

**OFFICE OF THE CITY COUNCIL**

**RESEARCH DIVISION**

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**FINANCE COMMITTEE BUDGET HEARING #3 MINUTES**

 **August 19, 2021**

**9:00 a.m.**

**Location:** City Council Chamber

**In attendance:** Committee members Ron Salem (Chair), Danny Becton, Michael Boylan, Reggie Gaffney, Matt Carlucci, Terrance Freeman, Ju’Coby Pittman

**Also**: Council President Sam Newby; Kim Taylor, Brian Parks, Heather Reber – Council Auditor’s Office; Jeff Clements– Council Research Division; Paige Johnston – Office of General Counsel; Bernadette Smith and Maritza Sanchez – Legislative Services Division; Steve Cassada and Yvonne Mitchell – Information Support Services; Joey Greive, Angela Moyer – Finance and Administration Department; Brian Hughes, Stephanie Burch, Jordan Elsbury, Leeann Krieg, Rachel Zimmer – Mayor’s Office

**Meeting Convened**: 9:04 a.m.

Chairman Salem convened the meeting and the attendees introduced themselves for the record. Mr. Salem reviewed the agenda for the day. A moment of silence was observed in memory of the Jacksonville firefighter who succumbed to COVID-19 yesterday.

**Page references from this point refer to Council Auditor’s Meeting #3 handout.**

**Tax Collector’s Office**

Council Auditor Kim Taylor reviewed the Tax Collector’s budget. She noted that revenue increases throughout the budget do not indicate any increase in fee rates, only revenues from an expected increase in transactions. The Tax Collector is proposing to add 15 new positions in the budget and to increase all starting salaries to a minimum of $15 per hour.

Tax Collector Jim Overton said that the new personnel are intended to reduce excessive wait times in the branch offices and on calls to the call center. They also need additional staff to help provide coverage for employees who are in COVID quarantine and on other types of leave. He said that the office actually needs 45-47 total new staff to meet service time expectations, but is only requesting 15 this year. Sherri Hall, CAO of the Tax Collector’s Office, said the new staff will also provide the ability to take current employees who are not fully trained off the service counter and call center to complete their training. City Chief Administrative Officer Brian Hughes said that the Mayor’s Budget Review Committee is fully supportive of the increased personnel in order to reduce wait times and give citizens a better impression of their interaction with the city government.

In response to a question from Council Member Gaffney, Ms. Hall said that the lease for the Tax Collector’s office at the Gateway Town Center is expiring and will not be renewed by the landlord. They have signed a lease for a new location on Soutel Drive near the Legends Center and funding for build-out of the branch is in this year’s capital budget.

**Supervisor of Elections Officee**

Ms. Taylor noted that the Supervisor of Elections (SOE) is adding one new position for an Assistant Elections Officer. The budget for printing and mailing is increased because of the need to send new voter registration cards when the redistricting process is completed next year and voters are placed in new districts.

Supervisor of Elections Mike Hogan thanked the Mayor’s Office, the Parks and Recreations Department, the Public Works Department, the Sheriff’s Office and the Jacksonville Public Library for their invaluable support to the SOE during the COVID pandemic. He said the Election Canvassing Board experienced the largest volume of work and some of the most interesting circumstances he’s experienced in his time in office and thanked Council Member Boylan for his participation. Chairman Salem congratulated Mr. Hogan on the well-run election and the lack of controversy and drama in Jacksonville in the last cycle. Mr. Boylan said the City can be proud of the professionalism of the Supervisor’s office and the quality service it provides.

