

**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 #1 MINUTES - amended**

 **August 16, 2018**

**9:00 a.m.**

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

**In attendance:** Council Members Greg Anderson, Joyce Morgan Lori Boyer, Reggie Gaffney, Bill Gulliford, Jim Love, Sam Newby

**Excused**: None

**Also**: Council Members Danny Becton, John Crescimbeni, Ju’Coby Pittman (arr. 9:12), Terrance Freeman (arr. 9:24), Matt Schellenberg (arr. 11:02), Tommy Hazouri (arr. 1:15); Peggy Sidman – Office of General Counsel; Kyle Billy and Brian Parks, - Council Auditor’s Office; Adri Maguire Segui – Legislative Services Division; Sam Mousa and Jordan Elsbury – Mayor’s Office; Mike Weinstein and Angela Moyer – Finance and Administration Department

**Meeting Convened**: 9:00 a.m.

Chairman Anderson convened the meeting and the attendees introduced themselves for the record. The Chairman welcomed the committee to the budget review task and described the accessibility of all budget documents and handouts on the City Council web site. All meetings will be televised and live-streamed and archived on the internet. Public comment on the budget can be made at any City Council meeting and via phone calls and emails; public comment will not be taken at budget hearings. Budget hearings will run through August 31st, with Saturday, September 1st reserved for a wrap-up meeting if necessary. Since the budget is balanced, requested enhancements will need to be paired with matching revenue suggestions; enhancements will be considered at the end of the process when the amount of available funding, if any, will be known. Mr. Anderson thanked the administration and the Council Auditor’s Office for all of their preparatory work to date. He emphasized that the Council’s role is to set and fund policy priorities.

Mayor’s Office introduction

Chief Administrative Officer Sam Mousa thanked his budget team for producing a good document for Council’s review. He said that the budget reflects the Mayor’s emphasis on his top priorities - crime reduction, children’s services, and infrastructure improvements. Pension reform gives the City the opportunity to invest in its future. The City is very liquid with solid reserve accounts. Hurricane reserves have been set aside for Matthew and Irma costs.

Council Auditor’s Introduction

Council Auditor Kyle Billy gave the broad overview of the proposed budget, beginning with the budget legislation (13 bills this year) and timeline. The tentative budget and millage levies will be tentatively approved at the first Finance Committee meeting in September, then laid on the table for public review and final Council approval at the second September meeting.

**Page references from this point refer to Auditor’s Budget Hearing #1 handout.**

Mr. Billy reviewed the summary of ad valorem taxes on p. 5 of the handout. The value of existing property increased by $3.3 billion from last year, producing 5.66% more revenue. The addition of new taxable property increases the ad valorem revenue to 7.93% over the current year. The millage rates from the current year are proposed to carry over unchanged to next year. In response to a question from Council Member Crescimbeni about changes in ad valorem values since July 1, Mr. Billy said that values seem to be growing, but past experience has shown that those values sometimes decline again by the October report. In response to a question from Council Member Love about the substantial increase in the budget of the Office of Economic Development, Mr. Mousa said that reflects funding for a new downtown business enhancement program. The employee cap is increasing by a net of 70 from FY17-18 to FY18-19; the Fire and Rescue Department is adding 11 positions, 66 positions were redlined (removed) from the Sheriff’s Office, and the Public Library is adding 13 positions.

Mr. Billy explained the salary increases due to the collective bargaining agreements entered into as part of the pension reform program. Part-time salaries are increasing substantially in the Supervisor of Elections office due to an increase in the number of elections to be held in FY18-19. There will not be any health insurance contribution holidays because the reserves that paid for those in FY17-18 are depleted. 360 employees have signed up for the UF Health employee insurance plan, and it is the default plan for any employee who does not choose a specific plan when they are hired. Mr. Billy explained the salary lapse schedule on p. 13, which totals $8.65 million for both General Services District and non-GSD departments. Budget Officer Angela Moyer explained the methodology for calculating the lapse using 10 years of historical data. Mr. Billy noted that the lapse factor does not include the defined benefit pension amounts per employee since those are budgeted at the actuarial dollar amounts.

