



## OFFICE OF THE CITY COUNCIL

117 WEST DUVAL STREET, SUITE 425  
4<sup>TH</sup> FLOOR, CITY HALL  
JACKSONVILLE, FLORIDA 32202  
904-255-5137

### FINANCE COMMITTEE BUDGET HEARING #6 MINUTES

**August 24, 2023**

**9:00 a.m.**

**Location:** City Council Chamber, City Hall – St. James Building; 117 West Duval Street,  
**In attendance:** Council Members Nick Howland (Chair), Randy White, Raul Arias, Kevin Carrico, Reggie Gaffney Jr., Ju’Coby Pittman

**Excused:** Council Member Will Lahnen

**Also:** Council Members Matt Carlucci, Terrance Freeman, Ron Salem; Kim Taylor, Brian Parks, Heather Reber - Council Auditor’s Office; Mary Staffopoulos and Carla Lopera – Office of General Counsel; Barbara Hobson – Legislative Services Division; Mike Weinstein, Angela Moyer – Finance and Administration Department; Mayor Donna Deegan, Pat McCullough – Mayor’s Office

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

Chairman Howland convened the meeting and the attendees introduced themselves for the record.

**Page references from this point refer to Auditor’s Budget Hearing #6 handout.**

#### Mayor’s Office

Pat McCullough, the Mayor’s Chief of Staff, said the mayor has assembled an experienced team that is dedicated to serving the City and citizens of Jacksonville. Infrastructure, health and the economy are the mayor’s fundamental priorities. She said the proposed increase in the mayor’s staffing level is justified by the increase in the size of the city budget.

Chairman Howland noted the 33% increase in the mayor’s salary account with the addition of only 2 positions. He asked what the Chief of Diversity, Equity and Inclusion (DEI) position will do that is not already being performed by the city’s Human Rights Commission (HRC). Ms. McCullough said that position will be responsible for implementing the mayor’s emphasis on diversity in hiring, procurement, health care, housing and the like on a citywide basis. It will be an outreach position. The Human Rights Commission is primarily responsible for investigation of complaints about housing and employment issues. CM Carrico asked for further clarification on the distinction between internal and external functions and where boards and commissions fit on that scale. Council President Salem said his

understanding from meeting with Dr. Parvez Ahmed yesterday is that he will be out in the community meeting and engaging with various ethnic groups to build connections with the City and asked if that function could be performed by the Human Rights Commission rather than a new position. Ms. McCullough said the mayor saw a need that was not being met and wants it filled at a Mayor's Office level because of its importance. Dr. Ahmed said that the budget and staff of the JHRC are considerably lower now than when he served 2 terms on the commission some years ago and the city is much more diverse than it was 20 years ago, so there is a need to emphasize a culture of outreach, understanding and collaboration.

CM White asked about the role of Garrett Dennis, the mayor's director of boards and commissions, with regard to encouraging diversity in board and commission appointments. He also asked if a position could be transferred from the Human Rights Commission staff to the Mayor's Office to assist with board and commission diversity. Chief Administrative Officer Karen Bowling said she would look into that possibility, but the need for diversity and equity efforts is large and needs to be properly supported. CM Pittman said Jacksonville is becoming increasingly diverse and there is a need for much more discussion and development of understanding among that increasingly diverse population. President Salem asked for information on the substantial reduction of the JHRC staff from 21 in 2006 to 6 several years later and why and how that happened. CM Matt Carlucci pointed out that Dr. Ahmed brings a unique perspective to the position because of the personal challenges he went through during the process of his appointment to the JHRC some years ago. He said he believes he will play a valuable role in citywide outreach to Jacksonville's extremely diverse community who want to be involved in City government but may not know how.

CM Freeman asked who would be responsible for implementing the results of the data gathering and outreach efforts that have been cited as a role for Dr. Ahmed. He noted his efforts while Council President to make diverse appointments to boards and commissions and the difficulty in finding diverse candidates who meet the specific qualification requirements of many of the boards. Chairman Howland said he sees duplication between the roles of the HRC and the proposed diversity, equity and inclusion position. He does not believe that City government has a role in encouraging diversity and equity in private organizations, many of which already undertake efforts in that area, because that is not a core function of government. He sees too much duplication of functions and excessive growth in the Mayor's Office budget. CM Arias asked about median salaries in the Human Rights Commission and whether the HRC needs more employees to do its work. Ms. Bowling said she would research the complaint workload and staff needs. CM Carrico advocated for using the funding from the proposed DEI position to fund more employees in the JHRC and the Public Works Department. He suggested using the \$232,000 budgeted for the DEI position to fund 4 new positions for the JHRC or 2 new positions and raise the salaries for employees in that office. CM Pittman said the City's pay scale is too low to keep experienced employees who can make more working for other jurisdictions. CM Gaffney Jr. said he was opposed to cutting the proposed funding for the DEI position. Kim Taylor cautioned that the committee can't take action with regard to individual employees but deals with a department's employee position cap and budget allocations. She also noted that departmental salaries are a function, in part, of collective bargaining and can't be raised arbitrarily. CM Carlucci advocated for giving the mayor's proposal a chance to work before cutting the DEI position.

