

OFFICE OF THE COUNCIL AUDITOR

FY 2024/2025 PROPOSED BUDGET

FINANCE COMMITTEE MEMBERS

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Meeting #6
August 22, 2024

**COUNCIL AUDITOR'S OFFICE
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**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2024/25 BUDGET
RISK MANAGEMENT DIVISION
SELF-INSURANCE (FUND 56101)**

PROPOSED BUDGET BOOK - Page #123-125

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 \$35,365 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 \$1,809,972 is based on anticipated earnings in FY 2024/25.
5. Transfers from Fund Balance:
 - This represents the amount needed to fund ergonomic assessment costs of \$100,000 net of billings to customers.

EXPENDITURES:

1. Salaries:
 - The net decrease of \$22,435 is mainly due to employee turnover with new hires at a lower salary rate.
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 2024/25.
3. Pension Costs:
 - The decrease of \$22,232 in required pension contribution is due to employee turnover.
4. Internal Service Charges:
 - The net increase of \$14,908 is mainly due to an increase of \$7,546 in vehicle replacement costs and an increase of \$6,372 in ergonomic assessment costs allocated to this fund.

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COMMENTS AND RECOMMENDATIONS
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RISK MANAGEMENT DIVISION
SELF-INSURANCE (FUND 56101)**

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5. Insurance Costs and Premiums:
 - This represents the costs and premiums for the City's general liability, auto liability and workers compensation programs. The net increase of \$9,925,151 is due to an increase of \$13,506,059 related to heart and hypertension offset slightly by a decrease of \$4,536,285 related regular workers compensation. Heart and hypertension cases are exclusively related to JSO and JFRD employees.
6. Insurance Costs and Premiums – Allocations:
 - The net increase of \$34,311 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.
7. Professional and Contractual Services:
 - The decrease of \$91,217 is mainly due to a decrease of \$189,217 in the contract for managed health care and other reporting requirements related to workers' compensation recipients. This was somewhat offset by the addition of \$98,000 in other professional services related to the JFRD in-house physical therapy and injury prevention program.
8. Other Operating Expenses:
 - The decrease of \$95,000 is primarily due to a decrease of \$50,000 in furniture and equipment associated with ergonomic assessment costs and a decrease of \$45,000 in State fee assessment for workers' compensation based on prior year actuals.
9. Supervision Allocation:
 - This amount represents the cost of the administrative staff housed in the Insured Programs Fund (56301) that is allocated to this fund.
10. Indirect Cost:
 - This is an allocation of costs to operate the 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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COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
RISK MANAGEMENT DIVISION
SELF-INSURANCE (FUND 56101)**

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SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
RISK MANAGEMENT DIVISION
INSURED PROGRAMS (FUND 56301)**

PROPOSED BUDGET BOOK - Page # 126-128

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 decrease of \$90,371 is due to an overall decrease in the costs of the insurance policies based on current year actuals.
3. Investment Pool / Interest Earnings:
 - The increase of \$104,433 is based on the anticipated earnings in FY 2024/25.
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 decrease of \$9,943 is mainly due to employee turnover.
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 2024/25.
3. Pension Costs:
 - The increase of \$23,668 is due to an overall increase in the required contributions.
4. Internal Service Charges:
 - The increase of \$8,534 is mainly due to an increase of \$6,953 in ITD costs for the replacement of 8 computers and an increase of \$3,696 in legal charges based on recent usage.
5. Insurance Costs and Premiums:
 - The net decrease of \$28,617 is mainly due to a decrease in property, auto, and cyber liability insurance premiums to better align with the actual costs of the policies in FY 2023/24, offset by increases in the excess workers compensation and Special Events.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2024/25 BUDGET
 RISK MANAGEMENT DIVISION
 INSURED PROGRAMS (FUND 56301)**

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Insurance Policy	FY 2023/24 Actual	FY2023/24 Approved Budget	FY2024/25 Proposed Budget	Dollar Budget Change	% Budget Change
Property	12,008,172	13,741,054	13,568,251	(172,803)	-1%
Excess WC Policy	1,865,293	1,867,935	2,051,822	183,887	10%
Special Events - City	261,672	112,126	255,522	143,396	128%
General Liability Auto	886,560	1,050,048	917,590	(132,458)	-13%
Cyber Liability	290,110	413,845	304,616	(109,229)	-26%

6. Professional and Contractual Services:

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

7. Other Operating Expenses:

- The increase of \$49,970 is mainly due to an increase in the operating and maintenance cost of DriveCams and to purchase new DriveCams.

8. Supervision Allocation:

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

9. 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:

None.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
EMPLOYEE SERVICES
GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 101 - 103

BACKGROUND:

The Employee Services Department consists of three divisions, which includes Employee & Labor Relations, Talent Management, and Compensation and Benefits. The Compensation and Benefits activity is housed in the Group Health fund (56201).

REVENUES:

1. Miscellaneous Revenue:
 - This represents the expected revenue due to public records requests and subpoenas.

EXPENDITURES:

1. Salaries:
 - The net increase of \$17,836 is mainly a result of employee turnover.
2. Pension Costs:
 - The net increase of \$106,211 is mainly due to an increase in the required contribution to the pension fund.
3. Internal Service Charges:
 - The net decrease of \$375,253 is mainly due to a decrease of \$416,043 in OGC Legal costs due to a decrease in average actual usage and the removal of the additional cost for FY 23/24 related to collective bargaining. This was slightly offset by an increase of \$39,038 in computer system maintenance and security costs due to an increase in IT service charges for the HR/Payroll system, directory services, and the Time and Attendance System (TAS).
4. Professional and Contractual Services:
 - This amount includes \$944,193 for professional services mainly related to occupational health and medical services, consultant services for JFRD promotional exams, and software licenses for the City's applicant tracking system. It also includes \$146,000 related to background screening and drug testing. The increase of \$39,363 is primarily due to an increase of \$20,000 associated with drug testing and \$13,291 associated with the applicant tracking system.
5. Other Operating Expenses:
 - This amount includes \$695,000 for tuition reimbursement, of which \$375,000 is budgeted for JFRD (IAFF), \$200,000 is budgeted for non-public safety employees, and \$120,000 is budgeted for JSO (FOP).
6. Supervision Allocation:
 - This amount represents the allocation of a portion of the salary and benefits costs for a position within Group Health (Fund 56201) who also provides support to the defined contribution pension plan, which is a General Fund/General Services District function.