General Fund/GSD Schedule of Revenues

Mr. Billy explained the decline of Communication Services Tax revenue as landline phone and pager use declines. JEA’s contribution to the City in FY18-19 is budgeted at $117.65 million. Council Member Boyer pointed out that in the current budget the City advanced funding to the Northbank CRA to meet its expenses; next year the CRA is projected to be cash-positive and will begin repaying that loan. She also noted that the Stormwater Utility was intended to be a “pay-as-you-go” fund, not a source to pay for borrowing for projects.

**Motion**: on p. 16, approve Council Auditor’s recommendation #1 to decrease Communication Services Tax revenue by $297,612 to the amount projected by the state ($31,715,776), to be offset by a decrease of $124,577 in the non-departmental expenditure transfer to JPA and a net negative to the Special Council Contingency of $173035 – **approved**

**Motion**: on p. 16, approve Council Auditor’s recommendation #2 to increase federal grant revenue by $191,690 with a positive impact to Special Council Contingency - **approved**

**Motion**: on p. 16, approve Council Auditor’s recommendation #3 to reduce the revenue from the Buckeye Terminals right-of-way agreement by $2,246, with a negative impact to Special Council Contingency - **approved**

**Motion**: on p. 16, approve Council Auditor’s recommendation #4 to decrease Payment in Lieu of Taxes from FPL by $32,725 to reflect current assessed values in progress and proposed millage rates, with a negative impact to Special Council Contingency – **approved**

Schedule of Non-Departmental Expenditures

Council Member Boyer pointed out the amount of debt service being paid out of the General Fund that, in lean budget years, prevents the use of available funding for other potential uses (adding new employees, expanding services, etc.). Ms. Moyer noted that the CIP Debt Service Repayment amount shown on p. 18 needs to be added to the list on p. 19 to get the full impact of debt service in the General Fund. In response to a question from Council Member Boyer, Mr. Mousa reported that the Allocations for Vacant Buildings may be reduced somewhat since the demolition contract has been let, although the buildings will still need utilities for several months until asbestos abatement and internal demolition take place.

**Motion**: on p. 24, approve Council Auditor’s recommendation #1 to remove funding from the ex-offender employment line item by $400,000 because it is listed here erroneously (it is funded elsewhere in the budget), with a positive impact to Special Council Contingency of that amount – **approved**.

**Motion**: on p. 24, approve Council Auditor’s recommendation #2 to decrease funding for public safety defined contribution plan administration by $6,725, with a positive impact to the Special Council Contingency of that amount – **approved.**

**Motion**: on p. 24, approve Council Auditor’s recommendation #3 to decrease funding for the continuation grant match (B1b) line item by $50,000, with a positive impact to the Special Council Contingency of that amount – **approved.**

Capital Outlay Projects Not Lapsed

Council Member Boyer asked why these projects listed as “capital outlay” are not included in the CIP with the other capital projects. Mr. Billy said that the title is somewhat misleading in its use of the term “capital”.

**Motion**: on p. 26 approve Council Auditor’s recommendation to adjust the carry-forward amounts in the schedule to account for encumbrances, expenditures and other adjustments occurring since the budget was presented; also correct the title of Schedule AF to better reflect the nature of the funds - **approved**.

Public Service Grant Funds

Council Member Morgan questioned why funding has not increased for public service grants over several years despite the growing social service needs and whether the Mayor’s Office had plans to increase funding for such grants in the future. Sam Mousa noted that Mayor Curry increased funding for PSGs in FY15-16 in his first budget. There is a referendum on the November 2018 budget to increase the homestead exemption that has the potential to substantially reduce the City’s tax revenues beginning in the next fiscal year, so caution is advised. The mayor will have to balance numerous requests for funding enhancements next year, potentially with fewer resources. Council Member Boyer noted that some crime prevention programs seem to have slight increases, which is a positive step. Council Member Gulliford cautioned PSG recipients that any increases that may eventually be approved this year are not guaranteed into the future because of potential funding restraints and should be treated as one-time infusions. Council Member Love said that he would be advocating for increases to both public service and cultural service grants if there are any resources available to be distributed at the end of the budget process.

