

OFFICE OF THE COUNCIL AUDITOR

FY 2023/2024 PROPOSED BUDGET

FINANCE COMMITTEE MEMBERS

Nick Howland– Chair
Randy White – Vice Chair
Raul Arias
Kevin Carrico
Reggie Gaffney, Jr.
Will Lahnen
Ju’Coby Pittman



Meeting #3
August 17, 2023

**COUNCIL AUDITOR’S OFFICE
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**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2023/24 BUDGET
TAX COLLECTOR (FUND 00193)**

PROPOSED BUDGET BOOK - Page # 317-319

BACKGROUND:

The Tax Collector’s budget includes funding for three (3) divisions identified as branch agencies, current and delinquent taxes, and supervision and general collection. There are nine (9) branches and one (1) satellite office which process various transactions such as property and local business taxes, driver’s license services, and fast title services.

REVENUES:

1. Charges for Services:

- The net decrease of \$188,133 is mainly attributed to the following decreases:
 - \$245,000 in Collection Fees for Delinquent Tax Sales to bring this revenue better in line recent actuals based on how the fees are split with the contractor.
 - \$200,000 in Tax Redemption Fees – Tax Sale due to fewer properties becoming delinquent.
 - \$155,000 in E-commerce Fees due to a decline in usage of the State of Florida’s website for tag renewals.
 - \$40,000 in concealed weapons fees due to legislation that no longer requires a permit to concealed carry.
- This is somewhat offset by the following increases to better align with recent actuals:
 - \$165,000 in Driver License Renewal Fees.
 - \$125,000 in Form 100 and Tag Registrations.
 - \$45,000 in Tax Collector Miscellaneous Revenue.
 - \$30,560 in Fast Title Service.
 - \$25,700 in Collection Fees – Tourist Development Tax.
 - \$25,000 in Auto Tag Mailing.

2. Transfers from Other Funds:

- The increase of \$1,659,957 is an increase in the transfer from the General Fund/General Services District (00111) which is what balances revenue and expenditures in this fund. The proposed General Fund/General Services District (00111) subsidy is \$14,143,140.

EXPENDITURES:

1. Salaries:

- The net increase of \$188,741 is mainly due to an increase of \$269,731 in permanent and probationary salaries as an impact of collective bargaining increases. This is partially offset by a decrease of \$117,376 in overtime pay due to increased staffing levels in recent years that have reduced the need.

2. Salary and Benefit Lapse:

- This reflects an estimated salary and benefit lapse based on the average turnover ratio and estimated number of vacancies in FY 2023/24.

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
TAX COLLECTOR (FUND 00193)**

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3. Pension Costs:
 - The increase of \$597,157 is due to an increase in the required contributions to the pension fund, additional participants in the defined contribution plan, and the salary increases as noted above.

4. Internal Service Charges:
 - The net increase of \$84,311 is mainly due to increases of:
 - \$95,901 in Computer Systems Maintenance and Security due to an increase in IT charges related to enterprise security, Cash Receipt system application maintenance, and enterprise document management.
 - \$25,374 in City-Wide Building Maintenance due to an increase in actuals.
 - \$11,654 in Fleet Vehicle Replacement due to budgeting an entire year of payments for purchases made during FY 2022/23.
 - This is somewhat offset by a decrease of \$51,659 due to the removal of funding for network equipment replaced during FY 2022/23.

5. Insurance Costs and Premiums:
 - The increase of \$237,863 is due to an increase in recent claims history.

6. Professional and Contractual Services:
 - The increase of \$21,632 is mainly due to an increase in the contract with printing for tax bills, tag renewals, and local business tax notices.

7. Other Operating Expenses:
 - The increase of \$213,537 is mainly due to increases of \$138,716 in software licenses as a result of extending maintenance for the queueing system and adding an online chatting system, \$30,000 in Repairs and Maintenance for flooring replacement at the Hogan Street branch, and \$20,889 in Rentals due to scheduled increases in the leases.

8. Capital Outlay:
 - There is \$150,000 budgeted to replace obsolete coin and currency machines in FY 2023/24.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There is no change to the employee cap.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
SUPERVISOR OF ELECTIONS
GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 313 - 315

BACKGROUND:

The Supervisor of Elections Office registers all voters in Duval County, educates voters on State and local laws and how to vote, staffs early voting sites prior to an election, staffs the call center prior to an election, processes absentee ballots, and conducts State and local elections of Duval County in accordance with the elections laws of Florida. In FY 2022/23 there was three county-wide elections (1 General Election and 2 Local Duval County Elections) included in the original budget. In FY 2023/24 there will be two county-wide elections (1 Presidential Preference Election and 1 Primary Election).

REVENUE:

1. Miscellaneous Revenue:

- This revenue is related to election services being offered to candidates and private organizations such as petition verifications and record requests. The increase of \$97,248 is due to an expected increase in petition groups filing petitions for referendums to be placed on the ballot in the upcoming presidential election year.

EXPENDITURES:

1. Salaries:

- The decrease of \$185,638 is mostly due to a decrease of \$453,101 in part time salaries mainly due to the decrease in the number of elections in FY 2023/24, which is offset by an increase in election part time rates and staffing levels.

This decrease is partially offset by an increase of \$135,066 in permanent and probationary salaries mainly due to the impact of collective bargaining increases and other salary increases. Overtime is also increasing by \$130,874 to better reflect actual expenses.

2. Pension Costs:

- The increase of \$211,344 is primarily due to an increase of \$91,285 in the FRS pension contribution due to a change in the Supervisor of Election and an increase of \$120,059 in the contribution to the General Employee defined benefit and defined contribution plans.

3. Internal Service Charges:

- The increase of \$72,610 is mostly due to the following increases of:
 - \$48,929 in computer system maintenance and security due to charges related to the Elections Candidate Tracking Program and an increase in enterprise security costs.
 - \$37,243 in building maintenance costs mainly due to an overall increase in building costs.

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2023/24 BUDGET
 SUPERVISOR OF ELECTIONS
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

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4. Professional and Contractual Services:
 - The decrease of \$22,851 is mainly due to a decrease of \$20,251 in security guard service expenses due to the decrease in the number of elections in FY 2023/24, which requires less hours at libraries during early voting.

5. Other Operating Expenses:
 - The net decrease of \$484,569 is mainly due to the decrease in the number of elections in FY 2022/23. This is partially offset due to a one-time increase for the county-wide mailing of voter info cards due to school board district changes prior to the Primary Election in August 2024.

6. Capital Outlay
 - The amount of \$419,301 is to be used for the purchase of 100 Expressvote units (ballot marking devices) and 16 Expressvote printers. These will be used to assist voters with disabilities to vote independently and will also be placed into early voting sites to speed up the early voting process for all voters.

FOOD AND BEVERAGES EXPENDITURE:

Amount	Description of each Service/Event that requires the purchase of food/beverage	Explanation that the Service/Event serves a public purpose
\$6,000	Food for Election staff on election day, Canvasing Board deliberations, and senior citizen voter education events.	Food for Election staff on election day, Canvasing Board deliberations, and senior citizen voter education events.
\$500	Food and beverage for visits from foreign delegations	To provide light refreshments during tours given for the purpose of informing foreign delegates of how elections are conducted in Duval County.

SERVICE LEVEL CHANGES:

In FY 2023/24 there will be two county-wide elections (1 Presidential Preference Election and 1 Primary Election). In FY 2022/23 there were three county-wide elections (1 General Election and 2 Local Duval County Elections) in the original budget.

EMPLOYEE CAP CHANGES:

No employee cap changes. Part-time hours are decreasing by 39,376 hours from 268,080 hours in FY 2022/23 to 228,704 hours in FY 2023/24 due to the decrease in the number of elections. The decrease is partially offset by an increase to election part-time staffing levels. This includes early voting staff increasing from 10 to 12 people at each site (a total increase of 40 part-time positions), call-center staff increasing from 40 to 50 people six days prior to early voting, warehouse staff increasing from 10 to 20 people, and other small part-time staff increases.

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
SUPERVISOR OF ELECTIONS
GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

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RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
COURTS
GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – Page # 321 - 322

BACKGROUND:

This budget includes the Circuit and County Courts' expenses as well as the Guardian Ad Litem. The County is responsible for providing facilities, maintenance, utilities, security, communications, existing radio systems and the existing Multi-Agency Criminal Justice Information System (CJIS) to the Courts pursuant to Florida Statute 29.008.

EXPENDITURES:

1. Salaries
 - The decrease of \$5,479 is driven by a decrease in permanent and probationary salaries due to employee turnover.
2. Employer Provided Benefits
 - The increase of \$5,411 is due to the employee turnover and health plan elections by new employees.
3. Internal Service Charges
 - The increase of \$488,604 is primarily due to an increase of \$573,789 in allocated Courthouse building costs, which is caused by a decrease in the building cost allocated to the Court Cost Trust Fund (Fund 15202) due to decreases in projected FY 2023/24 revenue in that fund. This is partially offset by a decrease of \$76,638 in computer system maintenance and security due to a decrease in Voice and Fax Services and Office 365 costs.
4. Insurance Costs and Premiums
 - The decrease of \$2,237 is mainly due to a decrease in recent claim experience.
5. Other Operating Expenses
 - The decrease of \$21,485 is driven by a decrease of \$44,785 in furniture and equipment under \$1,000 due to the proposed year receiving a one-time enhancement of \$34,375 for furniture replacement while in FY2022/23 Courts received a one-time enhancement of \$79,160. This is partially offset by an increase of \$10,000 in other operating supplies for judge robes and increases in supply costs. Additionally, there is also an increase of \$10,000 in employee training expenses for training for Judges and Court Administration staff on new statutes and directives.
6. Debt Management Fund Repayments
 - The \$394,388 represents repayment of the funds borrowed to purchase the audio/visual equipment in the Courthouse Complex.

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2023/24 BUDGET
 COURTS
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

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FOOD AND BEVERAGES EXPENDITURES:

FY 23/24 Proposed	Description of each service / event that requires the purchase of food and/or beverages	Explanation that the service / event serves a public purpose
\$1,500.00	Conferences and meetings hosted by the Chief Judge of the Fourth Circuit for distinguished guest of the Judiciary.	To enhance relationships and knowledge between circuit, Appeal and Supreme Courts.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2023/24 BUDGET
COURTS
COURT COST COURTHOUSE TRUST (FUND 15202)**

PROPOSED BUDGET BOOK – Page # 323 -324

BACKGROUND:

As a result of Ordinance 2010-561-E, the State Court Facilities Surcharge was increased from \$15 to \$30. The surcharge is levied on non-criminal traffic violations and the criminal violations listed in Section 318.17 of the Florida Statutes and is to be used exclusively to fund the maintenance and the capital improvements associated with court facilities. Pursuant to Section 634.102 of the Municipal Code, no less than 25% of the \$30 fee should be spent on maintenance.

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:
 - This amount reflects the anticipated court facilities surcharge revenue of \$2,274,755. The projected decrease is based on current trends in the revenue stream.

EXPENDITURES:

1. Internal Service Charges:
 - The costs for maintaining the courthouse complex reside in the public buildings internal service fund and part of the cost is allocated to this fund via an internal service charge. This fund covers the debt service below with the remaining being utilized to cover maintenance costs. The rest of the maintenance costs are billed to General Fund / General Services District (Fund 00111).
2. Debt Service:
 - This amount represents the FY 2023/24 debt service costs associated with the portion of the courthouse funded by this fund.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
COURTS
TEEN COURT PROGRAMS TRUST (FUND 15204)**

PROPOSED BUDGET BOOK – Page # 325 - 327

BACKGROUND:

This program provides Duval County youth with an alternative to a conviction record by diverting them into programs where they are subject to peer group involvement as part of the rehabilitation process, and/or exposure to community service work, positive role models, law students, and the judicial system. In addition, a second program, the Teen Court Truancy Program has been developed in an effort to reduce truancy. These programs are funded by a \$3 fee charged pursuant to Florida Statute 938.19 against each person that pleads guilty or is found guilty of a traffic violation in accordance with Chapter 316 of the Florida Statutes.

REVENUE:

1. Charges for Services:
 - This amount reflects the revenue received from the \$3 fee. The decrease of \$40,679 is based on recent actual collections.
2. Investment Pool / Interest Earnings
 - This amount represents anticipated interest earnings for FY 2023/24.
3. Transfers from Other Funds:
 - This \$231,533 is a transfer from the General Fund / General Services District. \$55,000 is for the Neighborhood Accountability Board and the additional \$176,533 is needed to balance the budget.
4. Transfers from Fund Balance:
 - There is no transfer from fund balance being proposed due to the current cash position of this fund.

EXPENDITURES:

1. Salaries:
 - The increase of \$6,612 is driven by increases in permanent and probationary salaries due to collective bargaining increases.
2. Pension Costs:
 - The increase of \$10,639 is mainly due to the increase in the required contribution to the defined benefit pension plan.
3. Internal Service Charges:
 - The decrease of \$2,828 is due to a decrease in IT charges related to the 1Cloud implementation, Office 365, and Voice and Fax services.

