

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 #4
August 18, 2023

**COUNCIL AUDITOR'S OFFICE
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MEETING #4**

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**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2023/24 BUDGET
 DOWNTOWN VISION, INC. (DVI)**

BACKGROUND:

Downtown Vision Inc. (DVI) is a not-for-profit 501(c)(6) organization whose mission is to build and maintain a healthy and vibrant downtown community and to promote downtown as an exciting place to live, work and visit. A public hearing on the DVI Budget was held August 15, 2023, at the regular City Council Finance Committee meeting.

Ordinance 2022-488-E authorized an annual assessment of 1.1 mills on properties within the assessment area through the 2031 Tax Year.

DVI operates an affiliate 501(c)(3) organization called Downtown Vision Alliance (DVA) to attract donated dollars. The budget for DVA is not included in the FY 2023/24 Mayor's Proposed Budget.

| <u>ESTIMATED REVENUES</u> | <u>Proposed FY 2023/24</u> | <u>Council Adopted FY 2022/23</u> | <u>Change</u> | <u>Change in %</u> |
|---------------------------------|--------------------------------|-------------------------------------------|--------------------------|------------------------|
| Assessed Properties | \$ 1,769,510 | \$ 1,659,690 | \$ 109,820 | 6.6% |
| City of Jacksonville | 732,337 | 657,284 | 75,053 | 11.4% |
| Other Sources | 353,627 | 393,439 | (39,812) | (10.1%) |
| Total Estimated Revenues | <u>\$ 2,855,474</u> | <u>\$ 2,710,413</u> | <u>\$ 145,061</u> | <u>5.4%</u> |

APPROPRIATIONS

| | Clean, Safe and Attractive | Marketing, Promotions, Special Projects | Business & Stakeholder Support | Management & General | Mayor's FY 2023/24 Proposed | Council Adopted FY 2022/23 | Change | Change in % |
|-----------------------------|----------------------------------|--------------------------------------------------|--------------------------------------|--------------------------|-----------------------------------|----------------------------------|--------------------------|--------------------|
| Personnel Services | \$ 158,991 | \$ 498,189 | \$ 236,923 | \$ 97,381 | \$ 991,484 | \$ 860,599 | \$ 130,885 | 15.2% |
| Operating Expenses | 1,478,918 | 213,971 | 93,941 | 77,160 | \$ 1,863,990 | 1,849,814 | 14,176 | 0.8% |
| Total Appropriations | <u>\$ 1,637,909</u> | <u>\$ 712,160</u> | <u>\$ 330,864</u> | <u>\$ 174,541</u> | <u>\$ 2,855,474</u> | <u>\$ 2,710,413</u> | <u>\$ 145,061</u> | <u>5.4%</u> |

ESTIMATED REVENUES:

1. Assessed Properties:

- DVI's main source of revenue has been a 1.1 mill special assessment of downtown commercial and residential non-homestead property owners. The budgeted assessment is estimated to be \$1,769,510. The increase from FY 2022/23 is due to slightly higher assessed property values.

2. City Contribution:

- The amount of \$732,337 is the City's contribution to DVI. This contribution represents 1.1 mills of the City's assessed property value with no early payment discount. The increase is due to slightly higher assessed property values.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2023/24 BUDGET
DOWNTOWN VISION, INC. (DVI)**

3. Other Sources:

- The decrease of \$39,812 is mainly due to a decrease in sponsorships and revenue from events.

APPROPRIATIONS:

1. Personnel Services:

- The increase of \$130,885 is mainly due to an increase in salaries and benefits, caused by filling positions at higher rates than previously budgeted, salary increases, and increases in the cost of insurance.

2. Operating Expenses:

- The increase of \$14,176 is mainly due to an increases of \$54,000 in debt service costs associated with the buildout and improvements of the new headquarters located in the Duval Street Parking Garage, representing a full year of debt service, and \$25,683 in professional fees and contract service associated with the Clean and Safe Ambassador program. These increases are being offset by a decrease of \$70,003 in program support due to an increased use of the 501(c)(3) foundation for events and fundraisers.
- The proposed budget does not include rent for DVI’s location in the Duval Street Parking Garage. The lease agreement between DVI and the City allows DVI to satisfy the lease payment requirements with the value of services provided.

SERVICE LEVEL CHANGES:

None

RECOMMENDATIONS:

None

**BUSINESS IMPROVEMENT DISTRICT
(DOWNTOWN VISION)
JACKSONVILLE, FLORIDA
BUDGET – FISCAL YEAR 2023-2024**

ESTIMATED REVENUES

Assessed Properties (1)
City of Jacksonville (2)
Other Sources (3)
Total Estimated Revenues

DVI PROPOSED

\$ 1,769,510
\$ 732,337
\$ 353,627
\$2,855,474

Schedule AD

APPROPRIATIONS

| | Clean, Safe and Attractive (4) | Marketing, Promotions, Special Projects (5) | Business & Stakeholder Support (6) | Management & General (7) | Total |
|-----------------------------|--------------------------------|---------------------------------------------|------------------------------------|--------------------------|---------------------------|
| Personnel Services | \$158,991 | \$498,189 | \$236,923 | \$97,381 | \$991,484 |
| Operating Expenses | \$1,478,918 | \$213,971 | \$93,941 | \$77,160 | \$1,863,990 |
| | | | | | |
| Total Appropriations | <u>\$1,637,909</u> | <u>\$712,160</u> | <u>\$330,864</u> | <u>\$174,541</u> | <u>\$2,855,474</u> |

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

Schedule AE

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

PROPOSED BUDGET BOOK - Page # 78 - 80

BACKGROUND:

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

REVENUE:

1. Miscellaneous Revenue:

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

EXPENDITURES:

1. Salaries:

- The increase of \$41,388 is primarily due to collective bargaining increases and the result of employee turnover and filling vacancies.

2. Pension Costs:

- The increase of \$18,653 is mainly due to an increase in the required contribution to the pension plan.

3. Employer Provided Benefits:

- The increase of \$4,163 is mainly due to an increase in Group Hospital Insurance due to changes in employee elections.

4. Internal Service Charges:

- The net decrease of \$62,763 is mainly due to a decrease of \$100,096 in ITD Replacement for network refresh. This is partially offset by an increase of \$39,329 in legal charges based on recent actuals.

5. Professional and Contractual Services:

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

6. Other Operating Expenditures:

- This amount includes \$125,000 for event contributions. On the next page is a table with proposed uses of the event contributions.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2023/24 BUDGET
 DOWNTOWN INVESTMENT AUTHORITY
 GENERAL FUND / GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 78 - 80

| Description of Event | FY 2022/23 Approved Budget | FY 2023/24 Proposed Budget |
|-------------------------|----------------------------------|----------------------------------|
| Downtown Concert Series | \$ 50,000 | \$ 34,000 |
| Various Events | \$ 15,000 | \$ 35,000 |
| DVI - Sip N Stroll | \$ 60,000 | \$ 56,000 |
| | <u>\$ 125,000</u> | <u>\$ 125,000</u> |

7. Supervision Allocation:

- This amount represents the administrative costs of the Downtown Investment Authority for the supervision of Public Parking (Fund 41102) and the CRA activities. The decrease in the allocation is primarily due to a decrease in internal service charges within the General Fund – General Services District.

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 |
|---------|-------------------------------------------------------------------------------|-------------------------------------------------------------|
| \$1,000 | DIA Public Meetings | Water, coffee, tea associated with holding Public Meetings. |

EMPLOYEE CAP CHANGES:

No Change

SERVICE LEVEL CHANGES:

None

CONCERN:

Per DIA’s July 28, 2023, tracking spreadsheet, there is over \$7 million in estimated incentives to be paid by the General Fund/GSD that are projected to be earned by developers in the last quarter of FY 2022/23 or in FY 2023/24. These projects have already been approved by City Council with the source of funding intended to be the City’s General Fund/GSD. There is nothing in the budget related to these potential obligations.

RECOMMENDATIONS:

None

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
DOWNTOWN INVESTMENT AUTHORITY
PUBLIC PARKING (FUND 41102)**

PROPOSED BUDGET BOOK - Page # 81-83

BACKGROUND:

The Office of Public Parking is a part of the Downtown Investment Authority. The agency manages:

- Parking lots (Bay/Ocean Street, Catherine/Bay Street, Liberty Street Kiosk, and five parking lots in the Southbank area)
- Garages (Ed Ball, Main Library, St. James Building, Water Street, and Yates Building)
- Parking meters (894 digital meters and 513 mechanical meters)

Revenues are generated through daily and monthly parking fees, as well as other fines and forfeitures.

REVENUE:

1. Permits and Fees:

- This amount represents permits for scooters and on-street parking placards, as well as wrecker and towing firm fees for vehicles left unattended after 24 hours. The increase of \$101,252 is mainly due to a new revenue added from charging an annual fee to City departments and government agencies for on-street parking placards (\$53,550) and also due to an increase in revenue from the scooter companies operating in downtown (\$48,800).

2. Charges for Services:

- The net increase of \$53,310 is mainly due to an anticipated increase of \$173,980 in monthly parking fees and an increase of \$85,588 in daily parking fees based on current year actuals. This was somewhat offset by a decrease of \$163,121 in revenue received when businesses and contractors pay to take parking meters out of service and a decrease of \$51,018 in parking late fees also based on current year actuals. Note that monthly revenue has already been reduced to account for the 50% monthly discount for City employees since this discount was funded by the City in FY 2022/23.

