

OFFICE OF THE COUNCIL AUDITOR

FY 2022/2023 PROPOSED BUDGET

FINANCE COMMITTEE MEMBERS

Aaron Bowman – Chair
Randy White – Vice Chair
Matt Carlucci
Kevin Carrico
Joyce Morgan
Ju'Coby Pittman
Ron Salem, Pharm. D.



Meeting #4
August 19, 2022

**COUNCIL AUDITOR'S OFFICE
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**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2022/23 BUDGET
 DOWNTOWN VISION, INC. (DVI)**

BACKGROUND:

Downtown Vision Inc. (DVI) is a not-for-profit 501(c)(6) organization whose mission is to build and maintain a healthy and vibrant downtown community and to promote downtown as an exciting place to live, work and visit. A public hearing on the DVI Budget was held August 16, 2022, at the regular City Council Finance Committee meeting.

Pursuant to Ordinance 2021-292-E, Ordinance 2022-488 is currently before City Council which, if passed, would confirm the proposed FY 2022/23 assessment rate of 1.1 mills.

DVI operates an affiliate 501(c)(3) organization called Downtown Vision Alliance (DVA) to attract donated dollars. The budget for DVA is not included in the FY 2022/23 Mayor's Proposed Budget.

<u>ESTIMATED REVENUES</u>	<u>Proposed FY 2022/23</u>	<u>Council Adopted FY 2021/22</u>	<u>Change</u>	<u>Change in %</u>
Assessed Properties	\$ 1,659,690	\$ 1,668,943	\$ (9,253)	(0.6%)
City of Jacksonville	657,284	661,898	(4,614)	(0.7%)
Other Sources	393,439	183,336	210,103	114.6%
Total Estimated Revenues	\$ 2,710,413	\$ 2,514,177	\$ 196,236	7.8%

APPROPRIATIONS

	Clean, Safe and Attractive	Marketing, Promotions, Special Projects	Business & Stakeholder Support	Management & General	Mayor's FY 2022/23 Proposed	Council Adopted FY 2021/22	Change	Change in %
Personnel Services	\$ 137,226	\$ 433,121	\$ 203,114	\$ 87,138	\$ 860,599	\$ 758,805	\$ 101,794	13.4%
Operating Expenses	1,371,247	334,368	81,663	62,536	1,849,814	1,755,372	94,442	5.4%
Total Appropriations	\$ 1,508,473	\$ 767,489	\$ 284,777	\$ 149,674	\$ 2,710,413	\$ 2,514,177	\$ 196,236	7.8%

ESTIMATED REVENUES:

1. Assessed Properties:

- DVI's main source of revenue has been a 1.1 mill special assessment of downtown commercial and residential property owners. The budgeted assessment is estimated to be \$1,659,690. The decrease from FY 2021/22 is due to slightly lower property values.

2. City Contribution:

- The amount of \$657,284 is the City's contribution to DVI. This contribution represents 1.1 mills of the City's assessed property value with no early payment discount. The decrease is due to slightly lower property values.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
DOWNTOWN VISION, INC. (DVI)**

3. Other Sources:

- The increase of \$210,103 is mainly due to an increase in sponsorships and revenue from events.

APPROPRIATIONS:

1. Personnel Services:

- The increase of \$101,794 is mainly due to an increase salaries, caused by the realignment of positions within the various divisions, the filling of positions authorized in FY 2021/22 at higher rates, and employee turnover.

2. Operating Expenses:

- The increase of \$94,442 is mainly due to an increase in debt service costs associated with the buildout and improvements of the new headquarters located in the Ed Ball Building.
- The proposed budget does not include rent for DVI's location in the Ed Ball Building. The lease agreement between DVI and the City allows DVI to satisfy the lease payment requirements with the value of services provided.

SERVICE LEVEL CHANGES:

None

RECOMMENDATIONS:

None

**BUSINESS IMPROVEMENT DISTRICT
(DOWNTOWN VISION)
JACKSONVILLE, FLORIDA
BUDGET – FISCAL YEAR 2022-2023**

ESTIMATED REVENUES

DVI PROPOSED

Assessed Properties (1)	\$ 1,659,690
City of Jacksonville (2)	\$ 657,284
Other Sources (3)	\$ 393,439
Total Estimated Revenues	<u>\$2,710,413</u>

Schedule AD

APPROPRIATIONS

	Clean, Safe and Attractive (4)	Marketing, Promotions, Special Projects (5)	Business & Stakeholder Support (6)	Management & General (7)	Total
Personnel Services	\$137,226	\$433,121	\$203,114	\$87,138	\$860,599
Operating Expenses	\$1,371,247	\$334,368	\$81,663	\$62,536	\$1,849,814
Total Appropriations	<u>\$1,508,473</u>	<u>\$767,489</u>	<u>\$284,777</u>	<u>\$149,674</u>	<u>\$2,710,413</u>

- (1) Commercial and residential property owners in DVI's Downtown district pay 1.1 mils of their property's assessed value to DVI, subject to residential property exemptions
- (2) This reflects a contribution from the City of Jacksonville equal to 1.1 mils of the value of the City's owned property in the Downtown district
- (3) This represents all other income for Downtown Vision Inc., including fee-for-service contracts, voluntary contributions from exempt organizations, grants, sponsorships and revenues generated from special events.
- (4) These contracted services include a team of Clean & Safe Ambassadors, a supervising project manager, uniforms, supplies and equipment. This line item includes 50% of the Director of District Services salary plus 25% of administrative budget.
- (5) Includes salaries for Vice President of Marketing, Senior Director of Placemaking, Communications Manager, Events Manager and includes 25% of the admin budget.
- (6) Includes salary for Stakeholder Support Manager, 50% of Vice President of District Services, and 25% of admin budget.
- (7) This represents 25% of the admin budget. The admin budget includes the CEO, Business Administrator and Office Manager positions.

Schedule AE

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
DOWNTOWN INVESTMENT AUTHORITY
GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 89 - 91

BACKGROUND:

The Downtown Investment Authority (DIA) was created by Ordinance 2012-364-E to revitalize Jacksonville's urban core by utilizing community redevelopment area (CRA) resources to spur economic development. The agency has oversight for the development for the existing Downtown Northbank CRA and the Southbank CRA. This portion of the department's budget only includes the General Fund / General Services District activities.

REVENUE:

1. Miscellaneous Revenue:

- The proposed amount of \$9,500 includes fee revenue for applications that are submitted to the Downtown Development Review Board.

EXPENDITURES:

1. Salaries:

- The increase of \$288,086 is primarily due to the addition of three positions and the impact of collective bargaining increases. The addition of a Parking Strategic Coordinator position and a Strategic Initiatives Coordinator were approved via 2022-372-E. The third position is a Real Estate & Disposition Manager position that is proposed to be added as part of the budget.

2. Pension Costs:

- The increase of \$44,980 is mainly due to the addition of the positions previously mentioned.

3. Employer Provided Benefits:

- The increase of \$37,433 is mainly due to the addition of the positions previously mentioned.

4. Internal Service Charges:

- The decrease of \$118,020 is mainly due to a decrease of \$223,017 in legal charges based on recent actuals. This is partially offset by an increase of \$100,096 in ITD Replacement for the purchase of replacement routers and additional routers to improve the downtown public Wi-Fi network.

5. Professional and Contractual Services:

- This amount represents various contractual and professional services such as appraisals, environmental monitoring, transcription services, audits, and special projects.

6. Other Operating Expenditures:

- This amount includes \$125,000 for event contributions compared to \$127,500 in FY 2021/22. On the next page is a table with proposed uses of the event contributions.

**COUNCIL AUDITOR'S OFFICE
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 MAYOR'S PROPOSED FY 2022/23 BUDGET
 DOWNTOWN INVESTMENT AUTHORITY
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

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Description of Event	FY 2021/22 Approved Budget	FY 2022/23 Proposed Budget
Jazz Fest	\$ 5,000	\$ 0
Public Art Event	\$ 10,000	\$ 0
Downtown Concert Series	\$ 50,000	\$ 50,000
Downtown Events (tours, etc.)	\$ 5,000	\$ 0
Downtown Food Events	\$ 20,000	\$ 0
Downtown Literary Events	\$ 2,500	\$ 0
Downtown Sporting Events	\$ 10,000	\$ 0
Various Events	\$ 25,000	\$ 15,000
DVI - Sip N Stroll	\$ 0	\$ 60,000
	<u>\$ 127,500</u>	<u>\$ 125,000</u>

7. Supervision Allocation:

- This amount represents the administrative costs of the Downtown Investment Authority for the supervision of Public Parking (Fund 41102) and the CRA activities. The increase is due to the addition of the positions previously mentioned.

FOOD AND BEVERAGE EXPENDITURES:

Amount	Description of each Service/Event that requires the purchase of food/beverage	Explanation that the Service/Event serves a public purpose
\$750	DIA Public Meetings	Water, coffee, tea associated with holding Public Meetings.

EMPLOYEE CAP CHANGES:

Two additional positions, a Parking Strategic Coordinator position and a Strategic Initiatives Coordinator, were approved during FY 2021/22 via 2022-372-E. Also, a Real Estate & Disposition Manager position is proposed to be added as part of the budget.

SERVICE LEVEL CHANGES:

None

CONCERN:

There is over \$14 million in estimated incentives that are projected to be earned by developers in FY 2022/23 per DIA. These projects have already been approved by City Council with the source of funding being the City's General Fund/GSD. There is nothing in the budget related to these potential obligations.

RECOMMENDATIONS:

None

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
DOWNTOWN INVESTMENT AUTHORITY
PUBLIC PARKING (FUND 41102)**

PROPOSED BUDGET BOOK - Page # 92-94

BACKGROUND:

The Office of Public Parking is a part of the Downtown Investment Authority. The agency manages parking lots (Bay/Ocean Street, Courthouse/Liberty Street, Jacksonville Landing, and five parking lots in the Southbank area) and garages (Ed Ball, Main Library, St. James Building, Water Street, and Yates Building). Revenues are generated through daily and monthly parking fees, as well as other fines and forfeitures.