Mayor Deegan said she promised the creation of a diversity position during her campaign as a result of input she received from citizens and businesses about the need for a greater connection between diverse citizens and the government. She sees a great need for outreach to many and varied communities and to grow Jacksonville's national reputation as a city that embraces diversity. She asked for the trust and discretion extended to past mayors to structure their office as they see fit. Chairman Howland said the mayor has full authority to structure her office and title positions as she sees fit, he is merely proposing to reduce the salary line by \$232,000. CM Carrico asked about the need to restore the 2 transferred positions

from Public Works to the Mayor's Office. Acting Public Works Director Nina Sickler said she will be evaluating the department's workload and staffing needs and how junior engineer positions can be deployed to help move CIP projects forward. Mr. Carrico suggested transferring \$232,000 from the Mayor's Office proposed budget to create 2 new positions in the Human Rights Commission and 1 in the Public Works Department for a junior engineer. CM White suggested hiring the DEI position for 6 months on a contract basis to see what kind of results it produces.

**Motion** (Carrico): transfer \$232,168 from the Mayor's Office budget to fund creation of 2 new positions in the Human Rights Commission and 1 new position in the Public Works Department.

Kim Taylor said it would cost approximately \$72,500 apiece for the 2 proposed JHRC positions, including benefits, and \$87,000 for the Public Works position with benefits. She also clarified that the Council can reduce a department's salary budget and employee cap, but reiterated that it cannot take action directed at a specific employee.

**Restated motion** (Carrico) – transfer \$232,000 from the Mayor's Office to fund \$145,000 and create 2 new positions with benefits in the Jacksonville Human Rights Commission budget and fund \$87,000 and create 1 new position with benefits in the Public Works Department - **approved 4-2** (Pittman and Gaffney Jr. opposed).

#### Employee Services Department

Department Director Diane Moser introduced her division chiefs in attendance. Kim Taylor reviewed the proposed budget. CM Pittman asked about employee turnover. Ms. Moser said the average is 18% annually on a national basis; the City's rate is 12%, and less for public safety employees. The City will be going back to the bargaining table with the employee unions this year as the current union contracts end in September 2024. She said the City has a very good benefits package (good health insurance, generous leave plan and holidays) that make it attractive as an employer. Many people work for the City because they want to be involved in public service. CM Pittman suggested the need to remind employees several times a year about all the benefits that are provided so they knew what is available to take advantage of. She also recommended occasionally asking employees what benefits they want rather than assuming that management knows best.

#### Wellness Fund

Ms. Taylor reviewed the proposed budget.

#### Group Health Insurance

Ms. Taylor reviewed the budget. She noted that premiums have been flat for a number of years and are being supplemented by federal ARP funds in this year's budget. Consideration may need to be given to increasing premiums in future years. IAFF union chief Randy Wyse said the separation of the police and fire employees into a separate insurance trust fund is working well and they have reduced premiums for their employees. There will be issues to address in the upcoming collective bargaining process.

#### Planning and Development Department

Bill Killingsworth, Director Planning and Development, introduced his division chiefs in attendance. Chairman Howland asked about the increase of 3 in the employee cap. Anne Coglianese, Chief Resilience Officer, explained the functions of those 3 employees who will be in her division. Kim Taylor noted that the new positions are funded for 6 months for the second half of the fiscal year. At the request of CM Pittman, Ms. Coglianese said the year-long resilience study is nearly complete and will be rolled out in October. She believes it will be one of the most robust and data-driven resilience plans in the country. She also described the various areas the study will support in terms of planning and service provision. CM White said that more personnel will be needed in the Planning Department to speed up the permitting

process and he will be very supportive of that increase when the time comes. Ms. Coglianesi said that there is a large amount of federal funding available and that one of the new positions being requested will be aggressively pursuing grant funding.