3. Fines and Forfeits:

- The net decrease of \$74,910 is due to an anticipated decrease in parking fine revenue based on current year actuals.

4. Miscellaneous Revenue:

- The increase of \$20,446 is mainly due to an increase in miscellaneous sales and charges associated with tenant utility reimbursements.

5. Investment Pool / Interest Earnings:

- The increase of \$22,415 is based on an increase in the projected return rate in FY 2023/24.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
DOWNTOWN INVESTMENT AUTHORITY
PUBLIC PARKING (FUND 41102)**

PROPOSED BUDGET BOOK - Page # 81-83

6. Transfer from Other Funds:
 - This amount is a transfer from the General Fund/GSD to cover the 50% monthly parking discount provided to City employees.
7. Transfers from Fund Balance:
 - This amount from retained earnings is to balance budgeted expenditures over anticipated revenue to cover capital outlay of \$324,262.

EXPENDITURES:

1. Salaries:
 - The increase of \$47,040 is mainly due to the impact of collective bargaining salary increases.
2. Salary & Benefit Lapse:
 - This reflects an estimated salary and benefit lapse based on the average turnover ratio and estimated number of vacancies in FY 2023/24.
3. Pension Costs:
 - The increase of \$45,552 is due to an overall increase in the required pension contribution.
4. Employer Provided Benefits:
 - The increase of \$6,098 is due to an increase in health insurance based on plan elections made by employees.
5. Internal Service Charges:
 - The increase of \$59,333 is mainly due to an increase of \$40,547 in ITD charges related to enterprise security costs and application maintenance of the Parking Facility and Enforcement Database (PFED) system. This is also due to an increase of \$19,811 in utility costs based on current year consumption.
6. Insurance Costs and Premiums – Allocations:
 - The increase of \$248,087 is mainly due to an increase in miscellaneous insurance resulting from an increase in property insurance premium costs and due to significant increases in the property valuation of the garages used for the internal allocation of the property insurance cost.
7. Professional and Contractual Services:
 - The decrease of \$25,000 is due to maintenance of the Landing lot no longer being budgeted in this fund.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
DOWNTOWN INVESTMENT AUTHORITY
PUBLIC PARKING (FUND 41102)**

PROPOSED BUDGET BOOK - Page # 81-83

8. Other Operating Expenses:

- The net decrease of \$8,984 is primarily due to the removal of a \$35,000 one-time item in FY 2022/23 for the purchase of hand-held units for enforcement staff to process tickets and for special events to process card transactions. This was partially offset by increases in hardware/software maintenance and licenses costs associated with the electric parking meters.

9. Capital Outlay:

- This amount represents the capital funding needed to:
 - install additional kiosks at Riverplace Boulevard as well as on-street meter/kiosks improvement and upgrades as needed (\$200,000).
 - additional funding needed for the replacement of the security camera system at the Yates garage (\$124,256).

10. Supervision Allocation:

- This amount represents the share of the departmental administration costs from the Downtown Investment Authority which are allocated to this fund.

11. Indirect Cost:

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

EMPLOYEE CAP CHANGES:

There are no changes to the employee cap.

CAPITAL OUTLAY CARRYFORWARD:

There is a total capital outlay carryforward request of \$314,693 on Schedule AF in the Budget Ordinance associated with the purchase of CCTV cameras for the Duval St Garage (\$90,968) and the Yates Garage (\$123,725) as well as to install kiosks (\$100,000) on Riverplace Blvd that might not be encumbered by the end of the fiscal year. The requests to purchase CCTV cameras have been carried forward since FY 2019/20.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
DOWNTOWN NORTHBANK CRA TRUST (FUND 10801)
2023/24 MAYOR'S PROPOSED BUDGET**

BUDGET BOOK REFERENCE - PAGE #39 - 41

| | 2022/23 APPROVED BUDGET | 2023/24 PROPOSED BUDGET | INCREASE/ (DECREASE) | Footnote |
|--------------------------------------------------------|-------------------------------|-------------------------------|-------------------------|----------|
| REVENUES | | | | |
| Property Taxes - Northeast USD1-C | \$ 3,438,278 | \$ 4,640,885 | \$ 1,202,607 | (A) |
| Property Taxes - Northwest USD1-B | 8,105,396 | 9,454,722 | 1,349,326 | (A) |
| Interest Income | 214,148 | 623,610 | 409,462 | (B) |
| Garage - Sports Complex | 375,000 | 900,000 | 525,000 | (C) |
| Adams Street Garage | 350,000 | 675,000 | 325,000 | (C) |
| Courthouse Garage Tenant Lease | - | 83,901 | 83,901 | (C) |
| Courthouse Garage | 225,000 | 100,000 | (125,000) | (C) |
| Churchwell Loft Lease | 18,800 | 18,801 | 1 | |
| Debt Repayment (Lynch /11E) | 12,767,366 | 800,000 | (11,967,366) | (D) |
| Debt Repayment (Carling Loan) | 506,487 | 506,487 | - | (E) |
| Total Revenues: | \$ 26,000,475 | \$ 17,803,406 | \$ (8,197,069) | |
| EXPENDITURES | | | | |
| Administrative Expenditures | | | | |
| Supervision Allocation | \$ 946,027 | \$ 922,935 | \$ (23,092) | (F) |
| Annual Independent Audit | 2,500 | 2,500 | - | |
| Total Administrative Expenditures: | \$ 948,527 | \$ 925,435 | \$ (23,092) | |
| Financial Obligations | | | | |
| Recaptured Enhanced Value (REV) grants | | | | |
| Fidelity National Information Services (leg: 2019-596) | \$ - | \$ 773,261 | \$ 773,261 | (G) |
| Hallmark / 220 Riverside (leg: 2012-270) | 414,160 | \$ 451,913 | 37,753 | |
| Pope & Land / Brooklyn (leg: 2012-703 amend: 2013-288) | 416,175 | 474,929 | 58,754 | |
| Lofts at Jefferson Station (DIA resolution 2017-10-05) | 71,777 | 73,623 | 1,846 | |
| Vista Brooklyn (leg: 2012-703) | 729,283 | 611,443 | (117,840) | |
| Park View Plaza (leg: 2015-037) | 135,457 | 133,746 | (1,711) | |
| Lofts at Brooklyn (DIA resolution 2018-09-01) | 142,573 | 90,114 | (52,459) | |
| MPS Downtown Garages | | | | |
| Reserve | - | 25,000 | 25,000 | (H) |
| Miscellaneous Insurance | 188,356 | 329,456 | 141,100 | (I) |
| Garage Debt Service - Leasehold Improvements | 242,267 | - | (242,267) | (J) |
| Garage Debt Service - Debt Defeasance (leg. 2022-137) | 1,743,362 | 1,985,712 | 242,350 | (J) |
| Garage Operations - Sports Complex | 275,000 | 250,000 | (25,000) | (H) |
| Garage Operations - Arena (Adams Street) | 150,000 | 150,000 | - | (H) |
| Garage Operations - Courthouse | 425,000 | 370,000 | (55,000) | (H) |
| Lynch Bldg. Loan Repayment | 8,153,779 | 800,000 | (7,353,779) | (K) |
| Total Financial Obligations: | \$ 13,087,189 | \$ 6,519,197 | \$ (6,567,992) | |
| Plan Authorized Expenditures | | | | |
| Capital Projects | | | | |
| Two Way Conversion - Forsyth & Adams | \$ 1,300,000 | \$ - | \$ (1,300,000) | |
| McCoys Creek Park CRA | - | 250,000 | 250,000 | (L) |
| Shipyards West CRA Project | - | 6,000,000 | 6,000,000 | (M) |
| Riverwalk Enhancement and Signage | 25,000 | 1,000,000 | 975,000 | (N) |
| Waterfront Activation | 50,000 | 50,000 | - | (O) |
| Screening Grant | 300,000 | - | (300,000) | (P) |
| Professional Services | 100,000 | 250,000 | 150,000 | (Q) |
| Marketing | 200,000 | - | (200,000) | (R) |
| Downtown Development Loan | 200,000 | 500,000 | 300,000 | (S) |
| Banners II Project | 30,000 | 100,000 | 70,000 | (O) |
| Parks and Programing | 1,000,000 | - | (1,000,000) | (T) |
| Northbank Enhanced Maintenance | 500,000 | - | (500,000) | (T) |
| Commercial Revitalization Program | 500,000 | - | (500,000) | (R) |
| Small Scale Residential Incentive | 225,000 | 75,000 | (150,000) | (O) |
| Park Acquisition and Capital Improvements | 1,270,295 | - | (1,270,295) | (R) |
| Neighborhood Streetscape Improvements | 500,000 | 1,000,000 | 500,000 | (O) |
| Shipyards West Park | 250,000 | - | (250,000) | (U) |
| Liberty Street Improvements | 100,000 | - | (100,000) | (R) |
| Unallocated Plan Authorized Expenditures | 5,414,464 | 1,133,774 | (4,280,690) | (V) |
| Total Plan Authorized Expenditures: | \$ 11,964,759 | \$ 10,358,774 | \$ (1,605,985) | |
| Total Expenditures: | \$ 26,000,475 | \$ 17,803,406 | \$ (8,197,069) | |