In response to a question from Council Member Gaffney about the Gateway Center early voting site, Mr. Hogan said the building is going to be demolished by the landlord and a new site needs to be found. They are looking at the Clanzel Brown Center or possibly A. Phillip Randolph School as alternatives. In response to a question from Council Member Pittman about early voting sites, Mr. Hogan said he expects to use all of the same sites as for the last election, although the Prime Osborn Center location was somewhat disappointing in its usage and will be reviewed. He noted that the highest number of early voting sites is in the urban core and the state requires parity of sites across the city, so there likely won’t be any additional sites added in the urban core. CAO Brian Hughes said that the City is looking at alternative locations for the SOE’s headquarters on Monroe Street, which is in an old and challenged building. There is nothing in the proposed budget, but that is under consideration and may be filed as separate legislation later in the year. A downtown presence of some sort (in City Hall or the Ed Ball Building) will be maintained for voter convenience and candidate filing functions. Mr. Hogan noted that the number of walk-ins has fallen dramatically in recent years as more functions can be done online.

**Clerk of the Courts**

**Motion**: on p. 10, approve Auditor’s recommendation to reduce internal service allocation from Information Technologies (53101) for computer maintenance and security by $216,110 to correct the billing amount. This will be offset within the Clerk’s budget with the elimination of the transfer from fund balance of $40,046 and a cash carryover of $176,064. This will be offset within the Information Technologies Fund (53101) with an increase to the transfer from fund balance by $216,110 – **approved**.

Jody Phillips, Clerk of the Courts, introduced his staff in attendance. Allison Luker of the Clerk’s Office said the department’s revenue increase is primarily due to increased deed and mortgage filings as the real estate market booms. Regarding the use of technology, 85% of recordings are filed electronically and marriage licenses were done virtually during the COVID pandemic. Passports could not be done virtually. Council Member Becton said that getting passports via the Clerk’s Office is a much more pleasant experience than going to Post Offices and urged that the availability of the sites (downtown courthouse and Beaches branch) be more widely publicized. Mr. Phillips said his office’s experience is the same as the other constitutional officers who preceded him today – they are struggling to maintain enough staffing in the COVID environment and their entry level pay rate is low compared to other Florida counties. Council Member Boylan suggested the need to allow the constitutional officers to hire additional employees as their workloads and revenue streams increase. Ms. Luker said that the use of part-time hours has helped to compensate for the additional workload and prevented the need to hire full-time employees that then become unnecessary when the real estate spike subsides.

**Courts**

Chief Judge Mark Mahon thanked the Mayor’s Office, City Council and Clerk of the Courts for their assistance in dealing with the disruptions caused by the COVID pandemic. In response to a question from Council Member Pittman about courthouse maintenance, Judge Mahon said that the building is very large and is now over 8 years old so has some maintenance needs. Pre-COVID they were seeing over 1 million people per year passing through the security screening lines.

In response to a request from Council Member Freeman, Chief Deputy Court Administrator Eve Janocko discussed the changes to the Teen Court program brought about by the COVID pandemic which has prevented in-person hearings.

**Recording Fees Technology Fund**

**Motion**: on p. 21, approve the FY21-22 Memorandum of Understanding among the parties for use of the technology fund – **approved**.

**Public Defender’s Office**

Public Defender Charlie Cofer echoed the earlier comments thanking the Mayor’s Office and Public Works department for their outstanding support with operations during the COVID pandemic. Mr. Cofer introduced his staff in attendance.

**State Attorney’s Office**

Steve Siegel, First Assistant State Attorney, responded to a question from Council Member Carlucci about the coordination between the State Attorney and the City’s Victim Services Office and described the victim advocacy efforts underway.

**The committee was in recess from 10:36 to 10:54 a.m.**

**Parks, Recreation and Community Services Department**

Daryl Joseph, Director of Parks, Recreation and Community Services, reported that public usage of the park system has increased tremendously since the start of the COVID pandemic. Seniors are back using the senior centers in-person as of last week. In response to a question from Council Member Boylan about part-time hours, Mr. Joseph described the use of those hours for lifeguards, for evening and weekend programming, and for summer camps.

**Huguenot Park**

**Motion**: on p. 30, approve Auditor’s recommendation to increase entrance fee revenue by $100,000 to $562,000 and increase camper rental revenue by $140,000 to $240,000 to reflect recent revenue trends, offset by a decrease of $240,000 to the transfer in from and out of the General Fund – **approved**.