REVENUE:

1. Charges for Services:

- The net increase of \$451,691 is due to an increase of \$290,298 in monthly parking fees mostly attributable to the City employee 50% discount not being budgeted for FY 2022/23. In FY 2021/22, this was funded with a contribution from the General Fund – General Services District. This is also due to an increase of \$75,831 in special event parking fees and an increase of \$54,301 in parking late fees based on current year actuals.

2. Fines and Forfeits:

- The increase of \$19,134 is due to an anticipated increase in parking fine revenue based on current year actuals.

3. Investment Pool / Interest Earnings:

- The decrease of \$25,933 is due to a decrease in interest earnings based on current year actuals, which have been impacted based on reduced cash balances.

4. Transfers From Other Funds:

- The decrease of \$400,000 is due to a one-time transfer from the General Fund to cover the 50% monthly parking discount provided to City employees in FY 2021/22.

EXPENDITURES:

1. Salaries:

- The net increase of \$70,073 is mainly due to the impact of collective bargaining salary increases.

2. Salary & Benefit Lapse:

- This reflects an estimated salary and benefit lapse based on the average turnover ratio and estimated number of vacancies in FY 2022/23.

3. Pension Costs:

- The net decrease of \$11,822 is mainly due to employee turnover.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
DOWNTOWN INVESTMENT AUTHORITY
PUBLIC PARKING (FUND 41102)**

PROPOSED BUDGET BOOK - Page # 92-94

4. Employer Provided Benefits:
 - The increase of \$11,642 is mainly due to an increase in group hospitalization insurance based on plan elections made by employees.
5. Internal Service Charges:
 - The net increase of \$95,851 is mainly due to increases of:
 - \$55,895 in guard service charges due to an overall increase in security guard services costs to be allocated.
 - \$19,180 in computer system and maintenance relating to application maintenance services of the Parking Facility & Enforcement Database.
 - \$13,397 in utilities allocation due to an overall increase in electricity.
 - \$7,439 in fleet part, oil and gas due to an increase in fuel costs.
6. Insurance Costs and Premiums:
 - The increase of \$21,575 is mainly due to an increase in miscellaneous insurance resulting from an increase in property insurance premium costs.
7. Professional and Contractual Services:
 - The increase of \$50,001 in contractual services is for landscaping and maintenance services for the Southbank and the Jacksonville Landing lots.
8. Other Operating Expenses:
 - The decrease of \$44,534 is primarily due a decrease in repairs and maintenance costs based on current year actuals.
9. Capital Outlay:
 - The \$117,648 is for the installation of pay and display kiosks along or near Riverplace Blvd and to repair the Water Street Garage elevator.
10. Supervision Allocation:
 - This amount represents the share of the departmental administration costs from the Downtown Investment Authority which are allocated to this fund.
11. Indirect Cost:
 - This is an allocation of costs to operate central services of the City (e.g. Finance and Administration, Employee Services and City Council) as calculated by the City's independent consulting firm.
12. Cash Carryover:
 - This amount represents the excess revenue over expenses in FY 2022/23.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
DOWNTOWN INVESTMENT AUTHORITY
PUBLIC PARKING (FUND 41102)**

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EMPLOYEE CAP CHANGES:

There are no changes to the employee cap. The part-time hours were reduced from 4,780 hours to 4,160 hours.

CAPITAL OUTLAY CARRYFORWARD:

There is a total capital outlay carryforward request of \$214,693 on Schedule AF in the Budget Ordinance associated with the purchase of CCTV cameras for the Duval St Garage and the Yates Garage that might not be encumbered by the end of the fiscal year. This request has been carried forward since FY 2019/20.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
DOWNTOWN NORTHBANK CRA TRUST (FUND 10801)
2022/23 MAYOR'S PROPOSED BUDGET**

BUDGET BOOK REFERENCE - PAGE #47 - 48

	2021/22 APPROVED BUDGET	2022/23 PROPOSED BUDGET	INCREASE/ (DECREASE)	Footnote
REVENUES				
Property Taxes - Northeast USD1-C	\$ 3,071,786	\$ 3,438,278	\$ 366,492	(A)
Property Taxes - Northwest USD1-B	6,418,938	8,105,396	1,686,458	(A)
Interest Income	311,584	214,148	(97,436)	(B)
Debt Repayment (Lynch /11E)	595,247	12,767,366	12,172,119	(C)
Debt Repayment (Carling Loan)	506,487	506,487	0	(D)
MPS Garage Revenue	-	1,800,000	1,800,000	(E)
Churchwell Loft Lease	-	18,800	18,800	
Total Revenues:	\$ 10,904,042	\$ 26,850,475	\$ 15,946,433	
EXPENDITURES				
Administrative Expenditures				
Supervision Allocation	\$ 771,567	\$ 946,027	\$ 174,460	(F)
Annual Independent Audit	2,500	2,500	-	
Total Administrative Expenditures:	\$ 774,067	\$ 948,527	\$ 174,460	
Financial Obligations				
Recaptured Enhanced Value (REV) grants				
Hallmark / 220 Riverside (leg: 2012-270)	\$ 397,533	\$ 414,160	\$ 16,627	
Pope & Land / Brooklyn (leg: 2012-703 amend: 2013-288)	386,823	416,175	29,352	
Lofts at Jefferson Station (DIA resolution 2017-10-05)	72,217	71,777	(440)	
Vista Brooklyn (leg: 2012-703)		729,283	729,283	(G)
Park View Plaza (leg: 2015-037)		135,457	135,457	(G)
Lofts at Brooklyn (DIA resolution 2018-09-01)		142,573	142,573	(G)
MPS Downtown Garages				
MPS Subsidy	5,200,000	-	(5,200,000)	(H)
Miscellaneous Insurance	-	188,356	188,356	(I)
Garage Operations - Sports Complex	-	600,000	600,000	(I)
Garage Operations - Arena	-	400,000	400,000	(I)
Garage Operations - Courthouse	-	700,000	700,000	(I)
Garage Debt Service - Leasehold Improvements	-	242,267	242,267	(J)
Garage Debt Service - Debt Defeasance	-	1,743,362	1,743,362	(J)
Lynch Bldg. Loan Repayment	800,000	8,153,779	7,353,779	(K)
Total Financial Obligations:	\$ 6,856,573	\$ 13,937,189	\$ 7,080,616	
Plan Authorized Expenditures				
Capital Projects				
Two Way Conversion - Forsyth & Adams	\$ 1,200,000	\$ 1,300,000	\$ 100,000	
Historic Shotgun House Rehabilitation	250,000	-	(250,000)	
Waterfront Activation	-	50,000	50,000	(L)
Screening Grant	-	300,000	300,000	(L)
Urban Art	500,000	-	(500,000)	
Professional Services	250,000	100,000	(150,000)	(M)
Marketing	200,000	200,000	-	
Downtown Development Loan	-	200,000	200,000	(N)
Banners II Project	-	30,000	30,000	(L)
Parks and Programing	400,000	1,000,000	600,000	(L)
Event Contribution	100,000	-	(100,000)	
Subsidies and Contributions to Private Organizations	50,000	-	(50,000)	
Northbank Enhanced Maintenance	-	500,000	500,000	(L)
Commercial Revitalization Program	-	500,000	500,000	(L)
Small Scale Residential Incentive\	-	225,000	225,000	(L)
Park Acquisition and Capital Improvements	-	1,270,295	1,270,295	(L)
Neighborhood Streetscape Improvements	-	500,000	500,000	(L)
Riverwalk Enhancement and Signage	-	25,000	25,000	(O)
Shipyards West Park	-	250,000	250,000	(P)
Liberty Street Improvements	-	100,000	100,000	(L)
Unallocated Plan Authorized Expenditures	323,402	5,414,464	5,091,062	(Q)
Total Plan Authorized Expenditures:	\$ 3,273,402	\$ 11,964,759	\$ 8,691,357	
Total Expenditures:	\$ 10,904,042	\$ 26,850,475	\$ 15,946,433	

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
DOWNTOWN NORTHBANK CRA TRUST (FUND 10801)
2022/23 MAYOR'S PROPOSED BUDGET**

Revenue

(A) The Mayor's proposed ad valorem tax revenue is calculated as follows:

	Northbank West USD1B 1981	Northbank East USD1C 1984	
Base Year			
Preliminary Taxable Values	\$ 968,552,764	\$ 521,552,016	
Less Taxable Value in Base Year	214,636,423	201,743,546	
Taxable Value Incremental Increases	\$ 753,916,341	\$ 319,808,470	
Taxable Value Percentage Changes	351.3%	158.5%	
Operating Millage Rates	11.3169	11.3169	mills
Collection Rate	95.0%	95.0%	
Total Ad Valorem Revenue	\$ 8,105,396	\$ 3,438,278	

- (B) This represents estimated interest earnings based on the City's anticipated rate of return provided by Treasury. The decrease is mainly due to the prior year including two years of interest income.
- (C) This amount represents the repayment for the Lynch/11E Building redevelopment loan pursuant to the amortization schedule approved by Ord. 2014-280-E. The Budget Ordinance 2022-504 includes a waiver of Ord. 2000-1079-E and 2001-795-E in order to deposit this revenue in Fund 10801 instead of the Downtown Economic Development Fund (00116). The increase is due to a scheduled balloon payment to pay this off.
- (D) This amount represents the repayment for the Carling/Roosevelt Building redevelopment loan pursuant to the amortization schedule approved by Ord. 2014-280-E.
- (E) This represents the anticipated revenue from the City's operation of the MPS garages. The revenue by area is Arena Garage (\$600,000), Courthouse Garage (\$500,000), and Sports Complex Garage (\$700,000).