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 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2024/25 BUDGET
 EMPLOYEE SERVICES
 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 101 - 103

DIVISION CHANGES:

Division	FY 2023/24 Approved	FY 2024/25 Proposed	Change Amount	Change %	
Benefits	\$0	\$4,232	\$4,232	N/A	A
Employee & Labor Relations	\$1,378,000	\$1,406,132	\$28,132	2.0%	B
Office of Director	666,498	685,739	19,241	2.9%	C
Talent Management	6,555,536	6,294,776	(260,760)	(4.1%)	D
Department Total	\$8,600,034	\$8,390,879	(\$209,155)	(2.5%)	

- A. The increase of \$4,232 is due to an increase in internal service charge allocations associated with the replacement of some computers by ITD.
- B. The net increase of \$28,132 in the Employee & Labor Relations Division is mainly due to an increase of \$48,972 in pension costs due to an increase in required contributions. This is partially offset by a decrease of \$16,937 in OGC legal allocation to be align with recent usage.
- C. The increase of \$19,241 in the Office of Director Division is primarily due to an increase for computer systems maintenance and security related to the HR/Payroll system, directory services, and the Time and Attendance System (TAS).
- D. The net decrease of \$260,760 is mainly due to a decrease of \$399,106 in OGC legal fees allocated to this area mainly due to the removal of additional funding in FY 23/24 related to collective bargaining. This is partially offset by increases of:
- \$57,650 in pension costs due to an increase in the required contribution to the pension fund.
 - \$39,363 in professional and contractual services associated with the applicant tracking system and drug testing.
 - \$19,122 in salaries due to employee turnover.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
EMPLOYEE SERVICES
GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

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COMMENT:

Municode section 129.101(c)(6) requires Employee Services to conduct a pay study for appointed employees and officials every four years. This study is required during FY 24/25. Completion of the pay study would require \$75,000, which was not included in the proposed FY2024/25 budget. This is because Employee Services is working with OGC to propose legislation that would remove this requirement from the Municipal Code.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
GENERAL TRUST & AGENCY (FUND 11528)**

PROPOSED BUDGET BOOK - Page # 104 - 105

BACKGROUND:

This subfund was established by 2016-8-E to replace the City Wellness and Fitness Fund (S/F 1H9) which was put in place to account for annual contributions to fund the City's Wellness and Fitness Program. Pursuant to Sec. 111.471 of the municipal code, the funding can be used for fitness activities, wellness programs, equipment, biometric testing services, rewards programs, and all other products and services deemed necessary, including the services of an independent contractor to manage the programs.

During FY 2021/22, passage of 2021-822-E added the Mental Health Offender Program to this fund. The purpose of this program is to provide funding to alleviate the traditional criminal justice system from incarcerating misdemeanor offenders who exhibit mental illness by providing services directly related to behavioral health.

REVENUE:

1. Miscellaneous Revenue:

- The \$200,000 is the contribution from Florida Blue for the city wellness and fitness program pursuant to the City's health insurance contract.

2. Transfers from Other Funds:

- The \$200,000 is a transfer from the General Fund/General Services District to provide funding for the Mental Health Offender Program. The decrease of \$400,000 is a removal of additional funding provided in FY 2023/24 for the Mental Health Offender Program.

EXPENDITURES:

1. Professional and Contractual Services:

- \$200,000 of the proposed funding is being appropriated to fund wellness and fitness program expenditures, while \$200,000 is related to expenditures for the Mental Health Offender Program. The decrease of \$400,000 is due to the removal of additional funding provided in FY 2023/24 as described above.

EMPLOYEE CAP CHANGES:

There are no positions in this fund.

SERVICE LEVEL CHANGES:

There is a reduction of \$400,000 in funding for the Mental Health Offender Program.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
EMPLOYEE SERVICES DEPARTMENT
GROUP HEALTH (FUND 56201)**

PROPOSED BUDGET BOOK - Page # 106 - 108

BACKGROUND:

This Internal Service Fund provides for the costs of group health, life insurance and other types of employee insurances. On January 1, 2015, the City moved to being partially self-insured for group health pursuant to Ordinance 2014-546-E. The City's specific stop loss coverage is currently \$800,000 per claim. The City remains fully insured for the other insurances. As of January 1, 2020, FOP and IAFF members moved to their own health, dental, and vision plan managed by the unions. This has resulted in the employee portion of the contribution (for the FOP and IAFF) no longer flowing through this fund, but the employer portion does.

The Administration has stated that Group health and vision rates are not expected to increase at the start of the calendar year. However, dental rates are increasing by 6% due to the rate cap in the contract and life insurance rates are slightly decreasing.

REVENUE:

1. Charges for Services:

- The net increase of \$32,122,193 is primarily due to health plan premiums revenue being significantly overstated by \$29,406,379 (employer contribution \$19,303,200 and employee contribution \$10,103,179). There are no changes in rates for the health plans so there is not a basis to increase the revenue. **See Recommendation.** The increase is also due to an increase in the amount that is required to be contributed to the IAFF and FOP health plans.

2. Investment Pool / Interest Earnings:

- The \$703,561 represents the anticipated investment pool earnings in FY 2024/25.

3. Transfers from Fund Balance:

- A fund balance transfer was not proposed. **See Recommendation.**

EXPENDITURES:

1. Pension Costs:

- The increase of \$43,424 is due to an increase in the required contributions to the defined benefit pension plan.

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**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2024/25 BUDGET
EMPLOYEE SERVICES DEPARTMENT
GROUP HEALTH (FUND 56201)**

PROPOSED BUDGET BOOK - Page # 106 - 108

2. Insurance Costs and Premiums:

- The net increase of \$25,161,138 is primarily due to the following increases:
 - \$19,162,378 in claims related to non-public safety participants based on the prior year being reduced due to \$10 million in American Rescue Plan funding being utilized to reduce claims costs. The rest of the increase is based on increases in expenses that have occurred and are expected to occur during FY 2024/25. This increase does appear to be overstated by \$13,508,567. **See Recommendation.**
 - \$5,519,760 in the employer cost related to the FOP and IAFF plans based on the actuarial increases.
 - \$200,000 is due to an expected increase in the stop loss premium at the next renewal.
 - \$135,000 in life insurance premiums due to salary increases slightly offset by a decrease in the plan rates.