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
DOWNTOWN NORTHBANK CRA TRUST (FUND 10801)
2023/24 MAYOR'S PROPOSED BUDGET**

Revenue

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

| | Northbank West USD1B 1981 | Northbank East USD1C 1984 | |
|--------------------------------------------|---------------------------------|---------------------------------|-------|
| Base Year | <u>1981</u> | <u>1984</u> | |
| Preliminary Taxable Values | \$ 1,094,059,157 | \$ 633,411,392 | |
| Less Taxable Value in Base Year | 214,636,423 | 201,743,546 | |
| Taxable Value Incremental Increases | <u>\$ 879,422,734</u> | <u>\$ 431,667,846</u> | |
| Taxable Value Percentage Changes | 409.7% | 214.0% | |
| Operating Millage Rates | 11.3169 | 11.3169 | mills |
| Collection Rate | 95.0% | 95.0% | |
| Total Ad Valorem Revenue | \$ 9,454,722 | \$ 4,640,885 | |

- (B) This represents estimated interest earnings based on the City's anticipated rate of return provided by Treasury.
- (C) This represents the anticipated revenue from the City's operation of the Arena Garage, Courthouse Garage, and Sports Complex Garage (MPS Garages) net of the contractors operating costs. Adjustments are mainly based on splitting out courthouse garage tenant revenue with the remainder being based on better estimates.
- (D) This amount represents the repayment for the Lynch/11E Building redevelopment loan pursuant to the amortization schedule approved by Ord. 2023-313-E. The loan was scheduled to be paid off in FY 2022/23 with a balloon payment. Ord. 2023-313-E restructured the amortization of the loan to require an annual payment of \$800,000 and moved the balloon payment to March 2026.
- (E) This amount represents the repayment for the Carling/Roosevelt Building redevelopment loan pursuant to the amortization schedule approved by Ord. 2014-280-E. The annual payments stay constant until a balloon payment in March 2026.

Expenditures

- (F) This amount represents the administrative costs of the CRA which are allocated from the DIA General Fund/General Services District. The decrease is due to a reduction in internal service charges to the DIA General Fund/General Services District.
- (G) This project was recently completed by the developers and was included on the 2023 tax roll at the improved value for the first time. Therefore, the project will qualify for the REV Grant for the first time.
- (H) These items represent the estimated operating costs of the MPS Garages, including lease payments for each garage and a \$25,000 contribution to a reserve account for future capital maintenance.
- (I) This amount represents the insurance premiums on the MPS Garages. The increase is due to a higher appraisal property value.
- (J) This represents the principal and interest due on the bonds issued related to the acquisition of the MPS Garages.
- (K) This amount represent a passthrough of the Lynch loan payment to the Self-Insurance fund (56101). The CRA borrowed \$17,816,000 from the City's Self-Insurance fund to finance the project.
- (L) Funding will be used for initial design of a park to be constructed at the mouth of McCoy's Creek.
- (M) These funds will go towards the design and construction of the food hall building and separate restaurant site at the Shipyards West location.
- (N) Funding will be used to perform landscape and hardscape improvements in accordance with the Riverfront Design Guidelines and Activity Nodes Plan.
- (O) These amounts represent funding for programs from the updated BID and/or CRA Plan approved by Ord. 2022-372-E.
- (P) The Parking and Screening Grant program is ending in FY 2023/24.
- (Q) The increase is due to an anticipated increase in professional services associated with the planning and development of future projects.
- (R) No additional funding is being appropriated for these items in the FY 2023/24 proposed budget due to the availability of existing funding.
- (S) This funding will be used to issue a loan for an affordable housing project.
- (T) Regular maintenance and programming funds were removed from the CRA budget to ensure compliance with state law.
- (U) In FY 2022/23 the CRA contributed to a FDEP required replacement park. The park will replace the former "Kids Kampus" park, which was disposed of by the City as part of a development agreement in accordance with 2021-673-E.
- (V) This amount represents the balance of budgeted revenue in excess of budgeted expenditures, which can be reallocated by the CRA Board at a future date.

Recommendation

None

**DOWNTOWN NORTHBANK CRA TRUST
FUND 10801**

| REVENUES | FY24 Proposed |
|-----------------------------------|-------------------|
| Property Taxes - Northeast USD1-C | 4,640,885 |
| Property Taxes - Northwest USD1-B | 9,454,722 |
| Interest Income | 623,610 |
| Garage - Sports Complex | 900,000 |
| Adams Street Garage | 675,000 |
| Courthouse Garage Tenant Lease | 83,901 |
| Courthouse Garage | 100,000 |
| Churchwell Loft Lease | 18,801 |
| Debt Repayment (Lynch /11E) | 800,000 |
| Debt Repayment (Carling Loan) | 506,487 |
| Total Revenues: | <u>17,803,406</u> |

| EXPENDITURES | FY24 Proposed |
|--------------------------------------------------------|-------------------|
| Administrative Expenditures | |
| Supervision Allocation | 922,935 |
| Annual Independent Audit | 2,500 |
| Total Administrative Expenditures: | <u>925,435</u> |
| Financial Obligations | |
| Recaptured Enhanced Value (REV) grants | |
| Fidelity National Information Services (2019-596) | 773,261 |
| Hallmark / 220 Riverside (leg: 2012-270) | 451,913 |
| Pope & Land / Brooklyn (leg: 2012-703 amend: 2013-288) | 474,929 |
| Lofts at Jefferson Station (DIA resolution 2017-10-05) | 73,623 |
| Vista Brooklyn - 200 Riverside (Leg: 2017-101) | 611,443 |
| Park View Plaza (Leg: 2015-037) | 133,746 |
| Lofts at Brooklyn (DIA resolution 2018-09-01) | 90,114 |
| MPS Downtown Garages | |
| Reserve | 25,000 |
| Miscellaneous Insurance | 329,456 |
| Debt Service - Debt Defeasance (leg. 2022-137) | 1,985,712 |
| Garage - Sports Complex | 250,000 |
| Adams Street Garage | 150,000 |
| Courthouse Garage | 370,000 |
| Lynch Bldg Loan Repayment | 800,000 |
| Total Financial Obligations: | <u>6,519,197</u> |
| Plan Authorized Expenditures | |
| Capital Projects | |
| McCoys Creek Park CRA | 250,000 |
| Shipyards West CRA Project | 6,000,000 |
| Riverwalk Enhancements and Signage | 1,000,000 |
| Waterfront Activation | 50,000 |
| Professional Services | 250,000 |
| Downtown Development Loan | 500,000 |
| Banner II Project | 100,000 |
| Small Scale Residential Incentive | 75,000 |
| Neighborhood Streetscape Improvements | 1,000,000 |
| Unallocated Plan Authorized Expenditures | 1,133,774 |
| Total Plan Authorized Expenditures: | <u>10,358,774</u> |
| Total Expenditures: | <u>17,803,406</u> |

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
DOWNTOWN SOUTHBANK CRA TRUST (FUND 10802)
2023/24 MAYOR'S PROPOSED BUDGET**

BUDGET BOOK REFERENCE - PAGE #42 - 43

| | <u>2022/23 APPROVED BUDGET</u> | <u>2023/24 PROPOSED BUDGET</u> | <u>INCREASE/ (DECREASE)</u> | <u>Footnote</u> |
|--------------------------------------------------------------|----------------------------------------|----------------------------------------|---------------------------------|-----------------|
| REVENUES | | | | |
| Property Taxes | \$ 6,835,886 | \$ 7,266,048 | \$ 430,162 | (A) |
| Interest Income | 172,370 | 366,990 | 194,620 | (B) |
| Total Revenues: | <u>\$ 7,008,256</u> | <u>\$ 7,633,038</u> | <u>\$ 624,782</u> | |
| EXPENDITURES | | | | |
| Administrative Expenditures | | | | |
| Supervision Allocation | \$ 335,593 | \$ 319,914 | \$ (15,679) | (C) |
| Annual Independent Audit | 2,500 | 2,500 | - | |
| Total Administrative Expenditures: | <u>\$ 338,093</u> | <u>\$ 322,414</u> | <u>\$ (15,679)</u> | |
| Financial Obligations | | | | |
| Recaptured Enhanced Value (REV) grants | | | | |
| Strand (leg: 2001-1329 amend: 2002-755 & 2006-1131) | \$ 519,518 | \$ 563,437 | \$ 43,919 | |
| Home Street Apartments (DIA Resolution 2017-08-03) | 196,954 | 224,685 | 27,731 | |
| Southbank Apartment Venture (leg: 2018-658) | 283,267 | 303,990 | 20,723 | |
| JEA Southside Gen Station Public Infrastructure Improvements | 3,750,000 | 4,000,000 | 250,000 | (D) |
| Debt Service Interest - Strand Bonds 2014 Special Rev | 149,687 | 138,810 | (10,877) | |
| Debt Service Principal - Strand Bonds 2014 Special Rev | 217,000 | 228,000 | 11,000 | |
| Total Financial Obligations: | <u>\$ 5,116,426</u> | <u>\$ 5,458,922</u> | <u>\$ 342,496</u> | |
| Plan Authorized Expenditures | | | | |
| Capital Projects | | | | |
| Flagler Ave. Shared Street | \$ - | \$ 300,000 | \$ 300,000 | (E) |
| Riverwalk Enhancements and Signage | 5,000 | 750,000 | 745,000 | (F) |
| Waterfront Enhancement | - | 25,000 | 25,000 | (G) |
| Retail Enhancement | 300,000 | - | (300,000) | (H) |
| Urban Art | 25,000 | 25,000 | - | (G) |
| Professional Services | 100,000 | 200,000 | 100,000 | (I) |
| Parks and Programing | 100,000 | - | (100,000) | (J) |
| Commercial Revitalization Program | 250,000 | 150,000 | (100,000) | (G) |
| Small Scale Residential Incentive | 25,000 | - | (25,000) | (H) |
| Parking and Screening Grant | 75,000 | - | (75,000) | (K) |
| Banner and Arms | 5,000 | 10,000 | 5,000 | (G) |
| Advertising & Marketing | 75,000 | - | (75,000) | (H) |
| Downtown Maintenance | 75,000 | - | (75,000) | (J) |
| Park Acquisition and Capital Improvements | 150,000 | - | (150,000) | (H) |
| Unallocated Plan Authorized Expenditures | 368,737 | 391,702 | 22,965 | (L) |
| Total Plan Authorized Expenditures | <u>\$ 1,553,737</u> | <u>\$ 1,851,702</u> | <u>\$ 297,965</u> | |
| Total Expenditures: | <u>\$ 7,008,256</u> | <u>\$ 7,633,038</u> | <u>\$ 624,782</u> | |