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
COURTS
TEEN COURT PROGRAMS TRUST (FUND 15204)**

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4. Professional and Contractual Services:

- This amount includes \$55,000 for the Neighborhood Accountability Board and \$43,750 for certified family coaches and empowerment resources which teach life skills to clients of Teen Court.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

Court Costs \$65 Fee FS: 939.185

SUBFUND -- 15213

	FY 22-23		FY 23-24		CHANGE FROM PR YR	
	ADOPTED		PROPOSED		PERCENT	DOLLAR
REVENUE						
COURTS						
Charges for Services	\$ 535,416	\$	491,556		(8.2%)	\$ (43,860)
Miscellaneous Revenue	39,000		24,000		(38.5%)	(15,000)
	<u>\$ 574,416</u>	<u>\$</u>	<u>515,556</u>		<u>(10.2%)</u>	<u>\$ (58,860)</u>
Finance and Administration						
Charges for Services	\$ 178,472	\$	163,852		(8.2%)	\$ (14,620)
	<u>\$ 178,472</u>	<u>\$</u>	<u>163,852</u>		<u>(8.2%)</u>	<u>\$ (14,620)</u>
Jax Citywide Activities						
Investment Pool / Interest Earnings	\$ 0	\$	4,052		N/A	\$ 4,052
Transfers from other funds	726,343		885,074		21.9%	158,731
	<u>\$ 726,343</u>	<u>\$</u>	<u>889,126</u>		<u>22.4%</u>	<u>\$ 162,783</u>
TOTAL REVENUE	<u>\$ 1,479,231</u>	<u>\$</u>	<u>1,568,534</u>		<u>6.0%</u>	<u>\$ 89,303</u>
EXPENDITURES						
Courts						
Salaries	\$ 376,876	\$	373,644		(0.9%)	\$ (3,232)
Pension Costs	71,506		88,502		23.8%	16,996
Employer Provided Benefits	80,960		76,403		(5.6%)	(4,557)
Internal Service Charges	20,808		18,980		(8.8%)	(1,828)
Insurance Costs and Premiums	1,826		1,723		(5.6%)	(103)
Professional and Contractual Services	280,635		280,635		0.0%	0
Other Operating Expenses	318,993		109,492		(65.7%)	(209,501)
Library Materials	83,155		119,155		43.3%	36,000
	<u>\$ 1,234,759</u>	<u>\$</u>	<u>1,068,534</u>		<u>(13.5%)</u>	<u>\$ (166,225)</u>
Finance and Administration						
Other Operating Expenses	\$ 178,472	\$	163,852		(8.2%)	\$ (14,620)
Grants, Aids & Contributions	66,000		336,148		409.3%	270,148
	<u>\$ 244,472</u>	<u>\$</u>	<u>500,000</u>		<u>104.5%</u>	<u>\$ 255,528</u>
TOTAL EXPENDITURES	<u>\$ 1,479,231</u>	<u>\$</u>	<u>1,568,534</u>		<u>6.0%</u>	<u>\$ 89,303</u>

AUTHORIZED POSITION CAP

	FY 22-23		FY 23-24		CHANGE
	ADOPTED		PROPOSED		
Authorized Positions	9		9		0
Part-Time Hours	0		0		0

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
COURTS
COURT COSTS \$65 FEE (FUND 15213)**

PROPOSED BUDGET BOOK – Page # 328 - 330

BACKGROUND:

Municipal Code Section 111.385 and the Florida Statute Section 939.185 authorize a \$65 fee on felony, misdemeanor, or criminal traffic offenses. This revenue is split into four separate activities which receive 25% of the total revenue: Legal Aid, Duval County Law Library, Juvenile Drug Court, and Judicial Support. Pursuant to Florida Statute, any remaining funding at year end will be transferred into the Judicial Support activity.

Note – The below information is based on the summary page provided in the handout.

REVENUE:

Courts

1. Charges for Services:
 - The decrease of \$43,860 is to better align with current collections. This represents three-fourths of the \$65 fee.
2. Miscellaneous Revenue:
 - The amount of \$24,000 is revenue received by the Duval County Library for copier services for the public and Continuing Learning Education seminars for lawyers. The decrease of \$15,000 is based on current actual collections.

Finance and Administration

3. Charges for Services:
 - The decrease of \$14,620 is due to an expected decrease in revenue from the \$65 fee based on recent actuals. This represents the one-fourth that is sent to Jacksonville Area Legal Aid (JALA).

Jax Citywide Activities

4. Investment Pool / Interest Earnings:
 - This amount represents anticipated interest earnings for FY 2023/24.
5. Transfers from Other Funds:
 - This \$885,074 represents a transfer from the General Fund / General Services District (Fund 00111) to balance the budget.

EXPENDITURES:

Courts

1. Pension Costs:
 - The increase of \$16,996 is mainly due to the increase in the required contribution to the defined benefit pension plan.

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COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2023/24 BUDGET
COURTS
COURT COSTS \$65 FEE (FUND 15213)**

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2. Other Operating Expenses:

- The decrease of \$209,501 is mainly due to Courts receiving a one-time enhancement of \$197,000 in the prior year within the Duval County Law Library portion for repairs and maintenance to repair the outdated shelving.

3. Library Materials:

- The increase of \$36,000 is due to the additional contribution from the General Fund / GSD to increase the funding for books and materials.

Finance and Administration

4. Other Operating Expenses

- This amount of \$163,852 represents one-fourth of the \$65 fee, which is decreasing due to the decrease in the \$65 fee. This line is designated for legal aid and is distributed to Jacksonville Legal Aid (JALA).

5. Grants, Aids & Contributions

- This amount of \$336,148 represents additional funding provided by the General Fund / GSD that was granted to Jacksonville Legal Aid (JALA) to be used for the provision of legal aid services to residents of Duval County. This brings the total legal aid funding to \$500,000.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

Recording Fees Technology
SUBFUND -- 15203

	FY 22-23		FY 23-24		CHANGE FROM PR YR	
	ADOPTED		Requested		PERCENT	DOLLAR
REVENUE						
COURTS						
Charges for Services	\$ 2,459,963	\$ 1,449,215	(41.1%)	\$ (1,010,748)		
	\$ 2,459,963	\$ 1,449,215	(41.1%)	\$ (1,010,748)		
Jax Citywide Activities						
Investment Pool / Interest Earnings	\$ 11,984	\$ 27,012	125.4%	\$ 15,028		
Transfers from Fund Balance	222,341	298,088	34.1%	75,747		
	\$ 234,325	\$ 325,100	38.7%	\$ 90,775		
TOTAL REVENUE	\$ 2,694,288	\$ 1,774,315	-34.1%	\$ (919,973)		
EXPENDITURES						
Courts						
Internal Service Charges	\$ 143,675	\$ 178,042	23.9%	\$ 34,367		
Professional and Contractual Services	849,000	80,000	(90.6%)	(769,000)		
Other Operating Expenses	204,500	146,017	(28.6%)	(58,483)		
Capital Outlay	130,860	152,600	16.6%	21,740		
	\$ 1,328,035	\$ 556,659	(58.1%)	\$ (771,376)		
Jax Citywide Activities						
Cash Carryover	\$ 0	\$ 0	N/A	\$ 0		
	\$ 0	\$ 0	N/A	\$ 0		
Office of State's Attorney						
Internal Service Charges	\$ 261,787	\$ 287,683	9.9%	\$ 25,896		
Professional and Contractual Services	131,363	120,000	(8.7%)	(11,363)		
Other Operating Expenses	61,444	61,444	0.0%	\$ 0		
Capital Outlay	310,000	150,000	(51.6%)	(160,000)		
	\$ 764,594	\$ 619,127	(19.0%)	\$ (145,467)		
Public Defender's						
Internal Service Charges	\$ 21,718	\$ 13,079	(39.8%)	\$ (8,639)		
Professional and Contractual Services	\$ 105,000	\$ 99,000	(5.7%)	(6,000)		
Other Operating Expenses	472,441	476,450	0.8%	4,009		
Capital Outlay	2,500	10,000	300.0%	7,500		
	\$ 601,659	\$ 598,529	(0.5%)	\$ (3,130)		
TOTAL EXPENDITURES	\$ 2,694,288	\$ 1,774,315	-34.1%	\$ (919,973)		

AUTHORIZED POSITION CAP

	FY 22-23	FY 23-24	CHANGE
	ADOPTED	PROPOSED	
Authorized Positions	0	0	0
Part-Time Hours	0	0	0

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
JUDICIAL – VARIOUS
RECORDING FEES TECHNOLOGY (FUND 15203)**

PROPOSED BUDGET BOOK – Page # 338 - 339

BACKGROUND:

This fund receives \$2 for each page recorded by the Clerk into the Official Record pursuant to Florida Statute 28.24(12)(e)(1). These funds are to be used on the technology costs for the State Courts, State Attorney, and Public Defender as outlined in Florida Statute 29.008(1)(f)(2). Funds should be disbursed once the three parties mutually agree with the distribution of the funds pursuant to Section 111.388 of the Municipal Code. This is done by a memorandum of understanding (MOU) between the three parties.

Note – The below information is based on the summary page provided in the handout and the requested amounts for the three agencies, rather than the information contained in the budget book.

REVENUES:

Courts

1. Charges for Services
 - This revenue is from the \$2 recording fee based on recent actuals. This revenue is tied to the recording of deeds and mortgages. The decrease of \$1,010,748 is due to a decrease in real estate and mortgage transactions.

Jax Citywide Activities

2. Investment Pool / Interest Earnings
 - This amount represents anticipated interest earnings for FY 2023/24.
3. Transfers from Fund Balance
 - The requested transfer from fund balance of \$298,088 is to balance the requested budget.

EXPENDITURES:

Courts

1. Internal Service Charges
 - The increase of \$34,367 is due to an increase in IT charges related to servers and enterprise security costs.
2. Professional and Contractual Services
 - The net decrease of \$769,000 is mainly due to one-time purchases in FY 2022/23 pursuant to the MOU signed for FY 2022/23.
3. Other Operating Expenses
 - The net decrease of \$58,483 is due to one-time purchases in FY 2022/23 pursuant to the MOU signed for FY 2022/23. The funding in the prior year was related to Supreme Court mandated judicial bench viewers.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
JUDICIAL – VARIOUS
RECORDING FEES TECHNOLOGY (FUND 15203)**

PROPOSED BUDGET BOOK – Page # 338 - 339

4. Capital Outlay
 - The increase of \$21,740 is for computer equipment purchases in FY 2023/24.

Office of State's Attorney

5. Internal Service Charges
 - The increase of \$25,896 is due to an increase in computer systems maintenance charges. This is primarily due to an increase of IT service costs associated with the State's Attorney Office's case management system and enterprise security.
6. Professional and Contractual Services
 - The decrease of \$11,363 is mainly due to one-time purchases in FY 2022/23 pursuant to the MOU signed for FY 2022/23.
7. Capital Outlay
 - The decrease of \$160,000 is mainly due to one-time computer equipment purchases in FY 2022/23 pursuant to the MOU signed for FY 2022/23.

Public Defender

8. Internal Service Charges
 - The net decrease of \$8,639 is driven by a decrease in ITD replacements associated with the replacement of a server in FY 2022/23.
9. Capital Outlay
 - The increase of \$7,500 is for computer equipment purchases in FY 2023/24.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this fund.

RECOMMENDATION:

We recommend approving the amounts for the Courts, State's Attorney, and Public Defender shown on the summary page. All amounts were agreed to by the three parties and are funded by using the proposed cash carryover of \$263,085 and a transfer from fund balance in this fund of \$298,088.

This has no impact to Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
PUBLIC DEFENDER
GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – Page # 331 - 332

BACKGROUND

Chapter 29.008 of the Florida Statutes requires that the Public Defender be provided with office space, utilities, maintenance, security, and communication services as may be necessary for the proper and efficient functioning of their offices.

EXPENDITURES

1. Internal Service Charges:

- The net decrease of \$56,758 is primarily due to a decrease of \$46,603 in building costs allocated to the Jake Godbold Building, which is a result of decreased total building costs. There is also a decrease of \$13,457 in computer system maintenance and security costs due to a reduction in cell phone charges and network infrastructure service costs.

2. Other Operating Expenses:

- This consists of parking costs for 11 parking spots in the Library Garage that are used for parking fleet vehicles that are driven by investigators and 25 parking placards for on-street parking that are used by the investigators, as well as by the attorneys for business purposes only that are paid for by the City. The increase of \$6,250 is due to a new policy by the Office of Public Parking to charge City Departments for use of on-street parking placards.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
STATE ATTORNEY
GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – Page # 333 - 334

BACKGROUND

Chapter 29.008 of the Florida Statutes requires the City of Jacksonville to provide the State Attorney with office space, utilities, maintenance, security, and communication services as may be necessary for the proper and efficient functioning of their offices.

