

**OFFICE OF THE CITY COUNCIL**

**RESEARCH DIVISION**

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**FINANCE COMMITTEE BUDGET HEARING #1 MINUTES**

**Remote meeting via teleconference**

 **August 6, 2020**

**9:00 a.m.**

**Location:** Remote meeting via teleconference

**In attendance:** Committee members Matt Carlucci (Chair), LeAnna Cumber, Randy DeFoor, Joyce Morgan, Brenda Priestly Jackson, Ron Salem, Scott Wilson

**Also**: Council Members Garrett Dennis, Terrance Freeman; Kim Taylor and Brian Parks – Council Auditor’s Office; Jeff Clements and Yvonne Mitchell – Council Research Division; Brian Hughes and Stephanie Burch – Mayor’s Office; Joey Greive, Angela Moyer and Kirk Sherman – Finance and Administration Department; Keith Powers - Fire and Rescue Department; Property Appraiser Jerry Holland; Mayor Sean Lynch – Town of Baldwin; Jason Gabriel and Peggy Sidman – Office of General Counsel; Sheriff Mike Williams and Bill Clement – Sheriff’s Office; Cheryl Brown – Council Secretary/ Director

**Meeting Convened**: 9:02 a.m.

Budget Introduction: Chief Administrative Officer Brian Hughes expressed the administration’s appreciation to the Finance Committee for its good work on the mayor’s proposed balanced budget. He said the proposed budget reduces debt, maintains strong reserves, focuses on both the Mayor’s and City Council’s priorities, including capital improvements, public safety, support for the School Guardians program, City Council’s strategic priorities, and increased support for UF Health Jacksonville. The budget includes the largest capital improvement program in many years, much of it targeted to Council Districts 7, 8, 9 and 10. Much hard work has been done by the Finance Department and all the department heads in a COVID-19 pandemic situation.

Chief Financial Officer Joey Greive said reserve funds have grown to a healthy level and that is being rewarded in the bond market with very strong bond ratings. The budget addresses community needs and Council priorities in a fiscally responsible way. The $240 million CIP has a fair allocation of pay-as-you-go spending. Resiliency projects are getting $47 million. No general pay raises are programmed as the 3-year pension reform-related raises come to an end in FY19-20, only step increases and inflationary growth are included. The budget was predicated on maintaining current service levels while adding substantially to the CIP.

**All page references from this point refer to Council Auditor’s Budget Hearing #1 handout**

Council Auditor Kim Taylor briefly reviewed the 12 budget-related ordinances and resolutions – 2020-500 through 2020-5011 – and the timetable for their adoption. She noted that property tax revenues are based on property values as of January 1, 2020, so reflect pre-COVID values. The budget includes a $35.5 million (4.89%) increase in value of pre-existing properties and $19 million in revenue from new properties for a total of $54.5 million in new ad valorem revenue. Council will have a $5.86 billion total budget approval for the City and all the independent agencies. The employee cap is increased by a net of 87 positions for the next year to 7,636, almost all in the Fire and Rescue Department due to the department taking over operation of the Jacksonville Beach Fire Department (28) and the City taking over full funding of a number of positions that were formerly funded by a federal grant (62), net of several positions eliminated in other departments.

Council Member Salem asked about the policy on leave sellback, which Ms. Taylor said is generally only applicable to police and fire employees except for some other employees on old leave plans. The sellback is at the full salary rate. The sellback figure is elevated this year because police and fire employees have not been able to take their usual amount of leave due to COVID-19 and civil unrest, so they are selling back more leave than usual. Ms. Taylor also explained the concept of the “lapse factor” that represents the cost of positions that are not filled for 100% of the fiscal year, thereby producing a cost savings that can be budgeted.