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
DOWNTOWN SOUTHBANK CRA TRUST (FUND 10802)
2023/24 MAYOR'S PROPOSED BUDGET**

Revenue

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

| | |
|--------------------------------------------|-----------------------|
| Base Year | 1980 |
| Preliminary Taxable Values | \$ 764,972,926 |
| Less Taxable Value in Base Year | 89,127,781 |
| Taxable Value Incremental Increases | \$ 675,845,145 |
| | |
| Taxable Value Percentage Changes | 758.3% |
| | |
| Operating Millage Rates | 11.3169 mills |
| | |
| Collection Rate | 95.0% |
| | |
| Total Ad Valorem Revenue | \$ 7,266,048 |

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

Expenditures

- (C) This amount represents the administrative costs of the CRA which are allocated from the DIA General Fund/General Services District. The decrease is due to a reduction in internal service charges to the DIA General Fund/General Services District.
- (D) This amount represents funding for public infrastructure improvements on the site of the former JEA Southside Generating Station (also known as the River's Edge project). Per Ord. 2018-313-E, the maximum City contribution for the infrastructure improvements is \$23.0 million. To date, the CRA has appropriated \$18 million for the improvements before the FY 2023/24 appropriation.
- (E) This project will include the improvement and beatification of hardscape and landscape along Flagler Avenue from Riverplace Blvd. to Prudential Drive for an enhanced pedestrian use.
- (F) This project will enhance the Southbank Riverwalk, extending and widening the riverwalk and adding new shade coverage.
- (G) These items are activities and programs from the updated BID and/or CRA Plan approved by Ord. 2022-372-E. Funding in FY 2023/24 is based on projected need and the availability of previously appropriated funds.
- (H) No additional funding is being appropriated for these items in the FY 2023/24 proposed budget due to the availability of existing funding.
- (I) The increase is due to an anticipated increase in professional services associated with the planning and development of future projects.
- (J) Regular maintenance and programing funds were removed from the CRA budget to ensure compliance with state law.
- (K) The Parking and Screening Grant program is ending in FY 2023/24.
- (L) This amount represents the balance of budgeted revenue in excess of budgeted expenditures, which can be reallocated by the CRA Board at a future date.

Recommendation

We recommend that the \$25,000 for Waterfront Enhancement be moved to a Southbank Activity (00001651). It was incorrectly budgeted in a Northbank Activity. This recommendation will have no impact on Special Council Contingency.

**DOWNTOWN SOUTHBANK CRA TRUST
FUND 10802**

| REVENUES | FY24 Proposed |
|-----------------|------------------|
| Property Taxes | 7,266,048 |
| Interest Income | 366,990 |
| Total Revenues: | <u>7,633,038</u> |

| EXPENDITURES | FY24 Proposed |
|------------------------------------------------------------|------------------|
| Administrative Expenditures | |
| Supervision Allocation | 319,914 |
| Annual Independent Audit | 2,500 |
| Total Administrative Expenditures: | <u>322,414</u> |
| Financial Obligations | |
| Recaptured Enhanced Value (REV) grants | |
| Home Street Apartments (DIA Resolution 2017-08-03) | 224,685 |
| Southbank Apartment Ventures (leg: 2018-658) | 303,990 |
| Strand (leg: 2001-1329 amend: 2002-755 & 2006-1131) | 563,437 |
| The District / JEA Southside Gen Station Public Infrastruc | 4,000,000 |
| Debt Service Interest - Strand Bonds 2014 Special Rev | 138,810 |
| Debt Service Principal - Strand Bonds 2014 Special Rev | 228,000 |
| Total Financial Obligations: | <u>5,458,922</u> |
| Plan Authorized Expenditures | |
| Capital Projects | |
| Flagler Avenue Shared Streets | 300,000 |
| Riverwalk Enhancements and Signage | 750,000 |
| Waterfront Activation | 25,000 |
| Urban Art | 25,000 |
| Professional Services | 200,000 |
| Commercial Revitalization Program | 150,000 |
| Banners and Arms | 10,000 |
| Unallocated Plan Authorized Expenditures | 391,702 |
| Total Plan Authorized Expenditures: | <u>1,851,702</u> |
| Total Expenditures: | <u>7,633,038</u> |

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
JACKSONVILLE BEACH TAX INCREMENT (FUND 10803)
2023/24 MAYOR'S PROPOSED BUDGET
BUDGET BOOK REFERENCE - Page #44-45**

| | USD2A Jax Beach Downtown | USD2B Jax Beach South Bank | 2023/24 PROPOSED BUDGET |
|--------------------------------------------|-----------------------------------------|-------------------------------------------|----------------------------------------|
| TAXABLE VALUES & RATES | | | |
| Base Years | 1983 | 1986 | 1983 & 1986 |
| Preliminary Taxable Values | \$ 877,610,414 | \$ 506,055,044 | \$ 1,383,665,458 |
| Less Taxable Value in Base Years | (42,271,886) | (6,518,754) | (48,790,640) |
| Taxable Value Incremental Increases | \$ 835,338,528 | \$ 499,536,290 | \$ 1,334,874,818 |
| Taxable Value Percentage Increases | 1976.1% | 7663.1% | 2735.9% |
| Operating Millage Rates (mills) | 8.0262 | 8.0262 | 8.0262 |
| Collection Rate | 95.0% | 95.0% | 95.0% |
| REVENUE | | | |
| Ad Valorem Taxes - GF / GSD | \$ 6,369,365 | \$ 3,808,909 | \$ 10,178,274 |
| EXPENDITURES | | | |
| Contribution to Jacksonville Beach | \$ 6,369,365 | \$ 3,808,909 | \$ 10,178,274 |

Percentage of USD2 Taxes Received by City of Jacksonville

| | <u>Countywide Levy</u> | <u>USD2 Levy</u> |
|----------------------------------------------|-------------------------------|-------------------------|
| 2023/24 Jax Beach Preliminary Taxable Values | \$ 5,274,780,080 | \$ 5,274,780,080 |
| Levy | 11.3169 mills | 8.0262 mills (A) |
| Collection Rate | 95.5% | 95.5% |
| Taxes | \$ 57,007,922 | \$ 40,431,300 |
| Less TIF | - | (10,178,274) |
| Net Revenue to City | \$ 57,007,922 | \$ 30,253,026 |
| | 100.00% | 53.07% (B) |

FOOTNOTES

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

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

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
KING SOUDEL TAX INCREMENT DISTRICT GSK (FUND 10805)
2023/24 CRA BOARD APPROVED BUDGET
BUDGET BOOK REFERENCE - Pages #46-47**

| | <u>2022/23 APPROVED BUDGET</u> | <u>2023/24 PROPOSED BUDGET</u> | <u>INCREASE/ (DECREASE)</u> | <u>Footnote</u> |
|------------------------------------------|----------------------------------------|----------------------------------------|---------------------------------|-----------------|
| REVENUE | | | | |
| Property Taxes | \$ 2,241,102 | \$ 2,841,769 | \$ 600,667 | (A) |
| Interest Income | 27,355 | 102,469 | 75,114 | (B) |
| Total Revenue: | <u>\$ 2,268,457</u> | <u>\$ 2,944,238</u> | <u>\$ 675,781</u> | |
| EXPENDITURES | | | | |
| Administrative Expenditures | | | | |
| Professional and Contractual Services | \$ 1,000 | \$ 1,000 | \$ - | |
| Travel | 1,900 | 1,000 | (900) | (C) |
| Local Mileage | 150 | 150 | - | |
| OGC Internal Service | 10,900 | 10,900 | - | |
| Advertising and Promotion | 1,000 | 1,000 | - | |
| Office Supplies | 500 | 500 | - | |
| Employee Training | 700 | 1,600 | 900 | (C) |
| Dues, subscriptions | 175 | 175 | - | |
| Supervision Allocation | 77,461 | 83,875 | 6,414 | (D) |
| Annual Independent Audit | 2,500 | 2,500 | - | |
| Total Administrative Expenditures: | \$ 96,286 | \$ 102,700 | \$ 6,414 | |
| Plan Authorized Expenditures | | | | |
| Unallocated Plan Authorized Expenditures | \$ 2,172,171 | \$ 2,841,538 | \$ 669,367 | (E) |
| Total Plan Authorized Expenditures: | \$ 2,172,171 | \$ 2,841,538 | \$ 669,367 | |
| Total Expenditures: | <u>\$ 2,268,457</u> | <u>\$ 2,944,238</u> | <u>\$ 675,781</u> | |