EXPENDITURES

1. Internal Service Charges:

- The net decrease of \$103,777 is driven by a decrease of \$102,540 in the old federal courthouse building cost allocation due to a one-time increase of \$80,000 to pressure wash the building in FY 2022/23 that is not needed this year and a decrease in overall building costs.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2023/24 BUDGET
 MILITARY AFFAIRS AND VETERANS DEPARTMENT
 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – Page # 167 - 168

BACKGROUND:

The Military Affairs and Veterans Department focuses its efforts to advocate for our local military personnel and veterans and works closely with military, business, community, and elected leaders at the local, state, and national levels to deliver a compelling message that Jacksonville is the most military-friendly city in the United States. Also, the department oversees and maintains the Jobs-For-Vets website, an initiative designed to connect job seeking Veterans to Veteran-Friendly employers in the Jacksonville region.

EXPENDITURES:

1. Salaries:
 - The increase of \$35,562 is mainly due to the impact of collective bargaining.

2. Pension Costs:
 - The increase of \$30,594 is mostly due to an increase in the required contribution to the pension plan.

3. Internal Service Charges:
 - The net decrease of \$22,859 is primarily due to a decrease of \$18,395 in computer system maintenance and a decrease of \$3,267 in fleet vehicle replacement due to one car being paid off during FY2023/24.

4. Grants, Aids & Contributions:
 - This category consists of the cost for the Active Military Combat Duty Grant Program, which provides assistance for the families and homes of qualified military personnel that have served in combat duty.

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
\$200	Bottled Water-Memorial Day and Purple Heart events.	Serves approximately 3,000 attendees at the Memorial Day Observance in May and at the Purple Heart Trail Walk in August.
\$200	Working Lunch Meetings with Base Commanding Officers.	Serves approximately 20 attendees each at the Quarterly Area Base Commanding Officers Luncheons.

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2023/24 BUDGET
 MILITARY AFFAIRS AND VETERANS DEPARTMENT
 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – Page # 167 - 168

SCHEDULE B1 GRANTS:

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

\$1,230,000 \$0 \$0 3 0

Grantor	Grant Name	Grant Description	Estimated Grant Award	Total Match Requested	In Kind Contribution	FTE Positions	Part Time Hours
Department of Economic Opportunity	Defense Infrastructure Grant - Florida Defense Alliance 07/1/22-06/30/25	Funding is utilized along with DOD funding to purchase development easement rights for properties around Duval County Navy bases and airfields. The development rights easements are acquired from willing sellers and secure Duval County Navy bases and airfields from encroachment.	\$500,000	\$0	\$0	0	0
Department of Economic Opportunity	Defense Infrastructure Grant - Florida Defense Support Task Force 07/1/22-06/30/23	Funding is utilized along with DOD funding to purchase development easement rights for properties around Duval County Navy bases and airfields. The development rights easements are acquired from willing sellers and secure Duval County Navy bases and airfields from encroachment.	\$500,000	\$0	\$0	0	0
Department of Economic Opportunity	Defense Reinvestment Grant Program	Military Base and Mission Advocacy - Provide federal advocacy for the growth of the military investment in Duval County. The grant secures a federal advocacy firm that lobbies Congress and the Pentagon for increased investment in Duval County military bases and missions.	\$100,000	\$0	\$0	0	0
Jacksonville Jaguar Foundation	Veterans Resource and Reintegration Center	Funding for a one-stop Veterans resource and reintegration center. The center is managed by MAV Department and enhances the ability to provide social services, housing assistance, career related services and financial assistance to Veterans and transitioning military.	\$100,000	\$0	\$0	0	0
United States Department of Labor Veterans Education and Training Service	Homeless Veterans Stand Down	Fund a two day resource and career fair that provides services and nutrition for homeless and at-risk Veterans. The event provides, clothing, medical care, dental, mental health, food, haircuts and VA assistance.	\$10,000	\$0	\$0	3	0
United Way Worldwide	United Way Worldwide Veterans - Rent and Utilities	Provides rent and utility assistance for Duval County veterans. The city provides case management and up to \$500 in assistance per client for rent and utilities for those facing eviction and/or utility disconnection.	\$20,000	\$0	\$0	0	0

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2023/24 BUDGET
 MILITARY AFFAIRS AND VETERANS DEPARTMENT
 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – Page # 167 - 168

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
United States Department of Labor Veterans Education and Training Service	Homeless Veterans Reintegration Program	Funding to provide case management, job training, transitional housing assistance and social supports to homeless Veterans. Additionally, the grant provides funding for job training through the Clara White Mission and life skills training and homeless shelter case management through Sulzbacher Center and funds the Annual Homeless Veterans Stand-down and Resource fair that provides clothing, medical care, dental, mental health, food, haircuts and VA assistance as well as a career fair.	\$250,000	\$30,000	\$0	\$30,000	\$0	3	1,040

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 230 - 232

BACKGROUND:

The Parks, Recreation and Community Services Department is comprised of seven divisions: Disabled Services, Natural and Marine Resources, Office of the Director, Recreation and Community Programming, Senior Services, Social Services, and Sports and Entertainment.

REVENUE:

1. Charges for Services:
 - The \$327,250 includes revenue from organized events, tennis lessons, summer camps, and docks. The decrease of \$29,250 is to better align anticipated revenue from summer camps and docks with recent actuals.
2. Miscellaneous Revenue:
 - The \$527,875 includes revenue from overtime reimbursement, rental of facilities and other miscellaneous charges. The decrease of \$24,700 is due to a decrease of \$16,200 in rental of city facilities and a decrease of \$10,000 in overtime reimbursement charges to better align with recent actuals.

EXPENDITURES:

1. Salaries:
 - The net increase of \$1,495,973 is mainly due to an increase of \$986,352 in permanent and probationary salaries mainly due to the net effect of salary increases during FY 2022/23 and turnover (\$696,542) as well as the impact from collective bargaining increases (\$289,810). There is also an increase of \$264,837 in overtime salaries and \$248,845 in part-time salaries to better align with recent actuals.
2. Pension Costs:
 - The increase of \$743,052 is mainly due to an increase in the required pension contribution to the defined benefit plan.
3. Employer Provided Benefits:
 - The net increase of \$56,786 is primarily due to an increase of \$31,847 in workers compensation due to an increase of the allocation percentage which is driven by changes in the state risk rate for each job class, and \$19,008 in Medicare taxes due to the salary increases mentioned above.
4. Internal Service Charges:
 - The net increase of \$227,493 is due to the following increases:
 - \$176,815 in building maintenance due to an overall increase in building costs citywide.
 - \$113,641 in fleet repairs, sublet and rentals due to costs of inflation.
 - \$64,987 in fleet vehicle replacement costs mainly due to costs for a full year being allocated for the 14 vehicles purchased in FY 2022/23. There are an additional 9 vehicles proposed to be purchased in FY 2023/24 but there is no cost allocation for these vehicles in the proposed budget.

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2023/24 BUDGET
 PARKS, RECREATION AND COMMUNITY SERVICES
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 230 - 232

These increases are partially offset by a decrease of \$67,088 in fleet part, oil, and gas due to a lower projection of fuel costs and a decrease of \$63,690 in computer systems maintenance and security due to lower ITD charges for internet and network infrastructure and the removal of Cisco VoIP implementation charges.

Here is a summary of Department vehicles proposed to be replaced in FY 2023/24.

Unit Description	Number of Units to be Purchased	Price per Vehicle	Total Expected Cost	Fleet Replacement Allocation in FY 2023/24	Fleet Replacement Allocation (Full Year)
Bucket Truck	1	\$ 525,000	\$ 525,000	\$ -	\$ 106,340
Pickup Truck	4	\$ 45,000	\$ 180,000	\$ -	\$ 36,459
Pickup Truck	1	\$ 50,000	\$ 50,000	\$ -	\$ 10,128
Sedan	1	\$ 21,000	\$ 21,000	\$ -	\$ 4,254
Utility Body Truck	2	\$ 55,000	\$ 110,000	\$ -	\$ 22,281
Total	9	\$ 696,000	\$ 886,000	\$ -	\$ 179,461

5. Insurance Costs and Premiums:

- The increase of \$248,945 is driven by an increase of \$365,729 in miscellaneous insurance based on the increased cost of the City's property insurance policy which is partially offset by a decrease of \$116,955 in general liability insurance which is based on the average of recent claims experience of this area.

6. Professional and Contractual Services:

- The increase of \$339,286 is driven by the following increases:
 - \$173,343 in other professional services due to contractual increases related to the City's state-mandated in-jail substance abuse education, treatment, and case management services (\$55,959), and increased costs associated with maintaining the Brentwood and Blue Cypress Golf Courses (\$50,200). Increases in costs are driven by inflation. There is also an increase in the contribution to the UF Board of Trustees Child Protection Team to cover an increased number of child forensic exams (\$52,300).
 - \$87,857 in contractual services mainly due to contractual increases for portable restroom and hygiene station rentals and security guard services (\$37,857) and an increase in costs to maintain the James Weldon Johnson Park (\$50,000). Note that the James Weldon Johnson Park portion was removed from the budget and placed in a conflict bill.
 - \$47,706 in security guard services mainly due to adding an unarmed security guard at Mary Singleton Senior Center.
 - \$30,380 in cleaning & janitorial services for restrooms due to contractual increases driven by inflation.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2023/24 BUDGET
 PARKS, RECREATION AND COMMUNITY SERVICES
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 230 - 232

7. Other Operating Expenses:

- The net increase of \$331,746 is primarily due to the following increases:
 - \$188,371 in repair and maintenance costs, supplies, and other operating supplies mainly due to increased costs driven by inflation needed to maintain properties, facilities, amenities, and equipment at parks.
 - There is also an additional \$40,000 proposed in other operating supplies for costs associated with marketing and outreach materials for senior services.
 - \$50,000 in victim assistance due to increased utility and shelter costs and to cover services for victims as they wait for approval or denial of their Victim Crimes Compensation application.
 - \$37,200 in chemical and drugs for public pool and fountain chemicals due to increased costs driven by inflation.

8. Grants, Aids & Contributions:

- The \$3,058,132 represents the City’s match for the Jacksonville Senior Service Program, which includes an overmatch of \$2,922,481.

SCHEDULE B1 GRANTS:

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

			\$10,372,703	\$0	\$75,465	12	832
			2023-504-E Schedule of Continuation Grants				
Grantor	Grant Name	Grant Description	Estimated Grant Award	Total Match Requested	In Kind Contribution	FTE Positions	Part Time Hours
Department of Justice	JAX Victim Services	Funding for crime victims who are disabled, Deaf, hard of hearing, limited English proficient, blind and/or visually impaired, to remove barriers in reporting crimes and accessing supportive services when harmed.	\$400,000	\$0	\$0	1	0
State Department of Elder Affairs/Elder Source	Emergency Home Energy Assistance Program For Elders - EHEAP	Funding to provide crisis assistance to eligible low-income households with at least one individual aged 60 or older experiencing a heating or cooling emergency. The program allows for payments to utility companies, the purchase of blankets, portable heaters and fans, repairs of existing heating or cooling equipment, and the payment of reconnection fees.	\$157,703	\$0	\$0	1	0
Department of HHS	Ending the HIV Epidemic: A Plan for America	Funding to reduce the number of new HIV infections with the use of HIV Medical Mobile Units. Grant Ends Feb 2025	\$2,000,000	\$0	\$0	1	0
Department of HHS	Ryan White Part A	Health Resources and Services Administration - HIV/AIDS Programs	\$6,500,000	\$0	\$0	5	832
Department of Justice	Jacksonville Safety First	Funding to provide supervised visitation services to protect children affected by domestic violence.	\$550,000	\$0	\$0	0	0
Department of Justice	Transitional Housing Program	Funding to provide transitional housing and supportive services to victims of Domestic Violence, Sexual Assault, Stalking and Human Trafficking who are homeless due to their victimization.	\$450,000	\$0	\$0	0	0
DOJ / Office of the Florida Attorney General	Victims of Crime Act (VOCA)	Information and Referrals for Crime Victims.	\$315,000	\$0	\$75,465	4	0

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2023/24 BUDGET
 PARKS, RECREATION AND COMMUNITY SERVICES
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 230 - 232

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

			\$2,518,559	\$267,013	\$3,222,535	\$3,489,548	\$22,884	64	7,800
2023-504-E Schedule of Continuation Grants									
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
Americorps Seniors	Senior Companion Program	Senior Companion program provides respite care, companion services for low to moderate income seniors. This program provides assistance for seniors aged 60 years and older who have one or more physical, emotional, or mental health limitations and needs assistance to achieve and maintain their high level of independent living.	\$226,602	\$22,660	\$41,849	\$64,509	\$0	1	0
Corporation for National and Community Services	Retired and Senior Volunteer Program	Funding to encourage and provide opportunities for seniors (age 55+) to be volunteers within the program are trained to read weekly to Duval County Public School pre-k and kindergarten whose families are economically disadvantaged.	\$76,549	\$7,655	\$187,345	\$195,000	\$0	3	1,300
Corporation of National Community Services	Foster Grandparent Program of Duval County	Volunteer program for seniors 55 and older to tutor and mentor at risk and special needs children.	\$418,335	\$7,135	\$64,215	\$71,350	\$22,884	3	1,300
State Department of Elder Affairs /Elder Source	Jacksonville Senior Service Program (JSSP)	Funding to provide activities and programs that promote healthy living for citizens of Duval County 60 years of age and over. Grantor requires match funds. Additional funds needed as local match to support the 56 program staff for 19 Centers; 26 transportation buses for services, and other operating cost within the program.	\$1,356,513	\$135,651	\$2,922,481	\$3,058,132	\$0	56	5,200
State Department of Elder Affairs /Elder Source	Jacksonville Senior Service Program (JSSP) ARPA	Jacksonville Senior Services American Rescue Plan Act (ARPA) to prepare for and respond to coronavirus by providing supportive services, nutrition services, preventative health services, for family caregivers giving preference to older individual (age 60 and older) with greatest economic and social need.	\$332,230	\$83,057	\$0	\$83,057	\$0	0	0
State Department of Elder Affairs/Elder Source	Respite for Elders Living Everyday Families - RELIEF Program	Funding for continued services and expand in-home and group respite services and educational/services seniors, stipends to senior / low-income volunteers, services through faith-based organizations, evening in-home respite services for caregiver/families.	\$108,330	\$10,855	\$6,645	\$17,500	\$0	1	0