Food and Beverage Expenditures

**Motion**: on p. 28, approve Council Auditor’s recommendations #1-4

#1 – reflect $2,000 for Community Meetings in Sheriff’s Office budget to correct a typographical error

#2 – reflect $650 for Working Lunch Meetings in Military and Veterans Office to correct a typographical error

#3 – add a public purpose explanation in City Council budget for agenda and staff meetings and Jaguar game City suite

#4 - change the description of the service/event in the Fire and Rescue Department budget of $1,000 to Apprentice Program

Recommendations #1-4 were **approved unanimously**.

Ordinance Code Waivers in Budget Ordinance

Mr. Billy reviewed the various Code waivers in the proposed budget, most of which are repeats of waivers previously approved in budgets past.

**Motion** (Gulliford): on p. 37, approve Auditor’s recommendation to amend the date for reporting of the administration’s annual fee review from January 3 to July 1, 2019 -

Council Member Boyer felt that July 1, 2019 is a less than ideal date given the arrival of a new City Council on that date; she felt that either an earlier or later date would be better, preferably earlier. Mr. Mousa said that the administration recognizes that the City fee schedule is a very large and complicated topic and work is underway to tackle the issue, but it is a massive project.

**Motion** (Gulliford): amend the date to July 1, 2019 or earlier if possible –

Council Member Boyer noted that the Task Force on Consolidated Government recommended that fees be reviewed and updated on a regular basis, department by department, and not delayed for years awaiting citywide comprehensive updates.

The second Gulliford motion was **approved unanimously**.

Regarding Sec. 10.8 Waiver of Section 754.112 (Annual Budget for Stormwater User Fee), Mr. Mousa said that the budget contains $23.6 million for stormwater work and if any additional funding is added if this waiver was to be removed, there is very little likelihood that that funding could be expended during the fiscal year due to the volume of work already in process. Ms. Boyer said that there are several alternatives for how additional stormwater funds could be expended through other mechanisms that don’t involve the Stormwater Utility. Mr. Mousa distributed a listing of all drainage system projects currently under design or construction and urged that the City concentrate in FY18-19 on moving those projects to completion before additional projects are added to the list that can’t be moved forward due to capacity limitations.

Chairman Anderson recognized a group of home school students attending the meeting.

Council Member Boyer explained to the new council members the history of the waiver of the Code regarding payment for replacement vehicles with cash rather than borrowing and expressed her excitement that finally this year the vehicle replacement is back on a cash basis.

**Motion**: on p. 42, approve the Council Auditor’s recommendation that the Sec. 10.9 Waiver of Ordinance 2000-1079-E regarding repayment of the VCP-Lynch project repayments from previous years be reinserted for FY18-19 because the funds are needed as a revenue source for the Northeast Tax Increment District – **approved unanimously**.

Council Member Boyer proposed that the Ordinance Code be amended to eliminate the need for several of these persistent waivers; if the Code needs to be waived every year, then perhaps the provision needs to be eliminated altogether.