General Fund – General Services District revenues

Ms. Taylor reviewed the schedule of General Fund revenues, noting that net ad valorem revenue is up 7.3%, local business taxes are projected down by 7.3% due to COVID effects, and state shared revenues are projected down by $7.9%. She noted that the transfers to and from the General Fund and the Solid Waste Enterprise Fund show a City subsidy of $6.4 million to the enterprise fund this year, which continues a trend of growing annual loans from the General Fund to the solid waste fund, which is not self-sufficient. In response to a question from Council Member Dennis about the difference in the preliminary June tax roll versus the final tax roll that becomes available in October, Ms. Taylor said the October figure tends to be higher, but cautioned that after the Value Adjustment Board hearings on value protests, the total revenue usually reduces a bit from the October figure and therefore she would not recommend budgeting on that temporary increase. Under the state shared revenues Ms. Taylor noted reductions in all of the sales tax and gas tax revenue projections. She said that her office and the Finance Department agree on the methodology for projecting those revenues given the impact of COVID-19’s effects on economic activity, but the Auditor’s Office has several recommendations for amendments to more conservative revenue estimates.

Council Member Salem recommended that if the Council Auditor has recommendations to reduce revenue, they should be accompanied by recommendations to reduce expenditures accordingly. Council Member Cumber said that the Mayor’s Office has a record of producing balanced budgets and questioned why the Auditor’s Office would think this year’s revenue figures would diverge substantially and make revenue reduction recommendations. She prefers that all recommendations be moved and acted upon separately.

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**Motion**: #1 - The Council Auditor recommends that the Federal Grants revenue be increased by $36,695 to $113,892. This amount is based on amortization schedules provided by Treasury. (This would have a positive impact of $36,695 to Special Council Contingency) – **tentatively approved 6-1** (Salem opposed)

**Motion**: #2 - The Council Auditor recommends that the Constitutional Fuel Tax be reduced from $4,969,997 to $4,317,034. This would be above the State Projection but below the City projection. This represents a 10% drop from actual collections for FY 2018/19. (This would have no impact on Special Council Contingency at this time, but will impact Roadway Resurfacing and JTA's budget)

Council Member DeFoor asked the administration to explain its revenue projection. Joey Greive said that they took a conservative approach with state shared revenues and used an estimate of 92% of last year’s revenues, a figure that they are comfortable with. They believe the City’s quick action to get CARES Act relief money into citizens’ hands has helped to keep the level of economic activity better than might be expected so the tax revenues are not as bad as they could have been. He suggested that a decision on these revenues might be delayed until later in the budget hearing process when more data has been received. Mr. Greive will send the committee a link to TrackTheRecovery.org, a national site the compares COVID recovery in cities, counties and states around the country. In response to a question from Council Member Cumber, Mr. Greive said that his department’s projections are done conservatively and are generally very accurate. Council Member Priestly Jackson said the Council Auditor’s recommendation seems prudent and could be changed later in the budget process if new information becomes available. Kim Taylor said that the state will likely not be releasing any additional data in the next week or two while the budget hearings are ongoing. Mr. Greive noted that there is a 2-month delay in state data reporting, so the latest data is from May when the recovery was just beginning to get underway.

Council Member Salem reiterated that the proposed reduction in revenue must be accompanied by a reduction in expenses. Council Member Cumber asked that JTA and Public Works Department propose the $3.7 million in cuts they would make to meet this proposed revenue reduction. COO Stephanie Burch said that road resurfacing is prioritized based on roadway conditions and the highest priority roads will be done first with whatever funding is available. Council Member Dennis said the Mayor annually presents a balanced budget, but it is based on a number of projections. He said that the Special Committee on Resiliency’s Infrastructure Subcommittee at its meeting yesterday identified $3 million in the CIP that could easily be reallocated to other uses. The Council should not be a rubber stamp to whatever the Mayor proposes. Council Member DeFoor said she has heard from the state that economic conditions are even worse than expected and the current projections may not prove to be very accurate. Mr. Greive said that revenue trends are tracked throughout the year and if revenue shortfalls appear during the year then expenditures can be adjusted accordingly. Chairman Carlucci said he tends to rely on the advice of the Council Auditor and the recommendation of a middle road between the state’s projections and those of the Mayor’s Office seems prudent.