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2023/24 BUDGET
 PARKS, RECREATION AND COMMUNITY SERVICES
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

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FOOD AND BEVERAGES EXPENDITURES (SEE RECOMMENDATION):

FY24 Proposed	Description of each service / event that requires the purchase of food and/or beverages	Explanation that the service / event serves a public purpose
12,000	To pay for food and non-alcoholic beverages at the COJ suite during events held at TIAA Bank Field.	The City's TIAA Bank Field Suite is used to showcase our stadium, our city and to entice business and other opportunities for our city.
1,500	This account funds supplies for the Family & Consumer Sciences program & partial Expanded Food & Nutrition program educational programming which will generate an annual projected average of 25,000 contacts reaching a range of groups including at-risk youth	All items are used in educational programming for teaching purposes. These programs teach how to achieve a healthy lifestyle by using the dietary guidelines and MyPlate to establish eating patterns, manage resources and reduce the risk of certain chro
1,000	Food for Council on Elder Affairs Senior Volunteer Awards Program	Recognizes and rewards Seniors for their Volunteer Services and activities in the Community
2,000	More than 700 seniors throughout the community (Senior Centers, Senior residences, church groups, neighborhood associations etc.) are invited to these meetings to receive updates from their elected officials.	More than 700 seniors throughout the community (Senior Centers, Senior residences, church groups, neighborhood associations etc.) are invited to these meetings.
4,000	Council on Elder Affairs for events such as Senor of the Year Luncheon	Senior of The Year Ceremony provides food and recognition of seniors providing community service benefiting the senior population
500	SNL Nutrition program	Food for annual special events
7,600	SNL snacks	Snacks for SNL
500	Annual special events	Food for annual special events
500	Joseph Lee Day	Summer playday for approximately 500 kids
7,000	After school & summer program	Snacks for summer & after school programs

\$ 36,600 Total

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2023/24 BUDGET
 PARKS, RECREATION AND COMMUNITY SERVICES
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 230 - 232

DIVISION CHANGES:

Parks & Recreation Division Expenses	2022/23 Adopted	2023/24 Proposed	\$ Change from FY 23	% Change from FY 23
Recreation and Community Programming	\$ 28,919,819	\$ 31,370,241	\$ 2,450,422	8.5% A
Disabled Services	\$ 778,015	\$ 815,398	\$ 37,383	4.8% B
Natural and Marine Resources	\$ 2,130,071	\$ 2,411,878	\$ 281,807	13.2% C
Office of the Director	\$ 3,207,650	\$ 3,427,548	\$ 219,898	6.9% D
Senior Services	\$ 6,432,920	\$ 6,579,306	\$ 146,386	2.3% E
Social Services	\$ 10,570,266	\$ 10,865,153	\$ 294,887	2.8% F
Sports and Entertainment	\$ 885,521	\$ 898,019	\$ 12,498	1.4% G
Department Total	\$ 52,924,262	\$ 56,367,543	\$ 3,443,281	6.5%

- A** For Recreation and Community Programming the net increase of \$2,450,422 is driven by the following increases:
- \$1,795,923 in personnel costs mainly due to salary increases during the year, the impact from collective bargaining, and an increase in the required contribution to the pension plan.
 - \$188,371 in repairs and maintenance, supplies, and other operating supplies due to increased costs to maintain properties, facilities, amenities, and equipment at parks.
 - \$177,459 net increase in internal service allocations due to increases in fleet repairs and replacement charges, building costs, and utilities.
 - \$168,437 in professional and contractual services mainly due to increased costs related to maintaining the Brentwood and Blue Cypress Golf Courses and James Weldon Johnson Park (moved to a contingency).
 - \$69,666 in insurance costs and premiums mainly due to an increase of \$148,612 in miscellaneous insurance due to an overall increase in the property insurance policy. This increase is partially offset by a decrease of \$78,946 in general liability insurance which is based on recent claim experience.
 - \$37,200 in chemical and drugs costs due to increased costs for chemicals used to maintain public pools and fountains.
- B** For Disabled Services, the net increase of \$37,383 is driven by an increase in pension costs mainly due to an increase in the required contribution to the defined benefit plan.
- C** For Natural and Marine Resources, the net increase of \$281,807 is driven by an increase of:
- \$146,129 in miscellaneous insurance based on the increased cost of the property insurance policy.
 - \$126,069 in personnel costs mainly due to salary increases, the impact from collective bargaining, and an increase in the required contribution to the pension plan.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
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PARKS, RECREATION AND COMMUNITY SERVICES
GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 230 - 232

- D** For the Office of the Director the net increase of \$219,898 is mainly due to the following increases:
- \$139,839 in personnel costs mainly due to the impact from collective bargaining, salary increases, and the increase in the required contribution to the pension plan.
 - \$54,875 in miscellaneous insurance based on the increased cost of the property insurance policy.
 - \$45,218 net increase in internal service allocations mainly due to increases in building costs and computer systems maintenance and security.
- E** For Senior Services the net increase of \$146,386 is driven by the following increases:
- \$69,349 in personnel costs mainly due to the impact from collective bargaining and other salary increases, and due to an increase in the defined contribution plan due to more employees entering the plan.
 - \$40,000 in security guard service charges in order to have an unarmed security guard at Mary Singleton Senior Center.
 - \$40,000 in other operating supplies to cover marketing materials, outreach, and other supplies and activities.
- F** For Social Services the net increase of \$294,887 is driven by the following increases:
- \$108,259 in other professional services due to contractual increases related to in-jail adult substance abuse education, treatment, and case management, and additional funding for the UF Board of Trustees Child Protection Team requested due to increases in child forensic exams.
 - \$97,859 in personnel costs mainly due to an increase in the required contribution to the defined benefit plan, and due to salary increases and the impact from collective bargaining.
 - \$50,000 in victim assistance due to increased shelter and utility costs and to cover services for victims as they wait for approval or denial of their Victim Crimes Compensation application.
 - \$27,160 in internal service allocations mainly due to an increase in computer systems maintenance and security and increased building costs.
- G** For Sports and Entertainment the net increase of \$12,498 is driven by an increase of \$20,025 in permanent and probationary salaries due to the impact of collective bargaining and other salary increases. This increase is partially offset by a decrease in general liability insurance of \$8,899 which is allocated based on recent claim experience. On the next page is a listing of the contributions to events provided by this Division.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2023/24 BUDGET
 PARKS, RECREATION AND COMMUNITY SERVICES
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

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Event Contributions	FY 2022-23 Approved	FY 2023-24 Proposed
The Players Championship	140,000	125,000
Jacksonville Jaguar Suite Tickets	22,500	28,000
Airstream Ventures-Lucas Oil Motocross	25,000	-
Jacksonville Area Golf Association	-	5,000
Mayor's Initiatives	19,500	34,000
Greenscape (Arbor Day)	-	15,000
Total	\$ 207,000	\$ 207,000

RECOMMENDATION:

The explanation related to how food and beverage costs for the Family & Consumer Sciences program and Expanded Food & Nutrition program describing how the service or event serves a public purpose on the Food and Beverage Schedule in the Budget Ordinance (Attachment A) is not complete. We recommend that the schedule be updated to include the Department’s intended wording which reads:

“Items are used in educational programming for teaching purposes. These programs teach how to achieve a healthy lifestyle by using the dietary guidelines and MyPlate to establish eating patterns, manage resources and reduce the risk of certain chronic diseases. Also, this will provide food for clients and stakeholders who attend public meetings or events related to educational programs.

This recommendation has no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
HUGUENOT PARK (FUND 11301)**

PROPOSED BUDGET BOOK – Page # 236 - 238

BACKGROUND:

The Huguenot Memorial Park Maintenance and Improvements and Lifeguard Services Trust Fund is governed by Ordinance Code Section 111.126. This trust fund is funded by entrance fees, annual pass fees, camper rentals, miscellaneous sales and charges, and concession commissions, as well as a subsidy from the General Fund/General Services District (Fund 00111). The code states that expenditures from the trust fund shall be for park maintenance, capital improvements and lifeguard services and to offset operating expenses associated with the park.

REVENUE:

1. Charges for Services
 - This line represents entrance fees, annual passes and camper rental revenues.
2. Transfers from Other Funds
 - The transfer from the General Fund/GSD of \$303,299 is to balance the fund.

EXPENDITURES:

1. Salaries:
 - The increase of \$58,641 is primarily due to the impact of collective bargaining increases, and special pay increases to aid in employee retention and equalize paygrades.
2. Salary & Benefit Lapse:
 - This is the estimated salary and benefit lapse based on average turnover and estimated number of vacancies in FY 2023/24.
3. Pension Costs
 - The increase of \$30,007 is primarily due to an increase in the required contribution to the pension plan and the personnel changes noted above.
4. Internal Service Charges
 - The increase of \$15,475 is primarily due to an increase of \$9,361 in city wide building maintenance and of \$5,777 in guard services due to an overall increase in costs.
5. Insurance Costs and Premiums - Allocations
 - The increase \$3,571 of is primarily due to an increase of \$2,611 in miscellaneous insurance due to city wide premium increases and an increase of \$1,100 in general liability insurance.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
HUGUENOT PARK (FUND 11301)**

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6. 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.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

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PARKS, RECREATION AND COMMUNITY SERVICES
KATHRYN A. HANNA PARK (FUND 11302)**

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BACKGROUND:

The Kathryn A. Hanna Park Maintenance and Improvements and Lifeguard Services Trust Fund was established by Section 111.125 of the Municipal Code to receive all revenues and interest earned by the City from admission fees, rentals of facilities, and other funds from activities and events occurring at Hanna Park. The generated revenues are used to offset the expenditures for personnel, operating, and capital outlay.

REVENUE:

1. Charges for Services
 - This represents the entrance fees, annual passes, and camper rental revenues and is budgeted to increase based on actual income due to increased visitors.
2. Miscellaneous Revenue
 - This represents rental and concessions income and is budgeted to increase based on actual income.
3. Investment Pool / Interest Earnings
 - The increase of \$46,161 is mainly based on increasing interest rates compared to the rate used in FY 2022/23.

EXPENDITURES:

1. Salaries
 - The increase of \$89,842 is mainly due to the impact of collective bargaining increases and special pay increases to increase retention and equalize paygrades.
2. Pension Costs
 - The increase of \$25,050 is mainly due to an increase in the required contribution to the pension plan and the salary changes noted above.
3. Employer Provided Benefits
 - The increase of \$6,257 is primarily due to an increase in group hospitalization insurance caused by changes in health plan elections by new hires.
4. Internal Service Charges
 - The increase of \$19,398 is primarily due to a \$12,621 increase in fleet vehicle replacement for a backhoe/Bobcat in FY 2022/23 and an increase of \$4,310 in fleet repairs and maintenance.

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KATHRYN A. HANNA PARK (FUND 11302)**

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5. Insurance Costs and Premiums

- The increase of \$24,836 is primarily due to an increase of \$16,535 in general liability insurance due to an increased number of claims and an increase of \$8,301 in miscellaneous insurance due to overall increase in the cost of the property insurance policy as well as an update to the internal valuations utilized for the allocation of the cost of the policy.

6. 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.

7. Transfers to Other Funds

- The transfer of \$281,523 is for a capital improvement project for a parking lot at Hanna Park.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

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PARKS, RECREATION AND COMMUNITY SERVICES
FLORIDA BOATER IMPROVEMENT PROGRAM (FUND 11306)**

PROPOSED BUDGET BOOK – Page # 242-243

BACKGROUND:

Pursuant to Section 110.413 of the Municipal Code, this fund was established to provide boat-related activities (including recreational channel marking and public launching facilities); removal of floating structures deemed a hazard to public safety and health, and manatee and marine mammal protection. Funds are appropriated annually by City Council. Projects that cost \$30,000 or less are approved by the Director of Parks, Recreation and Community Services. Projects larger than \$30,000 require a separate approval of the Council. Revenues are derived from recreational vessel registration fees paid in accordance with Florida Statute 328.72. This is an “all years” sub-fund.

REVENUES:

1. Charges for Services:
 - The amount of \$110,000 represents the anticipated FY 2023/24 revenue for boat registration fees based on current actuals.