Expenditures

- (F) This amount represents the administrative costs of the CRA which are allocated from the DIA General Fund/General Services District. The increase is primarily due to the additional positions that dedicate a portion of their time to the CRA.
- (G) These projects were recently completed by the developers and were included on the 2022 tax roll at their improved value for the first time. Therefore, they will qualify for the REV Grant for the first time.
- (H) As a result of the settlement, the City is no longer responsible for providing MPS with subsidies and instead operates the garages. This resulted in a net positive change in budget of \$3,126,015 (subsidy budget FY 2021/22 of \$5,200,000 versus net cost to the CRA in FY 2022/23 of \$2,073,985).
- (I) These items represent the estimated operating costs of the MPS garages.
- (J) This represents the principal and interest due on the bonds issued related to the acquisition of the Arena Garage, Courthouse Garage and Sports Complex Garage.
- (K) This amount represents the loan payoff to the Self-Insurance fund (56101) for the Lynch Building/11E redevelopment project. The City borrowed \$17,816,000 from the City's Self-Insurance fund to finance the project. This will payoff the loan to the City Self-Insurance Fund.
- (L) These amounts are funding for programs from the updated BID and/or CRA Plan approved by ORD 2022-372-E.
- (M) The decrease of \$150,000 is due to lower anticipated need given the completion of the BID, CRA, and Master plan.
- (N) The \$200,000, in conjunction with previously appropriated funding, will be used to issue a loan for an affordable housing project.
- (O) These funds will be used to erect new signage at recent development sites and update existing signage.
- (P) This funding represents the CRA's contribution to a FDEP required replacement park. This park will replace the former "Kids Kampus" park, which was disposed of by the City as part of a development agreement in accordance with 2021-673-E.
- (Q) This amount represents the balance of budgeted revenue in excess of budgeted expenditures, which can be reallocated by the CRA Board at a future date.

Recommendation

- (1) We recommend correcting the authorizing language for the Vista Brooklyn REV grant from 2012-703 to 2017-101 as amended by 2021-311. This recommendation has no impact to Special Council Contingency.
- (2) We recommend decreasing MPS Garage Revenue by \$850,000 in total (\$325,000 Sports Complex, \$250,000 Adams Street, and \$275,000 Courthouse). This will be offset by a reduction in expenditures by \$850,000 (\$300,000 Sports Complex, \$200,000 Adams Street, and \$350,000 Courthouse). The reason for the change is that the City only receives the net revenue after the operating expense of the contractor to operate the garage. This recommendation has no impact to Special Council Contingency.

**DOWNTOWN NORTHBANK CRA TRUST
FUND 10801**

REVENUES	FY23 Proposed
Property Taxes - Northeast USD1-C	3,438,278
Property Taxes - Northwest USD1-B	8,105,396
Interest Income	214,148
Garage - Sports Complex	375,000
Adams Street Garage	350,000
Courthouse Garage	225,000
Churchwell Loft Lease	18,800
Debt Repayment (Lynch /11E)	12,767,366
Debt Repayment (Carling Loan)	506,487
Total Revenues:	<u>26,000,475</u>
EXPENDITURES	FY23 Proposed
Administrative Expenditures	
Supervision Allocation	946,027
Annual Independent Audit	2,500
Total Administrative Expenditures:	<u>948,527</u>
Financial Obligations	
Recaptured Enhanced Value (REV) grants	
Hallmark / 220 Riverside (leg: 2012-270)	414,160
Pope & Land / Brooklyn (leg: 2012-703 amend: 2013-288)	416,175
Lofts at Jefferson Station (DIA resolution 2017-10-05)	71,777
Vista Brooklyn - 200 Riverside (Leg: 2017-101 amend: 2021-311)	729,283
Park View Plaza (Leg: 2015-037)	135,457
Lofts at Brooklyn (DIA resolution 2018-09-01)	142,573
MPS Downtown Garages	
Miscellaneous Insurance	188,356
Debt Service - Leasehold Imprvements (leg. 2022-137)	242,267
Debt Service - Debt Defeaance (Leg. 2022-137)	1,743,362
Garage - Sports Complex	300,000
Adams Street Garage	200,000
Courthouse Garage	350,000
Lynch Bldg Loan Repayment	8,153,779
Total Financial Obligations:	<u>13,087,189</u>
Plan Authorized Expenditures	
Capital Projects	
Two Way Conversion - Forsyth & Adams	1,300,000
Waterfront Activation	50,000
Screening Grant	300,000
Professional Services	100,000
Marketing	200,000
Downtown Development Loan	200,000
Banner II Project	30,000
Parks and Programming	1,000,000
Northbank Enhanced Maintenance	500,000
Commercial Revitalization Program	500,000
Small Scale Residential Incentive	225,000
Park Acquisition and Capital Improvements	1,270,295
Neighborhood Streetscape Improvements	500,000
Riverwalk Enhancements and Signage	25,000
Shipyards West Park	250,000
Liberty Street Improvements	100,000
Unallocated Plan Authorized Expenditures	5,414,464
Total Plan Authorized Expenditures:	<u>11,964,759</u>
Total Expenditures:	<u>26,000,475</u>

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
DOWNTOWN SOUTHBANK CRA TRUST (FUND 10802)
2022/23 MAYOR'S PROPOSED BUDGET**

BUDGET BOOK REFERENCE - PAGE #49 - 50

	<u>2021/22 APPROVED BUDGET</u>	<u>2022/23 PROPOSED BUDGET</u>	<u>INCREASE/ (DECREASE)</u>	<u>Footnote</u>
REVENUES				
Property Taxes	\$ 5,762,069	\$ 6,835,886	\$ 1,073,817	(A)
Interest Income	219,520	172,370	(47,150)	(B)
Total Revenues:	<u>\$ 5,981,589</u>	<u>\$ 7,008,256</u>	<u>\$ 1,026,667</u>	
EXPENDITURES				
Administrative Expenditures				
Supervision Allocation	\$ 312,753	\$ 335,593	\$ 22,840	(C)
Annual Independent Audit	2,500	2,500	-	
Total Administrative Expenditures:	<u>\$ 315,253</u>	<u>\$ 338,093</u>	<u>\$ 22,840</u>	
Financial Obligations				
Recaptured Enhanced Value (REV) grants				
Strand (leg: 2001-1329 amend: 2002-755 & 2006-1131)	\$ 508,750	\$ 519,518	\$ 10,768	
Peninsula (leg: 2001-1329 amend: 2002-755 & 2006-1131)	67,023	-	(67,023)	(D)
SunGard (leg: 2015-780)	14,749	-	(14,749)	(E)
Home Street Apartments (DIA Resolution 2017-08-03)	174,790	196,954	22,164	
Southbank Apartment Venture (leg: 2018-658)	-	283,267	283,267	(F)
JEA Southside Gen Station Public Infrastructure Improvements	3,000,000	3,750,000	750,000	(G)
One Call Commercial Revitalization Incentive	100,000	-	(100,000)	(H)
Debt Service Interest - Strand Bonds 2014 Special Rev	160,061	149,687	(10,374)	
Debt Service Principal - Strand Bonds 2014 Special Rev	207,000	217,000	10,000	
Total Financial Obligations:	<u>\$ 4,232,373</u>	<u>\$ 5,116,426</u>	<u>\$ 884,053</u>	
Plan Authorized Expenditures				
Capital Projects				
Southbank Parking Project	\$ 550,000	\$ -	\$ (550,000)	
Retail Enhancement	-	300,000	300,000	(I)
Urban Art	-	25,000	25,000	(I)
Professional Services	200,000	100,000	(100,000)	(J)
Parks and Programing	200,000	100,000	(100,000)	(K)
Event Contribution	25,000	-	(25,000)	(K)
Subsidies and Contributions to Private Organizations	25,000	-	(25,000)	(K)
Commercial Revitalization Program	-	250,000	250,000	(I)
Small Scale Residential Incentive	-	25,000	25,000	(I)
Parking and Screening Grant	-	75,000	75,000	(I)
Banner and Arms	-	5,000	5,000	(I)
Advertising & Marketing	-	75,000	75,000	(I)
Downtown Maintenance	-	75,000	75,000	(I)
Park Acquisition and Capital Improvements	-	150,000	150,000	(I)
Riverwalk Enhancements and Signage	-	5,000	5,000	
Unallocated Plan Authorized Expenditures	433,963	368,737	(65,226)	(L)
Total Plan Authorized Expenditures	<u>\$ 1,433,963</u>	<u>\$ 1,553,737</u>	<u>\$ 119,774</u>	
Total Expenditures:	<u>\$ 5,981,589</u>	<u>\$ 7,008,256</u>	<u>\$ 1,026,667</u>	

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
DOWNTOWN SOUTHBANK CRA TRUST (FUND 10802)
2022/23 MAYOR'S PROPOSED BUDGET**

Revenue

(A) The Mayor's proposed ad valorem tax revenue is calculated as follows:

Base Year	1980
Preliminary Taxable Values	\$ 724,961,736
Less Taxable Value in Base Year	89,127,781
Taxable Value Incremental Increases	\$ 635,833,955
Taxable Value Percentage Changes	713.4%
Operating Millage Rates	11.3169 mills
Collection Rate	95.0%
Total Ad Valorem Revenue	\$ 6,835,886

(B) This represents estimated interest earnings based on the City's anticipated rate of return provided by Treasury. The decrease from the prior year is due to the amount including two years of interest.