**The motion on recommendation #2 was** **tentatively approved** **5-2** (Salem and Cumber opposed)

Council Member Cumber cautioned that the easiest way to fill the revenue hole that is being created by these votes will be by reducing the CIP and she urged the council members to start looking at the projects they are willing to sacrifice to meet the shortfall. Chairman Carlucci said that it is too early in the process to assume that the CIP is going to be cut and cautioned against alarming citizens with that perception. There is still a long way to go before all the revenues and expenditures shake out and equalize. Council Member Priestly Jackson said that there are almost 7 full budget hearings left to go and all votes at this point are tentative. Council Member Cumber said that she objects to the committee creating a $4 million hole in the first morning of the budget hearings which will be hard to overcome. The Curry administration has a history of producing balanced budgets and this one will likely not be any different.

**Motion**: #3 - The Council Auditor recommends that the County Fuel Tax be reduced from $4,002,492 to $3,791,834. This would be above the State Projection but below the City projection. This represents a 10% drop from actual collections for FY 2018/19. (This would have a negative impact of $210,658 on Special Council Contingency) – **tentatively approved 5-2** (Salem and Cumber opposed)

**Motion**: #4 – the Council Auditor recommends that the Municipal Fuel Tax be reduced from $7,738,000 to $6,964,891. This would be above the State Projection but below the City projection. This represents a 10% drop from actual collections for FY 2018/19. (This would have a negative impact of $773,109 on Special Council Contingency) – **tentatively approved** **5-2** (Salem and Cumber opposed)

**Motion**: #5 – the Council Auditor recommends that the distribution from the Sales Tax County Revenue Sharing Program be reduced from the $24,919,849 to $23,591,084. This would be match the adjusted state projection but is below the City projection. This represents a 9.1% decline from actual collections for FY 2018/19. (This would have a negative impact of $1,328,765 on Special Council Contingency)

Council Member DeFoor asked about the difference between the Auditor’s recommendation and the Mayor’s proposal. Ms. Taylor said her office believes the state’s projection is more accurate than what the administration is proposing. Mr. Greive said that being conservative and taking the COVID effects into account, they still believe that their figure is more reasonable because Jacksonville is still a very attractive city in which to live and work so is doing better than many other parts of the country. Ms. Taylor said that this sales tax is based on statewide sales allocated to each county on a proportional basis, so the total statewide economy is what drives this revenue figure, not just Jacksonville’s sales.

 The **motion was** **tentatively approved** **5-2** (Salem and Cumber opposed)

**Motion**: #6 – the Council Auditor recommends that the Local Government Half-Cent Sales Tax be reduced from $94,434,167 to $93,021,291 to align the budget with the unadjusted State projection. This represents an 8.8% decline from actual collections for FY 2018/19. (This would have a negative impact of $1,412,876 on Special Council Contingency)

Council Member Morgan said that the health community has warned that we’re nowhere near the end of the COVID crisis so she doesn’t feel confident that anything other than a very conservative approach is appropriate. Council Member Priestly Jackson asked about what factors were considered in doing the projections for the two types of sales taxes – the state shared and the local-only tax. She thinks that the state’s conservative projections are a sign that the state is not confident in a full economic rebound. Council Member Wilson said it’s still early in the budget hearing process and there will be time before budget adoption to make adjustments as necessary. Council Member DeFoor suggested a slight increase in the revenue projection to split the difference between the Mayor’s and Auditor’s recommendations

**Motion** (DeFoor): reduce the Local Government Half-Cent Sales Tax reduce by 8.1% from FY18-19 actual for a $706,438 reduction to $95,140,605 - the **motion was** **tentatively approved 5-2** (Cumber and Salem opposed)

General Fund – Non-Departmental Expenditures

Council Member Salem asked about appropriations for the Florida/Georgia football game and the TaxSlayer Bowl. Ms. Taylor said the Florida/Georgia game is covered in another portion of the budget. The $444,000 for additional bleachers for the TaxSlayer Bowl is a contractual obligation, but may be subject to negotiations with the Gator Bowl Association about a number of factors impacting on this year’s game given the COVID emergency. Ms. Taylor asked the administration for details on whether the game contracts are executed and if there are *force majeure* clauses that could come into play. Council Member DeFoor asked for details on the City’s short-term loan to the Port Authority for the harbor dredging project and when the repayment of the loan is expected.