3. Professional and Contractual Services:

- The budgeted amount contains \$200,000 for the COJ Employee Wellness program costs and \$429,000 is for consulting and actuary services for the City’s self-insurance health plan, employee assistance program, the flexible spending account administrator, and affordable care act compliance.

4. Supervision Allocation:

- This amount represents the allocation of a portion of the costs associated with a position that splits time between this function and administrative work on the defined contribution plan that is charged to the General Fund/General Services District.

5. Indirect Cost:

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

EMPLOYEE CAP CHANGES:

None.

SERVICE LEVEL CHANGES:

None.

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**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
EMPLOYEE SERVICES DEPARTMENT
GROUP HEALTH (FUND 56201)**

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CONCERN:

This fund has been significantly assisted in recent years by direct contributions from the General Fund/GSD and having American Rescue Plan funds cover some claims costs.

This fund/the City is required to have two months of average claims paid per month on hand at all times pursuant to Office of Insurance Regulations standards. Based on the current projections, if actions are not taken to adjust rates or provide additional funding, it is expected that by December 31, 2025 the fund will be negative cash; however, it is required to have \$11-\$12 million on hand. The City could assign part of the Operating Reserves to avoid part of the issue, but that does not solve the problem that the fund is losing \$1-\$1.5 million each month given that the current rates are not sufficient to cover the cost of claims.

RECOMMENDATION:

In order to correct the proposed budget numbers, we recommend that revenue be reduced by \$29,406,379 based on the health plan rates not being proposed to change. This will specifically be a reduction of \$19,303,200 for the employer contribution and \$10,103,179 for the employee contribution. At the same time, health claims costs should be reduced by \$13,508,567 to better align with recent actuals.

To offset the difference between the revenue reduction and the expense reduction, there needs to be a transfer from fund balance (from within this fund) of \$15,897,812. This would remove any available fund balance within the fund and any increase in costs during the year would require separate action to provide additional funding to cover any shortfall.

This has no impact on Special Council Contingency and does not address the concern noted above.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
PLANNING AND DEVELOPMENT
GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 287-289

BACKGROUND:

The Planning and Development Department manages existing and future development within the City of Jacksonville. Matters pertaining to zoning, the comprehensive plan, concurrency, land use, various trades inspections and building codes fall within the purview of this department. The general fund portion of the Planning and Development Department consists of the Office of the Director, Community Planning and Development Division, Current Planning Division, Development Services Division, and Transportation Planning Division.

REVENUE:

1. Permits and Fees
 - This revenue relates to fees received for the collection of right-of-way permits.
2. Charges for Services
 - This revenue is made up of zoning and rezoning fees of \$790,000 and comprehensive amendment fees of \$375,000. The increase of \$25,000 is based on recent actuals.

EXPENDITURES:

1. Salaries
 - The increase of \$234,220 is primarily due to an increase of \$208,961 in permanent and probationary salaries mainly due to one new position transferred into to the Office of Director from the Office of Economic Development and the reclassification of three positions at higher rates in the Resiliency Office that were all approved during FY 2023/24. There is also an increase of \$30,927 to fund part-time salaries for a UNF intern assisting with implementing the City's resilience plan.
2. Pension Costs
 - The decrease of \$70,131 is mainly due to employee turnover and less employees within the department being on the defined benefit pension plan.
3. Employer Provided Benefits
 - The increase of \$11,815 is mainly due to the addition of one position.
4. Internal Service Charges
 - The decrease of \$208,886 is mainly due to decreases of \$249,631 in Ed ball building costs due to most of the costs being moved to Building Inspection (Fund 15104) to better reflect actual space usage amongst the department and \$21,091 in copy center costs due to a one-time increase in FY 2023/24 related to printing outreach materials. This decrease is partially offset by increases of \$29,290 in computer systems and maintenance charges related to maintaining enterprise security, GIS, and other systems used by the Planning and Development Department and \$24,713 in legal costs due to an increase in recent usage.

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 MAYOR’S PROPOSED FY 2024/25 BUDGET
 PLANNING AND DEVELOPMENT
 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 287-289

5. Professional and Contractual Services

- The decrease of \$202,500 is primarily due to a decrease in the use of floodplain review consultants as the increase in staffing levels has allowed this work to be performed in-house.

6. Other Operating Expenses

- The decrease of \$6,702 is mainly due to decreases of \$2,725 in miscellaneous services and charges, \$1,600 in travel expense, and \$1,180 in hardware and software maintenance and licenses to better align with recent actuals.

7. Supervision Allocation

- This net expense represents the allocation of a portion of the salary and benefits expenses for Development Services Division employees housed in Building Inspection (Fund 15104) that perform duties related to the Division’s activities in the General Fund/GSD (Fund 00111). This is partially offset by the allocation of expenses within the Office of the Director Division being allocated to Building Inspection (Fund 15104) and Concurrency Management (Fund 10101).

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

The employee cap is increasing from 37 positions to 38 positions, adding a Sustainability Manager position to the Office of the Director Division that was transferred in during FY 2023/24 from the Office of Economic Development.

DIVISION CHANGES:

Division	FY 2023/24 ADOPTED	FY 2024/25 PROPOSED	Change \$	%	Notes
Community Planning and Development	\$ 1,655,500	\$ 1,501,789	\$ (153,711)	-9.3%	(A)
Current Planning	1,507,690	1,466,002	(41,688)	-2.8%	(B)
Development Services	856,633	928,641	72,008	8.4%	(C)
Office of the Director	639,550	669,153	29,603	4.6%	(D)
Transportation Planning	767,886	785,043	17,157	2.2%	(E)
Department Total	\$ 5,427,259	\$ 5,350,628	\$ (76,631)	-1.4%	

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
PLANNING AND DEVELOPMENT
GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK - Page # 287-289