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
KING SOUDEL TAX INCREMENT DISTRICT GSK (FUND 10805)
2023/24 CRA BOARD APPROVED BUDGET**

Revenue

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

| | | |
|--------------------------------------------|------------------------------|-------|
| Base Year | <u>2008</u> | |
| Preliminary Taxable Values | 335,389,599 | |
| Less Taxable Value in Base Year | <u>71,064,917</u> | |
| Taxable Value Incremental Increases | <u>\$ 264,324,682</u> | |
| | | |
| Taxable Value Percentage Increases | 371.9% | |
| Operating Millage Rates | 11.3169 | mills |
| Collection Rate | 95.0% | |

Total Revenue \$ 2,841,769

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

Expenditures

- (C) \$900 has been shifted from Travel to Employee Training to allow greater number of participants to attend an annual conference that is being held locally in FY 2023/24.
- (D) This amount represents the administrative costs of the CRA which are allocated from the Office of Economic Development. The increase is primarily due to a realignment of the cost distribution within the Office of Economic Development following the sunset of the JIA CRA.
- (E) This amount represents the balance of budgeted revenue in excess of budgeted expenditures, which can be reallocated by the CRA Board at a future date.

Recommendation

None

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

| | |
|-----------------|---------------|
| REVENUES | FY24 Proposed |
|-----------------|---------------|

| | | |
|-----------------|-----------------|-----------|
| Property Taxes | | 2,841,769 |
| Interest Income | | 102,469 |
| | Total Revenues: | 2,944,238 |

| | |
|---------------------|---------------|
| EXPENDITURES | FY24 Proposed |
|---------------------|---------------|

| | | |
|------------------------------------------|-------------------------------------|-----------|
| Administrative Expenditures | | |
| Other Professional Services | | 1,000 |
| Travel Expense | | 1,000 |
| Local Mileage | | 150 |
| Advertising and Promotion | | 1,000 |
| ISA-OGC Legal | | 10,900 |
| Office Supplies - Other | | 500 |
| Dues and Subscriptions | | 175 |
| Employee Training Expenses | | 1,600 |
| Supervision Allocated | | 83,875 |
| Annual Independent Audit | | 2,500 |
| | Total Administrative Expenditures: | 102,700 |
| Plan Authorized Expenditures | | |
| Unallocated Plan Authorized Expenditures | | 2,841,538 |
| | Total Plan Authorized Expenditures: | 2,841,538 |
| | Total Expenditures: | 2,944,238 |

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
RENEW ARLINGTON TAX INCREMENT DISTRICT GSRA (FUND 10806)
2023/24 CRA BOARD APPROVED BUDGET
BUDGET BOOK REFERENCE - Page #48-49**

| | <u>2022/23 APPROVED BUDGET</u> | <u>2023/24 PROPOSED BUDGET</u> | <u>INCREASE/ (DECREASE)</u> | <u>Footnote</u> |
|----------------------------------------------------------------|----------------------------------------|----------------------------------------|---------------------------------|-----------------|
| REVENUE | | | | |
| Property Taxes | \$ 2,322,803 | \$ 2,751,244 | \$ 428,441 | (A) |
| Interest Income | 50,004 | 150,647 | 100,643 | (B) |
| Total Revenue: | <u><u>\$ 2,372,807</u></u> | <u><u>\$ 2,901,891</u></u> | <u><u>\$ 529,084</u></u> | |
| EXPENDITURES | | | | |
| Administrative Expenditures | | | | |
| Part-Time Salaries | \$ 79,181 | \$ 81,161 | \$ 1,980 | (C) |
| Medicare | 1,149 | 1,177 | 28 | |
| Professional and Contractual Services | 1,000 | 1,000 | - | |
| Travel | 1,900 | 1,000 | (900) | (D) |
| Local Mileage | 150 | 150 | - | |
| OGC Internal Service | 30,000 | 20,000 | (10,000) | (E) |
| General Liability Insurance | 387 | 377 | (10) | |
| Advertising and Promotion | 3,000 | 1,000 | (2,000) | (E) |
| Office Supplies | 500 | 500 | - | |
| Employee Training | 700 | 1,600 | 900 | (D) |
| Dues, Subscriptions | 175 | 175 | - | |
| Supervision Allocation | 93,550 | 112,029 | 18,479 | (F) |
| Annual Independent Audit | 2,500 | 2,500 | - | |
| Total Administrative Expenditures: | <u>\$ 214,192</u> | <u>\$ 222,669</u> | <u>\$ 8,477</u> | |
| Financial Obligations | | | | |
| Infrastructure Development Grant College Park (CRA-2021-02) | \$ 400,000 | \$ 400,000 | \$ - | (G) |
| Total Administrative Expenditures: | <u>\$ 400,000</u> | <u>\$ 400,000</u> | <u>\$ -</u> | |
| Plan Authorized Expenditures | | | | |
| Unallocated Plan Authorized Projects | \$ 1,758,615 | \$ 2,279,222 | \$ 520,607 | (H) |
| Total Expenditures: | <u><u>\$ 2,372,807</u></u> | <u><u>\$ 2,901,891</u></u> | <u><u>\$ 529,084</u></u> | |

**COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE
RENEW ARLINGTON TAX INCREMENT DISTRICT GSRA (FUND 10806)
2023/24 CRA BOARD APPROVED BUDGET**

Revenue

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

| | | |
|--------------------------------------------|-----------------------|-------|
| Base Year | 2015 | |
| Preliminary Taxable Values | \$ 466,246,899 | |
| Less Taxable Value in Base Year | 210,342,375 | |
| Taxable Value Incremental Increases | \$ 255,904,524 | |
| Taxable Value Percentage Increases | 121.7% | |
| Operating Millage Rates | 11.3169 | mills |
| Collection Rate | 95.0% | |
| Total Revenue | \$ 2,751,244 | |

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

Expenditures

- (C) The increase of \$1,980 is mainly due to the impact of collective bargaining increases.
- (D) \$900 has been shifted from Travel to Employee Training to allow a greater number of participants to attend an annual conference that is being held locally in FY 2023/24.
- (E) Decrease is due to a reduction in anticipated usage in FY 2023/24.
- (F) This amount represents the administrative costs of the CRA which are allocated from the Office of Economic Development. The increase is primarily due to a realignment of the cost distribution within the Office of Economic Development following the sunset of the JIA CRA.
- (G) In FY 2020/21 the CRA Board approved a \$2,000,000 Infrastructure Development Grant (TID) for 903 University Blvd LLC. to develop mixed-use commercial and residential property at the former site of the Town and County Shopping Center. The \$400,000 represents the third of five equal annual instalments.
- (H) This amount represents the balance of budgeted revenue in excess of budgeted expenditures, which can be reallocated by the CRA Board at a future date.

Recommendation

None

**ARLINGTON AREA CRA TRUST
FUND 10806**

| REVENUES | | FY24 Proposed |
|------------------------------------------|-------------------------------------|------------------|
| Property Taxes | | 2,751,244 |
| Interest Income | | 150,647 |
| | Total Revenues: | <u>2,901,891</u> |
| EXPENDITURES | | FY24 Proposed |
| Administrative Expenditures | | |
| Salaries Part Time | | 81,161 |
| Medicare Tax | | 1,177 |
| Other Professional Services | | 1,000 |
| Travel Expense | | 1,000 |
| Local Mileage | | 150 |
| General Liability Insurance | | 377 |
| Advertising and Promotion | | 1,000 |
| ISA-OGC Legal | | 20,000 |
| Office Supplies - Other | | 500 |
| Dues and Subscriptions | | 175 |
| Employee Training Expenses | | 1,600 |
| Supervision Allocated | | 112,029 |
| Annual Independent Audit | | 2,500 |
| | Total Administrative Expenditures: | <u>222,669</u> |
| Financial Obligations | | |
| Infrastructure Development Grant | | |
| College Park (CRA-2021-06) | | 400,000 |
| | Total Financial Obligations: | <u>400,000</u> |
| Plan Authorized Expenditures | | |
| Unallocated Plan Authorized Expenditures | | 2,279,222 |
| | Total Plan Authorized Expenditures: | <u>2,279,222</u> |
| | Total Expenditures: | <u>2,901,891</u> |

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

PROPOSED BUDGET BOOK - Page # 191-193

BACKGROUND:

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

EXPENDITURES:

1. Salaries:

- The increase of \$31,226 is due to an increase of \$29,587 in permanent and probationary salaries mainly due to the impact of collective bargaining increases and funding being added back for the Administrative Support Assistant position that was unfunded for FY 2022/23. These increases are partially offset by employee turnover.

2. Pension Costs:

- The increase of \$49,119 is mainly the result of the increase in the required contribution to the defined benefit plan.