CM Carrico noted that the Finance Committee recommended allocation of funding yesterday for 2 drainage project studies. Ms. Coglianesi said that she is aware of the problems in those two areas and said that a compound flooding study will be undertaken in the next year that will look at those areas as part of a comprehensive strategy. CM Carrico asked about the mayor's transition team recommendations regarding the permitting process. Mr. Killingsworth said those recommendations will be forthcoming shortly. In response to a question from CM Matt Carlucci, Ms. Coglianesi said that the compound flooding study and resultant model will address a flooding problem in Riverside and help determine the right solution for that problem. She anticipates that the flood model will be useful for doing similar site-specific studies in other problem areas around the county. The Resiliency Office will be providing district-specific reports to each district council member.

#### Building Inspection

Kim Taylor reviewed the budget. CM Carrico asked what could be done to better educate the public (i.e. non-profit organizations, small businesses) to help them better understand the permitting process. Mr. Killingsworth said he meets with development industry representatives monthly to address their problems. The department will be rolling out a new online application portal later this year. The department also offers a service to meet with "end users" (building occupants) to discuss their intended plans for a building and advise what steps need to be taken and what pitfalls to watch out for. The fact that a building was used for a particular purpose in the past doesn't necessarily mean that it was done legally and that the use will be permissible in the future. He said the department has become very efficient at moving the high-volume builders through the permitting process; the next step is to improve on assisting small projects (room additions, remodels, etc.). The department has hired a contractor to help process the volume of permit applications to be sure to meet the state mandate for 30-day reviews. They also plan to hire a consultant to look at the entire permitting process to recommend improvements. In response to a question from CM Arias, Mr. Killingsworth explained that recent employees have been hired at higher salaries because that is what the current market demands to get qualified people. Mr. Arias said he agrees with Mr. Killingsworth's earlier comments that project end users (restaurateurs, day care operators, etc.) need to be better educated about the intricacies of the permitting process to ensure that their projects can be done successfully. CM Pittman said more education is absolutely needed, but it needs to be done in ways that can accommodate the needs of small business owners who may not be able to attend daytime meetings.

**Motion:** on p. 21, tentatively approve Auditor's recommendation to increase the Office of General Counsel allocation by \$150,000 to account for the fact that this fund should be directly billed for one attorney and one paralegal. This will be offset with a transfer from fund balance of the same amount in this fund. Also increase revenue and cash carryover in Office of General Counsel (55101) by the same amount – **approved unanimously.**

**The hearing was in recess from 11:40 a.m. to 12:17 p.m.**

#### Kids Hope Alliance

Dr. Saralyn Grass, CEO of the Kids Hope Alliance, introduced her management team in attendance. Kim Taylor reviewed the proposed budget. Mary Staffopoulos announced that CMs Carrico and Pittman have voting conflicts with this portion of the budget due to their employment with agencies that receive KHA funding and will be abstaining from any votes on this budget. In response to a question from CM Gaffney Jr., Dr. Grass described how KHA funds are primarily distributed based on competitive RFPs. In response to another question from Mr. Gaffney, Dr. Grass described how KHA funding is distributed among after-

school programs and how participation slots are distributed among the schools by the Duval County School system. Slots were reduced at some schools because those schools that did not utilize all their slots; other reductions occurred because 23 additional schools were served this year and slots had to be redistributed throughout the system to be made available to more schools citywide. She said that it would cost an additional \$1.9 million to fully fund the full complement of needed slots in every school and to provide full summer programming slots as well. She noted that sites that serve 100 or more students are required by state law to provide enhanced security which adds to the overall cost of the program.

In response to a question from CM Arias, Dr. Grass said that the KHA would need more employees if more funding is funneled through the KHA and more contract management needs to be done. The contract management function is time- and labor-intensive. CM Freeman asked how the construction work being done with funding from the local option school sales tax has affected KHA programs. Dr. Grass said the school district is requesting more slots at all schools to meet the need. In cases where 2 schools are being consolidated, the combination may take the after-school program slots over the 100 threshold that causes a need for additional security. She noted that there are other funders of after-school programs besides KHA that may be less known and may be somewhat more difficult to access, but are available to serve some of the need. Mr. Freeman asked if it's known how a proposed Jacksonville Journey II might impact KHA. Dr. Grass said that it is anticipated that Jax Journey II would not be a program operator but a research, planning and oversight agency. Mr. Freeman said that Jax Journey I focused on Health Zone 1 and while crime went down in that zone, it went up in other zones. CM Gaffney asked about accountability measures with the service providers. Dr. Grass explained the goals and the performance measures, which depend in large part on data sharing with Duval County Public Schools to evaluate program participation impact on academic performance and disciplinary actions.