Expenditures

- (C) This amount represents the administrative costs of the CRA which are allocated from the DIA General Fund/General Services District. The increase is primarily due to the additional positions that dedicate a portion of their time to the CRA.
- (D) The Peninsula grant has been fully paid out and requires no future funding.
- (E) The SunGard grant is no longer eligible and requires no future funding.
- (F) This represents the first year of payment on the Southbank Apartment Venture REV grant, authorized by ORD 2018-658-E. **See Recommendation below.**
- (G) This amount represents funding for public infrastructure improvements on the site of the former JEA Southside Generating Station (also known as the District project). Per Ord. 2018-313-E, the maximum City contribution for the infrastructure improvements is \$23.0 million. To date, \$13,051,653 has been appropriated for the improvements before the FY 2022/23 appropriation.
- (H) One Call is eligible for an award of up to \$100,000 annually through 2027, not to exceed \$1,000,000 in total, for job creation and maintenance. However, additional appropriations are not needed in FY 2022/23 due to the availability of funding caused by One Call not meeting the minimum disbursement requirements for tax years 2020 and 2021.
- (I) These amounts are funding for programs from the updated BID and/or CRA Plan approved by ORD 2022-372-E.
- (J) The decrease of \$100,000 is due to lower anticipated need given the completion of the BID, CRA, and Master plan.
- (K) These activities in FY 2022/23 will be funded with prior year appropriations.
- (L) This amount represents the balance of budgeted revenue in excess of budgeted expenditures, which can be reallocated by the CRA Board at a future date.

Recommendation

We recommend Schedule V be updated to properly reflect the Southbank Apartment Venture as a REV Grant, authorized by ORD 2018-658-E. This recommendation has no impact to Special Council Contingency.

**DOWNTOWN SOUTHBANK CRA TRUST
FUND 10802**

REVENUES	FY23 Proposed
Property Taxes	6,835,886
Interest Income	172,370
Total Revenues:	7,008,256

EXPENDITUR	FY23 Proposed
Administrative Expenditures	
Supervision Allocation	335,593
Annual Independent Audit	2,500
Total Administrative Expenditures:	338,093
Financial Obligations	
Recaptured Enhanced Value (REV) grants	
Strand (leg: 2001-1329 amend: 2002-755 & 2006-1131)	519,518
Home Street Apartments (DIA Resolution 2017-08-03)	196,954
Southbank Apartment Venture (leg: 2018-658)	283,267
The District/JEA Southside Gen Station Public Infrastructure Improvements	3,750,000
Debt Service Interest - Strand Bonds 2014 Special Rev	149,687
Debt Service Principal - Strand Bonds 2014 Special Rev	217,000
Total Financial Obligations:	5,116,426
Plan Authorized Expenditures	
Retail Enhancement	300,000
Urban Art	25,000
Professional Services	100,000
Parks and Programing	100,000
Commercial Revitalization Program	250,000
Small Scale Residential Incentive	25,000
Parking and Screening Grant	75,000
Banner and Arms	5,000
Advertising & Marketing	75,000
Downtown Maintenance	75,000
Park Acquisition and Capital Improvements	150,000
Riverwalk Enhancements and Signage	5,000
Unallocated Plan Authorized Expenditures	368,737
Total Plan Authorized Expenditures:	1,553,737
Total Expenditures:	7,008,256

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
JACKSONVILLE BEACH TAX INCREMENT (FUND 10803)
2022/23 MAYOR'S PROPOSED BUDGET
BUDGET BOOK REFERENCE - Page #51**

	USD2A Jax Beach Downtown	USD2B Jax Beach South Bank	2022/23 PROPOSED BUDGET
TAXABLE VALUES & RATES			
Base Years	1983	1986	1983 & 1986
Preliminary Taxable Values	\$ 805,301,306	\$ 467,358,492	\$ 1,272,659,798
Less Taxable Value in Base Years	(42,271,886)	(6,518,754)	(48,790,640)
Taxable Value Incremental Increases	\$ 763,029,420	\$ 460,839,738	\$ 1,223,869,158
Taxable Value Percentage Increases	1805.1%	7069.4%	2508.4%
Operating Millage Rates (mills)	8.0262	8.0262	8.0262
Collection Rate	95.0%	95.0%	95.0%
REVENUE			
Ad Valorem Taxes - GF / GSD	\$ 5,818,016	\$ 3,513,852	\$ 9,331,868
EXPENDITURES			
Contribution to Jacksonville Beach	\$ 5,818,016	\$ 3,513,852	\$ 9,331,868

Percentage of USD2 Taxes Received by City of Jacksonville

	Countywide Levy	USD2 Levy
2022/23 Jax Beach Preliminary Taxable Values	\$ 4,775,838,600	\$ 4,775,838,600
Levy	11.3169 mills	8.0262 mills (A)
Collection Rate	95.5%	95.5%
Taxes	\$ 51,615,542	\$ 36,606,903
Less TIF	-	(9,331,868)
Net Revenue to City	\$ 51,615,542	\$ 27,275,035
	100.00%	52.84% (B)

FOOTNOTES

(A) 8.0262 mills is 3.2907 mills less than the General Services District millage. Per the interlocal agreement, Jacksonville Beach's millage rate shall be 3.2907 mills less than the General Services District rate. The USD2 levy is 70.92% of the 11.3169 mill rate levied county-wide.

(B) Percentage of countywide levy collected from USD2 after TIF and Interlocal Agreement reductions.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
JACKSONVILLE INTERNATIONAL AIRPORT AREA REDEVELOPMENT
TAX INCREMENT DISTRICT GSA (FUND 10804)
2022/23 CRA BOARD APPROVED BUDGET
BUDGET BOOK REFERENCE - Page #53**

	<u>2021/22 APPROVED BUDGET</u>	<u>2022/23 PROPOSED BUDGET</u>	<u>INCREASE/ (DECREASE)</u>	<u>Footnote</u>
REVENUE				
Property Taxes	\$ 15,739,607	\$ 18,012,905	\$ 2,273,298	(A)
Interest Income	149,544	361,330	211,786	(B)
Total Revenue:	<u><u>15,889,151</u></u>	<u><u>18,374,235</u></u>	<u><u>2,485,084</u></u>	
EXPENDITURES				
Administrative Expenditures				
Professional and Contractual Services	\$ 1,000	\$ 1,000	\$ -	
Travel	800	800	-	
Local Mileage	150	150	-	
OGC Internal Service	3,000	25,000	22,000	(C)
Advertising and Promotion	1,000	1,000	-	
Office Supplies	500	500	-	
Employee Training	300	300	-	
Dues, subscriptions	175	175	-	
Supervision Allocation	89,026	91,890	2,864	(D)
Annual Independent Audit	2,500	2,500	-	
Total Administrative Expenditures:	\$ 98,451	\$ 123,315	\$ 24,864	
Financial Obligations				
Recaptured Enhanced Value (REV) grants				
Amazon (leg: 2016-285)	\$ 1,400,000	\$ 1,400,000	\$ -	
RAMCO (leg: 2004-274)	791,000	823,000	32,000	
Qualified Target Industry (QTI) grants				
Mercedes Benz (leg: 2016-402)	16,200	1,800	(14,400)	(E)
Amazon (leg: 2016-285)	75,000	75,000	-	
Farm Share Inc.	-	260,984	260,984	(F)
Debt Service Interest - RAMCO 2014 Special Rev	378,363	321,479	(56,884)	(G)
Debt Service Principal - RAMCO 2014 Special Rev	1,135,000	1,190,000	55,000	(G)
Total Financial Obligations:	\$ 3,795,563	\$ 4,072,263	\$ 276,700	
Plan Authorized Expenditures				
Capital Projects				
Main Street Widening	\$ 7,000,000	\$ 7,000,000	\$ -	(H)
First Coast High School Pool	-	4,449,089	4,449,089	(I)
Unallocated Plan Authorized Expenditures	4,995,137	2,729,568	(2,265,569)	(J)
Total Plan Authorized Expenditures:	\$ 11,995,137	\$ 14,178,657	\$ 2,183,520	
Total Expenditures:	<u><u>15,889,151</u></u>	<u><u>18,374,235</u></u>	<u><u>2,485,084</u></u>	

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
JACKSONVILLE INTERNATIONAL AIRPORT AREA REDEVELOPMENT
TAX INCREMENT DISTRICT GSA (FUND 10804)
2022/23 CRA BOARD APPROVED BUDGET**

Revenue

(A) Ad valorem tax revenue is calculated as follows:

Base Year	1993	
Preliminary Taxable Values	\$ 1,864,654,906	
Less Taxable Value in Base Year	(189,200,262)	
Taxable Value Incremental Increases	\$ 1,675,454,644	
Taxable Value Percentage Increases	885.5%	
Operating Millage Rates	11.3169	mills
Collection Rate	95.0%	
Total Revenue	\$ 18,012,905	

(B) This represents estimated interest earnings based on the City's anticipated rate of return provided by Treasury.

Expenditures

- (C) Legal fees are increasing by \$22,000 to better align with current usage.
- (D) This amount represents the administrative costs of the CRA which are allocated from the Office of Economic Development. The increase is primarily due to salary increases for positions that dedicate a portion of their time to the CRA.
- (E) The \$1,800 represents the final payment for the Mercedes Benz grant. Including this amount, they will have received the maximum City award of \$64,800.
- (F) This represents the fourth consecutive year of funding by the CRA to Farm Share Inc. The first year was approved by Ord. 2019-558 in the amount of \$247,399. The next two years were authorized by CRA resolution and funded out of the CRA's Unallocated Plan Authorized Expenditures in the amounts of \$239,371 and \$253,382, respectively. See related Recommendation below.
- (G) This amount represents debt service on bonds that were used to finance road improvements related to the River City Marketplace, which is operated by RAMCO.
- (H) The \$7,000,000 represents the third and final payment towards the CRA's contribution of \$23,000,000 for the project.
- (I) This amount represents the anticipated additional funding needed to complete the First Coast High School Pool Project. This combined with funds previously set aside combine for an \$8.5 million budget.
- (J) This amount represents the balance of budgeted revenue in excess of budgeted expenditures, which can be reallocated by the CRA Board at a future date.

Comments

This CRA is scheduled to sunset 9/30/23.