3. Internal Service Charges:

- The increase of \$7,861 is mainly due to an increase of \$4,448 in computer systems and maintenance and an increase of \$3,314 in legal charges based on actual usage.

4. Grants, Aids, & Contributions:

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

5. Supervision Allocation:

- This amount represents administrative costs that are being allocated to the Cecil Commerce Center Fund (Fund 11312) and two Community Redevelopment Area (CRA) funds for which the department provides staff support. The CRAs include the King/Soutel CRA (Fund 10805) and the Renew Arlington CRA (Fund 10806). The amount allocated out went from \$404,145 to \$351,234 based on the JIA CRA sunseting.

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

PROPOSED BUDGET BOOK - Page # 191-193

FOOD AND BEVERAGE EXPENDITURES:

| FY 2023/24 Proposed | Description of each Service/Event that requires the purchase of food/beverage | Explanation that the Service/Event serves a public purpose |
|------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| \$200 | Coffee for meetings with prospects. | To further redevelopment efforts in Jacksonville to promote job creation and private capital investment. |

EMPLOYEE CAP CHANGES:

The employee cap remained at 13 positions, but funding was added back for one position that was unfunded in FY 2022/23.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2023/24 BUDGET
CECIL COMMERCE CENTER (FUND 11312)**

PROPOSED BUDGET BOOK - Page # 194-195

BACKGROUND:

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

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

REVENUES:

1. Miscellaneous Revenue:

- The increase of \$665,970 is due to an increase of \$640,640 in gains/loss on the sale of real property related to an “all years” adjustment to appropriate actual revenue earned in previous years and is being used to balance the fund, and an increase of \$25,330 in rental revenue related to anticipated earnings from leasing of City facilities located at the Cecil Commerce Center.

2. Investment Pool/Interest Earnings:

- The proposed amount is based on the anticipated interest earnings in FY 2023/24.

EXPENDITURES:

1. Insurance Cost and Premiums:

- The increase of \$71,132 in miscellaneous insurance is mainly due to an overall increase in property insurance premium costs.

2. Professional and Contractual Services:

- This funding is associated with the building and property maintenance contract at Cecil Commerce Center. The previous contract ended July 31, 2023, and a new contract was awarded to the same vendor. The increase of \$247,558 is attributable to the contract covering a 14-month period to better align with the City’s fiscal year.

(Continues on Next Page)

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2023/24 BUDGET
 CECIL COMMERCE CENTER (FUND 11312)**

PROPOSED BUDGET BOOK - Page # 194-195

3. Other Operating Expenses:

- The decrease of \$53,747 is mainly attributable to the Amazon project being paid in full and the Grace Aerospace project being terminated in FY 2022/23. Below is a schedule of grants paid from this fund.

| Company Name | Grant Type | FY 2022/23 Approved Budget | FY 2023/24 Proposed Budget |
|---------------------|-------------------|-------------------------------------------|-------------------------------------------|
| General Electric | EDME | \$ 200,000 | \$ 200,000 |
| Amazon | QTI | \$ 48,750 | \$ - |
| Grace AeroSpace | QTI | \$ 5,000 | \$ - |
| JinkoSolar | QTI | \$ 47,500 | \$ 47,500 |
| Total | | \$ 301,250 | \$ 247,500 |

4. Debt Management Fund Repayments:

- The \$405,000 represents a \$280,000 interest payment on a Debt Management Fund loan being used to fund the remediation of wetland areas at Cecil Commerce Center (Ordinance 2023-212-E) and a \$125,000 interest payment on a Debt Management Fund loan being used to fund the construction of certain water and sewer infrastructure improvements to support the extension of Logistics Lane Road at the Cecil Commerce Center (Ordinance 2023-310-E).

5. Supervision Allocation:

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

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.

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

PROPOSED BUDGET BOOK – Page # 172 - 174

BACKGROUND:

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

REVENUE:

1. Charges for Services:

- This mainly represents revenue from animal licenses and siltation inspection fees. The slight decrease is to better align with recent actuals.

2. Fines and Forfeits:

- The increase of \$116,986 is based on increased recent actuals. This represents revenue from various civil fines and penalties.

3. Miscellaneous Revenue:

- The revenue includes miscellaneous sales and charges related to inspection fees in the Municipal Code Compliance Division.

EXPENDITURES:

1. Salaries:

- The net increase of \$429,009 is mainly due to a net increase of \$358,376 in permanent salaries and \$78,166 in part-time pay. The permanent salaries increase was due to increases and pay adjustments during FY 2022/23 (\$172,598) and the impact of collective bargaining increases (\$254,402), which were partially offset by the transfer out of one position to the Finance and Administration Department during FY 2022/23 (\$68,624). The increase in part-time pay was related to increases for Animal Care and Protective Services.

2. Pension Costs:

- The net increase of \$147,163 is mainly due to the salary increases noted above and an increase in the required contributions.

3. Internal Service Charges:

- The net increase of \$550,626 is mainly due to an increase of \$300,000 in information technology system development to build system requirements for a new lien tracking system. The system is expected to require an additional \$500,000 in future years to complete. There are also increases of \$190,746 in the guard service allocation mainly due to the addition of guard service at the Animal Shelter and \$126,324 in OGC legal costs due to an increase in recent actual usage by the Department. These increases are partially offset by a decrease of \$108,095 in vehicle replacement costs due to more vehicles being paid back to the Vehicle Replacement Fund from this fund.

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

PROPOSED BUDGET BOOK – Page # 172 - 174

4. Insurance Costs and Premiums – Allocations
 - The increase of \$159,226 is due to an increase in miscellaneous insurance due to an increase in the overall property insurance cost, as well as an increase in general liability insurance due to an overall increase in the cost of recent claims.

5. Professional and Contractual Services
 - The increase of \$87,756 is mainly due to a one-time enhancement to provide an additional year of start-up funding for the Jacksonville Community Land Trust (increased by \$100,000 to \$350,000).

6. Grants, Aids and Contributions:
 - This amount of \$400,000 represents funding to LISC for management and oversight of the Community Development Corporation Organization Development Grants. This program is focused on reducing crime havens through real estate development and community building and engagement efforts.

DIVISION CHANGES:

| Division | FY 2022/23 Adopted | FY 2023/24 Proposed | % Change from FY23 | \$ Change from FY23 | |
|--------------------------------------|-----------------------|------------------------|-----------------------|------------------------|-----|
| Animal Care & Protective Services | \$ 4,799,810 | \$ 5,426,557 | 13.1% | \$ 626,747 | (A) |
| Municipal Code and Compliance | 7,071,293 | 7,491,001 | 5.9% | 419,708 | (B) |
| Housing & Community Development | 112,963 | 108,654 | -3.8% | -4,309 | |
| Environmental-Quality Division | 3,606,840 | 3,845,162 | 6.6% | 238,322 | (C) |
| Mosquito Control | 2,351,485 | 2,433,871 | 3.5% | 82,386 | (D) |
| Neighborhoods Office of the Director | 4,825,854 | 4,783,617 | -0.9% | -42,237 | |
| Department Total | \$ 22,768,245 | \$ 24,088,862 | 5.8% | \$ 1,320,617 | |

- A. The increase of \$626,747 in the Animal Care & Protective Services Division is mainly due to the following increases:
 - \$191,222 in guard service allocation due to the addition of guard service at the Animal Shelter
 - \$186,230 in permanent salaries due to the impact of increasing the starting pay of several positions and collective bargaining increases
 - \$112,265 in miscellaneous insurance due to an increase in the overall property insurance cost
 - \$73,198 in part-time salaries to reflect the actual level of part-time staffing.

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

PROPOSED BUDGET BOOK – Page # 172 - 174

- B. The increase of \$419,708 in the Municipal Code and Compliance Division is mainly due to the following increases:
- \$300,000 in information technology system development to build system requirements for a new lien tracking system. The system is expected to require an additional \$500,000 in future years to complete.
 - \$93,983 in OGC legal costs due to an increase in recent actual usage
 - \$58,386 in permanent salaries due to the impact of collective bargaining increases
- The above increases were partially offset by a decrease of \$45,574 in vehicle replacement costs due to more vehicles being paid back to the Vehicle Replacement Fund in full.
- C. The increase of \$238,322 in the Environmental-Quality Division is mainly due to an increase of \$157,256 in pension costs due to an increase in the required contribution and an increase of \$105,030 in permanent salaries due to the impact of collective bargaining and other salary increases during FY 2022/23.
- D. The increase of \$82,386 in the Mosquito Control Division is mainly due to an increase of \$64,062 in permanent salaries due to the impact of collective bargaining increases and raising the minimum pay for various positions during FY 2022/23.