In response to a question from Chairman Howland, Dr. Grass said the KHA got a \$4 million enhancement from the Mayor's Budget Review Committee on top of its \$42 million continuation budget from the current fiscal year. Potential funding sources for an additional \$1.9M for KHA could be the Special Council Contingency fund, the Mayor's \$12M transition fund, or federal ARP funds (only available for one year). Ms. Taylor noted that the voting conflicts of 2 committee members will prevent the committee from voting on the KHA budget amendments/enhancements at the wrap-up session tomorrow. The actions will have to be taken by the full Council via the budget ordinance or potentially via the pending ARP appropriation bill.

#### Public Works Department

Acting Director of Public Works Nina Sickler introduced her division chiefs in attendance. Kim Taylor reviewed the proposed budget. CM Carrico thanked the department for its good work. In response to a question from Mr. Carrico, Acting Operations Director Steve Long said he is confident that the increased mowing budget can be properly expended with sufficient contractors to do the work. CM Arias asked how funds are distributed citywide given that some districts have many more parks and road miles to maintain than other districts. Mr. Long said that the goal is for all facilities to be maintained at the same level citywide so some districts will necessarily get greater funding than other because the needs are greater. In response to a question from CM Pittman, Mr. Long described the City's contract with FDOT for the City to maintain 42 state road segments with FDOT funding for basic mowing and additional City funding for an enhanced service level. CM White asked how to get a state road segment added to the City enhanced maintenance list; he would like to see the I-295/Normandy Boulevard intersection added for better maintenance. CM Gaffney Jr. asked if there is a relationship between the increased mowing funding and use of jail inmates. Mr. Long said the mowing funding does not impact the use of inmates.

In response to a question from CM Pittman, Renee Hunter, Chief of Real Estate, discussed a pending ordinance authorizing the use of eminent domain to obtain property along Old Middleburg Road for a road widening project. Ms. Pittman also asked about how the City can help property owners who lose

their properties due to non-payment of taxes to regain that property through payment of the overdue taxes. CM Gaffney asked for information on how many properties in District 8 are lost due to non-payment of property taxes. CM Arias suggested the need to examine what the new mowing schedule actually produces and determine if the new frequencies are too much or too little and adjust accordingly.

#### Tree Protection Fund

CM Pittman asked if there is funding for maintenance of road median trees. Mr. Long said this fund is one source of funding for tree maintenance, including in road medians.

#### Solid Waste Disposal

Ms. Taylor discussed the failure of the annual non-ad valorem solid waste assessment to pay the cost of the service and recommended that some action be taken to remedy the situation, either by increasing the fee or reducing costs. She noted that Atlantic Beach and Neptune Beach pay the landfill tipping fee for their solid waste at Trail Ridge Landfill pursuant to the interlocal agreements between Jacksonville and those cities; should the City ever stop treating the subsidy to the Solid Waste Disposal Fund as a loan from the General Fund then those cities would no longer be required to pay those tipping fees. CM Pittman asked about the sufficiency of equipment for street sweeping; Steve Long said that more sweepers are being purchased next year in addition to 3 new solid waste packer trucks.

CM Arias expressed concern about the lack of solid waste transfer stations meaning that all waste hauler trucks have to drive to the Trail Ridge Landfill at a considerable cost in time. Mr. Long said a transfer station would save driving time but would incur additional costs for operation of the transfer station. Kim Taylor said that when the former administration looked at establishing a transfer station, it was calculated that a transfer station would increase overall waste disposal costs, not reduce them. Mr. Long said that the City experiences less than a 1% complaint rate on over 3 million individual pickups (garbage, recycling, yard waste, bulk items) per month. CM Matt Carlucci described the process required to increase the solid waste user fee, which is somewhat lengthy and involves providing written notice to property owners. He volunteered to lead the effort to get the council to at least open a discussion about how to deal with the solid waste fund and the assessment amount.

#### Public Comment

Priscilla Allen spoke on behalf of The Giving Closet Project, a not-for-profit that provides clothing and hygiene products to low-income school children through 7 distribution centers. She asked for a City appropriation of \$150,000 to support the organization. CM Carrico said that a requested appropriation for The Giving Closet is on the enhancements list for consideration at tomorrow's wrap-up meeting.

The Chairman reviewed the order of business for tomorrow's wrap-up meeting: 1) discussion of City Council Strategic Plan priorities; 2) allocation of the Special Council Contingency Fund; then Council Auditor final wrap-up items.

Mary Staffopoulos relayed a message from City Ethics Officer Kirby Oberdorfer who said that CMs who have any relationship to an entity on the requested enhancement list for tomorrow need to disclose those relationships to the General Counsel's Office in order for them to be reviewed for potential voting conflicts.

**Meeting adjourned: 2:23 p.m.**

Jeff Clements - Council Research Division

[jeffc@coj.net](mailto:jeffc@coj.net) 904-255-5137

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