EXPENDITURES:

1. Professional and Contractual Services:
 - The \$110,559 will be utilized for repairs of city-owned boat ramps or other allowable activities. The decrease of \$4,904 is associated with the decrease in budgeted revenue in this fund.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this subfund.

RECOMMENDATIONS:

None.

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CECIL FIELD COMMERCE CENTER (FUND 11308)**

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BACKGROUND:

The Cecil Field Commerce Center includes the community center, aquatics complex, and the athletic complex.

REVENUES:

1. Charges for Services:

- This amount represents estimated revenue for entrance fees, organized event charges, and summer camp programming. The decrease of \$26,000 is mainly due to decreases of \$20,000 in organized event charges and \$5,000 in summer camp programming to match recent actuals.

2. Transfers from Other Funds:

- The amount of \$1,373,180 is a transfer from the General Fund/GSD to balance the fund.

EXPENDITURES:

1. Pension Costs:

- The increase of \$15,618 is mainly due to an increase in the required contribution to the defined benefit plan.

2. Internal Service Charges:

- The net decrease of \$5,670 is primarily due to a decrease of \$5,894 in computer system maintenance and security.

3. Insurance Costs and Premiums:

- The net increase of \$27,183 is mainly due to an increase in miscellaneous insurance due to overall increase in the cost of the property insurance policy as well as an update to the internal valuations utilized for the allocation of the cost of the policy.

4. Professional and Contractual Services:

- This funding is for a maintenance contract (for pool, fields, etc.) at the Cecil Field Commerce Center.

5. Indirect Costs:

- 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.

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 CECIL FIELD COMMERCE CENTER (FUND 11308)**

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FOOD AND BEVERAGES EXPENDITURES:

Description of each Service/Event that requires the purchase of food/beverage	Explanation that the Service/Event serves a public purpose	FY24 Proposed
Homeschool Sports and Fitness Program	End of the year celebration – Recognize Accomplishments	\$50
Community Special Events	Quarterly family night out events in Aquatic Center / Community Center	\$100
Senior Time Out Program	Bi-weekly social time for neighborhood seniors (Example of Changed Text)	\$125
Summer Enrichment Camp	End of summer celebration/Joseph Lee Day	\$125
Mommy and Me Toddler Program	Weekly time for parents and toddlers to participate in a structured program (tumbling, art, etc.)	\$200

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

We recommend that the explanation of how the Senior Time Out Program serves a public purpose on the Food and Beverage Schedule in the budget ordinance (Attachment A) be updated to:

“Bi-weekly social time for neighborhood seniors.”

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PARKS, RECREATION, AND COMMUNITY SERVICES
EQUESTRIAN CENTER – NFES HORSE (FUND 45102)**

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BACKGROUND:

Ordinance 2014-331-E transferred the management of the Equestrian Center from SMG to the Northeast Florida Equestrian Society (NFES)/H.O.R.S.E. Therapies, Inc. Ordinance 2015-620-E amended and restated the contract with NFES.

REVENUE:

1. Investment Pool / Interest Earnings:
 - This is the anticipated interest earnings for FY 2023/24.

2. Transfers from Other Funds:
 - The FY 2023/24 proposed transfers, totaling \$540,568, include \$306,560 from the General Fund/GSD (Fund 00111) and \$234,008 from the Tayé Brown Regional Trust Fund (Fund 43303).

EXPENDITURES:

1. Professional and Contractual Services:
 - This amount will be paid to the Northeast Florida Equestrian Society to cover the gap between their estimated revenues and estimated expenditures of the Equestrian Center for Fiscal Year 2023/24.
 - Net revenue is budgeted to increase by \$141,858 primarily due to a projected increase in concessions and catering revenue partly due to a change in budgeting method.
 - Expenditures are budgeted to increase by \$113,467 mainly due to an increase in payroll expenses based on the addition of one full time employee and the state mandated minimum wage increase. There is also an increase in utilities based on prior year actuals.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no City employees in this fund.

RECOMMENDATION:

We recommend that the Equestrian Center’s utility expenses be budgeted in the Public Buildings Allocation Fund as an internal service allocation to the Equestrian Center Fund. Currently, Public Buildings pays for the Equestrian Center’s utilities and then creates a journal entry to remove the funds from the Equestrian Center to cover the costs. This change will be consistent with the way the City pays utility costs for City buildings. In the Equestrian Center Fund (45102), contractual services will decrease by \$182,880 which will be offset by an increase of \$182,880 in utilities allocation expenses. In the Public Buildings Allocation Fund (54101), internal service funds will increase by \$182,880 and in electricity utility bills. This will have no impact on Special Council Contingency.

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PARKS, RECREATION & COMMUNITY SERVICES
SPECIAL EVENTS (FUND 00113)**

PROPOSED BUDGET BOOK - Page # 233-235

BACKGROUND:

Special Events is an activity under the Sports and Entertainment Division within the Department of Parks, Recreation and Community Services.

REVENUE:

1. Charges for Services:
 - The amount of \$312,000 represents the anticipated revenue from the sale of tickets for the Florida/Georgia game that the City is contractually obligated to purchase.
2. Miscellaneous Revenue:
 - The amount of \$413,988 includes the reimbursement from the Jaguars for its portion of the temporary seat cost pursuant to Amendment 14 of the agreement with the Jaguars and revenue from permit fees and a chargeback to various event holders for staff overtime work at the events.
3. Investment Pool / Interest Earnings:
 - Investment pool earnings is based on available cash in the fund. The cash balance for this fund was in the negative for the majority of the fiscal year, so there are no anticipated earnings for FY 2023/24.
4. Transfer From Other Funds:
 - The \$10,594,618 is a transfer from the General Fund/GSD (Fund 00111) to support operations within the Office of Special Events. The increase of \$393,707 is driven by the increased costs described below.

EXPENDITURES:

1. Salaries:
 - The net increase of \$38,916 in salaries is driven by an increase in permanent and probationary salaries mainly due to the impact of collective bargaining and other 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 2023/24.
3. Pension Costs:
 - The net increase of \$9,745 is mainly due to the increase in the required contribution to the defined benefit pension plan.

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SPECIAL EVENTS (FUND 00113)**

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4. Insurance Costs and Premiums:
 - The increase of \$45,462 is mainly due to the increase in the cost of the Special Events policy.

5. Other Operating Expenses:
 - The net increase of \$255,000 is due to an increase of \$265,000 in event contributions. Of the \$265,000 increase, \$250,000 is related to the contribution to the Bethune Cookman vs. Southern University game to be used for travel related expenses and other game day costs, and \$15,000 is tickets purchases associated with the Florida/Georgia game. This was slightly offset by a decrease of \$10,000 in credit card fees.

7. Grants, Aids & Contributions:
 - This amount includes a contribution of \$470,000 to other governments for travel related expenses for the Florida/Georgia game (\$350,000 for University of Georgia airfare and \$60,000 to each team for travel and lodging) and a contribution of \$184,875 to the Bob Hayes Track event which continues a \$100,000 increase that was approved for FY 2022/23.

Handout Continues on Next Page

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 SPECIAL EVENTS (FUND 00113)**

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Below is the cost for each proposed event:

Events	Equipment Rentals	Advertising	Event Contribution	Miscellaneous Services & Charges	Subsidies & Contributions To Other Governments	Subsidies & Contributions To Private Organizations	FY 2023/2024 Proposed(*)	FY 2022/2023 Totals (*)	Increase/ (Decrease)
4TH OF JULY & NEW YEARS CELEBRATION	12,500			298,600			311,100	311,100	-
BETHUNE COOKMAN VS. SOUTHERN UNIVERSITY FOOTBALL GAME			250,000				250,000	-	250,000
BOB HAYES TRACK FLORIDA / GEORGIA GAME	1,540,960	121,000	3,462,000	600,000	470,000	184,875	6,193,960	6,178,960	15,000
JAX BEACH FIREWORKS SUBSIDY				35,000			35,000	35,000	-
JAX HAPPENINGS	1,500	4,000		8,000			13,500	13,500	-
JAX RIVER JAMS CONCERT SERIES				500,000			500,000	500,000	-
JAZZ FESTIVAL	15,000	4,500		724,174			743,674	743,674	-
LIGHT BOAT PARADE	4,500	6,000		49,500			60,000	60,000	-
MAYOR'S INITIATIVES	8,000	7,000		120,000			135,000	135,000	-
MEMORIAL WALL/SEA & SKY	134,800			310,200			445,000	445,000	-
MLK JR BREAKFAST/ ACTIVITIES	5,000	5,000		46,711			56,711	56,711	-
MUSIC FESTIVALS	2,500	3,000		20,000			25,500	25,500	-
VETERANS DAY PARADE	3,000	2,000		15,000			20,000	20,000	-
WORLD OF NATIONS	15,000	5,000		85,000			105,000	105,000	-
Total	\$ 1,742,760	\$ 157,500	\$ 3,712,000	\$ 2,812,185	\$ 470,000	\$ 184,875	\$ 9,079,320	\$ 8,814,320	\$ 265,000

*Excludes the cost of security.

FOOD AND BEVERAGE EXPENDITURES:

Description of each service / event that requires the purchase of food and/or beverages	Explanation that the service / event serves a public purpose	FY24 Proposed
City events including: Florida-Georgia Game, Sea and Sky, World of Nations, Jazz Festival, July 4th, Veterans Day Parade, Light Boat Parade	Signature city event - supports volunteers/hospitality	34,422

SERVICE LEVEL CHANGES:

Funding is included for the Bethune Cookman vs. Southern University Football game.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

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PARKS, RECREATION AND COMMUNITY SERVICES
CITY VENUES – CITY (FUND 47101)**

PROPOSED BUDGET BOOK – Page #253 - 255

BACKGROUND:

ASM Global has been retained by the City to manage six public facilities which include TIAA Bank Field, the VyStar Veterans Memorial Arena, 121 Financial Ballpark, Performing Arts Center, Prime Osborn Convention Center, and the Ritz Theatre and Museum. A contract between the City and ASM Global (formerly SMG) was approved by Ordinance 2022-321-E. The contract has a term of October 1, 2022 to September 30, 2027 with one additional five-year renewal period. This fund contains the City’s costs related to the venues.

REVENUE:

1. Bed / Tourist Development Tax:
 - The increase of \$1,340,075 in Tourist Development Tax is based on year to date actual revenue. **See recommendation #1 below.**
2. Other Taxes:
 - The budgeted amount of \$1,333,336 is for the State Sales Tax Rebate, which is a monthly distribution of \$166,667 received from the State for having a professional sports franchise. The decrease is due to budgeting only eight months of revenue as this rebate will end in May 2024. **See recommendation #2 below.**
3. Miscellaneous Revenue:
 - The budgeted amount of \$4,716,442 includes the following:
 - The Jaguar supplemental rent payment per Amendment #8 of the Jaguar Lease for TIAA Bank Field for fiscal year 2023/24 is \$3,885,242.
 - The Jumbo Shrimp rent payment for 121 Financial Ballpark for fiscal year 2023/24 is \$278,226. 80% of the rental fee is deposited into this fund (\$222,581) and 20% is deposited into the Capital Projects – City Venues Surcharge fund (\$55,645).
 - The VyStar naming rights payment for the Arena for fiscal year 2023/24 is \$608,619.
4. Transfers from Other Funds:
 - The transfer of \$28,218,047 is from the General Fund/General Services District to balance revenues and expenditures in this fund. This represents an increase of \$6,817,847 from fiscal year 2022/23 due to the increase in expenditures detailed below.

EXPENDITURES:

1. Internal Service Charges:
 - The increase of \$256,703 is primarily due to budgeting for ITD Replacements (replacement of network systems at the Stadium), which was not budgeted in FY 2022/23.

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2. Insurance Costs and Premiums:
 - The increase of \$2,119,138 is due to an increase in the City's property insurance policy and an increase in the value assigned to the City venues for the internal allocation of the cost.

3. Professional and Contractual Services:
 - This is the contracted amount the City will pay ASM Global for the management of the facilities. This consists of a fixed fee (\$124,607), incentive fee (\$124,607), and performance fee (\$704,887) pursuant to the contract. The fixed fee and incentive fees are increasing by 3% pursuant to the contract. The performance fee is budgeted as 2.6% of ASM's total revenue and is capped at \$820,000 annually pursuant to the contract.

4. Other Operating Expenses:
 - This represents utility expenses for the venues, including electricity, water, and chilled water – AC system. The increase of \$2,773,251 is due to budgeting these expenditures based on current year projected costs.