(Continued on Next Page)

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

PROPOSED BUDGET BOOK – Page # 172 - 174

SCHEDULE B1 GRANTS:

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

| Grantor | Grant Name | Grant Description | \$2,487,138 | \$15,300 | 31 | 5,200 |
|--------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|---------------|-----------------|
| Grantor | Grant Name | Grant Description | Estimated Grant Award | In Kind Contribution | FTE Positions | Part Time Hours |
| Dept of Homeland Security | Monitoring Demonstration Study (Air) | Funding for two staff members assigned to this account to perform various air pollution monitoring within Duval County in accordance with requirements outlined by the Department of Homeland Security. | \$297,879 | \$0 | 0 | 0 |
| FL Dept of Environmental Protection | Gas Storage Tank Cleanup | Funding for program management of the cleanup of petroleum contaminated sites within Duval County and surrounding counties. This grant aids in protecting the drinking water sources from petroleum contamination. This program addresses leaking storage tanks and the sites affect every Council district and socioeconomic area. EQD administers contractor cleanup of over 400 contaminated sites. | \$1,661,608 | \$0 | 22 | 5,200 |
| FL Dept of Environmental Protection | Gas Storage Tank Inspection | Funding to perform inspections of covered facilities to ensure compliance with State regulation regarding leak detection, upgrades, tank and distribution replacements and financial responsibility (insurance). Faced with over 25,000 leaking underground storage tanks in the late 1980s, Florida established an Inland Protection Trust Fund to clean up historical spills. | \$421,990 | \$0 | 8 | 0 |
| U.S. Environmental Protection Agency | Particulate Matter 103 Grant | Funding to operate an ambient air quality monitoring network for particulate matter 2.5 microns or less. Staff in this activity operates standard and continuous monitoring for this pollutant. All data collected at these sites must comply with EPA's Quality Assurance Plan. | \$85,661 | \$0 | 1 | 0 |
| Florida Department of Transportation | Litter Control and Prevention Grant - Clean It Up Green It Up | Promotion of Great American Cleanup/Drive It Home-Keep Our Paradise Litter Free Trash Off. Provides funding for cleanup supplies and materials for community and countywide cleanups. | \$15,000 | \$15,000 | 0 | 0 |
| Florida Inland Navigation District | Water Way Cleanup Program | Neighborhood Cleanup Support - Organized volunteer groups cleaning public rights-of-ways or other public areas are eligible for planning assistance and free support materials, such as bags and gloves. Annual Community Cleanups; Adopt-A-Road. Groups make a long-term commitment to perform monthly cleanups on city roadways and Litter Free Events. | \$5,000 | \$300 | 0 | 0 |

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

PROPOSED BUDGET BOOK – Page # 172 - 174

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

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

EMPLOYEE CAP CHANGES:

The authorized employee cap is decreasing by 1 position to 209 positions due to one position being transferred to the Grants and Contract Compliance Division of the Finance and Administration Department.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2023/24 BUDGET
NEIGHBORHOODS
MOSQUITO CONTROL - STATE (FUND 00112)**

PROPOSED BUDGET BOOK – Page # 175 - 176

BACKGROUND:

The Mosquito Control – State Fund is mandated by Florida Statute section 388.261 to administer mosquito control activities within the county. The proposed budget for the Mosquito Control Division in FY 2023/24 will continue to support efforts to control the population of mosquitoes and help reduce mosquito borne illnesses in Duval County. This fund only represents the state funding.

The City is required by Florida Statute section 388.311 to budget prior year unexpended state funds for mosquito control operations. This is done through separate legislation. For fiscal year 2022/23, Ordinance 2023-272-E appropriated \$99,597 of available fund balance. If there is any remaining fund balance at the end of this fiscal year, it will need to be appropriated in FY 2023/24.

REVENUE:

1. Intergovernmental Revenue
 - The amount of \$78,579 is the estimated revenue from the Florida Department of Agriculture and Consumer Services.
2. Investment Pool/Interest Earnings
 - The \$2,328 is based on expected investment pool earnings in FY 2023/24.
3. Transfer from Fund Balance
 - No transfer from fund balance is needed to balance the budget in FY 2023/24.

EXPENDITURES:

1. Other Operating Expenses
 - This amount represents funding for operating expenses including travel, repairs and maintenance, supplies, dues and subscriptions, and employee training. The increase of \$26,677 is to balance the budget.

SERVICE LEVEL CHANGES:

There are no significant service level changes.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this fund.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
NEIGHBORHOODS
AIR POLLUTION TAG FEE (FUND 10201)**

PROPOSED BUDGET BOOK – Page # 177 - 179

BACKGROUND:

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

REVENUES:

1. State Shared Revenue:

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

EXPENDITURES:

1. Salaries:

- The increase of \$29,324 is due to the impact of collective bargaining increases, salary increases during FY 2022/23, and employee turnover.

2. Pension Costs:

- The increase of \$8,038 is mainly due to an increase in the required contribution to the defined benefit plan and the impact of collective bargaining increases.

3. Professional and Contractual Services

- The decrease of \$55,483 is related to a one-time funding for the replacement of an air monitoring shelter in FY 2022/23.

4. Capital Outlay

- This amount is funding for the purchase of air monitoring equipment. The decrease of \$17,065 is to balance the budget.

5. Indirect Cost

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

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2023/24 BUDGET
NEIGHBORHOODS
SPAY AND NEUTER TRUST FUND (FUND 11501)**

PROPOSED BUDGET BOOK – Page #180 - 181

BACKGROUND:

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

REVENUE:

1. Charges for Services:
 - The amount of \$811,720 represents a portion of the animal license and permits as well as animal adoption fees charged by the Animal Care and Protective Services. This increase is to better align with recent collection.
2. Fines and Forfeits:
 - The amount of \$15,000 represents deposits forfeited by individuals who do not spay or neuter their pets. This decrease is to better align with recent collection.
3. Transfers From Other Funds:
 - The amount of \$229,345 represents the subsidy from the General Fund/General Services District Fund (00111) to balance the budget.

EXPENDITURES:

1. Salaries
 - The increase of \$6,702 is due to the impact of collective bargaining increases and a salary increase.
2. Employer Provided Benefits
 - The increase of \$1,253 is due to employee election changes.
3. Professional and Contractual Services:
 - The amount of \$941,402 mainly represents funding for First Coast No More Homeless Pets (\$532,402) and Jacksonville Humane Society (\$400,000). First Coast No More Homeless Pets administers low-cost spay and neuter services. The Jacksonville Humane Society administers an animal control transfer program focused on serving dogs and cats within Duval County. This funds transportation and analysis of animals to Jacksonville Humane Society for rehabilitation, alteration spay/neuter, and total care.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
NEIGHBORHOODS
SPAY AND NEUTER TRUST FUND (FUND 11501)**

PROPOSED BUDGET BOOK – Page #180 - 181

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2023/24 BUDGET
NEIGHBORHOODS
VETERINARY SERVICES (FUND 15106)**

PROPOSED BUDGET BOOK – Page #182 - 183

BACKGROUND

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

REVENUES:

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

EXPENDITURES:

1. Other Operating Expenditures:
 - This represents the appropriation for pharmaceutical drugs for the treatment of animals.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no employees in this sub-fund.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2023/24 BUDGET
NEIGHBORHOODS
HAZARDOUS WASTE PROGRAM (FUND 15302)**

PROPOSED BUDGET BOOK – Page # 184 - 186

BACKGROUND:

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

REVENUE:

1. Charges for Services
 - This represents hazardous waste fees and the projected increase is to better align with FY 2022/23 performance.
2. Investment Pool/Interest Earnings
 - The amount of \$8,613 is the projected investment pool earnings for FY 2023/24.
3. Transfers from Fund Balance
 - The amount of \$37,654 is being appropriated to balance the fund.

EXPENDITURES:

1. Salaries
 - The increase of \$4,932 is due to the impact of collective bargaining increases.
2. Pension Costs
 - The net decrease of \$3,088 is to align the budget with required pension contributions.
3. Employer Provided Benefits
 - The net decrease of \$3,329 is due to employee election changes in group hospitalization.
4. Internal Service Charges
 - The decrease of \$23,667 is mostly due to a decrease in information technology charges for application maintenance of the Enterprise Document Management System performed in FY 2022/23 and a decrease in vehicle replacement costs related to the cost of a vehicle being paid back to the Vehicle Replacement Fund.
5. Other Operating Expenses
 - The decrease of \$3,150 is due to the movement of costs for an annual software subscription from this fund to ITD.
6. Indirect Cost:
 - This amount is based on the allocation of costs to operate central services of the City (e.g., Finance and Administration, Employee Services and City Council) as calculated by the City’s independent consulting firm.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
NEIGHBORHOODS
HAZARDOUS WASTE PROGRAM (FUND 15302)**

PROPOSED BUDGET BOOK – Page # 184 - 186

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no changes to the employee cap.

RECOMMENDATION:

None.