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**Motion**: approve the Council Auditor’s recommendation to decrease the funding for the Cure Violence line item by $5,000 to align with the amount stated in the budget ordinance of $1,795,000. (This will have a positive impact on Special Council Contingency of $5,000) – **tentatively approved 7-0**

Debt Service

Page 27

**Motion**: approve the Council Auditor’s recommendation to revise Schedule AF to:

1) Add Department name and Account Description to the schedule.

2) Adjust the carryforward amounts listed above to the amounts in the recommended column to account for expenditures, encumbrances, and other adjustments that have occurred since the budget was presented. This will have no impact to Special Council Contingency.

3) Correct the 1Cloud account string for the Off-Street Parking funds.

4) To be consistent with the proposed Budget Ordinance, change the title of Schedule AF to "Schedule of Capital Outlay Expenditures Not Lapsed."

**The motion** **was** **tentatively approved 7-0**

**The committee was in recess from 12:00 to 12:36 p.m.**

Public Service Grants

Page 28

**Motion**: approve the Council Auditor’s recommendation that the Schedule of Public Service Grants be updated to remove the information not tied to the Public Service Grant Council or the Cultural Council of Greater Jacksonville, Inc. (see Revised Schedule A2) – **tentatively approved** **7-0**

Food and Beverage Expenditures

Page 30

**Motion**: approve the Council Auditor’s recommendation that Attachment A should be revised to:

1. Add department names for each line item.

2. Replace the description for 00111-640001 (Supervisor of Elections) with “Food and beverage for visits from foreign delegations” to mirror prior year language.

3. Add a public purpose explanation for 00111-640001 (Supervisor of Elections) that states, “To provide light refreshments during tours given for the purpose of informing foreign delegates of how elections are conducted in Duval County” to mirror prior year language.

4. Replace the description for 10901-181007 (Kids Hope Alliance) with, “Meals and snacks for participants in Mayor’s Pathway Academy and lunches for Summer Jobs students.”

5. Replace the public service explanation for 10901-181007 (Kids Hope Alliance) with, “Workshops and evening activities for youth in Pathways Academy and orientation for students in the Summer Jobs Program.”

6. Remove the line item for 00192-311002 (Clerk of Courts). There is no budgeted amount for food expenditures.

7. Make minor grammatical corrections to the public purpose explanation for 55101-102103 (Office of General Counsel).

**The motion was tentatively approved 7-0**

Ordinance Code waivers

Annual Review of Fees

Council Member Salem asked Mr. Greive about the fee review process and the requests for waivers over the past several years. Mr. Greive said that the budget proposal is predicated on not raising any taxes or fees. Fees are periodically reviewed and the vast majority fully recover their costs; there are only a few, such as the solid waste enterprise fund, that are not self-sufficient. Raising fees is a policy call for the Council to make, but would be required by the Ordinance Code if a formal fee review study is performed and a fee is found to recover less than 85% of its full costs. In response to a question from Council Member DeFoor, Mr. Greive said that the solid waste fee is the only fee that does not recover 85% of costs at present. Ms. DeFoor said she recalled from last year’s budget hearings that the administration had committed to not requesting the waiver again this year. Council Member Priestly Jackson said she is not ready to approve the waiver given the City’s revenue needs this year and recommended that the question of the waiver be deferred. Council Member Morgan said failure to do the formal review and make the results public each year is not transparent. Mr. Greive said that the Finance Committee debates the subsidy to the Solid Waste Enterprise Fund each year in the budget process, so the public is aware that it’s happening. Ms. Morgan advocated for doing the fee study and raising the solid waste fee to whatever is needed to ensure that quality service is being provided to the citizens, which is not currently the case. Chairman Carlucci preferred deferring a decision on this waiver to the meeting where the Solid Waste Division budget is discussed.