**Hanna Park**

Council Member Becton asked if there is any early data on the use of the Gold Star Family entrance fee discount program. Mr. Joseph said the program has been active for 2.5 months and has granted discounts amounting to $10,000 for 3,385 entrants. Another update will be provided to the Council in December.

**Cecil Commerce Center**

Mr. Joseph answered questions about the use of the golf course at Cecil Commerce, which is now primarily used for disc golf and cross-country meets more than traditional golf. Council Member Freeman said he thought the course, although managed by a private contractor, should be offering a discount to active duty military and veterans. Mr. Joseph said that is the expectation of all City golf course operators and he will check on whether it is being offered at Cecil.

**Equestrian Center**

In response to a question from Council Member Boylan, Brian Hughes said that the proposed relocation of the Greater Jacksonville Agricultural Fair from the downtown Sports Complex to Cecil Commerce Center adjacent to the Equestrian Center will be greatly beneficial to both parties and will held drive additional activity and generate additional revenue for both facilities. Council Member Carlucci said he recently toured the Equestrian Center and was informed by the manager that there are events booked for 48 of the 52 weeks this year. He believes there is a misperception that the center is underutilized. Mr. Hughes said the issue is not so much the amount of activity at the facility as the amount of revenue it generates from those activities. Mr. Carlucci asked that the operators of the Equestrian Center be involved in discussions about the Fair relocation and programming. Council Member Becton said that over the years the Equestrian Center has gone from an expectation of being a tourism and revenue generator as originally planned to more of a city park and amenity for the Jacksonville community. Mr. Joseph said he would gather some statistics about usage to report at a future date. The City has completed the outdoor show arena and the center operators are branching out into different types of events such as dog shows and car shows. Ms. Taylor explained that the subsidy to the Equestrian Center from the Taye’ Brown Trust Fund will be covered in a later budget hearing. Council Member Freeman said he looks forward to the programming and revenue opportunities the Fair relocation will offer.

**Special Events Division**

Mr. Hughes said that the terms of the Florida/Georgia football game for this year are much better known than last year during COVID and are locked in; the contracts are nearly completed and are being reviewed by the parties’ attorneys. He did not object to the funds being placed “below the line” as recommended by the Council Auditor since the Council will need to see and approve the game contract in the near future and can handle the appropriation then. The schools have agreed to slightly reduce the seating capacity in the stadium this year so the cost for installing the extra bleachers will be correspondingly reduced.

**Motion**: on p. 39, approve Auditor’s recommendation #1 to place the increase of $2,447,000 in event contributions related to the Florida/Georgia game “below the line” until a new contract is brought to City Council for approval – **approved**.

**Motion**: on p. 39, approve Auditor’s recommendation #2 to increase Contributions from Private Sources by $259,209 to account for the reimbursement from the Jaguars for its portion of the temporary seat cost pursuant to Amendment14 of the agreement with the Jaguars. This will be offset by a decrease in the transfer from and out of the General Fund/GSD by a corresponding amount – **approved**.

In response to a question from Council Member Freeman, Mr. Hughes reported that there would be a Florida/Georgia baseball game in conjunction with the football game weekend, but there will not be a Florida/Florida State game this year because that event was organized by the Gator Bowl Association which has a new executive director this year and has chosen not to sponsor the game this year.

Council Member Becton asked for a comparison of the costs of the Georgia/Florida game between FY19-20 and next year to eliminate the COVID factor from the comparison. Ms. Taylor said that a major cost increase factor is the increase in the financial contributions to the teams that took effect last year. Mr. Hughes explained the reasoning behind the increased guarantees which will be counterbalanced by increased revenue to the City from sponsorships and other opportunities.

Council Member Boylan asked who would be running the Jacksonville bicentennial celebration; Mr. Joseph said the City is the lead with assistance from the Jacksonville Historical Society and other groups. Mr. Boylan volunteered to be the City Council liaison to the bicentennial event. Chairman Salem asked for details on the Jax River Jams series. Mr. Joseph said it would be 4 concerts in April as this year.