**The committee was in recess from 11:13 to 11:22 a.m.**

**Motion**: on p. 49, approve the Council Auditor’s recommendations #1 and #2 regarding Septic Tank Failure Areas:

#1 – remove “the budget for” language in Sec. 1.9 since there is no budget in this schedule

#2 – revise Schedule B-5 to include the Septic Tank Phase Out Prioritization 2018 Update document

In response to a question from Council Member Love, Mr. Mousa described the difference between the Health Department’s septic tank priority area list and the City’s septic tank phase-out prioritization list. The City’s list is based on many evaluation factors (age of neighborhood, economic conditions, potential for redevelopment, home value, etc.) beyond the Health Department’s primary focus on environmental health impacts. In response to a question from Council Member Gulliford about how the City plans to pay for hookup of individual houses to a newly installed sewer line, Mr. Mousa said that the City is absorbing the cost of hookups into the overall project budget to hook up all properties that will grant access easements. Those that refuse access and don’t allow the City to hook them up to the sewer line will still get a meter and be charged an availability fee. Council Member Gulliford suggested the need to devise a mechanism to recoup some of the increased value

The motion was **approved unanimously**.

**Page references from this point refer to Auditor’s handout entitled Direct Contracts – General Fund Non-Departmental Expenditures.**

Direct contracts

Project Save Lives Opioid Pilot Program

**Motion**: on p. 1, approve Council Auditor’s recommendations on the Project Save Lives Opioid Pilot Program budget ordinance Sec. 11.11 and Budget Ordinance Exhibit 1 – **approved unanimously**.

**Motion** (Guilliford): change “inpatient services” to “residential treatment”; revise language regarding residential treatment services to provide that City will pay Gateway Community Services $180 per reserved bed per day regardless of usage in consideration for services provided, with quarterly reporting required – **approved unanimously**.

Prisoners of Christ – Ex-Offender Employment Program

**Motion**: on p. 1, approve Council Auditor’s recommendations on Prisoners of Christ – Ex-Offender Employment Program budget ordinance Sec. 11.12 and Budget Ordinance Exhibit 2 – **approved unanimously**.

**Motion**: add a provision for 2-weeks of employment as the qualifying threshold for ~~XXX~~ a City payment – **approved unanimously**.

New Hope Education and Addiction Services d/b/a Florida Recovery School

**Motion**: on p. 1, approve Council Auditor’s recommendations on Florida Recovery School budget ordinance Sec. 11.13 and Budget Ordinance Exhibit 3 – **approved unanimously**.

Operation New Hope – Ex-Offender Re-entry Services

**Motion**: on p. 2, approve Council Auditor’s recommendations on Operation New Hope – Ex-Offender Re-entry Services budget ordinance Sec. 11.14 and Budget Ordinance Exhibit 4 – **approved unanimously**.

Edward Waters College – New Town Success Zone

**Motion**: on p. 2, approve Council Auditor’s recommendations on New Town Success Zone budget ordinance Sec. 11.15 and Budget Ordinance Exhibit 5 – **approved unanimously**

Groundwork Jacksonville – McCoy’s Creek and Hogan’s Creek Improvements

**Motion**: on p. 2, approve Council Auditor’s recommendations on Groundwork Jacksonville budget ordinance Sec. 11.16 and Budget Ordinance Exhibit 6 – **approved unanimously**

United Way of Northeast Florida – 2-1-1

**Motion**: on p. 2, approve Council Auditor’s recommendations on United Way 2-1-1 budget ordinance Sec. 11.17 and Budget Ordinance Exhibit 7 –

In response to a question from Council Member Boyer, Damian Cook of the Grants Office reported that the 2-1-1- system had previously received Public Service Grant funding, so funding via direct contract relieves the PSG program from this responsibility.

The motion was **approved unanimously**

Jacksonville Zoological Society

**Motion**: on p. 3, approve Council Auditor’s recommendations on Jacksonville Zoological Society budget ordinance Sec. 11.18 – **approved unanimously**

AGAPE Community Health Center

**Motion**: on p. 3, approve Council Auditor’s recommendations on AGAPE Community Health Center budget ordinance Sec. 11.18 – **approved unanimously**

**Motion**: approve the administration’s proposed amendments on the AGAPE contract regarding addition of a reference to Sec. 330(e) of the Public Health Service Act, to limit the reimbursable expenses to $100,000 during FY18-19 – **approved unanimously**.