- A. The decrease of \$153,711 in the Community Planning and Development Division is primarily due to decreases of:
- \$53,805 in salaries due to the impact of employee turnover at lower rates.
 - \$40,189 in pension costs due to fewer employees enrolled in the defined benefit plan.
 - \$41,945 in legal costs as a result of a decrease in recent usage.
- B. The decrease of \$41,688 in the Current Planning Division is primarily due to decreases of:
- \$14,278 in pension costs due to fewer employees enrolled in the defined benefit plan.
 - \$10,809 in allocated supervision costs due to allocated expenses in the Office of the Director Division decreasing.
 - \$10,785 in salaries due to the impact of employee turnover at lower rates.
- C. The increase of \$72,008 in the Development Services Division is due to an increase in the allocated supervision costs from Building Inspection (Fund 15104) due to increasing expenses.
- D. The net expenses in the Office of the Director are related to the Resiliency Office which are housed in the Office of the Director. The net increase is due to the following changes:
- An increase of \$301,093 in salaries mainly attributable to the reclassification of three positions at higher rates and one additional position that were approved in FY 2023/24.
 - A decrease of \$121,820 in supervision costs allocated out due to expenses in the Office of the Director Division (besides the Resiliency Office) decreasing meaning less costs to allocate out.
 - A decrease of \$200,000 in professional and contractual services due to a decrease in the use of floodplain review consultants as the increase in staffing levels has allowed this work to be performed in-house.
 - A decrease of \$173,882 in internal service charges mainly due to a decrease of \$249,631 in Ed Ball building costs due to most of the costs being moved to Building Inspection (Fund 15104). This is partially offset by an increase of \$62,643 in legal costs due to an increase in recent usage.
- E. The increase of \$17,157 in the Transportation Planning Division is primarily due to increases of \$16,753 in pension costs, mainly due to an increase in the required contribution to the defined benefit plan.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
PLANNING & DEVELOPMENT
CONCURRENCY MANAGEMENT SYSTEM (FUND 10101)**

PROPOSED BUDGET BOOK - Page # 290-292

BACKGROUND:

The Concurrency and Mobility Management System Office manages the Concurrency and Mobility Management System (CMMS) which measures the potential impact of a proposed development on the adopted minimum levels of service for all public facilities (except traffic circulation and mass transit). It also manages the collection of mobility fees pertaining to traffic circulation and mass transit public facilities consistent with the 2030 Mobility Plan (as established in the 2030 Comprehensive Plan) when an application for a final development order or final development permit is submitted. The CMMS ensures that the adopted levels of service and performance standards are not degraded by the issuance of a final development order, or a final development permit. It provides the local structure for administering the state law, Chapter 163, Part II, Florida Statutes.

REVENUE:

1. Impact Fees and Special Assessments
 - The increase of \$50,000 is due to an increase in Mobility Plan Management Fees based on recent actuals.
2. Charges for Services
 - The net increase of \$21,000 is primarily due to an increase in Concurrency Management Fees based on recent actuals.
3. Investment Pool/Interest Earnings
 - The increase of \$26,397 is based on anticipated earnings in FY 2024/25.

EXPENDITURES:

1. Salaries
 - The increase of \$39,492 is mainly due to the addition of one full-time position (a City Planner II) for FY 2024/25.
2. Pension Costs
 - The increase of \$23,778 is due to an increase in the required contribution to the defined benefit pension plan as well as the additional position.
3. Employer Provided Benefits
 - The increase of \$7,359 is mainly due to the additional position.
4. Internal Service Charges
 - The increase of \$3,737 is primarily due to increases of \$1,847 for computer equipment and setup costs for the added position mentioned above and \$1,365 in Ed Ball building costs related to the CIP project to connect the building to a JEA chilled water line.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
PLANNING & DEVELOPMENT
CONCURRENCY MANAGEMENT SYSTEM (FUND 10101)**

PROPOSED BUDGET BOOK - Page # 290-292

5. Other Operating Expenses
 - The decrease of \$1,123 is due to a decrease in miscellaneous services and charges to better align with actual need.
6. Supervision Allocation:
 - This allocation is in place to reimburse the general fund for employees from the Office of the Director within the General Fund – GSD (Fund 00111) who perform a percentage of their work in this fund.
7. Indirect Cost:
 - This amount is an allocation of costs to operate central services of the City (e.g., Finance and Administration, Employee Services and City Council) as calculated by the City's independent consulting firm.
8. Cash Carryover
 - The proposed amount is the estimated excess revenue over expenditures within this fund.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

The employee cap is increasing by one from six to seven positions, adding a City Planner II position for FY 2024/25.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2024/25 BUDGET
 PLANNING AND DEVELOPMENT
 BUILDING INSPECTION (EXCLUDING FIRE RESCUE) (FUND 15104)**

PROPOSED BUDGET BOOK - Page # 293-296

	FY 23-24 ADOPTED	FY 24-25 PROPOSED	%	DOLLARS
REVENUE				
Fire and Rescue				
Charges for Services	\$1,102,893	\$1,119,650	1.5%	\$16,757
Fines and Forfeits	6,000	3,080	-48.7%	-2,920
	\$1,108,893	\$1,122,730	1.2%	\$13,837
Jax Citywide Activities				
Investment Pool / Interest Earnings	\$445,088	\$676,699	52.0%	\$231,611
Transfers from Fund Balance	694,733	4,656,182	570.2%	3,961,449
	\$1,139,821	\$5,332,881	367.9%	\$4,193,060
Planning and Development				
Permits and Fees	\$2,437,500	\$2,673,000	9.7%	\$235,500
Inspection Fees	15,761,000	15,951,000	1.2%	190,000
Charges for Services	993,550	987,600	-0.6%	-5,950
Fines and Forfeits	386,000	436,000	13.0%	50,000
Miscellaneous Revenue	50,500	62,000	22.8%	11,500
	\$19,628,550	\$20,109,600	2.5%	\$481,050
TOTAL REVENUE	\$21,877,264	\$26,565,211	21.4%	\$4,687,947