**Jacksonville Housing Finance Authority
FY 2023/24 Proposed Budget**

| | FY 2022/2023 | | FY 2023/2024 | | Change From FY23 | |
|--------------------------------------------|-------------------|-------------------|--------------|--------------------|------------------|--|
| | Approved | Proposed | Percent | Dollar | | |
| Estimated Revenues: | | | | | | |
| 361101 Investment Pool Earnings | \$ 40,000 | \$ 40,000 | 0% | \$ - | (a) | |
| 361110 Mortgage Interest Income | \$ 10,000 | \$ 35,000 | 250% | \$ 25,000 | (b) | |
| 361420 Realized Gain-Loss On Investments | \$ 130,000 | \$ 80,000 | -38% | \$ (50,000) | (c) | |
| 369050 Miscellaneous Sales and Charges | \$ 18,000 | \$ 18,900 | 5% | \$ 900 | | |
| 385020 Bond Issuer Fees | \$ 280,000 | \$ 325,316 | 16% | \$ 45,316 | (d) | |
| 385040 Bond Application Fee | 40,000 | 50,000 | 25% | \$ 10,000 | (e) | |
| Total Estimated Revenues | \$ 518,000 | \$ 549,216 | 6% | \$ 31,216 | | |
| Estimated Expenditures: | | | | | | |
| Personnel * | | | | | | |
| 512010 Permanent and Probationary Salaries | \$ 106,207 | \$ 78,267 | -26% | \$ (27,940) | (f) | |
| 515110 Special Pay - Pensionable | \$ 4,230 | \$ 1,558 | -63% | \$ (2,672) | | |
| 521020 Medicare Tax | \$ 1,601 | \$ 1,206 | -25% | \$ (395) | | |
| 522010 Pension Contribution | \$ 3,780 | \$ 1,892 | -50% | \$ (1,888) | | |
| 522011 GEPP DB Unfunded Liability | \$ 5,821 | \$ 6,052 | 4% | \$ 231 | | |
| 522070 Diasability Trust Fund-ER | \$ 900 | \$ 1,005 | 12% | \$ 105 | | |
| 522130 GEPP Defined Contribution DC-ER | \$ - | \$ 9,387 | N/A | \$ 9,387 | (g) | |
| 523030 Group Life Insurance | \$ 520 | \$ 622 | 20% | \$ 102 | | |
| 523040 Group Hospitalization Insurance | \$ 17,850 | \$ 7,165 | -60% | \$ (10,685) | (h) | |
| Total Personnel | \$ 140,909 | \$ 107,154 | -24% | \$ (33,755) | | |
| Operating Expenses | | | | | | |
| 531090 Other Professional Services | \$ 160,000 | \$ 300,000 | 88% | \$ 140,000 | (i) | |
| 540020 Travel Expense | \$ 11,000 | \$ 8,000 | -27% | \$ (3,000) | | |
| 548010 Advertising and Promotion | \$ 3,000 | \$ 1,200 | -60% | \$ (1,800) | | |
| 549040 Miscellaneous Services & Charges | \$ 38,000 | \$ 18,300 | -52% | \$ (19,700) | (j) | |
| 549510 ISA-Computer Sys Maint&Security | \$ 3,500 | \$ 3,500 | 0% | \$ - | | |
| 549512 ISA-Copy Center | \$ 1,600 | \$ 1,850 | 16% | \$ 250 | | |
| 549529 ISA-Mailroom Charge | \$ 1,850 | \$ 1,100 | -41% | \$ (750) | | |
| 549532 ISA-OGC Legal | \$ 88,000 | \$ 62,000 | -30% | \$ (26,000) | (k) | |
| 549507 ISA-Building Allocation - Ed Ball | \$ 14,000 | \$ 14,000 | 0% | \$ - | | |
| 551010 Office Supplies - Other | \$ 3,000 | \$ 10 | -100% | \$ (2,990) | | |
| 552060 Food | \$ 3,400 | \$ 1,750 | -49% | \$ (1,650) | | |
| 552290 Computer Software/Items | \$ 21,000 | \$ 7,000 | -67% | \$ (14,000) | (l) | |
| 554001 Dues and Subscriptions | \$ 11,000 | \$ 9,000 | -18% | \$ (2,000) | | |
| 555001 Employee Training Expenses | \$ 9,500 | \$ 4,500 | -53% | \$ (5,000) | | |
| Total Operating Expenses | \$ 368,850 | \$ 432,210 | 17% | \$ 63,360 | | |
| Other Expenses | | | | | | |
| 564030 Office Equipment | \$ 1 | \$ 1 | 0% | \$ - | | |
| 599031 Indirect Cost - General Government | \$ 8,240 | \$ 9,850 | 20% | \$ 1,610 | (m) | |
| Total Other Expenses | \$ 8,241 | \$ 9,851 | 20% | \$ 1,610 | | |
| Total Estimated Expenditures | \$ 518,000 | \$ 549,215 | 6% | \$ 31,215 | | |

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

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2023/24 BUDGET
JACKSONVILLE HOUSING FINANCE AUTHORITY
HOUSING FINANCE AUTHORITY (FUND 81101)**

BACKGROUND:

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

Ordinance 2023-492 has been introduced to change some of the structure of JHFA. One of the proposed changes is that JHFA would get its own independent financial audit. Part of the increase in budget is related to the cost of that audit.

ESTIMATED REVENUES:

- a. Investment Pool Earnings:
 - The \$40,000 is the anticipated interest earnings for FY 2023/24.
- b. Mortgage Interest Income:
 - The increase of \$25,000 is based on increased recent actuals.
- c. Realized Gain-Loss On Investments:
 - The decrease of \$50,000 is based on increased recent actuals.
- d. Bond Issuer Fees:
 - The increase of \$45,316 is based on increased recent actuals.
- e. Bond Application Fee:
 - The increase of \$10,000 is based on recent actuals.

ESTIMATED EXPENDITURES:

- f. Permanent and Probationary Salaries:
 - The decrease of \$27,940 is mainly due to employee turnover and an adjustment to the salary allocation.
- g. GEPP Defined Contribution DC-ER
 - The addition of \$9,387 is to reflect the actual expense incurred for this line item based on the pension plan of the employees allocated to JHFA.
- h. Group Hospitalization Insurance
 - The decrease of \$10,685 is due to employee election changes and the change in allocations.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2023/24 BUDGET
 JACKSONVILLE HOUSING FINANCE AUTHORITY
 HOUSING FINANCE AUTHORITY (FUND 81101)**

- i. Other Professional Services:
 - The increase of \$140,000 is to procure audit, investing, and accounting services. The Housing Authority is seeking to outsource these services currently performed by the City to an external provider.
- j. Miscellaneous Services & Charges:
 - This account is utilized to balance the budget.
- k. ISA-OGC Legal:
 - The decrease of \$26,000 is to better align with recent actual usage.
- l. Computer Software/Items:
 - The decrease of \$14,000 is related to a one-time update to the Housing Authority’s mortgage software in FY 2022/23.
- m. Indirect Cost – General Government:
 - The increase of \$1,610 is based on the Housing Authority using a modified indirect cost rate.

FOOD AND BEVERAGES EXPENDITURES:

| 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 |
|------------------|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| \$ 1,750 | Board of Directors monthly meetings | Board members are not employees of COJ. Volunteers from the public. |

SERVICE LEVEL CHANGES:

There is no change in service level.

AUTHORIZED POSITION CAP:

There are no authorized employees in this fund.

RECOMMENDATIONS:

We recommend the following:

1. Correct Total Personnel to state \$107,154 instead of \$107,155 and add \$1 to Miscellaneous Services & Charges expense to balance the budget.
2. Allow us to correct account names on the schedule.

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

**Jacksonville Housing Finance Authority
FY 2024 Budget**

Estimated Revenues:

| | | |
|------------------------------------------|-----------|-----------------------|
| 361101 Investment Pool Earnings | \$ | 40,000 |
| 361110 Mortgage Interest Income | | 35,000 |
| 361420 Realized Gain-Loss On Investments | | 80,000 |
| 369050 Miscellaneous Sales and Charges | | 18,900 |
| 385020 Bond Issuer Fees | | 325,316 |
| 385040 Bond Application Fees | | 50,000 |
| Total Estimated Revenues | \$ | <u>549,216</u> |

Estimated Expenditures:

Personnel *

| | | |
|--------------------------------------------|-----------|-----------------------|
| 512010 Permanent and Probationary Salaries | \$ | 78,267 |
| 515110 Special Pay - Pensionable | | 1,558 |
| 521020 Medicare Tax | | 1,206 |
| 522010 Pension Contribution | | 1,892 |
| 522011 GEPP DB Unfunded Liability | | 6,052 |
| 522070 Diasability Trust Fund-ER | | 1,005 |
| 522130 GEPP Defined Contribution DC-ER | | 9,387 |
| 523030 Group Life Insurance | | 622 |
| 523040 Group Hospitalization Insurance | | 7,165 |
| Total Personnel | \$ | <u>107,154</u> |

Operating Expenses

| | | |
|------------------------------------------|-----------|-----------------------|
| 531090 Other Professional Services | \$ | 300,000 |
| 540020 Travel Expense | | 8,000 |
| 548010 Advertising and Promotion | | 1,200 |
| 549040 Miscellaneous Services & Charges | | 18,301 |
| 549510 ISA-Computer Sys Maint&Security | | 3,500 |
| 549512 ISA-Copy Center | | 1,850 |
| 549529 ISA-Mailroom Charge | | 1,100 |
| 549532 ISA-OGC Legal | | 62,000 |
| 549507 ISA-Building Allocation - Ed Ball | | 14,000 |
| 551010 Office Supplies - Other | | 10 |
| 552060 Food | | 1,750 |
| 552290 Computer Software/Items | | 7,000 |
| 554001 Dues and Subscriptions | | 9,000 |
| 555001 Employee Training Expenses | | 4,500 |
| Total Operating Expenses | \$ | <u>432,211</u> |

Other Expenses

| | | |
|-------------------------------------------|-----------|-----------------------|
| 564030 Office Equipment | \$ | 1 |
| 599031 Indirect Cost - General Government | | 9,850 |
| Total Other Expenses | \$ | <u>9,851</u> |
| Total Estimated Expenditures | \$ | <u>549,216</u> |

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