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**Motion (Salem)**: defer discussion of the fee study waiver to the meeting at which the Solid Waste Division budget is discussed (August 20th) – **approved 7-0.**

VCP-Lynch loan repayment

Page 43

**Motion**: approve the Council Auditor’s recommendation that the Budget Ordinance be amended to change the term “Subfund” to “Fund” in accordance with 1Cloud terminology – **approved 7-0.**

Use of Stormwater Fees

Page 44

**Motion**: approve the Council Auditor’s recommendation that this waiver be added back into the proposed budget ordinance since this same situation exists in FY 2020/21 – **approved 7-0**.

Non-Departmental Direct Contracts

Pages 48-50

**Motion**: approve the Auditor’s recommendations on direct contracts as follows:

1. Gateway Community Services - Project Save Lives ($1,160,999)

Budget Ordinance Section 11.10 - Include legal names of Emergency Departments

2. Prisoners of Christ - Ex-Offender Employment Program ($400,000)

Budget Ordinance Section 11.11 - Correct scrivener’s error

3. New Hope Education and Addiction Services d/b/a Florida Recovery School – Academic Program ($100,000)

Budget Ordinance Section 11.12 - Correct scrivener’s error

4. Operation New Hope – Ex-Offender Re-entry Services ($400,000)

Budget Ordinance Section 11.13 - Correct scrivener’s error

5. Edward Waters College – New Town Success Zone ($161,300)

Budget Ordinance Section 11.14 -Correct scrivener’s error

6. Groundwork Jacksonville – McCoy’s Creek and Hogan’s Creek Improvements ($50,000)

Budget Ordinance Section 11.15 -Clarify purpose of funding is to pay for a portion of the CEO’s salary

7. United Way of Northeast Florida – 2-1-1 ($150,000)

Budget Ordinance Section 11.16 -Correct scrivener’s errors

8. AGAPE Community Health Center – Health Care Services ($156,150)

Budget Ordinance Section 11.17 - Correct scrivener’s errors

9. I.M. Sulzbacher Center for the Homeless - Homelessness Continuum of Care ($270,000)

Budget Ordinance Section 11.18 - Correct scrivener’s error

10. Goodwill Industries of North Florida – Academic Support Through the Employment Process (“A-STEP”) Program ($225,000)

Budget Ordinance Section 11.21 - Revise use of funds in subsection 1 to candidate assistance, a full time navigator position, Chief Mission Officer position, financial coaching, GED classes and workshops, and supplies. - Correct scrivener’s error

Budget Ordinance Exhibit 10 - Attach revised Exhibit 10 to correct budget narrative on page 2 to agree with line item budget included on page 3 of exhibit

11. First Coast Crime Stoppers – Advertising ($150,000)

Budget Ordinance Section 11.22 - Correct scrivener’s error

12. Cure Violence Program ($1,795,000)

Budget Ordinance Section 11.23 - Correct scrivener’s error

Budget Ordinance Exhibit 12 - Attach revised Exhibit 12 to include line item budgets for Reintegration Solutions (d.b.a. Noah’s Ark Project) and Bridges to the Cure

Council Member DeFoor asked about the lack of budgets for 4 of the 12 organizations proposed for direct contracting. Mr. Greive reported that the 4 organizations in question are paid on a per-unit-of-service reimbursement basis rather than having fixed expenses such as a full-time staff. Ms. DeFoor asked about why the New Hope, Crimestoppers and Prisoners of Christ contracts fund very substantial portions of their budgets compared to the other 9 organizations for which the City funding is a much smaller percentage of their overall budget. Mr. Greive said that is a policy call for the Council to make since they approved the direct contracts with these agencies. In response to a question from Ms. DeFoor about whether these direct contract agencies use all of their allocated funds each year or if some lapse at year-end, Mr. Greive agreed to have a report made to the committee from the Grants and Compliance Office about funding use. Council Member Salem noted that the funding for Crimestoppers was a Council request through its strategic planning process.