5. Capital Outlay:
 - Capital Outlay in the amount of \$605,001 is detailed on the following page and includes \$265,000 in Other Heavy Equipment for tangible property for the venues and \$340,000 in Other Construction Costs at the Vystar Veterans Memorial Arena. **See recommendation #3 below.**

(Continued on next page)

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 CITY VENUES – CITY (FUND 47101)**

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	Description	Amount
<u>TIAA Bank Field</u>		
Furniture, Fixtures & Equipment	Folding Chairs, Tables, and Stanchions	\$ 75,000
Audio Visual	Production Equipment (Cameras)	\$ 30,000
	Total	\$ 105,000
<u>VyStar Veterans Memorial Arena</u>		
Food and Beverage	Food Beverage Carts	\$ 40,000
Interior Finishes	Patron Experience Enhancements	\$ 150,000
Building Systems	BAS Upgrades	\$ 100,000
Exterior Finishes	Parking Lot Upgrades	\$ 75,000
Security	Security Camera System Upgrades	\$ 25,000
	Total	\$ 390,000
<u>121 Financial Ballpark</u>		
Audio Visual	Production Equipment	\$ 10,000
	Total	\$ 10,000
<u>Performing Arts Center</u>		
Audio Visual	Production Equipment	\$ 15,000
	Total	\$ 15,000
<u>Prime Osborn Convention Center</u>		
Furniture, Fixtures & Equipment	Exhibit Hall Chair Replacement	\$ 75,000
	Total	\$ 75,000
<u>Ritz Theatre</u>		
Audio Visual	Exhibit Display	\$ 10,000
	Total	\$ 10,000
	FY 24 Total Budget	\$ 605,000

6. Debt Service:

- The \$8,707,375 is a transfer to the City Venues – Debt fund for TIAA Bank Field bond payments:
 - \$6,405,000 in principal payments and
 - \$2,302,375 in interest payments**See recommendation #1 below.**

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7. Transfers to Other Funds:

- The transfer of \$21,126,558 includes the following:
 - \$21,065,696 transfer to the City Venues – ASM fund to balance the budget within that fund, which is an increase of \$2,275,830.
 - \$60,862 transfer to the Veterans Memorial Arena Trust, which represents 10% of the annual naming rights fee paid by VyStar.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no City employees associated with this fund.

RECOMMENDATIONS:

1. In order to ensure that the Bed/Tourist Development Tax revenue is only being utilized for debt payments on the municipal stadium, we recommend that the Bed/Tourist Development Tax revenue of \$10,940,075 and the Debt Service expenditures of \$8,707,375 (representing a transfer to the City Venues – Debt Fund 47105) be moved from this fund to the City Venues – Debt Service Fund 47105.

To offset the net reduction in revenue within this fund, we recommend that the Transfer In from the General Fund - GSD be increased by \$2,232,700 to balance this fund. The offset within the General Fund - GSD would be a reduction in the transfer to the Stadium Reserve CIP Project. However, that amount will be replenished by appropriating the additional \$2,232,700 in the City Venues – Debt Fund to the Stadium Reserve CIP Project.

The end result is that all funds will be balanced, there will be \$20 million still in the Stadium Reserve CIP project, and there will be no impact to Special Council Contingency.

2. In order to ensure that the State Sales Tax Rebate revenue is only being utilized for debt payments on the municipal stadium, we recommend that Other Taxes revenue of \$1,333,336 revenue be moved from this fund to the City Venues – Debt Service Fund 47105.

To offset the net reduction in revenue within this fund, we recommend that the Transfer In from the General Fund - GSD be increased by \$1,333,336 to balance this fund. The offset within the General Fund - GSD would be a reduction in the transfer to the Stadium Reserve CIP Project. However, that amount will be replenished by appropriating the

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additional \$1,333,336 in the City Venues – Debt Fund to the Stadium Reserve CIP Project.

The end result is that all funds will be balanced, there will be \$20 million still in the Stadium Reserve CIP project, and there will be no impact to Special Council Contingency.

3. We recommend that capital expenditures for the Arena be revised to budget Other Heavy Equipment for \$40,000 (instead of \$50,000) and Other Construction Costs for \$350,000 (instead of \$340,000) to agree with the detail schedule provided by ASM. These revisions will offset each other.

These recommendations will have no impact on Special Council Contingency.

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CITY VENUES – ASM (FUND 47102)**

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BACKGROUND:

ASM Global has been retained by the City to manage six public facilities which include TIAA Bank Field, the VyStar Veterans Memorial Arena, 121 Financial Ballpark, the Performing Arts Center, Prime Osborn Convention Center, and the Ritz Theatre and Museum. A contract between the City and ASM Global (formerly SMG) was approved by Ordinance 2022-321-E. The contract has a term of October 1, 2022 to September 30, 2027 with one additional five-year renewal period. This fund contains ASM’s costs related to the operation and management of the venues.

REVENUE:

1. Charges for Services:
 - The increase of \$2,352,615 is primarily due to the following:
 - An increase of \$1,479,248 in Other Ticket Surcharge-Incentive Fees as a result of ASM receiving a higher percentage of Ticketmaster fees under their new contract and higher priced ticketed events.
 - An increase of \$449,751 in Contractual Services Revenue (ASM’s reimbursable expenses for events).
 - An increase of \$250,000 in Other Ticket Surcharge-Club & Suites due to price increases for the Arena club and suites tickets.
2. Miscellaneous Revenue:
 - The increase of \$689,594 is primarily due to increases of \$315,238 in Concession Sales and \$289,155 in Rental of City Facilities, both related to the number and type of budgeted events.
3. Transfers from Other Funds:
 - The transfer of \$21,065,696 is from the City Venues – City Fund, which is ultimately from the General Fund/GSD and used to balance the budget within this fund.

EXPENDITURES:

1. Salaries:
 - The increase of \$780,383 includes 4% salary increases (\$312,531), eight additional full-time positions (\$422,853), and wage adjustments to compensate for significant increases in responsibilities (\$45,000).
2. Employer Provided Benefits:
 - The increase of \$393,476 is mostly due to health insurance, which is being budgeted at a 5% increase over the current year budget and also increasing as a result of the eight new full-time positions mentioned above.

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3. Professional and Contractual Services:

- The increase of \$3,863,725 is primarily due to the following:
 - An increase of \$2,337,036 in Contractual Services, which is directly related to the increase in the number of budgeted events and event-related revenue.
 - An increase of \$1,209,689 for Contractual Services – JSO & JFRD based on JSO's and JFRD's estimates of the average number of events, staffing levels, hours worked, and rate of pay for providing services for events at the venues.
 - Enhancement funding of \$125,000 for counterfeit merchandise security at the Arena.

4. Other Operating Expenses:

- The increase of \$1,669,765 is primarily due to an increase of \$1,255,000 in Repairs and Maintenance, which includes the following enhancements:
 - \$625,000 for full replacement of the temporary seating at the Stadium
 - \$150,000 to provide additional cleaning for the Arena
 - \$400,000 to bring repairs and maintenance funding for the Baseball Stadium in line with the other venues
- There are also increases of \$124,464 in Other Utilities and \$71,500 in Repairs and Maintenance Supplies to budget these items in line with actual costs.

5. Capital Outlay:

- There is no Capital Outlay budgeted in FY 2023/24. FY 2022/23 funding of \$1,629,830 included \$50,000 for a new veterans memorial in the Arena or on Arena grounds and \$1,579,830 for nine additional practice field replacements at the Stadium while work was being completed on the new performance field.

SERVICE LEVEL CHANGES:

As noted in the explanations above, the FY 2023/24 proposed budget includes the following enhancements:

- \$659,008 to fund salaries, payroll taxes, and health insurance for eight additional positions: five for the Stadium and shared with other areas, two for the Arena, and one for the Ritz Theatre
- \$550,000 to fund increased repairs & maintenance at the Arena and Baseball Stadium
- \$625,000 to fund the full replacement of temporary seats at TIAA Bank Field
- \$125,000 to fund additional counterfeit merchandise security at the Arena

EMPLOYEE CAP CHANGES:

There are no City employees associated with this fund.

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RECOMMENDATIONS:

1. We recommend budgeting \$61,856 for JFRD Overtime Expense within the Daily's Place budget due to JFRD overtime expenses related to Daily's Place being inadvertently omitted from the budget. This will be offset with an increase in the transfer from City Venues – City (47101), which will require an increase in the transfer from the General Fund/GSD to City Venues – City (47101) to balance the budget. In addition, there will be corresponding adjustments within JFRD's General Fund/GSD budget for Overtime Salaries (\$60,972) and Medicare Tax (\$884) as well as SMG Overtime Reimbursement revenue (\$61,856). This will have a negative impact to Special Council Contingency of \$61,856.
2. We recommend increasing Contractual Services Revenue by \$90,000 for the Baseball Stadium to include revenue related to Jumbo Shrimp games. This will be offset with a decrease in the transfer from City Venues – City (47101), which will be offset with a decrease in the transfer from the General Fund/GSD to City Venues – City (47101) to balance the budget. This will have a positive impact to Special Council Contingency of \$90,000.
3. We recommend decreasing SMG Insurance expense by \$49,000 for the Baseball Stadium to reflect ASM's projected expense. This will be offset with a decrease in the transfer from City Venues – City (47101), which will be offset with a decrease in the transfer from the General Fund/GSD to City Venues – City (47101) to balance the budget. This will have a positive impact to Special Council Contingency of \$49,000.
4. We recommend that the net positive impact of \$77,144 on Special Council Contingency from items 1-3 above be used to increase the transfer from the General Fund/GSD to City Venues – City (47101) and increase Contractual Services – ASM expense within that fund to increase the amount budgeted for ASM's performance fee. This will bring the total budget for the performance fee to \$782,031, which is capped at \$820,000 per the contract. This will have a negative impact to Special Council Contingency of \$77,144.

The net effect of these recommendations will have no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
CAPITAL PROJECTS – CITY VENUES SURCHARGE (FUND 47103)**

PROPOSED BUDGET BOOK – Page # 259 - 260

BACKGROUND:

This fund includes the budgeted ticket surcharges authorized by Ordinance Code Section 123.102 which can only be used for capital expenditures and capital maintenance. The facilities that have a ticket surcharge include TIAA Bank Field, the 121 Financial Ballpark, the VyStar Veterans Memorial Arena, and the Performing Arts Center.

REVENUE:

1. Charges for Services:

- The amount of \$4,139,445 includes:
 - The NFL Ticket Surcharge is increasing by \$223,200 to \$1,927,200. The increase is due to the annual adjustment in the surcharge and budgeting 11 Jaguars games in FY 2023/24 (10 games were budgeted in FY 2022/23).
 - Facility Fees (Ticket User Fees) are increasing by \$507,653 to \$2,212,245 for events at TIAA Bank Field, VyStar Veterans Memorial Arena, 121 Financial Ballpark, and the Performing Arts Center. The increase is mostly due to an anticipated increase in attendance for Arena events and budgeting a stadium concert in FY 2023/24.

2. Miscellaneous Revenue:

- The amount of \$55,645 represents 20% of the annual rental fee for the 121 Financial Ballpark. Pursuant to Ordinance 2018-574-E, 20% of the annual rental fee is to be deposited into this fund to be used for capital maintenance and capital expenditures at the 121 Financial Ballpark.

EXPENDITURES:

1. Capital Outlay:

- The capital funding for each of the venues is listed on the following page, which is based on the projected surcharge revenue for each venue. Consistent with the prior year, an expense for Administrative Support Costs is included at 2.5% of the total available funds and is used by ASM to hire a contract employee to manage projects. **See recommendations** (after the next page).

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 COMMENTS AND RECOMMENDATIONS
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 PARKS, RECREATION AND COMMUNITY SERVICES
 CAPITAL PROJECTS – CITY VENUES SURCHARGE (FUND 47103)**

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	Description	Amount
<u>TIAA Bank Field</u>		
Network Equipment	Switches	\$ 250,000
Audio/Visual	Amp Replacement	\$ 100,000
Food Service	Food Service Equipment	\$ 400,000
Interior Finishes	East Club Restroom Partitions	\$ 180,000
Building Systems	POS Equipment Replacement	\$ 50,000
Interior Finishes	Concourse Floor Refinishing	\$ 377,662
Building Systems	Cooling Tower Pump Skids	\$ 150,000
Interior Finishes	Wayfinding	\$ 200,000
Interior Finishes	Ceiling Tile Replacement	\$ 100,000
Furniture, Fixtures & Equipment	Forklift	\$ 65,000
Exterior Finishes	Terrace Glass Replacement	\$ 55,000
Building Systems	A/C Replacement (Suites)	\$ 150,000
Building Systems	Concrete Repair	\$ 100,000
	Total	\$ 2,177,662
<u>VyStar Veterans Memorial Arena</u>		
Building Systems	Ice Plant Replacement	\$ 500,000
Building Systems	Misc. Repairs/Contingency	\$ 53,626
Network & Computers	General ITD Upgrades	\$ 100,000
Network & Computers	Wi-Fi Upgrades	\$ 75,000
Audio/Visual	Control Room Upgrades	\$ 75,000
Interior Finishes	Patron Experience Enhancements	\$ 300,000
Security & Access Control	Security Camera System Upgrade	\$ 150,000
	Total	\$ 1,253,626
<u>121 Financial Ballpark</u>		
Building Systems	Drainage Dewatering Systems	\$ 169,206
	Total	\$ 169,206
<u>Performing Arts Center</u>		
Building Systems	Refrigerant Monitoring System	\$ 80,000
Building Systems	Pumps (Condenser/Chilled Water)	\$ 100,000
Building Systems	VFDs	\$ 70,000
Building Systems	Stage Lights	\$ 239,718
	Total	\$ 489,718
	Total Requested Projects	\$ 4,090,212
	Administrative Support Costs	\$ 104,878
	FY 24 Total Budget	\$ 4,195,090

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
PARKS, RECREATION AND COMMUNITY SERVICES
CAPITAL PROJECTS – CITY VENUES SURCHARGE (FUND 47103)**

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EMPLOYEE CAP CHANGES:

There are no City positions associated with this fund.