Recommendation

- (1) We recommend that the funding for Farm Share, Inc. (\$260,984) be moved to Unallocated Plan Authorized Expenditures. Separate legislation will be introduced to enter into an agreement with Farm Share, Inc. That legislation will include a budget transfer from Unallocated Plan Authorized Expenditures. This recommendation will have no impact on Special Council Contingency.
- (2) We recommend removing the First Coast High School Pool Project since it does not fall within the boundaries of the CRA. This will be offset with an increase to the Unallocated Plan Authorized Expenditures. This project will instead need to be discussed as part of the City's Capital Improvement Plan on August 23. This will have no impact to Special Council Contingency.

**JIA AREA REDEVELOPMENT CRA TRUST
FUND 10804**

REVENUES	FY23 Proposed
Property Taxes	18,012,905
Interest Income	361,330
Total Revenues:	18,374,235

EXPENDITURES	FY23 Proposed
Administrative Expenditures	
Other Professional Services	1,000
Travel Expense	800
Local Mileage	150
Advertising and Promotion	1,000
ISA-OGC Legal	25,000
Office Supplies - Other	500
Dues, subscriptions	175
Employee Training	300
Supervision Allocated	91,890
Annual Independent Audit	2,500
Total Administrative Expenditures:	123,315
Financial Obligations	
Recaptured Enhanced Value (REV) grants	
Amazon (leg: 2016-285)	1,400,000
RAMCO (leg: 2004-274)	823,000
Uptown / River City Crossing (leg: 2016-791)	-
Qualified Target Industry (QTI) grants	
Mercedes Benz (leg: 2016-402)	1,800
Amazon (leg: 2016-285)	75,000
Debt Service Interest - RAMCO 2014 Special Rev	321,479
Debt Service Principal - RAMCO 2014 Special Rev	1,190,000
Total Financial Obligations:	3,811,279
Plan Authorized Expenditures	
Capital Projects	
Main Street Widening	7,000,000
Unallocated Plan Authorized Expenditures	7,439,641
Total Plan Authorized Expenditures:	14,439,641
Total Expenditures:	18,374,235

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
KING SOUDEL TAX INCREMENT DISTRICT GSK (FUND 10805)
2022/23 CRA BOARD APPROVED BUDGET
BUDGET BOOK REFERENCE - Pages #55**

	2021/22 APPROVED BUDGET	2022/23 PROPOSED BUDGET	INCREASE/ (DECREASE)	Footnote
REVENUE				
Property Taxes	\$ 1,575,713	\$ 2,241,102	\$ 665,389	(A)
Interest Income	15,103	27,355	12,252	(B)
Total Revenue:	<u>\$ 1,590,816</u>	<u>\$ 2,268,457</u>	<u>\$ 677,641</u>	
EXPENDITURES				
Administrative Expenditures				
Professional and Contractual Services	\$ 1,000	\$ 1,000	\$ -	
Travel	1,900	1,900	-	
Local Mileage	150	150	-	
OGC Internal Service	10,900	10,900	-	
Advertising and Promotion	1,000	1,000	-	
Office Supplies	500	500	-	
Employee Training	700	700	-	
Dues, subscriptions	175	175	-	
Supervision Allocation	75,235	77,461	2,226	(C)
Annual Independent Audit	2,500	2,500	-	
Total Administrative Expenditures:	\$ 94,060	\$ 96,286	\$ 2,226	
Plan Authorized Expenditures				
Unallocated Plan Authorized Expenditures	\$ 1,496,756	\$ 2,172,171	\$ 675,415	(D)
Total Plan Authorized Expenditures:	\$ 1,496,756	\$ 2,172,171	\$ 675,415	
Total Expenditures:	<u>\$ 1,590,816</u>	<u>\$ 2,268,457</u>	<u>\$ 677,641</u>	

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
KING SOUDEL TAX INCREMENT DISTRICT GSK (FUND 10805)
2022/23 CRA BOARD APPROVED BUDGET**

Revenue

(A) Ad valorem tax revenue is calculated as follows:

Base Year	<u>2008</u>	
Preliminary Taxable Values	279,519,060	
Less Taxable Value in Base Year	<u>71,064,917</u>	
Taxable Value Incremental Increases	<u>\$ 208,454,143</u>	
Taxable Value Percentage Increases	293.3%	
Operating Millage Rates	11.3169	mills
Collection Rate	95.0%	

Total Revenue \$ 2,241,102

(B) This represents estimated interest earnings based on the City's anticipated rate of return provided by Treasury.

Expenditures

(C) This amount represents the administrative costs of the CRA which are allocated from the Office of Economic Development. The increase is primarily due to salary increases for positions that dedicate a portion of their time to the CRA.

(D) This amount represents the balance of budgeted revenue in excess of budgeted expenditures, which can be reallocated by the CRA Board at a future date.

Recommendation

None

**KING / SOUTEL CROSSING REDEVELOPMENT CRA TRUST
FUND 10805**

REVENUES	FY23 Proposed
Property Taxes	2,241,102
Interest Income	27,355
Total Revenues:	<u>2,268,457</u>

EXPENDITURES	FY23 Proposed
Administrative Expenditures	
Other Professional Services	1,000
Travel Expense	1,900
Local Mileage	150
Advertising and Promotion	1,000
ISA-OGC Legal	10,900
Office Supplies - Other	500
Dues and Subscriptions	175
Employee Training Expenses	700
Supervision Allocated	77,461
Annual Independent Audit	2,500
Total Administrative Expenditures:	<u>96,286</u>
Plan Authorized Expenditures	
Unallocated Plan Authorized Expenditures	2,172,171
Total Plan Authorized Expenditures:	<u>2,172,171</u>
Total Expenditures:	<u>2,268,457</u>

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
RENEW ARLINGTON TAX INCREMENT DISTRICT GSRA (FUND 10806)
2022/23 CRA BOARD APPROVED BUDGET**

BUDGET BOOK REFERENCE - Page #57

	<u>2021/22 APPROVED BUDGET</u>	<u>2022/23 PROPOSED BUDGET</u>	<u>INCREASE/ (DECREASE)</u>	<u>Footnote</u>
REVENUE				
Property Taxes	\$ 2,099,415	\$ 2,322,803	\$ 223,388	(A)
Interest Income	15,191	50,004	34,813	(B)
Total Revenue:	<u><u>\$ 2,114,606</u></u>	<u><u>\$ 2,372,807</u></u>	<u><u>\$ 258,201</u></u>	
EXPENDITURES				
Administrative Expenditures				
Part-Time Salaries	\$ 75,000	\$ 79,181	\$ 4,181	(C)
Medicare	1,088	1,149	61	
Professional and Contractual Services	1,000	1,000	-	
Travel	1,900	1,900	-	
Local Mileage	150	150	-	
OGC Internal Service	30,000	30,000	-	
General Liability Insurance	379	387	8	
Advertising and Promotion	3,000	3,000	-	
Office Supplies	500	500	-	
Employee Training	700	700	-	
Dues, Subscriptions	175	175	-	
Supervision Allocation	90,618	93,550	2,932	(D)
Annual Independent Audit	2,500	2,500	-	
Total Administrative Expenditures:	<u>\$ 207,010</u>	<u>\$ 214,192</u>	<u>\$ 7,182</u>	
Financial Obligations				
Infrastructure Development Grant College Park (CRA-2021-02)	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ -</u>	(E)
Total Administrative Expenditures:	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ -</u>	
Plan Authorized Expenditures				
Unallocated Plan Authorized Projects	\$ 1,507,596	\$ 1,758,615	\$ 251,019	(F)
Total Expenditures:	<u><u>\$ 2,114,606</u></u>	<u><u>\$ 2,372,807</u></u>	<u><u>\$ 258,201</u></u>	

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
RENEW ARLINGTON TAX INCREMENT DISTRICT GSRA (FUND 10806)
2022/23 CRA BOARD APPROVED BUDGET**

Revenue

(A) Ad valorem tax revenue is calculated as follows:

Base Year	<u>2015</u>	
Preliminary Taxable Values	\$ 426,395,873	
Less Taxable Value in Base Year	<u>210,342,375</u>	
Taxable Value Incremental Increases	<u>\$ 216,053,498</u>	
Taxable Value Percentage Increases	102.7%	
Operating Millage Rates	11.3169	mills
Collection Rate	95.0%	
Total Revenue	\$ 2,322,803	

(B) This represents estimated interest earnings based on the City's anticipated rate of return provided by Treasury.

Expenditures

- (C) The increase of \$4,181 is mainly due to the impact of collective bargaining increases.
- (D) This amount represents the administrative costs of the CRA which are allocated from the Office of Economic Development. The increase is primarily due to salary increases for positions that dedicate a portion of their time to the CRA.
- (E) In FY 2020/21 the CRA Board approved a \$2,000,000 Infrastructure Development Grant (TID) for 903 University Blvd LLC. to develop mixed-use commercial and residential property at the former site of the Town and County Shopping Center. The \$400,000 represents the second of five equal annual instalments.
- (F) This amount represents the balance of budgeted revenue in excess of budgeted expenditures, which can be reallocated by the CRA Board at a future date.

Recommendation

None

**ARLINGTON AREA CRA TRUST
FUND 10806**

REVENUES	FY23 Proposed
Property Taxes	2,322,803
Interest Income	50,004
Total Revenues:	<u>2,372,807</u>

EXPENDITURES	FY23 Proposed
Administrative Expenditures	
Salaries Part Time	79,181
Medicare Tax	1,149
Other Professional Services	1,000
Travel Expense	1,900
Local Mileage	150
General Liability Insurance	387
Advertising and Promotion	3,000
ISA-OGC Legal	30,000
Office Supplies - Other	500
Dues and Subscriptions	175
Employee Training Expenses	700
Supervision Allocated	93,550
Annual Independent Audit	2,500
Total Administrative Expenditures:	<u>214,192</u>
Financial Obligations	
Infrastructure Development Grant	
College Park (CRA-2021-06)	400,000
Total Financial Obligations:	<u>400,000</u>
Plan Authorized Expenditures	
Unallocated Plan Authorized Expenditures	1,758,615
Total Plan Authorized Expenditures:	<u>1,758,615</u>
Total Expenditures:	<u><u>2,372,807</u></u>

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
OFFICE OF ECONOMIC DEVELOPMENT
GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 209-211

BACKGROUND:

The Office of Economic Development serves as the economic development agency (outside of downtown) for the City of Jacksonville, implementing policies that result in sustainable job growth, raising personal incomes and creating a broader tax base for the community. The office also oversees the administration of local and state incentives, redevelopment at the Cecil Commerce Center and provides staff support to three Community Redevelopment Areas and includes the Jacksonville Film and Television Office.