Mr. Mousa explained how the administration arrived at the $100,000 appropriation amount this year versus the $187,000 granted last year. Mia Jones of AGAPE explained the scope of the agency’s services to the medically needy. She noted that 728 patients will not be seen if the City’s investment is reduced from the current $187,000 to $100,000. Council Member Boyer asked Ms. Jones to meet with the Health Department to provide the committee with details about what health services are at risk in the event that the Health Department’s budget is reduced and it must cut services.

**The committee was in recess from 12:16 p.m. to 1:16 p.m.**

**Page references from this point refer to Auditor’s Budget Hearing #1 handout.**

Fire and Rescue Department

Mr. Billy gave an overview of the JFRD’s revenues and expenditures. He reported that the department will be adding 95 positions in the General Fund, funding of 17 previously unfunded positions, funding 27 positions formerly funded by a SAFER grant now the responsibility of the City, and adding 57 new positions. The department will also be adding 63 new vehicles. Fire Chief Kurt Wilson discussed the 95 new/newly funded positions. Construction of the new Fire Station #61 on Collins Road will begin shortly and a temporary station will be installed at the site in the spring of 2019 until the new station is completed. Three positions are being added in plans review to deal with the increasing workload. Several rescue units will be added this year at fire stations that do not have them. In response to a question from Council Member Becton, Chief Wilson described the firefighters acquired using the SAFER grant, how they are transitioning to City funding, and their effect on the department’s overtime needs. Since pension reform was adopted, it has become less expensive to hire new firefighters than to pay overtime to existing employees. The department is under budget on overtime expenses thus far in the current fiscal year.

In response to a question from Council Member Boyer about the rationale for hiring 15 additional personnel for the relief pool, Chief Wilson said that the collective bargaining agreement currently being negotiated with the unions increases the percentage of overall personnel that may take leave each day, so the number of relief personnel still needs to be increased above what already exists. The additional personnel will also provide staffing for tanker units currently sitting unstaffed to haul water to fight fires in areas without fire hydrants. In response to a question from Council Member Hazouri, Chief Wilson described overtime patterns among employees of different ages and at different stages in their careers.

In response to a question from Council Member Gulliford, Chief Wilson explained the continuing problems the Rescue Division faces in collecting transport fees (in the 60% range). Rescue calls and transports are up, but Medicare and Medicaid reimbursements are going down so revenue is down. Uncollected bills are turned over to a collection agency after 120 days. Since the change to a new type of rescue unit, those units can now be refurbished with the bodies being transferred to new chassis at a lower cost than buying new. Chief Wilson explained the rationale for dispatching fire trucks in addition to rescue units to rescue calls because they are more available for instant dispatch (rescue units are much more likely to be already busy on another call or in route from a hospital transport). Fire trucks are usually much quicker to arrive on scene within 4-5 minutes.

Fire and Rescue Building Inspections

**Motion**: on p. 60, approve Council Auditor’s recommendation to remove the $115,900 carryforward from Schedule AF for the Fire Inspection Replacement Solution being budgeted as part of another IT project – **approved unanimously**.

Council Member Gulliford thanked JFRD for their yeoman’s work on dealing with the opioid epidemic pilot program during the past year. Council Member Boyer noted that the large increase in the number of fire vehicles means that internal service charges will increase substantially next year, which may be problematic if the additional homestead exemption passes and reduces ad valorem revenue.

Sheriff’s Office

Mr. Billy gave an overview of the JSO revenues and expenditures. Sheriff Mike Williams said that the proposed budget completes the acquisition of 100 officers that started last year, and completes the transition of employees from the COPS grant to General Fund funding.