RECOMMENDATIONS:

1. We recommend that the Stadium projects be budgeted within correct project numbers based on project type.
2. We recommend that the project number for the Ballpark Drainage Dewatering Systems project be corrected to Building Systems project # 001160.

These recommendations have no impact on Special Council Contingency.

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PARKS, RECREATION AND COMMUNITY SERVICES
CITY VENUES – DEBT SERVICE (FUND 47105)**

PROPOSED BUDGET BOOK – Page # 261 - 262

BACKGROUND:

This fund accounts for the debt payments related to each City venue managed by ASM Global.

REVENUE:

1. Investment Pool/Interest Earnings:
 - The budgeted amount of \$221,711 is the projected Investment Pool Earnings for fiscal year 2023/24 based on available cash and the interest rate projected by the City’s Treasury Division.
2. Transfers from Other Funds:
 - The transfer of \$2,371,525 is a transfer from the Sports Complex Capital Maintenance Enterprise Fund to cover the Debt Management Fund repayment for the Amphitheater and Covered Flex Field.
3. Transfer In to Pay Debt Service:
 - The transfer of \$47,342,191 includes:
 - \$35,305,175 from the Better Jacksonville Trust Fund for the VyStar Veterans Memorial Arena and 121 Financial Ballpark debt
 - \$3,107,930 from the Sports Complex Capital Maintenance Enterprise Fund for the Scoreboard electronics and infrastructure debt
 - \$8,707,375 from the City Venues – City Fund for TIAA Bank Field debt (Note: this transfer in was removed as part of the recommendations for Fund 47101 - City Venues - City)

EXPENDITURES:

1. Fiscal and Other Debt Fees:
 - The debt service payments include principal and interest costs and fiscal agent fees, which are based on a repayment schedule that was established at the time the bonds were issued. The increase is mostly due to restructuring of payments for Better Jacksonville Plan (BJP) debt to accelerate the retirement of 2012 and 2012A BJP bonds by four years from 2030 to 2026. See the table on the following page for fiscal year 2023/24 payments.
2. Debt Management Fund Repayments:
 - The \$2,371,525 is the principal (\$900,000) and interest (\$1,471,525) payments to the Debt Management Fund for the Amphitheater and Covered Flex Field approved through Amendment #14 of the Jaguar Lease.

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 COMMENTS AND RECOMMENDATIONS
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 PARKS, RECREATION AND COMMUNITY SERVICES
 CITY VENUES – DEBT SERVICE (FUND 47105)**

PROPOSED BUDGET BOOK – Page # 261 - 262

TIAA Bank Field

Account Title	Principal	Interest	Fiscal Agent Fee	Total
2017A Special Revenue Bonds	\$910,000	\$890,500	\$0	\$1,800,500
2021A Special Revenue Bonds	900,000	417,750	1,000	1,318,750
2022A Special Revenue Bonds	6,405,000	2,340,250	0	8,745,250
Short-term Debt - Scoreboard (Electronics)	0	0	1,000	1,000
Total	\$8,215,000	\$3,648,500	\$2,000	\$11,865,500

VyStar Veterans Memorial Arena

Account Title	Principal	Interest	Fiscal Agent Fee	Total
2012A Better Jacksonville Sales Tax Revenue Refunding Bonds	\$0	\$170,500	\$0	\$170,500
2022 Better Jacksonville Sales Tax Revenue Refunding Bonds	26,205,575	1,686,561	0	27,892,136
Total	\$26,205,575	\$1,857,061	\$0	\$28,062,636

121 Financial Ballpark

Account Title	Principal	Interest	Fiscal Agent Fee	Total
2012A Better Jacksonville Sales Tax Revenue Refunding Bonds	\$0	\$45,000	\$0	\$45,000
2022 Better Jacksonville Sales Tax Revenue Refunding Bonds	6,923,467	445,588	0	7,369,055
Total	\$6,923,467	\$490,588	\$0	\$7,414,055
Total Debt Payments for City Venues	\$41,344,042	\$5,996,149	\$2,000	\$47,342,191

EMPLOYEE CAP CHANGES:

There are no City positions associated with this fund.

RECOMMENDATION:

None.

**COUNCIL AUDITOR’S OFFICE
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PARKS, RECREATION AND COMMUNITY SERVICES
SPORTS COMPLEX CAPITAL MAINTENANCE ENTERPRISE FUND (FUND 46101)**

PROPOSED BUDGET BOOK – Page #251 - 252

BACKGROUND:

Ordinance 2009-817-E mandates that the Convention Development Tax collected pursuant to Municipal Code Chapter 764 be allocated to the Sports Complex Capital Maintenance Enterprise Fund. These funds are to be used exclusively to construct, extend, enlarge, remodel, repair, improve or maintain the Sports Complex which includes TIAA Bank Field, VyStar Veterans Memorial Arena and the 121 Financial Ballpark.

Pursuant to Section 6(d) of Amendment #12 and Section 9(d) of Amendment #14 to the Jaguar Lease, the City will use part of the Convention Development Tax revenues to make the principal and interest payments on the \$43,109,000 City share of the North End Zone and Video Board Improvements and the \$45,000,000 City share of the 2015 Stadium Improvements, respectively. This is an “all years” fund.

REVENUES:

1. Bed / Tourist Development Tax:
 - The increase of \$1,163,313 in Conventional Development Tax is based on year to date actual revenue. (Note – Per Florida Statute 212.0305, this revenue is partially shared with the Beaches and Baldwin which is why \$9,976,933 is budgeted instead of \$10,940,075 like the Tourist Development Tax).

EXPENDITURES:

1. Capital Outlay:
 - The increase of \$1,160,368 in Capital Outlay is due to the fund having excess revenue available, after debt service payments have been budgeted, to fund capital improvement projects for fiscal year 2023/24 at the Sports Complex. Capital funding for each of the venues is listed in detail on the following page. Consistent with prior years, an expense for Administrative Support Costs is included at an amount of \$112,437. The Administrative Support Costs are 2.5% of the total available funds and are used by ASM to hire a contract employee to manage projects.

(Continued on next page)

**COUNCIL AUDITOR’S OFFICE
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 MAYOR’S PROPOSED FY 2023/24 BUDGET
 PARKS, RECREATION AND COMMUNITY SERVICES
 SPORTS COMPLEX CAPITAL MAINTENANCE ENTERPRISE FUND (FUND 46101)**

PROPOSED BUDGET BOOK – Page #251 - 252

	Description	Amount
<u>TIAA Bank Field</u>		
Audio Visual	Bowl Audio	\$ 277,663
Audio Visual	Switcher (Control Room)	305,000
Audio Visual	Sound Board Replacement	191,865
Security	IT Security Upgrades	300,000
Security	Drone Defense	90,000
Security	Additional CCTV (Cameras)	400,000
Building Systems	Control Room Equipment Replacement	300,000
Building Systems	Irrigation	550,000
Building Systems	Aerator (Grounds)	40,000
Building Systems	Mid-Duty Tractor (Grounds)	40,000
Building Systems	Carts	150,000
Building Systems	Field Pads	25,000
Waterproofing	Waterproofing	400,000
	Subtotal	\$ 3,069,528
<u>Vystar Veterans Memorial Arena</u>		
Waterproofing	Roof Restoration	\$ 650,000
Building Systems	Ice Plant Replacement	325,000
	Subtotal	\$ 975,000
<u>121 Financial Ballpark</u>		
Building Systems	Drainage Dewatering Systems	\$ 340,513
	Subtotal	\$ 340,513
	Total Budget for Projects	\$ 4,385,041
	Administrative Support Costs	\$ 112,437
	Total FY 2023/2024 Budget	\$ 4,497,478

2. Debt Service:

- The \$3,107,930 is a transfer to the City Venues – Debt fund (47105) for the scoreboard electronics and infrastructure debt service.

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PROPOSED BUDGET BOOK – Page #251 - 252

3. Transfers to Other Funds:

- The transfer of \$2,371,525 is a transfer to the City Venues – Debt fund (47105) for the principal and interest payments to the Debt Management Fund for the Amphitheater and Covered Flex Field approved through Amendment #14 to the Jaguar Lease.

EMPLOYEE CAP CHANGES:

There are no City employees associated with this fund.

RECOMMENDATIONS:

None.

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 PARKS, RECREATION AND COMMUNITY SERVICES
 VETERANS MEMORIAL ARENA TRUST (FUND 11518)**

PROPOSED BUDGET BOOK – Page #169 - 170

BACKGROUND:

Section 111.255 requires that the City annually deposit ten percent of the City’s annual license fee revenues received pursuant to the VyStar Arena Naming Rights Agreement into the Veterans Memorial Arena Trust Fund. The purpose of the trust fund is to provide periodic funding to support veterans’ programs and initiatives for veterans residing in Duval County. The Veterans Council of Duval County (VCDC) will evaluate eligible programs and initiatives and make funding recommendations by April 1 of each year. This is an all years’ fund.

REVENUE:

1. Transfers from Other Funds:
 - The budgeted amount of \$60,862 represents ten percent of the fiscal year 2023/24 license fee pursuant to the VyStar Arena Naming Rights Agreement.

EXPENDITURES:

1. Other Operating Expenses:
 - The budgeted amount of \$32,000 represents funding requested by the VCDC for grant awards.

Grant Awardee – April 20, 2023 Letter from VCDC	Amount
Friends of Jacksonville Veterans Treatment Court (VTC) Corporation	\$10,000
Cecil Field POW/MIA Memorial, Inc.	\$2,000
Florida Marine Corps League Detachment 059 Inc.	\$5,000
Patriot Services Group, Inc.	\$10,000
Helping Through the Arts Incorporated	\$5,000
Total	\$32,000

2. Contingencies:
 - The residual amount of \$28,862 has been placed into a contingency line pending funding recommendations from the VCDC and future appropriation.

EMPLOYEE CAP CHANGES:

There are no City positions associated with this fund.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
RISK MANAGEMENT DIVISION
SELF-INSURANCE (FUND 56101)**

PROPOSED BUDGET BOOK - Page #126-128

BACKGROUND:

This internal service fund administers a self-insured Worker's Compensation and General Auto/Liability program for the City and independent agencies such as JEA, Jacksonville Port Authority, Jacksonville Housing Authority, and Jacksonville Aviation Authority. As an internal service fund, revenues are generally billings to other City funds and independent agencies.

REVENUE:

1. Charges for Services:
 - This represents funding received from workers' compensation excess insurance reimbursements, workers' compensation overpayments, workers' compensation subrogation, and workers' compensation 2nd injury.
2. Charges for Services: Insurance Premiums:
 - This represents the insurance premiums billings to all the participants.
3. Internal Service Revenue:
 - The \$35,696 in internal service revenue represents the costs for ergonomic assessment and equipment being billed back to each using agency.
4. Investment Pool / Interest Earnings:
 - The increase of \$1,542,040 is based on anticipated earnings in FY 2023/24.
5. Transfers from Fund Balance:
 - This represents the amount needed to fund ergonomic assessment costs of \$150,000 net of billings to customers.

EXPENDITURES:

1. Salaries:
 - The net increase of \$64,259 is mainly due to the addition of one position being transferred-in from Fleet Motor Pool and the impact of collective bargaining 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 2023/24.
3. Pension Costs:
 - The increase of \$18,723 is due to an overall increase in required pension contribution.
4. Employer Provided Benefits:
 - The increase of \$11,321 is mainly due to an increase in health insurance caused by the addition of one position and due to changes to plan elections made by employees.

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MAYOR'S PROPOSED FY 2023/24 BUDGET
RISK MANAGEMENT DIVISION
SELF-INSURANCE (FUND 56101)**

PROPOSED BUDGET BOOK - Page #126-128

5. Internal Service Charges:

- The net increase of \$879,594 is mainly due to an increase in OGC legal costs based on an increase in the agreed upon billing amount for workers compensation to better align with actual usage.

6. Insurance Costs and Premiums:

- This amount represents the costs and premiums for the City's general liability, auto liability and workers compensation programs.

7. Insurance Costs and Premiums – Allocations:

- The increase of \$38,643 is mainly due to an increase in the stop-loss insurance premium for the workers compensation insured program which was partially offset by a decrease in the stop-loss insurance premium for the general/auto liability policy driven by changes in the market.

8. Professional and Contractual Services:

- The increase of \$250,005 is mainly due to an increase in the contract for managed health care and other reporting requirements related to workers' compensation recipients.

9. Other Operating Expenses:

- The increase of \$130,447 is primarily due to an increase of \$85,000 in State fee assessment for workers' compensation based on prior year actuals and due to the addition of \$40,548 in license costs associated with claims software.