EXPENDITURES				
Fire and Rescue				
Salaries	\$1,228,982	\$1,298,197	5.6%	\$69,215
Salaries & Benefit Lapse	-1,971	-3,222	63.5%	-1,251
Pension Costs	567,517	635,308	11.9%	67,791
Employer Provided Benefits	209,813	197,332	-5.9%	-12,481
Internal Service Charges	147,477	162,408	10.1%	14,931
Insurance Costs and Premiums - Allocations	4,243	4,340	2.3%	97
Professional and Contractual Services	1	1	0.0%	0
Other Operating Expenses	15,287	15,287	0.0%	0
Capital Outlay	1	1	0.0%	0
Indirect Cost	85,431	131,603	54.0%	46,172
	\$2,256,781	\$2,441,255	8.2%	\$184,474
Planning and Development				
Salaries	\$10,285,601	\$11,252,452	9.4%	\$966,851
Salaries & Benefit Lapse	-129,446	-129,513	0.1%	-67
Pension Costs	2,757,717	3,046,891	10.5%	289,174
Employer Provided Benefits	1,837,487	1,898,981	3.3%	61,494
Internal Service Charges	2,992,137	5,139,573	71.8%	2,147,436
Insurance Costs and Premiums	518	518	0.0%	0
Insurance Costs and Premiums - Allocations	107,578	121,354	12.8%	13,776
Professional and Contractual Services	213,000	1,110,000	421.1%	897,000
Other Operating Expenses	591,139	942,679	59.5%	351,540
Capital Outlay	1	1	0.0%	0
Supervision Allocation	20,451	-146,054	-814.2%	-166,505
Indirect Cost	944,300	887,074	-6.1%	-57,226
	\$19,620,483	\$24,123,956	23.0%	\$4,503,473
TOTAL EXPENDITURES	\$21,877,264	\$26,565,211	21.4%	\$4,687,947

AUTHORIZED POSITION CAP	FY 23-24 ADOPTED	FY 24-25 PROPOSED	CHANGE
Fire and Rescue	12	13	1
Planning and Development	166	176	10
Authorized Positions	178	189	11
Fire and Rescue	0	0	0
Planning and Development	6,500	9,100	2,600
Part-Time Hours	6,500	9,100	2,600

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2024/25 BUDGET
PLANNING AND DEVELOPMENT
BUILDING INSPECTION (EXCLUDING FIRE RESCUE) (FUND 15104)**

PROPOSED BUDGET BOOK - Page # 293-296

BACKGROUND:

The Building Inspection fund accounts for the finances of the Building Inspection Division within the Planning and Development Department, and to a lesser degree, the finances of the Fire Plans Review section of the Jacksonville Fire and Rescue Department. The Building Inspection Division is responsible for ensuring that existing and future developments and construction comply with the Florida Building Code and local ordinances. The Division’s primary roles are to ensure the safety of buildings and related landscapes by performing inspections and enforcing building, electrical, plumbing, mechanical, and other related City codes. In addition, the Division performs reviews of various permit applications and plans examination.

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

REVENUE:

Jax Citywide Activities

1. Investment Pool / Interest Earnings
 - The increase of \$231,611 is based on projected returns in FY 2024/25.
2. Transfer From Fund Balance
 - There is a proposed transfer from fund balance of \$4,656,182 to balance the fund.

Planning and Development

3. Permits and Fees
 - The increase of \$235,500 is primarily due to an increase of \$200,000 in building permit review fees to align the budget with anticipated revenue and recent actuals.
4. Inspection Fees
 - The net increase of \$190,000 is due to increases of \$100,000 in electrical inspection fee revenue and \$100,000 in mechanical inspection fee revenue. The increases are to align the budget with anticipated revenue and recent actuals.
5. Fines and Forfeits
 - The increase of \$50,000 is primarily due to an increase of \$40,000 in code violation fines to align the budget with anticipated revenue and recent actuals.

EXPENDITURES:

Planning and Development

1. Salaries
 - The increase of \$966,851 is mainly due to increases of \$555,386 in permanent and probationary salaries related to the impact of ten positions added in FY 2023/24 and \$346,402 in part-time salaries related to an additional 2,600 part-time hours to retain retired employees and additional plan reviewers.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
PLANNING AND DEVELOPMENT
BUILDING INSPECTION (EXCLUDING FIRE RESCUE) (FUND 15104)**

PROPOSED BUDGET BOOK - Page # 293-296

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 2024/25.
3. Pension Costs
 - The increase of \$289,174 is mainly due to an increase in the required contribution to the defined benefit pension plan and due to the ten additional positions.
4. Employer Provided Benefits
 - The increase of \$61,494 is mainly due to an increase in health insurance costs due to the ten new positions.
5. Internal Service Charges
 - The increase of \$2,147,436 is mainly due to increases of:
 - \$1,131,382 in computer system maintenance and security costs primarily related to six ITD employees that will be working on the JAXEPICS system maintenance project and is being billed directly to Building Inspection (Fund 15104). **See recommendation.**
 - \$481,937 in Ed Ball building costs mainly due to costs being moved from the Office of the Director Division (Fund 00111) to Building Inspection (Fund 15104) to better reflect actual space usage amongst the department as well as a increase due to the chilled water project at the Ed Ball building.
 - \$325,072 in vehicle replacement charges due to the replacement of vehicles being purchased and paid in full in FY 2024/25.
 - \$106,821 in legal charges due to an increase in recent usage.
 - \$57,838 in IT costs related to the replacement of 43 computers.
6. Insurance Costs and Premiums – Allocations
 - The increase of \$13,776 is mainly due to an increase in the allocation of DriveCam costs due to an increase in the number of vehicles with DriveCams installed.
7. Professional and Contractual Services
 - The increase of \$897,000 is due to an increase of \$935,000 in other professional services to add funding for outsourced plan reviews. This is partially offset by the removal of \$38,000 for contractual services that funded the build out of two offices in FY 2023/24.
8. Other Operating Expenses
 - The increase of \$351,540 is mainly due to the one-time funding of renovations and security improvements to the permitting space in the Ed Ball building.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2024/25 BUDGET
 PLANNING AND DEVELOPMENT
 BUILDING INSPECTION (EXCLUDING FIRE RESCUE) (FUND 15104)**

PROPOSED BUDGET BOOK - Page # 293-296

9. Supervision Allocation

- The allocation includes the salary and benefits expenses for Development Services Division employees housed in Building Inspection (Fund 15104) that perform duties related to the Division’s activities in the General Fund/GSD (Fund 00111). This offset by expenses within the Office of the Director Division (Fund 00111) being allocated to Building Inspection (Fund 15104) and Concurrency Management (Fund 10101). The decrease of \$166,505 is due to allocated expenses in the Office of the Director Division decreasing while allocated expenses in Building Inspection (Fund 15104) have increased.

10. 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.

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
\$300	Building Officials Association of FL (BOAF) training	Maintains job-related certifications for staff (Continued Education Credits or CEU's are earned)

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

The employee cap for Planning and Development Building Inspections is increasing by 10 from 166 positions to 176 positions based on Ordinance 2024-81-E.