In response to a question from Mr. Salem about why these direct contracts don’t go through the Public Service Grant process, Mr. Greive said they were included in previous budgets at the request of individual council members during the budget hearing process. Chairman Carlucci asked if these direct contract agencies go through the same application and scoring process and if they are evaluated the same way PSG recipients are evaluated. Ms. Taylor said the Council Auditor gets no information on these agencies. Mr. Greive said they do not go through the same evaluation process as PSG applicants because they are specifically Council-directed. Ms. Cumber said that she does not approve of the direct contracting methodology and believes all applicants should be funneled through the Public Service Grant process in the interest of fairness. Council Member Priestly Jackson said she would like for the Finance Committee to have a more in-depth discussion of direct contracting and Public Service Grant agencies after the budget process is completed. Council Member Salem suggested that some of these direct contracts developed after agencies previously funded by the Jacksonville Journey and the Children’s Commission lost their funding when the Kids Hope Alliance took over many of the responsibilities of the previous agencies.

**The motion on the technical amendments was tentatively approved 7-0.**

Council Member Cumber asked about the term sheet for Prisoners of Christ and expressed concern about the contract wording on services being provided on sexual offenders and sexual predators. She proposed that the prohibition against the agency being funded for providing services to sexual offenders and predators using City funds be removed as long as the agency enters into a separate memorandum of understanding with the JSO for an extra level of oversight of these clients.

**Motion** (Cumber): remove the prohibition in the term sheet against Prisoners of Christ being funded for providing services to sexual offenders and predators with City funds, provided the agency enters into a separate memorandum of understanding with the JSO for appropriate oversight of these clients –

Council Member Priestly Jackson expressed reservations about individual council members negotiating contract terms with direct contracted agencies and asked for more details about what the proposed MOU with the Sheriff’s Office would include. She suggested that the term sheet be clarified regarding its application to sexual offenders versus sexual predators. Chairman Carlucci suggested that the issue is too complicated to work out today and might be better addressed in separate legislation after Prisoners of Christ and the Sheriff’s Office are consulted about and approve a memorandum of understanding. Deputy General Counsel Peggy Sidman explained how previous Finance Committees have approved term sheets for the direct contracting agencies and then the Office of General Counsel is authorized to draft contracts based on the term sheets approved by the City Council. Sheriff Mike Williams said that he has spoken with Council Member Cumber about the memorandum of understanding which would have Prisoners of Christ acknowledge and agree to the state requirements for supervising sexual offenders and sexual predators. Council Member Priestly Jackson reiterated her desire for the term sheet to specifically reference the definition of sexual offenders and sexual predators and how services to them will be covered by the funding contract.

**The Cumber motion was tentatively approved** 6-1 (Priestly Jackson opposed)

Property Appraiser

Kim Taylor reviewed the proposed budget. Property Appraiser Jerry Holland reported that his office is in the fourth year of an effort to reduce homestead exemption fraud and has identified 2,700 property owners who have been liened for $15 million for unjustified exemptions, of which $10 million has been collected. They will be getting a similar return on a review of personal property tax liability. His employees have been working down their administrative leave accrued during the COVID-19 emergency so that impact won’t carry over to the new fiscal year.

Fire and Rescue Department

Ms. Taylor reviewed the JFRD budget proposal. The department has 62 personnel who will be fully funded by the City this year after being partially funded by a federal SAFER grant in previous years out of a total of 90 new personnel. A total of 38 new vehicles will be ordered in the new fiscal year; the cost for the next year will be $137,615 and when all vehicles are received and in service the annual cost will be $2,377,970. Council Member Salem asked who bills and collects for the JFRD’s ambulance transports; that information will be provided. Mr. Salem asked when the City’s contribution to the defined benefit pension plan will begin decreasing; Ms. Taylor said that because of the decrease in employees paying into the defined benefit plan over time and the accumulated unfunded liability, there is no expectation that the pension contribution will ever decrease substantially. Joey Greive said that the City is already seeing the benefit of pension reform in the form of a reduced employer contribution that would have been much higher had reform not been enacted. The addition of new employees to the defined contribution plan makes the employer contribution much more predictable each year. There will also be a benefit when the sales tax revenues pick back up and begin paying off the accumulated pension liability. Chairman Carlucci asked about ambulance billings and insurance. Budget Officer Angela Moyer said that the City sends bills to insured transport patients, their insurance company pays what they will cover, and the remainder is written off.