EXPENDITURES:

1. Salaries:

- The increase of \$20,217 is due to an increase of \$14,022 in permanent and probationary salaries mainly due to the impact of collective bargaining increases. These increases are partially offset by a decrease in salaries due to the Administrative Support Assistant position being unfunded for FY 2022/23.

2. Pension Costs:

- The increase of \$24,066 is mainly the result of the allocation of the defined benefit pension costs.

3. Employer Provided Benefits:

- The decrease of \$13,839 is mainly due to a decrease in health insurance associated with the unfunded position mentioned above.

4. Other Operating Expenses:

- The decrease of \$11,570 is mainly due to decreases in a variety of accounts to better align with recent costs.

5. Grants, Aids, & Contributions:

- This funding is a grant for the UNF Small Business Development Center.

6. Supervision Allocation:

- This amount represents administrative costs that are being allocated to the Cecil Field Trust Fund (Fund 11312) and three Community Redevelopment Area (CRA) funds in which the department provides staff support. The CRAs include the Jacksonville International Airport CRA (Fund 10804), King/Soutel CRA (Fund 10805), and the Renew Arlington CRA (Fund 10806).

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2022/23 BUDGET
 OFFICE OF ECONOMIC DEVELOPMENT
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 209-211

FOOD AND BEVERAGE EXPENDITURES:

FY 2022/23 Proposed	Description of each Service/Event that requires the purchase of food/beverage	Explanation that the Service/Event serves a public purpose
\$200	Coffee for meetings with prospects.	To further redevelopment efforts in Jacksonville to promote job creation and private capital investment.

EMPLOYEE CAP CHANGES:

The employee cap remained at 13 positions, but one position was unfunded.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2022/23 BUDGET
CECIL COMMERCE CENTER (FUND 11312)**

PROPOSED BUDGET BOOK - Page # 212-213

BACKGROUND:

Established per Ordinance 98-1052-E, all revenues received or earned by the City from the development and operation of the Cecil Commerce Center are deposited into this trust fund. The funds are used for the improvements, repairs, or maintenance costs of the City’s facilities at Cecil Commerce Center or other costs of undertaking City obligations, goals, and objectives at Cecil Commerce Center. The Office of Economic Development manages most of the operations except for a portion of the forestry-related activities that are managed by the Parks, Recreation, and Community Services Department. This is an “all years” fund, which means once dollars are appropriated, the appropriation stays in place from year to year rather than lapsing.

Overall Note – Revenue is only budgeted in this fund to cover costs. Annual revenue is typically in excess of \$3 million.

REVENUES:

1. Miscellaneous Revenue:
 - The decrease of \$191,965 is due to the reduction in expenditures below which means less funds are needed.

2. Investment Pool/Interest Earnings:
 - The proposed amount is based on the anticipated interest earnings in FY 2022/23.

EXPENDITURES:

1. Insurance Cost and Premiums:
 - The increase of \$41,804 in miscellaneous insurance is mainly due to an overall increase in property insurance premium costs.

2. Professional and Contractual Services:
 - This funding is associated with the building and property maintenance contract at Cecil Commerce Center.

(Continues on Next Page)

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2022/23 BUDGET
 CECIL COMMERCE CENTER (FUND 11312)**

PROPOSED BUDGET BOOK - Page # 212-213

3. Other Operating Expenses:

- The decrease of \$212,501 is based on there being no need to budget the second installment on the Boeing Infrastructure grant until job creation is complete. Below is a schedule of grants paid from this fund.

Company Name	Grant Type	FY 2021/22 Approved Budget	FY 2022/23 Proposed Budget
General Electric	EDME	\$ 200,000	\$ 200,000
Amazon	QTI	\$ 48,750	\$ 48,750
Grace AeroSpace	QTI	\$ 5,000	\$ 5,000
JinkoSolar	QTI	\$ 47,500	\$ 47,500
Boeing	Infrastructure	\$ 212,500	\$ -
Total		\$ 513,750	\$ 301,250

4. Supervision Allocation:

- This amount represents the administrative costs of Office of Economic Development staff for the time they spend on activities related to Cecil Commerce Center.

5. Indirect Cost:

- This is an allocation of costs to operate central services of the City (e.g., Finance and Administration, Employee Services and City Council) as calculated by the City’s independent consulting firm.

SERVICE LEVEL CHANGES:

None.

AUTHORIZED POSITION CAP:

There are no positions in this fund.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
NEIGHBORHOODS
GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – Page # 189-191

BACKGROUND:

The Neighborhoods Department includes the Animal Care & Protective Services, Municipal Code Compliance, Housing & Community Development, Environmental Quality, Mosquito Control, and Office of the Director Divisions. Within the Office of the Director, activities include the Call Center (630-CITY), Fight Blight Awareness Campaign, and the Office of Neighborhood Services.

REVENUE:

1. Charges for Services:
 - This mainly represents revenue from animal licenses and siltation inspection fees.
2. Fines and Forfeits:
 - The increase of \$15,160 is based on increased recent actuals. This represents revenue from various civil fines and penalties.
3. Miscellaneous Revenue:
 - The revenue includes miscellaneous sales and charges related to inspection fees in the Municipal Code Compliance Division.

EXPENDITURES:

1. Salaries:
 - The net increase of \$703,631 is mainly due to the impact of collective bargaining increases, but also includes other salary increases.
2. Pension Costs:
 - The net increase of \$97,157 is mainly due to the salary increases noted above.
3. Internal Service Charges:
 - The net decrease of \$119,977 is mainly due to the elimination of \$468,508 in debt service costs for the Customer Relationship Management (CRM) System in the Call Center due to FY 2021/22 containing the final payment. This was partially offset by the addition of \$162,806 in labor costs for application maintenance including to the CRM System and the Neighborhoods Database, an increase of \$93,810 in OGC legal costs due to an increase in recent actual usage, and an increase of \$89,103 in fleet parts and fuel due to rising fuel costs.
4. Grants, Aids and Contributions:
 - This amount of \$400,000 represents funding to LISC for management and oversight of the Community Development Corporation Organization Development Grants. This program is focused on reducing crime havens through real estate development and community building and engagement efforts.

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2022/23 BUDGET
 NEIGHBORHOODS
 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – Page # 189-191

DIVISION CHANGES:

Division	FY 2021/22 Original	FY 2022/23 Proposed	% Change from FY22	\$ Change from FY22	
Animal Care & Protective Services	\$ 4,599,602	\$ 4,799,810	4.4%	\$ 200,208	(A)
Municipal Code and Compliance	6,841,996	7,071,293	3.4%	229,297	(B)
Housing & Community Development	71,402	112,963	58.2%	41,561	(C)
Environmental-Quality Division	3,385,873	3,606,840	6.5%	220,967	(D)
Mosquito Control	2,217,713	2,351,485	6.0%	133,772	(E)
Neighborhoods Office of the Director	4,959,897	4,825,854	-2.7%	-134,043	(F)
Department Total	\$ 22,076,483	\$ 22,768,245	3.1%	\$ 691,762	

A. The increase of \$200,208 in the Animal Care & Protective Services Division is mainly due to the following increases:

- \$115,699 in permanent salaries due to the impact of collective bargaining and other salary increases.
- \$30,339 in pension costs due to the salary increases noted.
- \$26,432 in fleet parts and fuel due to rising fuel costs.
- \$24,238 in city-wide building maintenance allocation due to an increase in total costs to be allocated.

B. The increase of \$229,297 in the Municipal Code and Compliance Division is mainly due to the following increases:

- \$248,687 in permanent salaries due to the impact of collective bargaining increases and other salary increases.
- \$54,253 in OGC legal costs due to an increase in recent actual usage.
- \$35,840 in computer systems and maintenance due to a budget adjustment made in FY 2021/22 and an increase in charges for IT application maintenance.

The above increases were partially offset by a decrease of \$115,908 in the Ed Ball Building cost allocation due to a correction to the square footage used of the building.

C. The increase of \$41,561 in the Housing and Community Development Division is due to an increase in the Ed Ball Building cost allocation due to a correction to the square footage used of the building.

D. The increase of \$220,967 in the Environmental-Quality Division is mainly due to the following increases:

- \$107,447 in permanent salaries due to the impact of collective bargaining and other salary increases.
- \$33,866 in the Ed Ball Building allocation due to an increase in total building costs.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2022/23 BUDGET
 NEIGHBORHOODS
 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – Page # 189-191

- \$31,487 in computer systems and maintenance due to increase in charges for IT application maintenance.
 - \$19,906 in OGC legal costs due to an increase in recent actual usage.
 - \$16,064 in fleet parts and fuel due to an increase in fuel costs.
- E. The increase of \$133,772 in the Mosquito Control Division is mainly due to an increase of \$83,953 in permanent salaries due to the impact of collective bargaining and other salary increases. There is also an increase of \$39,987 in computer systems and maintenance due to increases in charges for IT application maintenance.
- F. The decrease of \$134,043 in the Office of the Director is mainly caused by the elimination of \$468,508 in debt service costs for the Customer Relationship Management System in the Call Center due to FY 2021/22 containing the final payment. This is partially offset by increases of \$137,586 in permanent salaries due to the impact of collective bargaining and other salary increases, \$144,248 for ITD application maintenance of the CRM System and the Neighborhood Database, \$64,920 in pension costs due to the salary increases noted above, and \$16,523 in the Ed Ball Building cost allocation due to an increase in total building costs.