In response to a question from Council Member Boyer about the difference between covering some functions via secondary employment versus on-duty officers versus officers on overtime and its impact on the budget, Sheriff Williams explained his change in policy to require promoters of special events to pay for the officers needed to cover their event and not take officers off the street to deal with those events. CFO Mike Weinstein said that the revenues and expenses of servicing those events are not expected to match up. In response to a question from Council Member Hazouri about the provision of school safety officers at all schools, Sheriff Williams said that it is a responsibility of the school system, not the Sheriff’s Office, and school boards across the state are having trouble meeting the mandate. Three types of personnel meet the state mandate – on-duty police officers, school resource officers (police officers assigned to work full time in schools), and school safety assistants (non-teacher school employees with concealed weapon permits who undergo a month-long training program and are certified). For the time being, JSO is assigning off-duty officers on overtime to elementary schools (middle and high schools are staffed by school district police) until enough school safety assistants can be trained and certified. He expects that the School Board will pay those overtime charges since the responsibility is the district’s. The Sheriff said a large percentage of applicants don’t pass the original screening process and then more drop out during the course of training once admitted to the academy. Mr. Mousa urged the Council to support the Sheriff and the City administration later in the fiscal year when the City bills the School Board for this school safety overtime and the board says that it can’t afford the cost.

In response to a question from Council Member Gulliford about the impact of pension reform on JSO hiring practices, Sheriff Williams said that the turnover the occurred during the pension reform debate has calmed down after a surge of departures, particularly in the DROP program. He said that over 500 officers are new on the force since he was elected 3 years ago for a variety of reasons. Jacksonville is more competitive with its salaries since pension reform. The next challenge will be when the wave of new employees reach 6-8 years of service and may consider leaving for another jurisdiction that still has a defined benefit pension. In response to a question from Council Member Gaffney, Sheriff Williams said that this budget shows a full year of expenses for outsourced inmate health care, which started during the last fiscal year. The experience is good to date, with 3 accreditation reviews being positive. Council Member Becton asked for an update on progress in hiring the 100 new officers and overall employment level. In response to a question from Council Member Morgan, the Sheriff discussed the training of department personnel, including sensitivity to relations with the community. Council Member Love recommended that the JSO look at electric vehicles as some other jurisdictions have done to save fuel costs. Sheriff Williams reported that the department migrated several years ago from Chevy Impalas to Ford Taurus police cars for size reasons, but Ford has announced that it is dropping almost all of its car lines and will focus on trucks and SUVs. Ford will produce a version of its Explorer SUV as its police vehicle.

In response to a question from Chairman Anderson, the Sheriff explained that the removal of out-of-commission red light cameras is the responsibility of the vendor; he will check on the status of their removal. In response to another question, he said that the alarm system registration process has gone very smoothly and many more alarms are now properly registered. In response to a question about the potential for installing more surveillance cameras around the city, the Sheriff said that he is a proponent of more cameras and that about 40% of the JSO’s serious cases involve use of video from private cameras. This year’s budget contains funding for a Real Time Crime Center that will be a centralized location for all available resources, including public camera feeds. The feeds will be triggered by 9-1-1 calls, giving dispatchers real-time access to cameras in the immediate vicinity of the call location. He advocates for installing in city parks and at bridges as a start, and growing from there.

In response to a question from Council Member Hazouri about the number of police cars that are wrecked on duty, Sheriff Williams said that this budget contains 45 wreck replacement vehicles. He is redoubling training for his personnel and highlighting the necessity of officers paying attention and driving sensibly. In response to a question from Council Member Newby, the Sheriff said that JSO has 2 law enforcement Explorer programs to attract potential future employees. Council Member Becton asked the Sheriff about the TOP (Tourist Oriented Policing) program that attempts to deal with crime at hotels and motels through making law enforcement connections with hoteliers. The Sheriff said that function has been incorporated into the CPTED (Crime Prevention Through Environmental Design) program and is used somewhat in various parts of the city, but is not widespread. The problems typically seen with motels (i.e. prostitution and drugs) can be addressed with DART (Drug Abatement Response Team) and vice squad sting actions. Mr. Becton said that motel crime seems to be moving from the fringes of downtown to further south in suburban parts of the city. Sheriff Williams explained the high utility cost for the Zone 3 substation, which is an office building in which the JSO gets free space, but has to pay the cost of keeping the HVAC system operational 24 hours a day after the other tenants leave after the normal business day.