Sheriff’s Office

Ms. Taylor reviewed the JSO budget, which covers 3,235 employees (1,785 sworn officers 789 correctional officers and 661 civilians) and 2,332 vehicles. The department currently has 159 vacancies (16 police officers, 98 correctional officers and 45 civilians). The budget includes $3.4 million in reimbursement from Duval County Public Schools against a $7.8 million cost for the school guardian program. 218 vehicles will be replaced this year at a first partial-year cost of $1,117,823 and full year cost thereafter of 2,277,340.

Sheriff Mike Williams said he has already addressed many council members’ concerns and questions privately but is happy to answer any questions the committee may have. Council Member Salem asked about the $3.4 million subsidy for the school guardian program and the Sheriff described the challenges the school district has had in finding and qualifying enough candidates to fill the positions. He has taken the position that deputies will be assigned to every school that doesn’t have a qualified school district safety assistant and he will bill the school district for their service. It is up to the district to either pay the bill or get the City to subsidize the difference, which it has done for the past 3 years. Mr. Salem said this process has got to stop and the School District needs to take full responsibility for its bills. Mr. Salem asked about the nature of the contract for health services in the corrections department and Bill Clement, the Sheriff’s budget officer, said the cost is $14.29 million to the contractor. The Sheriff said the jail’s population has been down significantly due to the COVID pandemic. Mr. Salem asked for more details about mental health services in the correctional facilities. Inmates requiring hospitalization are transported to UF Health and their care is paid for out of the indigent care contract.

Council Member Morgan asked about the diversity of the JSO and the diversity recruitment and training budgets. Sheriff Williams said that ethnic diversity has increased substantially during his term of office, from 9% minority deputies in 2015 to nearly 20% today. Ms. Morgan said that the department is understaffed to do the kind of community policing the community wants and needs. The Sheriff agreed the department is understaffed in comparison with other comparable cities, having fewer officers today than it had 10 years ago. He said violent crime in Jacksonville is up 5% over last year, but property and non-violent crimes are down substantially. The worst of the violent crime is concentrated in a small group of people who continually victimize each other in a cycle of violence. Community assistance is needed to help combat this problem and intervene to break the cycle. In response to a question from Chairman Carlucci, the Sheriff said he is a big fan of prevention programs and the programs run by the Kids Hope Alliance are a big help in diverting young people from getting involved in crime in the first place. Council Member DeFoor said she favors using performance funding to incentivize the kind of policing behaviors the city wants and urged the Sheriff to be creative in incentivizing community policing and prevention activities with his personnel.

In response to a question from Ms. Morgan, the Sheriff said 81% of his budget is made up of salary and benefit costs, followed by contractual services (i.e. corrections health care) and City internal services (operating costs). Ms. Morgan said the format of the budget doesn’t make it clear to the public how police services are being provided and where the money is going. Council Member Priestly Jackson asked if it would be possible for the Sheriff to provide information on what would need to be changed at the state level (state law or regulations) that would free up money in the JSO budget to apply to other community needs. Sheriff Williams said that law enforcement agencies are overwhelmed with responding to mental health issues after federal and state law on mental health treatment changed, but got no resources to pay for the response that has to be made. Addressing mental health issues would have a tremendous impact on officer time, violent response, jail capacity, etc. Ms. Priestly Jackson said that the public doesn’t understand what the City and JSO can and cannot do pursuant to state law, so a community conversation needs to happen to help people understand the legal landscape. The Sheriff said he’s met recently with the NAACP, Northside Coalition and others to pick several top issues that need addressing and he thinks there will be positive outcomes from that process that is just getting underway. Council Member Cumber said that council member ride-alongs with officers are a tremendous opportunity to learn what police deal with on a day-to-day basis. Jacksonville is a huge city and that is problematic for policing. She asked about the JSO’s external review process that is underway. Sheriff Williams said the department contracted the International Association of Chiefs of Police to do a top-to-bottom review of the department to evaluate its operations late last year. The CVOID emergency has delayed its work by 4 or 5 months but hopefully will be done by the end of the year. He believes such a review should be done every 5 years or so in a department as big as Jacksonville’s.