SCHEDULE B1 GRANTS:

B1a – Schedule of Continuation Grants/Programs with No City Match

			\$2,487,138		33	5,200
Grantor	Grant Name	Grant Description	Estimated Grant Award	In Kind Contribution	FTE Positions	Part Time Hours
Dept of Homeland Security	Monitoring Demonstration Study (Air)	Funding for two staff members assigned to this account to perform various air pollution monitoring within Duval County in accordance with requirements outlined by the Department of Homeland Security.	\$297,879	\$0	2	0
FL Dept of Environmental Protection	Gas Storage Tank Cleanup	Funding for program management of the cleanup of petroleum contaminated sites within Duval County and surrounding counties. This grant aids in protecting the drinking water sources from petroleum contamination. This program addresses leaking storage tanks and the sites affect every Council district and socioeconomic area. EQD administers contractor cleanup of over 400 contaminated sites.	\$1,661,608	\$0	22	5,200
FL Dept of Environmental Protection	Gas Storage Tank Inspection	Funding to perform inspections of covered facilities to ensure compliance with State regulation regarding leak detection, upgrades, tank and distribution replacements and financial responsibility (insurance). Faced with over 25,000 leaking underground storage tanks in the late 1980s, Florida established an Inland Protection Trust Fund to clean up historical spills.	\$421,990	\$0	8	0

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2022/23 BUDGET
 NEIGHBORHOODS
 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – Page # 189-191

Grantor	Grant Name	Grant Description	Estimated Grant Award	In Kind Contribution	FTE Positions	Part Time Hours
U.S. Environmental Protection Agency	Particulate Matter 103 Grant	Funding to operate an ambient air quality monitoring network for particulate matter 2.5 microns or less. Staff in this activity operates standard and continuous monitoring for this pollutant. All data collected at these sites must comply with EPA's Quality Assurance Plan.	\$85,661	\$0	1	0
Florida Department of Transportation	Clean It Up - Green It Up	Promotion of Great American Cleanup/Drive It Home-Keep Our Paradise Litter Free Trash Off. Provides funding for cleanup supplies and materials for community and countywide cleanups.	\$15,000	\$15,000	0	0
Florida Inland Navigation District	Water Way Cleanup Program	Neighborhood Cleanup Support - Organized volunteer groups cleaning public rights-of-ways or other public areas are eligible for planning assistance and free support materials, such as bags and gloves. Annual Community Cleanups; Adopt-A-Road. Groups make a long-term commitment to perform monthly cleanups on city roadways and Litter Free Events.	\$5,000	\$300	0	0

SCHEDULE B1 GRANTS:

B1b – Schedule of Continuation Grants/Programs with a City Match

Grantor	Grant / Program Name	Grant / Program Description	Estimated Grant Award	Match Requested	Overmatch Requested	Total Match Requested	In Kind Contribution	FTE Positions	Part Time Hours
Environmental Protection Agency	Air Pollution Control EPA 105	Air Pollution Control EPA 105 program	\$512,000	\$424,275	\$0	\$424,275	\$0	9	4,160

EMPLOYEE CAP CHANGES:

The authorized employee cap is unchanged. Part-time hours were increased by 3,700 for the Call Center (630-CITY) to better align with actual hours needed.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
NEIGHBORHOODS
MOSQUITO CONTROL - STATE (FUND 00112)**

PROPOSED BUDGET BOOK – Page # 192-193

BACKGROUND:

The Mosquito Control – State Fund is mandated by Florida Statute section 388.261 to administer mosquito control activities within the county. The proposed budget for the Mosquito Control Division in FY 2022/23 will continue to support efforts to control the population of mosquitoes and help reduce mosquito borne illnesses in Duval County.

The City is required by Florida Statute section 388.311 to budget prior year unexpended state funds for mosquito control operations. This is done through separate legislation. For fiscal year 2021/22, Ordinance 2022-209-E appropriated \$161,918 of available fund balance. If there is any remaining fund balance at the end of this fiscal year, it will need to be appropriated in FY 2022/23.

REVENUE:

1. Intergovernmental Revenue
 - The amount of \$50,900 is the estimated revenue from the Florida Department of Agriculture and Consumer Services.
2. Investment Pool/Interest Earnings
 - The elimination of interest earnings is based on current cash levels in the fund.
3. Transfer from Fund Balance
 - The amount of \$3,330 is being appropriated to balance the fund.

EXPENDITURES:

1. Other Operating Expenses
 - This amount represents funding for operating expenses including travel, repairs and maintenance, supplies, dues and subscriptions, and employee training. These expenses are not projected to change for FY 2022/23.

SERVICE LEVEL CHANGES:

There are no significant service level changes.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this fund.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
NEIGHBORHOODS
AIR POLLUTION TAG FEE (FUND 10201)**

PROPOSED BUDGET BOOK – Page # 194-195

BACKGROUND:

The Air Pollution Tag fee within the Environmental Quality Division helps support activities which ensure compliance with the National Ambient Air Quality Standards (NAAQS). Activities include, but are not limited to, permit compliance, inspection of air pollution sources, and citizen complaints.

REVENUES:

1. State Shared Revenue:

- This represents anticipated revenue from auto license air pollution control fees based on recent collections.

EXPENDITURES:

1. Salaries:

- The net increase of \$2,283 is due to one additional position for FY 2022/23. The increases were offset by a decrease in salaries related to employee turnover.

2. Pension Costs:

- The decrease of \$25,501 is mainly due to employee turnover.

3. Employer Provided Benefits:

- The decrease of \$4,646 is mainly due to employee turnover and election changes.

4. Professional and Contractual Services

- The increase of \$57,999 is for relocating and constructing air monitoring shelters.

5. Other Operating Expenses

- The increase of \$10,500 is due to unanticipated repairs and repair parts for the Environmental Quality Division to update their existing sites.

6. Capital Outlay

- The \$29,758 is for the anticipated replacement of an air monitoring shelter.

7. Indirect Cost

- This amount is an allocation of costs to operate central services of the City (e.g. Finance and Administration, Employee Services and City Council) as calculated by the City's independent consulting firm.

SERVICE LEVEL CHANGES:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
NEIGHBORHOODS
AIR POLLUTION TAG FEE (FUND 10201)**

PROPOSED BUDGET BOOK – Page # 194-195

EMPLOYEE CAP CHANGES:

The employee cap is increasing by one position from five positions to six positions.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2022/23 BUDGET
NEIGHBORHOODS
SPAY AND NEUTER TRUST FUND (FUND 11501)**

PROPOSED BUDGET BOOK – Page #197-198

BACKGROUND:

Ordinance 2010-527-E grants the Animal Care and Protective Services Division authority to oversee the Spay and Neuter Trust Fund. Revenues are derived from a portion of licensing fees and generated by the adoption of animals for the purpose of promoting and performing sterilization procedures. This is an “all years” fund, which means once dollars are appropriated, the appropriation stays in place from year to year rather than lapsing.

REVENUE:

1. Charges for Services:

- The amount of \$801,720 represents a portion of the animal license and permits as well as animal adoption fees charged by the Animal Care and Protective Services. This increase is to better align with recent collection.

2. Fines and Forfeits:

- The amount of \$25,000 represents deposits forfeited by individuals who do not spay or neuter their pets. This increase is to better align with recent collection.

3. Transfers From Other Funds:

- The amount of \$221,378 represents the subsidy from the General Fund/General Services District Fund (00111) to provide funding to increase the funding to the Jacksonville Humane Society to \$400,000.

EXPENDITURES:

1. Professional and Contractual Services:

- The increase of \$295,000 represents funding mainly for Jacksonville Humane Society. This is mainly being funded with the transfer from the General Fund/GSD, which is being used to increase funding to the Jacksonville Humane Society from \$105,000 to \$400,000. The Jacksonville Humane Society administers an animal control transfer program focused on serving dogs and cats within Duval County. This funds transportation and analysis of animals to Jacksonville Humane Society for rehabilitation, alteration spay/neuter, and total care.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2022/23 BUDGET
NEIGHBORHOODS
VETERINARY SERVICES (FUND 15106)**

PROPOSED BUDGET BOOK – Page #199-200

BACKGROUND

Ordinance 2010-527-E grants the Animal Care and Protective Services Division authority to oversee the Veterinary Services Trust Fund. Revenues are mainly derived from a portion of animal licenses and permits to support impounded and distressed animals. This fund also receives revenue from vaccinations for feline and K9s, sentinel flea control, medical expenses related to sterilizations, and microchipping. This is an “all years” fund which means once dollars are appropriated, the appropriation stays in place from year to year rather than lapsing.

REVENUES:

1. Charges for Services:
 - This represents this fund’s portion of animal licenses and animal control medical fees.

EXPENDITURES:

1. Other Operating Expenditures:
 - The increase of \$12,710 is based on the increased revenue, which provides more funding for pharmaceutical drugs for the treatment of animals.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no employees in this sub-fund.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
NEIGHBORHOODS
HAZARDOUS WASTE PROGRAM (FUND 15302)**

PROPOSED BUDGET BOOK – Page # 201-203

BACKGROUND:

Duval County is mandated by Florida Statute 403.7225 to perform hazardous waste assessments within the county. Employees perform hazardous waste verification inspections that include pollution prevention, outreach, and education and compliance assistance activities. They inspect types, amounts, and sources of hazardous waste generated.

There is a proposed transfer from fund balance of \$96,610 to cover operating costs. This fund is projected to have a cash balance of \$300,000 at the end of FY 2021/22. Therefore, without a change in funding or operations, this fund will not have enough fund balance to continue this past FY 2024/25.

REVENUE:

1. Charges for Services
 - This represents hazardous waste fees and is projected to remain near FY2021/22 levels for the upcoming fiscal year.
2. Investment Pool/Interest Earnings
 - The amount of \$4,039 is the projected investment pool earnings for FY 2022/23.
3. Transfers from Fund Balance
 - The amount of \$96,610 is being appropriated to balance the fund.