n response to a question from Council Member Boyer, the Sheriff said that the 100 new officers will all be through the Police Academy and on the street by the end of the fiscal year. In response to a question from Council Member Morgan, Sheriff Williams said that ITD is refreshing the JSO web page to make it more user-friendly and more intuitive to use to allow citizens to access the tremendous amount of information that is already there, but not easily located. Ms. Morgan talked about the disconnect between the statistics that show that overall crime is down in the city, but certain kinds of crime seem to be getting lots of publicity and therefor contradicting the message that “crime is down.” In response to a question from Council Member Gaffney about when the JSO will reach what it considers to be full staffing to do its job, Sheriff Williams said that this year’s budget will get the force back to the 1,800 officers the department had at its peak 10 years ago, and modern technology (cameras, ShotSpotter) are multiplying what the existing force can do without the need for more people. He said that it is probably time for the department to be evaluated by an external consultant to determine what staffing level is needed to meet current conditions, which would ideally be done every 5 to 7 years. In response to a question from Council Member Morgan about how the department is dealing with officer morale, burnout, relations with the community, etc., the Sheriff said that several programs are being used to deal with employee assistance, stress relief, and the like. If the JSO becomes aware that an officer on the street is on edge which could lead to counterproductive relations with citizens, that officer is taken off the street.

911 Emergency User Fee

**Motion**: on p. 68, approve Council Auditor’s recommendation #1 to reduce the Transfer from Fund Balance by $7,202 and increase the Wireless Fee revenues by the same amount – **approved unanimously**

**Motion**: on p. 68, approve Council Auditor’s recommendation #2 to correct the allocation amount in the JFRD General Fund/GSD budget to $338,794, with a positive impact to Special Council Contingency of $3,332 – **approved unanimously**

Council Member Gulliford thanked Sheriff Williams and the JSO for their participation in the opioid epidemic pilot program.

The committee was in recess from 3:48 to

City Council

**Motion**: on p.72, approve Council Auditor’s recommendation to increase the communications allowance amount by $2,400 to $16,663, with a corresponding negative impact on Special Council Contingency –

In response to a question from Council Member Love about the need for the new communications allowance for City Council, Angela Moyer explained that the two suspended council members had chosen not to take a communications allowance but the two replacement appointees have elected to take the allowance.

The motion was **approved unanimously**.

Council Member Gulliford expressed concern about the amount of turnover recently in the Legislative Services Division and urged the Personnel Committee to be cognizant of that. Council Member Boyer asked Council Secretary/Director Cheryl Brown to describe any enhancements requested by the Council that were not included in the mayor’s proposed budget. Ms. Brown said that one additional entry level Legislative Assistant position was requested in the Legislative Services Division at a salary of $33,417, plus benefits. She also requested additional financial capacity in the council member communications allowance of $2,416 and $2,183 for City hall parking to be able to cover the needs of new council members elected in the City elections in the spring of 2019 while the current council is still seated until June 30, 2019. These two items will be placed on the betterment request list. Council Member Becton asked about the progress of computer refreshes in the City Council offices and said that the City Hall systems seem to run very slowly and unreliably and need to be analyzed to determine why.

**Motion** (Gulliford): overrule the decision of the chair to treat the $4,599 as an enhancement request and take it up for a vote today rather than at the end of the hearing process – **dies for lack of a second**

Council Member Boyer has tried to explore whether it is possible to earmark the proposed legislative assistant position for succession planning purposes and ensure that it is used to hire an employee at the appropriate entry level as higher level employees retire and promotions occur within the staff. Angela Moyer suggested setting up the position in a separate activity that could be redlined at a later point after the succession promotions occur. Regarding earlier comments, Sam Mousa said that it was his understanding that the Mayor’s Budget Review Committee had approved everything the City Council had requested in its budget submission; if that was not the case, then it was an oversight because that was the MBRC’s intent.