RECOMMENDATION:

We recommend reducing the computer system maintenance and security costs by \$427,707 based on more recent estimates of maintenance costs (the original estimates were made shortly after the JAXEPICS system was implemented). This will be offset by reducing the transfer from fund balance by \$427,707. This will also result in a change in the revenue for the IT Operations Fund (53101), reducing the revenue from the Building Inspection (15104) fund and increasing the revenue from the System Development Fund (53106), which has the budgetary capacity for the expense due to it being an “all years” fund.

This will have no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
STATE, FEDERAL, AND OTHER GRANT PROGRAMS
SCHEDULES B1a, B1b & B1c**

BACKGROUND:

The State, Federal, and Other Grant Programs is a list of grants attached to the budget ordinance as Schedules B1a, B1b and B1c. Below is a brief explanation of each of the schedules.

- **Schedule B1a:** Represents continuing multi-year grants or recurring grants which the City applies for annually and for which the City anticipates securing. These grants require no City match. Any additional grant funding that becomes available during the term of the grant or during any extension of the grant can be appropriated. These grants are not appropriated until a grant award has been received and MBRC approval of the Budget Revision is obtained. The Director of Finance is authorized to make the necessary accounting adjustments to reflect the actual grant revenues received without further Council approval.
- **Schedule B1b:** Represents continuation grants that require a City match. An additional \$20,000 or 10% of the grant match funds, whichever is greater, is also approved for these grants if the additional funding becomes available during the term of the grant or during any extension of the grant. These grants are not appropriated until a grant award has been received and MBRC approval of the Budget Revision is obtained. The Director of Finance is authorized to make the necessary accounting adjustments to reflect the actual grant revenues received without further Council approval.
- **Schedule B1c:** Represents Florida Inland Navigation District (FIND) grants. These grants are not appropriated until a grant award contract has been received and MBRC approval of the Budget Revision is obtained.

RECOMMENDATION:

We request ability to correct scrivener's as needed.

The following pages include the Revised Schedules B1a based on the revisions approved throughout the hearings, as well as the B1b and B1c Schedules as introduced.

Schedule of Continuation Grants / Programs With No City Match

Additional Appropriation Language:

There is also appropriated from and to such accounts, for the purposes stated herein, any additional grant funds, to the extent the same becomes available during the term of the grant, and during any permissible extension of the grant term.

\$25,223,668 \$0 \$440,300 67 6,032

				2024-504-E Schedule of Continuation Grants				
City Department/ Division	Grantor	Grant Name	Grant Description	Estimated Grant Award	Total Match Requested	In Kind Contribution	FTE Positions	Part Time Hours
Court Administration	Department of Health & Human Services	SAMHSA Adult Drug Court Enhancement Program 9/30/23 - 9/29/28	2023-866-E Grant will expand the substance and use disorder (SUD) treatment and recovery support services of the program.	\$399,353	\$0	\$0	0	0
Finance Department - Grants Office	Department of Justice	Edward Byrne Memorial - Justice Assistance Grant 10/1/20-09/30/25	Grant funding appropriated on 2022-168-E. Positions authorized through 9/30/24 and listed here for transparency.	\$0	\$0	\$0	5	0
Finance Department - Grants Office	Department of Justice	Edward Byrne Memorial - Justice Assistance Grant 10/1/22-09/30/26	Grant funding appropriated on 2024-200-E. Positions authorized through 9/30/26 and listed here for transparency.	\$0	\$0	\$0	5	0
Finance Department - Grants Office	Department of Justice	Edward Byrne Memorial - Justice Assistance Grant 10/1/21-09/30/25	Grant funding appropriated on 2022-504-E B1a. Position authorized through 9/30/25 and listed here for transparency.	\$0	\$0	\$0	1	0
Finance Department - Grants Office	Department of Justice	Community Based Violence Intervention and Prevention Grant 10/1/22 - 9/30/25	2023-188-E: Program goal is to centralize all violence prevention and intervention initiatives in Jacksonville to one location to reduce and prevent violence in a historically marginalized neighborhood and support City's efforts to train staff and participants, an secure wrap-around services to high-risk individuals and their families.	\$2,000,000	\$0	\$0	1	0
Jacksonville Sheriff's Office	Department of Homeland Security	State Homeland Security Grant Program	To purchase prevention and response equipment, maintenance, and training that will help mitigate identified gaps in domestic security and enhance capability levels as assessed in the State Preparedness Report	\$220,000	\$0	\$0	2	0
Jacksonville Sheriff's Office	Department of Justice	Bulletproof Vest Partnership Program	A reimbursement for up to 50% of the cost of body armor vests purchased for law enforcement officers.	\$100,000	\$0	\$100,000	0	0
Jacksonville Sheriff's Office	Department of Justice	State Criminal Alien Assistance Program - SCAAP	Provides federal payments to localities that incurred correctional officer salary costs for incarcerating a specific population of individuals.	\$75,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Federal Railroad Administration	Railroad Trespassing Enforcement	Funds overtime for officers to conduct deployments along rail rights-of-way in an effort to reduce injuries and fatalities.	\$100,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Florida Department of Education	Coach Aaron Feis Guardian Program	Program will provide funding to background screen and train School Guardians (School Safety Assistants) for Duval County Public Schools and Duval County Charter Schools.	\$150,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Florida Department of Law Enforcement	Criminal Justice Training	Funding exclusively for advanced and specialized training for law enforcement and correctional officers and for administrative costs as approved by the FDLE Criminal Justice Standards and Training Commission (CJSTC), in accordance with Chapter 943.25 Florida Statutes	\$250,000	\$0	\$0	0	0