EXPENDITURES:

1. Salaries
 - The increase of \$12,283 is due to the impact of collective bargaining increases.
2. Pension Costs
 - The net decrease of \$22,792 is due to employee turnover resulting in no employees in this fund being in the defined benefit plan.
3. Internal Service Charges
 - The increase of \$14,211 is due to an increase in IT charges for application maintenance.
4. Indirect Cost:
 - This amount is based on the allocation of costs to operate central services of the City (e.g. Finance and Administration, Employee Services and City Council) as calculated by the City's independent consulting firm.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
NEIGHBORHOODS
HAZARDOUS WASTE PROGRAM (FUND 15302)**

PROPOSED BUDGET BOOK – Page # 201-203

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no changes to the employee cap.

RECOMMENDATION:

None.

**Jacksonville Housing Finance Authority
FY 2022/23 Proposed Budget**

	FY 2021/2022		FY 2022/2023		Change From FY22	
	Approved	Proposed	Percent	Dollar		
Estimated Revenues:						
361101 Investment Pool Earnings	\$ 30,001	\$ 40,000	33%	\$ 9,999	(a)	
361110 Mortgage Interest Income	\$ 42,000	\$ 10,000	-76%	\$ (32,000)	(b)	
361420 Realized Gain-Loss On Investments	\$ 65,000	\$ 130,000	100%	\$ 65,000	(c)	
369050 Miscellaneous Sales and Charges	\$ 20,250	\$ 18,000	-11%	\$ (2,250)		
385020 Bond Issuer Fees	\$ 200,000	\$ 280,000	40%	\$ 80,000	(d)	
385040 Bond Application Fee	-	40,000	N/A	\$ 40,000	(e)	
Total Estimated Revenues	\$ 357,251	\$ 518,000	45%	\$ 160,749		
Estimated Expenditures:						
Personnel *						
512010 Permanent and Probationary Salaries	\$ 85,295	\$ 106,207	25%	\$ 20,912	(f)	
515110 Special Pay - Pensionable	\$ 791	\$ 4,230	435%	\$ 3,439		
521020 Medicare Tax	\$ 1,237	\$ 1,601	29%	\$ 364		
522010 Pension Contribution	\$ 3,400	\$ 3,780	11%	\$ 380		
522011 GEPP DB Unfunded Liability	\$ 9,530	\$ 5,821	-39%	\$ (3,709)		
522070 Diasability Trust Fund-ER	\$ 273	\$ 900	230%	\$ 627		
523030 Group Life Insurance	\$ 409	\$ 520	27%	\$ 111		
523040 Group Hospitalization Insurance	\$ 10,197	\$ 17,850	75%	\$ 7,653		
Total Personnel	\$ 111,132	\$ 140,909	27%	\$ 29,777		
Operating Expenses						
531090 Other Professional Services	\$ 150,000	\$ 160,000	7%	\$ 10,000	(g)	
540020 Travel Expense	\$ 8,000	\$ 11,000	38%	\$ 3,000	(h)	
548010 Advertising and Promotion	\$ 1,250	\$ 3,000	140%	\$ 1,750		
549040 Miscellaneous Services & Charges	\$ 18,826	\$ 38,000	102%	\$ 19,174	(i)	
549510 ISA-Computer Sys Maint&Security	\$ 2,500	\$ 3,500	40%	\$ 1,000		
549512 ISA-Copy Center	\$ 1,500	\$ 1,600	7%	\$ 100		
549529 ISA-Mailroom Charge	\$ 500	\$ 1,850	270%	\$ 1,350		
549532 ISA-OGC Legal	\$ 40,000	\$ 88,000	120%	\$ 48,000	(j)	
549507 ISA Building Allocation	\$ -	\$ 14,000	N/A	\$ 14,000	(k)	
551010 Office Supplies - Other	\$ 2,500	\$ 3,000	20%	\$ 500		
552060 Food	\$ 1,500	\$ 3,400	127%	\$ 1,900		
552290 Computer Software/Items	\$ -	\$ 21,000	N/A	\$ 21,000	(l)	
554001 Dues and Subscriptions	\$ 4,000	\$ 11,000	175%	\$ 7,000		
555001 Employee Training Expenses	\$ 10,000	\$ 9,500	-5%	\$ (500)		
Total Operating Expenses	\$ 240,576	\$ 368,850	53%	\$ 128,274		
Other Expenses						
564030 Office Equipment	\$ 1	\$ 1	0%	\$ -		
599031 Indirect Cost - General Government	\$ 5,542	\$ 8,240	49%	\$ 2,698	(m)	
Total Other Expenses	\$ 5,543	\$ 8,241	49%	\$ 2,698		
Total Estimated Expenditures	\$ 357,251	\$ 518,000	45%	\$ 160,749		

* The JHFA utilizes Housing & Community Development Division staff on a cost-reimbursement basis as authorized in Section 52.105, *Municipal Code*. The monetary amount budgeted represents approximately 50% of the Director - Finance position and approximately 35% of the Contract Compliance Manager position.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
JACKSONVILLE HOUSING FINANCE AUTHORITY
HOUSING FINANCE AUTHORITY (FUND 81101)**

BACKGROUND:

The Jacksonville Housing Finance Authority (JHFA) provides funds to support the development of housing for low-to-moderate income families through the issuance of tax-exempt bonds. The bond proceeds are utilized to make low interest loans. Ordinance 2014-185-E, enacted on August 12, 2014, classified the JHFA as an independent authority of the City of Jacksonville.

ESTIMATED REVENUES:

- a. Investment Pool Earnings:
 - The \$40,000 is the anticipated interest earnings for FY 2022/23.
- b. Mortgage Interest Income:
 - The decrease of \$32,000 is based on actual current year performance.
- c. Realized Gain-Loss On Investments:
 - The increase of \$65,000 is based on increased recent actuals.
- d. Bond Issuer Fees:
 - The increase of \$80,000 is based on increased recent actuals.
- e. Bond Application Fee:
 - The addition of \$40,000 is based on recent actuals.

ESTIMATED EXPENDITURES:

- f. Permanent and Probationary Salaries:
 - The increase of \$20,912 is mainly due to the impact of the collective bargaining increases and a new employee being hired at a higher salary.
- g. Other Professional Services:
 - The increase of \$10,000 is based on increased recent actuals caused by increases in the amount of projects JHFA is working on.
- h. Travel Expense:
 - The increase of \$3,000 is due to a planned increase in training for employees that could not take place in prior years due to COVID-19.
- i. Miscellaneous Services & Charges:
 - The increase of \$19,174 is to cover increased costs.
- j. ISA-OGC Legal:
 - The increase of \$48,000 is based on anticipated increases in projects brought on by changes in the housing market.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2022/23 BUDGET
JACKSONVILLE HOUSING FINANCE AUTHORITY
HOUSING FINANCE AUTHORITY (FUND 81101)**

k. ISA-Building Allocation:

- The addition of \$14,000 is to reflect actual usage of the Ed Ball Building. This is not a new expenditure. This expenditure is being appropriated for the first time in the proposed FY 2022/23 budget.

l. Computer Software/Items:

- The addition of \$21,000 is for an update to the Housing Authority's mortgage software.

m. Indirect Cost – General Government:

- The increase of \$2,698 is based on the Housing Authority using a modified indirect cost rate.

SERVICE LEVEL CHANGES:

There is no change in service level.

AUTHORIZED POSITION CAP:

There are no authorized employees in this fund.

RECOMMENDATIONS:

We recommend the following:

1. Adjust the note on the bottom of schedule N to reflect the new salary allocation percentages mentioned in the proposed budget ordinance of 20% of the Chief of Housing position, 25% of the Director of Finance position, and 55% of the Contract Compliance Manager Position.
2. Allow us to correct account names on the schedule.

These recommendations have no impact on Special Council Contingency. (See revised Schedule N on next page).

**Jacksonville Housing Finance Authority
FY 2023 Budget**

Estimated Revenues:

361101 Investment Pool Earnings	\$	40,000
361110 Mortgage Interest Income		10,000
361420 Realized Gain-Loss On Investments		130,000
369050 Miscellaneous Sales and Charges		18,000
385020 Bond Issuer Fees		280,000
385040 Bond Application Fees		40,000
Total Estimated Revenues	\$	<u>518,000</u>

Estimated Expenditures:

Personnel *

512010 Permanent and Probationary Salaries	\$	106,207
515110 Special Pay - Pensionable		4,230
521020 Medicare Tax		1,601
522010 Pension Contribution		3,780
522011 GEPP DB Unfunded Liability		5,821
522070 Disability Trust Fund-ER		900
523030 Group Life Insurance		520
523040 Group Hospitalization Insurance		17,850
Total Personnel	\$	<u>140,909</u>

Operating Expenses

531090 Other Professional Services	\$	160,000
540020 Travel Expense		11,000
548010 Advertising and Promotion		3,000
549040 Miscellaneous Services & Charges		38,000
549510 ISA-Computer Sys Maint&Security		3,500
549512 ISA-Copy Center		1,600
549529 ISA-Mailroom Charge		1,850
549532 ISA-OGC Legal		88,000
549507 ISA-Building Allocation - Ed Ball		14,000
551010 Office Supplies - Other		3,000
552060 Food		3,400
552290 Computer Software/Items		21,000
554001 Dues and Subscriptions		11,000
555001 Employee Training Expenses		9,500
Total Operating Expenses	\$	<u>368,850</u>

Other Expenses

564030 Office Equipment	\$	1
599031 Indirect Cost - General Government		8,240
Total Other Expenses	\$	<u>8,241</u>
Total Estimated Expenditures	\$	<u>518,000</u>

* The JHFA utilizes Housing & Community Development Division staff on a cost-reimbursement basis as authorized in Section 52.105, *Municipal Code*. The monetary amount budgeted represents 25% of the Director - Finance position, 55% of the Contract Compliance Manager position, and 20% of the Chief of Housing position.