Tourist Development Council

Mr. Billy distributed and reviewed a request from the TDC to amend the its budget as originally proposed following a meeting last week that recommended 2 additional uses of a portion of the funding in the category listed as “Remaining to be Spent in Accordance with Plan Components)”. Council Member Boyer explained the TDC’s recommendations to allocate $20,000 in funding specifically to promote activities at the Equestrian Center and to allocate $112,000 to administrative costs for hiring another TDC staff person to handle the entity’s growing responsibilities for contract management. Two ordinances are currently pending before the City Council to accomplish these two items with this funding through the TDC budget and the additional staff would relieve the Office of General Counsel and the Council Auditor’s Office of much of the assistance they have been providing to the TDC.

**Motion**: on p. 74, approve Council Auditor’s recommendations #1, 2 and 3 and the TDC’s proposed revised budget -

#1 – transfer $112,000 from Remaining to be Spent in Accordance with Plan Components 1-5 to Administration for salaries and benefits related to pending Ordinance 2018-536

#2 – transfer $20,000 from Remaining to be Spent in Accordance with Plan Components 1-5 to a proposed new Plan Component – Promotion of the Equestrian Center related to pending Ordinance 2018-472

#3 – authorize 1,600 part-time hours for use until such time as TDC staff positions are filled

#4 – adopt the revised TDC budget as recommended by the TDC

The motion was **approved unanimously**.

In response to a question from Council Member Morgan, Mr. Mousa explained that the Ritz Theatre does not have a City surcharge on ticket sales and therefore does not have a dedicated funding source for capital improvements. The mayor’s budget does include capital improvement funding for the Ritz this year.

Office of General Counsel

General Counsel Jason Gabriel announced that the City had prevailed in court in the John Keane challenge regarding his individual pension plan through the Police and Fire Pension Fund (Mr. Keane’s challenge was dismissed by the court). In response to a question from Council Member Gulliford, Mr. Gabriel was hopeful that that the City would be able to get the opioid lawsuit returned to state court.

Peggy Sidman requested that the lump sum Public Service Grant appropriation be placed in a designated contingency fund in the budget and that its allocation be reviewed and approved as a separate bill because of the possibility that a council member may have a conflict of interest if their employer receives a public service grant.

**Motion**: place the Public Service Grant appropriation be placed in a designated contingency fund in the budget, amend Schedule A2, and authorize the General Counsel’s Office to draft separate legislation appropriating the PSG funds as a conflict bill – **approved unanimously**.

Outstanding items

* Non-departmental expenditures – reduce the internal service Allocation for Vacant Buildings

**Motion**: reduce the internal service Allocation for Vacant Buildings by $60,000 for utilities and security at the Old City Hall and Courthouse - **approved unanimously**

* Non-departmental expenditures -Constitutional gas tax to fiscal agent
* Sheriff Williams – progress in hiring the 100 new officers, overall employment level, and the deployment of those new officers
* Sheriff Williams – red light camera removal
* Sheriff Williams – false alarm data since the implementation of the new registration system

Enhancement requests

* AGAPE additional funding request
* Additional funding for Public Service and Cultural Service grants
* City Council Legislative Services – additional Legislative Assistant position ($45,666)
* City Council - council member communications allowance of $2,416 and $2,183 for City hall parking for new council members
* City Council/Legislative Services Division – additional Legislative Assistant position earmarked for succession planning

Special Council Contingency

Brian Parks reported that the Special Council Contingency fund stands at +$501,841.

**Meeting adjourned:** 5:12 p.m.

Minutes: Jeff Clements, Council Research

8.20.18 Posted 1:30 p.m.

Tapes: Finance Budget Hearing #1 – LSD

 8.16.18

Materials: Council Auditor’s Budget Meeting #1 handout - LSD

 8.16.18