Council Member Salem noted that mental health issues have been added to the Opioid Task Force’s charge and presentations on several related issues will be made at a task force meeting in September. Chairman Carlucci said that investing more funds in public service grants for mental health programming would be very helpful. Council Member Dennis thanked Sheriff Williams for taking a bold and courageous stand against the City hosting the Republican National Convention. He asked the Sheriff about the department’s vacancy rate and how much funding is available as a result of those vacancies. Bill Clement, JSO Budget Officer, said that the department has a separate lapse factor from the rest of the City budget, which reduces the budget to reflect the vacancy of positions throughout the year. Mr. Dennis asked about the cost of the Real Time Crime Center and its capital and operating costs. Budget Officer Angela Moyer said there as $1.9 million in the current year’s ITECH 5-year technology capital plan for Crime Center capital, while the JSO budget only had personnel costs.

911 Emergency Wireless User Fees

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**Motion**: approve the Council Auditor’s recommendation to amend the E911 Emergency Wireless User Fees Fund (10703), within this fund (10701) by increasing transfer from fund balance by $300,000 and specialized equipment would be increased by the same amount. Additionally, the proposed budget for investment pool earnings and specialized equipment accounts be reduced within the E911 Emergency Wireless User Fees Fund (10703) by the corresponding amounts – **tentatively** **approved 7-0**.

City Council

Council Member Salem asked if any of the $1.8 million allocated for the City Council’s special counsel for JEA issues shows in this budget. Ms. Taylor said that anything left unspent at the end of the fiscal year will carry-over to the next year because the ordinance had a carry-over provision. Mr. Salem asked if it is possible for individual council members to find out what their personal charges are from the Office of General Counsel for service requests and consultations. Ms. Taylor said that OGC attorneys track their time in minute detail, but doesn’t know if it is identifiable by individual council members. Council Secretary/Director Cheryl Brown said that she gets a bill from the OGC for the department as a whole and would need to defer to the OGC for breakdowns to the individual council member level. Deputy General Counsel Peggy Sidman said that the City Council billings have been done in a variety of ways over the years and she will answer Mr. Salem’s question off-line. Dr. Brown said that there was a debate at the time the special counsel legislation was enacted about automatic carry-over of any remaining funds to the next year because there was a difference of opinion among Council leadership at the time about whether to allow that or not. Ms. Taylor confirmed that the appropriating legislation contained carry-over language.

Tourist Development Council

The TDC budget reflects a projected 42% reduction in bed tax revenues to $5 million due to COVID-19 effects. No funding is being budgeted to the Contingency Account or the Development Account (reserve funds). Council Member Salem questioned what would happen to the TDC’s support of the TaxSlayer Gator Bowl if the game is cancelled. Ms. Taylor said that funds for cancelled events stay within the TDC fund from which they were allocated and are freed up for other uses. The vacant TDC Administrator position remains in the employee cap but is unfunded.

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**Motion**: #1 - approve the Auditor’s recommendation that the Convention Sales plan component be decreased by $72,379 to $1,484,927 and the Unallocated plan component be increased by $72,379 to $901,937 in order to reflect the TDC requested amount for the Convention Sales. (This has no impact on the Special Council Contingency) **– approved 7-0**.

**Motion**: #2 – approve the Auditor’s recommendation that Schedule W of the Budget Ordinance be revised to show to changes above and to reflect any changes approved by bill 2020-356 – **approved 7-0**.

Office of General Counsel

In response to a question from Council Member DeFoor about an increase of $1 million in OGC salaries last year, Kim Taylor said that a majority of that was due to the pension reform salary increase. Ms. DeFoor asked where the budget for private legal representation costs for City employees who are subject to the JEA investigation is located. General Counsel Jason Gabriel said that it is not included in the proposed budget and will be appropriated via separate legislation to be filed later. In response to a question from Council Member Salem, Ms. Taylor confirmed that salaries of the OGC attorneys assigned to the independent authorities are budgeted in the OGC salary line.

Special Council Contingency stands at negative $2,977,275.

**Meeting adjourned:** 4:36 p.m.

Minutes: Jeff Clements, Council Research Division

jeffc@coj.net 904-255-5137

8.6.20 Posted 5:30 p.m.