				2024-504-E Schedule of Continuation Grants				
City Department/ Division	Grantor	Grant Name	Grant Description	Estimated Grant Award	Total Match Requested	In Kind Contribution	FTE Positions	Part Time Hours
Jacksonville Sheriff's Office	Florida Department of Law Enforcement	DUI Enforcement Project	Covers the cost of overtime for officers to conduct additional DUI Enforcement activities, and the supplies/equipment to support these activities.	\$175,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Florida Department of Law Enforcement	JAG - Public Safety Analyst Project	Funding for training, travel, equipment, and one crime analyst position. Maintaining this project will assist JSO with information sharing on cross-jurisdictional criminal activity and intelligence to all jurisdictions located within Duval County.	\$100,000	\$0	\$0	1	0
Jacksonville Sheriff's Office	Florida Department of Law Enforcement	JAG - Public Safety Analyst Project	Funding for training, travel, equipment, and one crime analyst position. Maintaining this project will assist JSO with information sharing on cross-jurisdictional criminal activity and intelligence to all jurisdictions located within Duval County.	\$100,000	\$0	\$0	1	0
Jacksonville Sheriff's Office	Florida Department of Law Enforcement	Prison Rape Elimination Act	Program provides funding for training, supplies, and equipment necessary to comply with the Prison Rape Elimination Act.	\$60,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Florida Department of Law Enforcement	SMART Motorcycle Program	Provides funds for overtime, supplies, and equipment to reduce motorcycle-related crashes and fatalities by providing training on safe motorcycle operation.	\$50,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Florida Department of Law Enforcement	Speed and Aggressive Driving Enforcement	Covers the cost of overtime for officers to conduct additional enforcement activities to deter speed and aggressive driving, as well as the supplies/equipment needed to support these activities.	\$300,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Florida Department of Transportation	High Visibility Enforcement Bicycle & Pedestrian Safety Campaign	Fund overtime for officers to conduct bicycle and pedestrian safety deployments in targeted hot-spots to educate and enforce safe pedestrian, bicyclist and driver behaviors.	\$175,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Florida Office of Attorney General	Victims of Crime Act - VOCA	Fund victim advocate positions, supplies, training, travel, and equipment to provide services to victims following an act of crime.	\$200,000	\$0	\$0	2	0
Jacksonville Sheriff's Office	Walmart	Local Grant Program	To purchase supplies and equipment to enhance Homeland Security efforts.	\$2,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Florida Department of Law Enforcement	State Financial Assistance for Fentanyl Eradication in Florida	Provides funds to investigate fentanyl-related cases as approved by FDLE.	\$750,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Florida Department of Transportation	Occupant Safety	Provides overtime for officers to conduct deployments that encourage seat belt use.	\$100,000	\$0	\$0	0	0
Jacksonville Sheriff's Office	Florida Alliance to End Human Trafficking	Human Trafficking Grant Program	Provides funds for technology to assist with human trafficking investigations.	\$100,000	\$0	\$0	0	0
JFRD	Department of Homeland Security	Urban Areas Security Initiative Grant	2024-169-E: Grant will purchase equipment, provide training, planning and the conducting of exercises in the event of a terrorist incident	\$1,346,340	\$0	\$0	3	0
JFRD - Emergency Preparedness	Department of Health & Human Services	EMS County Award	Funding to enhance and improve pre-hospital emergency medical services to the citizens of Duval County.	\$105,000	\$0	\$0	0	0
JFRD - Emergency Preparedness	Department of Homeland Security	Emergency Management Performance Grant - EMPG	Federal funds awarded through the State's Emergency Management Division to local jurisdictions to prepare for catastrophic events.	\$200,000	\$0	\$200,000	0	0

				2024-504-E Schedule of Continuation Grants				
City Department/ Division	Grantor	Grant Name	Grant Description	Estimated Grant Award	Total Match Requested	In Kind Contribution	FTE Positions	Part Time Hours
JFRD - Emergency Preparedness	Department of Homeland Security	State Homeland Security Grant Program - SHSGP: Sustainment HazMat	Funds to improve the ability of Duval County first responders/receivers to prevent and respond to chemical, biological, radiological, or nuclear incidents.	\$95,000	\$0	\$0	0	0
JFRD - Emergency Preparedness	Department of Homeland Security	State Homeland Security Grant Program - SHSGP: USAR Sustainment Task Force	Funds to improve the ability of Duval County first responders/receivers to prevent and respond to chemical, biological, radiological, or nuclear incidents.	\$340,000	\$0	\$0	0	0
JFRD - Emergency Preparedness	Department of Homeland Security	State Homeland Security Grant Program - SHSGP: USAR - MARC	2023-566-E: Funds to provide interoperability of disparate communication systems and technologies during responses to all hazards emergencies	\$68,000	\$0	\$0	0	0
JFRD - Emergency Preparedness	Executive Office of the Governor	Emergency Management Preparedness Assistance - EMPA	Funds created by the Florida Legislature in 1993 to implement necessary improvements in the emergency management programs statewide, These funds benefit preparation for catastrophic events throughout Duval County.	\$125,000	\$0	\$125,000	3	0
JFRD - Emergency Preparedness	FEMA	Regional Catastrophic Preparedness Grant Program - RCPGP	2023-801-E: Fund a comprehensive risk analysis study to evaluate the qualitative and quantitative impacts of extreme temperatures on critical and social infrastructure.	\$1,000,000	\$0	\$0	0	0
JFRD - Rescue	Florida Department of Health	Florida's Coordinated Opioid Response Initiative - CORE	Implement CORE activities to provide individuals enrolled in the program medication assisted therapy services using specialized EMS protocols for overdose and acute withdrawal to minimize precipitating symptoms.	\$300,000	\$0	\$0	0	0
Medical Examiner's Office	Florida Department of Law Enforcement	Paul Coverdell Forensic Science Improvement	Forensic Science Improvement Grant Program	\$3,000	\$0	\$0	0	0
Military Affairs and Veterans	Department of Commerce	Defense Infrastructure Grant - Florida Defense Alliance 07/1/23-06/30/26	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.	\$2,580,100	\$0	\$0	0	0
Military Affairs and Veterans	Department of Commerce	Defense Infrastructure Grant - Florida Defense Support Task Force 07/1/23-06/30/26	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
Military Affairs and Veterans	Department of Commerce	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
Military Affairs and Veterans	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	3	0

				2024-504-E Schedule of Continuation Grants				
City Department/ Division	Grantor	Grant Name	Grant Description	Estimated Grant Award	Total Match Requested	In Kind Contribution	FTE Positions	Part Time Hours
Military Affairs and Veterans	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	0	0
Military Affairs and Veterans	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
Neighborhoods - Environmental Quality	Department 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	2	0
Neighborhoods - Environmental Quality	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	\$0	22	5,200
Neighborhoods - Environmental Quality	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	\$0	8	0
Neighborhoods - Environmental Quality	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	\$0	1	0
Neighborhoods - Mosquito Control	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	\$0	\$15,000	0	0
Neighborhoods - Mosquito Control	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	\$0	\$300	0	0
Parks, Rec and Community Services	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