10. Supervision Allocation:

- This amount represents the cost of the administrative staff housed in the Insured Programs Fund (56301) that is 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.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

One position was transferred from Fleet Management Motor Pool Fund as part of the budget process.

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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
RISK MANAGEMENT DIVISION
SELF-INSURANCE (FUND 56101)**

PROPOSED BUDGET BOOK - Page #126-128

RECOMMENDATIONS:

None.

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MAYOR'S PROPOSED FY 2023/24 BUDGET
RISK MANAGEMENT DIVISION
INSURED PROGRAMS (FUND 56301)**

PROPOSED BUDGET BOOK - Page # 129-131

BACKGROUND:

This internal service fund administers a Miscellaneous Insurance Program for the City and Jacksonville Port Authority. Along with other policies, the City maintains property coverage, aviation insurance, a blanket crime policy and a policy covering the River Walk.

REVENUE:

1. Charges for Services:
 - This amount represents the recovery of damages and loss deductible customer billings.
2. Charges for Services: Insurance Premiums:
 - This amount represents the billings to using agencies. The increase of \$4,445,398 is due to an overall increase in the costs of the insurance policies.
3. Investment Pool / Interest Earnings:
 - The increase of \$10,273 in interest earnings is based on the anticipated increase in the rate of return in FY 2023/24.
4. Transfers from Fund Balance:
 - This transfer from fund balance is to fund a line item of \$500,000 to cover any loss deductibles.

EXPENDITURES:

1. Salaries:
 - The increase of \$113,437 is mainly due to the proposed transfer-in of one position from the Information Technologies Department, some salary increases that occurred during the year, and also due to the impact of collective bargaining increases.
2. Salary & Benefit Lapse:
 - This amount reflects the estimated salary and benefit lapse based on the average turnover ratio and estimated number of vacancies in FY 2023/24.
3. Pension Costs:
 - The increase of \$38,049 is due to an overall increase in the required contributions and due to the addition of one position as described above.
4. Employer Provided Benefits:
 - The increase of \$8,619 is mainly due to an increase in health insurance due to the addition of one position and due to changes in employees' plan elections.

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 MAYOR'S PROPOSED FY 2023/24 BUDGET
 RISK MANAGEMENT DIVISION
 INSURED PROGRAMS (FUND 56301)**

PROPOSED BUDGET BOOK - Page # 129-131

5. Internal Service Charges:

- The decrease of \$22,874 is mainly due to a decrease in legal charges based on recent usage.

6. Insurance Costs and Premiums:

- The net increase of \$4,365,906 is mainly due to the increases shown on the table below to better align with the actual costs of the policies in FY 2022/23 and to account for anticipated increases in FY 2023/24.

Insurance Policy	FY 2022/23 Actual	FY 2022/23 Approved Budget	FY 2023/24 Proposed Budget	Dollar Budget Change	% Budget Change
Property	\$11,245,561	\$9,553,792	\$13,741,054	\$4,187,262	44%
Excess WC Policy	\$1,805,473	\$1,770,359	\$1,867,935	\$97,576	6%
Special Events - City	\$57,996	\$68,000	\$112,126	\$44,126	65%
Medical Malpractice	\$23,226	\$0	\$25,549	\$25,549	-
Aviation	\$268,792	\$279,112	\$300,998	\$21,886	8%

7. Professional and Contractual Services:

- The amount represents the funding for the various software systems, actuaries, and consulting services.

8. Other Operating Expenses:

- The decrease of \$42,226 is mainly due to the removal of a one-time purchase of drive cams in FY 2022/23.

9. Supervision Allocation:

- This amount represents the cost of the administrative staff housed in this fund which are allocated to the Self-Insurance Fund (56101).

10. 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.

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RISK MANAGEMENT DIVISION
INSURED PROGRAMS (FUND 56301)**

PROPOSED BUDGET BOOK - Page # 129-131

EMPLOYEE CAP CHANGES:

One position was transferred from the Information Technologies Fund (53101) as part of the budget process.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATIONS:

None.

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COMMENTS AND RECOMMENDATIONS
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FINANCE AND ADMINISTRATION
GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 96 - 98

BACKGROUND:

The General Fund/General Services District portion of the Department houses the Office of the Director, Accounting, the Budget, Treasury, Procurement (including Buying and Administration, the Equal Business Opportunity Office, and the Office of the Ombudsman), and the Grants and Contract Compliance Divisions.

REVENUES:

1. Miscellaneous Revenue:

- This revenue represents payroll fees for child support deductions and union/police charity deductions as well as accounting service charges related to the Tourist Development Council.

2. Contribution from Local Units:

- This revenue is generated by the Equal Business Opportunity Office for training provided to independent authorities.

EXPENDITURES:

1. Salaries:

- The increase of \$922,094 is primarily due to the addition of three positions within the Grants and Contract Compliance Office. One is the Chief of Grants and Contract Compliance position pursuant to Ordinance 2023-0033-E, another is a proposed new Grants Writer position, and one is a transfer for the Safety and Crime Reduction Administrator position into the Office of Grants and Contract Compliance from the Neighborhoods Department. Special pay increases and collective bargaining impacts also contribute to the increase.

2. Pension Costs:

- The increase of \$276,462 is due to an increase in the required contribution to the pension plan as well as the personnel changes noted above.

3. Employer Provided Benefits:

- The increase of \$39,034 is primarily due to an increase in health insurance and other benefits resulting from the personnel changes noted above.

4. Internal Service Charges:

- The net increase of \$471,147 is primarily due to increases in IT charges of \$709,609 related to 1Cloud, new grant management software, Maximo enterprise management software, rewriting the procurement website, enterprise document management, and enterprise security. The increase was partially offset by a \$222,818 decrease in legal charges to better align with recent actuals.

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 MAYOR’S PROPOSED FY 2023/24 BUDGET
 FINANCE AND ADMINISTRATION
 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 96 - 98

5. Insurance Costs and Premiums:
 - The increase of \$7,760 is primarily due to an increase in the cost of the property insurance policy.

6. Professional and Contractual Services:
 - The net increase of \$26,400 is mainly due to an increase of \$23,250 in funding for a Public Service Grant research study for the Grants and Contract Compliance Division. This line is mainly made up of \$700,000 for actuarial studies, bond counsel, and governmental relations in the Office of Director. Additionally, there is \$404,096 to meet the minimum funding requirement of \$500,000 (excluding salaries) for the JSEB Program pursuant to Section 126.605 of the Municipal Code.

7. Other Operating Expenses:
 - The net increase of \$23,252 is mainly due to an increase of \$33,000 for hardware-software maintenance licenses for the new CyberGrants Grant Management Software system for the Grants and Contract Compliance Division, an increase of \$7,500 in travel, and an increase of \$6,000 for employee training. These increases were offset by a decrease of \$30,864 in rental cost to remove funding for the Tax Collector’s Gateway Branch which is no longer needed.

8. Debt Service:
 - This line item represents the funding for banking service charges of the City.

DIVISIONAL CHANGES:

Division	FY 2022/23 Original	FY 2023/24 Proposed	Dollar Change	Percent Change	
Accounting	\$14,774,902	\$15,744,632	\$969,730	6.6%	(A)
Budget Office	1,088,199	1,311,306	223,107	20.5%	(B)
Grants and Contract Compliance	803,932	1,312,105	508,173	63.2%	(C)
Office of the Director	2,295,185	2,096,738	(198,447)	-8.8%	(D)
Procurement and Supply	3,673,061	3,842,057	168,996	4.6%	(E)
Treasury	1,437,631	1,532,222	94,591	6.6%	(F)
Total Expenditures	\$24,072,910	\$25,839,060	\$1,766,150	7.3%	

- A) The increase of \$969,730 for Accounting is mainly due to:
- An increase of \$533,626 in computer systems maintenance & security due to increased costs related to 1Cloud and enterprise security.
 - An increase of \$293,297 in salaries mainly due to promotional and special pay increases, an increase in the base pay for some positions, and the effects of collective bargaining.
 - An increase of \$96,204 in pension costs due to an increase in the required contribution to the pension plan as well as the personnel changes noted above.

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- An increase of \$25,975 in other professional services due to funding for the indirect cost study moving into Accounting from the Budget Office.
- B) The increase of \$223,107 for the Budget Office is mainly due to:
- An increase of \$180,430 in salaries mainly due to a position transferred into the Budget Office from the Office of the Director and the impact of collective bargaining.
 - An increase of \$44,658 in net pension costs due to an increase in the required contribution to the pension plan and the personnel changes noted above.
 - These increases were partially offset by a decrease of \$25,975 in other professional services due to funding for the indirect cost study moving from the Budget Office to Accounting.
- C) The increase of \$508,173 for the Grants and Contract Compliance Division is mainly due to:
- An increase of \$416,513 in personnel costs due to three new positions, employee turnover, and the impact of collective bargaining.
 - An increase of \$31,079 in computer systems maintenance and security due to increased application charges for the CyberGrants Grant Management software implementation and maintenance.
 - An increase of \$33,000 in hardware-software maintenance and licenses for the new CyberGrants Software.
- D) The decrease of \$198,447 for the Office of Directors is mainly due to:
- A decrease of \$189,191 in general counsel legal fees based on recent usage.
- E) The increase of \$168,996 for Procurement is mainly due to:
- An increase of \$122,714 in computer system maintenance and security due to IT application and project costs for rewriting the procurement website.
 - An increase of \$45,875 in salaries primarily due to the impact of collective bargaining increases and a new hire being paid a higher salary.
 - A net increase of \$22,497 in pension costs primarily due to the increase in the required contribution to the pension plan.
- F) The increase of \$94,591 for Treasury is mainly due to:
- An increase of \$59,484 in salaries related to special pay increases due to higher level of responsibilities and the impact of collective bargaining.
 - A net increase of \$30,199 in pension costs primarily due to the increase in the required contribution to the pension plan and the personnel changes noted above.
 - An increase of \$12,934 in computer systems maintenance and security due to an increase in IT charges related to enterprise document management and enterprise security.

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SCHEDULE B1 GRANTS:

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

Grantor	Grant Name	Grant Description	Estimated Grant Award	Total Match Requested	In Kind Contribution	FTE Positions	Part Time Hours
Department of Justice	Edward Byrne Memorial – Justice Assistance Grant 10/1/20-09/30/24	Grant funding appropriated on 2022-168-E. Positions authorized through 9/30/24 and listed here for transparency.	\$0	\$0	\$0	5	0
Department of Justice	Edward Byrne Memorial – Justice Assistance Grant 10/1/21-09/30/25	Provides for crime prevention and intervention programs, reentry education, and victim services. Programs funded by this grant serve violent and non-violent criminals, provide for crime prevention as well as create opportunities for adult and juvenile offenders and ex-offenders.	\$525,000	\$0	\$0	3	0

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

The employee cap increased by three positions, from 111 positions to 114 positions. This will add three positions to the Grants and Contract Compliance Division. One position was transferred in from Neighborhoods during FY 2022/23, one was added during FY 2022/23 pursuant to Ordinance 2023-0033-E, and the other is proposed.

RECOMMENDATION:

None.

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DRIVER EDUCATION SAFETY TRUST (FUND 11507)**

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BACKGROUND:

Pursuant to Section 111.390 of the Municipal Code, funding for the Driver Education Safety Trust Fund is provided by an additional \$3 levy on each civil traffic penalty. The funding is used for driver education programs in public and non-public schools, with expenditures being budgeted and managed by the Duval County School Board. 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. Fines and Forfeits:

- The amount of \$270,000 represents anticipated revenue from the additional \$3 on each civil traffic penalty issued in Duval County. The decrease is to better align with FY2022/23 actuals.

2. Investment Pool/Interest Earnings:

- The amount of \$27,274 represents projected investment pool earnings based on anticipated interest rates for FY 2023/24.

EXPENDITURES:

1. Grants, Aids & Contributions:

- The amount of \$297,274 is a pass-through of 100% of the revenue to the Duval County School System.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this subfund.

RECOMMENDATION:

None

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MOTOR VEHICLE INSPECTION (FUND 42101)**

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BACKGROUND:

The Fleet Management Division manages inspection stations for school buses and city vehicles.

REVENUES:

1. Charges for Services:
 - This amount is the estimated revenue for inspection charges and wrecker application fees. The decrease in revenue is based on current year actuals.
2. Investment Pool / Interest Earnings:
 - This amount represents anticipated interest earnings for FY 2023/24.
3. Transfers from Fund Balance:
 - The transfer of \$60,971 from fund balance is to balance the budget in this fund.

EXPENDITURES:

1. Salaries:
 - The increase of \$4,714 is mainly due to the impact of collective bargaining increases.
2. Salary & Benefit Lapse:
 - Due to the small number of authorized positions within this fund, the salary and benefit lapse was removed.
3. Pension Costs:
 - The increase of \$9,439 is primarily due to an overall increase in the required contribution.
4. Employer Provided Benefits:
 - The increase of \$3,642 is mainly due to an increase in health insurance caused by employee election changes.
5. Insurance Costs and Premiums – Allocations:
 - The increase of \$1,545 is due to an overall increase in City's property insurance premium.
6. 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.

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EMPLOYEE CAP CHANGES:

There are no changes to the employee cap.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.