**The committee was in recess from 12:07 to 1:17 p.m.**

**City Venues**

Council Member Carlucci asked about the insurance coverage for the City’s venues. CFO Joey Greive reported that the City is self-insured for liability with Brown and Brown acting as the local broker to the international insurance market where Lloyds of London underwrites the coverage.

**Motion**: on p. 41, approve Auditor’s recommendation #1 that the allocation for Building Maintenance in the amount of $156,500 be removed, reducing the transfer in from and out of the General Fund/GSD and increasing the allocation amount to the non-departmental allocation within the General Fund/GSD – **approved**.

**Motion**: on p. 42, approve Auditor’s recommendation #2 that Electricity be reduced by $80,550, Water be reduced by $18,240, and Chilled Water be reduced by $22,800 since the department requested these budgets to remain flat – **approved**.

Bill McConnell of ASM Global – Jacksonville explained the company’s management fee and performance incentive pursuant to its contract with the City. Brian Hughes said that ASM’s contract will expire in 2022 and there are two 1-year renewal options. The administration is very happy with ASM’s performance and plans to hold talks with the company about a longer extension. Council Member Becton said he wanted to meet with the Auditor’s Office about the history of the City’s subsidy to ASM for operating the venues and the use of the tourism bed tax for the Sports Complex capital and maintenance.

In response to a question from Council Member Becton about the City taking over the Flex Field, should the pending bill pass next week, Mr. Hughes said the facility will be turned over to the Parks and Recreation Department and will take its operational funds from that budget. After a year of experience, any changes or additions can be made in next year’s budget. Parks and Recreation Director Daryl Joseph said that soccer and football tournaments are natural uses for the facility and the idea of hosting an ice rink on occasion has been considered. Chairman Salem suggested being innovative and thinking about wedding receptions, banquets, business meetings, and other large events in that facility. Bill McConnell said that ASM takes pride in its management and the quality of the City’s facilities and looks forward to being a partner with the Jaguars and the City in the changing use of the Flex Field.

**Motion**: on p. 46, approve Auditor’s recommendation that the NFL Ticket Surcharge be increased by $33,600 to correctly reflect the per ticket charge of $3.44 instead of the $3.37 per ticket charge budgeted due to the annual CPI increase – **approved**.

In response to a question from Chairman Salem, Mr. McConnell explained the plans for the replacement of the club seats in TIAA Bank Field. The seat bottoms, which are made of wood, will be replaced with plastic seat bottoms.

**Veterans Memorial Arena Trust Fund**

Brian Hughes gave a brief history of this trust fund and the role of the Veterans Council of Duval County in determining how the funds will be expended. He distributed a list of 7 grant requests proposed by the Veterans Council, which has been reviewed by the Military Affairs and Veterans Department and the Office of General Counsel for appropriateness. CFO Joey Greive explained the addition of a $2,500 line item for a grant to the Veterans Council of Duval County itself.

**Motion**: approve the grants recommended by the Veterans Council of Duval County from the Veterans Memorial Arena Trust Fund (11518) in the amount of $37,000 as shown on the handout distributed by Mr. Hughes – **approved**.

Mr. Hughes reported that the administration is working on a plan for the installation of additional veterans’ recognition items in the Arena and there may be a subsequent ordinance introduced to appropriate funding for that installation. In response to a question from Chairman Salem, Mr. Hughes said there is a possibility that the new veterans’ materials may supersede the current Florida/Georgia hall of fame display, which could be relocated to a more accessible location. Mr. Salem noted that the Jacksonville Icemen recently announced the creation of a hall of fame of some sort in their Igloo development.

Ms. Taylor reported that the Special Council Contingency Fund stands at a positive $944,029.

**Meeting adjourned:** 2:17 p.m.

Minutes: Jeff Clements, Council Research Division

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8.19.21 Posted 5:30 p.m.