can be identified.

Florida Boater Improvement Program

In response to a question from Council Member Boyer about what the funding in this year’s budget is allocated to contractual services, Mr. Joseph said that all funds will be used for boat ramp repairs through the department’s continuing contract with a service provider.

Cecil Field Equestrian Center

In response to a question from Council Member Becton, Mr. Billy and Mr. Mousa described the City’s agreement with Northeast Florida Equestrian Society to run the facility and the amount of the City’s subsidy. The Society’s budget is not part of the City’s budget so is not presented to City Council. Mr. Becton requested a copy of the Society’s budget and the City’s contract with the organization.

Planning and Development Department

In response to a question from Council Member Becton, Department Director Bill Killingsworth described the department’s increasing workload, especially in the areas of zoning and permitting. He said that the changes in departmental internal service charges reflect differences in allocations, not reduced departmental workload. Mr. Killingsworth also described the website public access application that ITD developed for the department that makes all planning documentation on rezonings and land use changes available to the general public in one easy-to-access location. The system has been tested and should be open for public use in October. In response to a request from Council Member Boyer he noted that exceptions and administrative deviations will not be available through that site at first, but ITD is working to make those features available as well when a change to the department’s internal document processing system is completed.

Concurrency Management System

In response to a question from Council Member Boyer, Mr. Billy explained the Auditor’s concern on p. 45 regarding the impact of Ordinance 2015-249-E on the Subfund 112 revenue. Mr. Killingsworth said that concurrency applications and their related fee revenues are decreasing over time, and annual concurrency reservation fees were eliminated when the mobility fee system was implemented. These changes have made it apparent that the concurrency application fees never really paid the full cost of the system that processes them.

Building Inspections

Ms. Boyer noted that Subfund 159 has a healthy fund balance and is producing revenues in excess of expenditures. Mr. Mousa said that the department is considering the possibility of requesting additional employees after a thorough review of operations. Ms. Boyer urged the department to use the opportunity of the healthy reserve account to make all necessary improvements to provide the best possible service to the public while the resources are available. Mr. Mousa said that some technological improvements have been made already and the division is buying all vehicles with cash instead of borrowing. He alerted the committee to an impending Ordinance Code amendment proposal to make the local system compliant with a new state statute passed by the 2017 Legislature, which may cost the City a couple of hundred thousand dollars per year.

Council Member R. Brown suggested that the City’s zoning code needs to be updated to comply with current state law. Mr. Killingsworth reported that the Zoning Code was last completely revised in 1991 when the first 30-year Comprehensive Plan was adopted, but has been updated in bits and pieces over the years with zoning overlays and the like. Sam Mousa suggested that Mr. Brown meet with Mr. Killingsworth to begin addressing immediate problem areas, which can be remedied before a full re-write of the Zoning Code is undertaken. That full re-write will happen in several years after the Comprehensive Plan goes through its next update. Mr. Brown expressed particular concern with the permitting procedure for mobile homes and modular buildings and with the lack of a means to compel half-completed buildings to be either completed or demolished if they sit unfinished for years and cause blight in the community. Council Member Boyer echoed her concern with a lack of expiration dates on City building permits which allow buildings to remain in half-finished condition for long periods of time.

In response to a question from Chairman Dennis, Mr. Mousa explained the addition of 4 new positions in the Building Inspection Division that are paired with 4 positions that are occupied by long-time employees who will be retiring in the next few years. The existing positions are redlined to be eliminated when the long-time incumbents retire. In response to a question from Council Member R. Brown, Mr. Mousa said that just this morning he had asked his department directors to report to him on what functions in their departments are partially or wholly privatized.

Council Member Boyer questioned the description in Subfund 1A1 on p. 46 of a $1.5 million allocation for repayment of a loan to purchase the Museum of Contemporary Art building

Outstanding items

* Chief Judge Mahon betterment request for courthouse furniture, tablet computers and Drug Court client service enhancements
* $288,000 funding and allocation of part-time hours to open 6 community centers for after-school and summer programming
* Debt service payment on Museum of Contemporary Art building/transfer from Northside East Tax Increment District

Special Council Contingency

Council Member Becton reported that the Special Council Contingency fund stands at $1,257,014.

**Meeting adjourned:** 4:29 p.m.

Minutes: Jeff Clements, Council Research

8.17.17 Posted 5:30 p.m.

Tapes: Finance Budget Hearing #3 – LSD

 8.17.17

Materials: Council Auditor’s Budget Meeting #3 handout - LSD

 8.17.17