				2024-504-E Schedule of Continuation Grants				
City Department/ Division	Grantor	Grant Name	Grant Description	Estimated Grant Award	Total Match Requested	In Kind Contribution	FTE Positions	Part Time Hours
Parks, Rec and Community Svcs: Social Services	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
Parks, Rec and Community Svcs: Social Services	Department of HHS	Ryan White Part A	Health Resources and Services Administration - HIV/AIDS Programs	\$6,500,000	\$0	\$0	5	832
Parks, Rec and Community Svcs: Social Services	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
Parks, Rec and Community Svcs: Social Services	Department of Justice	JAX Victim Services Grant	2023-026-E: 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	0	0
Parks, Rec and Community Svcs: Social Services	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
Public Works - Construction Mgmt AND Neighborhoods - Environmental Quality	Florida Department of Transportation	National Pollutant Discharge Elimination System / MS4 Permit Grant	Grant will provide for Phase 1 Permit Cycle 3 requirements, which includes a Monitoring Plan. Perform stormwater discharge compliance and water quality assessments, total maximum daily load monitoring for nutrient levels in the Lower St. Johns basin, illicit discharge and improper disposal proactive inspections, and other means of monitoring the impairment of waterways.	\$380,034	\$0	\$0	0	0

Schedule of Continuation Grants / Programs With A City Match

Additional Appropriation Language:

There is also appropriated from and to such accounts, for the purposes stated herein, an additional ten percent (10%) or \$20,000, whichever is greater, of the total grant match funds, to the extent the same becomes available during the term of the grant, and during any permissible extension of the grant term. There is also appropriated from and to such accounts, for the purposes stated herein, any additional grant funds, to the extent the same becomes available during the term of the grant, and during any permissible extension of the grant term.

FY25 Request for Reserve for Federal Grant Match / Overmatch: \$6,486,268

Nutrition Services Incentive Program Match / Overmatch: \$3,058,132

JSO Federal Forfeitures Port Security Grant Program Match / Overmatch: \$150,000

Reserve for Federal Matching Grants (B1b) Net: \$3,278,136

\$12,610,851 \$2,404,088 \$4,082,180 \$6,486,268 \$98,349 121 13,000

2024-504-E Schedule of Continuation Grants

City Department/ Division	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
Jacksonville Sheriff's Office	Department of Homeland Security	Port Security Grant Program	To purchase equipment that will improve port-wide maritime security risk management, enhance maritime domain awareness, support maritime security training and exercises, and maintain maritime security mitigation protocols that support port recovery and resiliency capabilities.	\$450,000	\$150,000	\$0	\$150,000	\$0	0	0
Jacksonville Sheriff's Office	Department of Justice	Community Oriented Policing Services - COPS Hiring Program	2024-109-E: Funding to hire and rehire career law enforcement officers necessary to increase the jurisdiction's community policing capacity to prevent and disrupt crime and violence. 10/01/23-09/30/28	\$1,650,000	\$871,800	\$745,026	\$1,616,826	\$0	40	0
JFRD - Emergency Preparedness	Executive Office of the Governor	Hazard Analysis Agreement	Funding to identify and conduct on-site evaluation of facilities in Duval County that house hazardous materials.	\$11,000	\$11,000	\$40,000	\$51,000	\$0	1	0
JFRD - Emergency Preparedness	FEMA	Hazard Mitigation Grant Safe Room	Phase II construction of a hurricane safe room in Jacksonville. Phase 1 design and engineering approved / funded in FY23. FY24 CIP includes Phase II portion of the project, but funding has not been received as of this date. Phase II funding not expected until FY25.	\$6,500,000	\$650,000	\$0	\$650,000	\$0	0	0
Military Affairs and Veterans	United States Department of Labor Veterans Education and Training Service	Homeless Veterans Reintegration Program	Funding to provide case management, job training and placement, and financial support for job certifications, uniforms, and tools. Transitional housing assistance and social supports to homeless Veterans is provided along with on-going support and case management to assure job retention	\$272,000	\$30,000	\$0	\$30,000	\$0	3	1,040
Neighborhoods - Environmental Quality	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
Parks, Rec and Community Svcs: Senior Services	Americorps Seniors	Senior Companion Program	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
Parks, Rec and Community Svcs: Senior Services	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
Parks, Rec and Community Svcs: Senior Services	Corporation of National Community Services	Foster Grandparent Program of Duval County	Volunteer program for seniors (age 55+) to tutor and mentor at risk and special needs children.	\$418,335	\$7,135	\$64,215	\$71,350	\$22,884	3	1,300
Parks, Rec and Community Svcs: Senior Services	State Department of Elder Affairs /Elder Source	Jacksonville Senior Service Program - JSSP	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 program staff for 19 Centers; 26 transportation buses for services, and other operating cost within the program.	\$1,753,805	\$135,651	\$2,922,481	\$3,058,132	\$0	56	5,200

				2024-504-E Schedule of Continuation Grants						
City Department/ Division	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
Parks, Rec and Community Svcs: Senior Services	State Department of Elder Affairs /Elder Source	Jacksonville Senior Service Program - JSSP: 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
Parks, Rec and Community Svcs: Senior Services	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
Parks, Rec and Community Svcs: Social Services	DOJ / Office of the Florida Attorney General	Victims of Crime Act - VOCA	Information and Referrals for Crime Victims.	\$300,000	\$0	\$74,619	\$74,619	\$75,465	4	0

Schedule of F.I.N.D Grants And Required City Match

Council Approved Project List On: 2024-079-E

Projects are included in year one of the 5-year CIP schedule and the funds will be appropriated if the grant award is received and approved by MBRC

00111-195003-000000-00000336-00000-0000000 Account: 599100 \$2,700,000
 Other Funding: \$0

Total Contingency for F.I.N.D Grant Match (B1c): \$2,700,000

			\$2,250,000	\$2,700,000	\$4,950,000
Project	Council District	Phase	Florida Inland Navigation District (F.I.N.D)	City *	Project Total
Mike McCue Boat Ramp Bulkhead	13	Construction	\$1,600,000	\$1,920,000	\$3,520,000
Blue Cypress Park Fishing Pier	1	Construction	\$575,000	\$690,000	\$1,265,000
Wayne B. Stevens Boat Ramp Improvements	9	Design	\$75,000	\$90,000	\$165,000

* COJ costs includes 10% for Public Works internal management fees - FIND will not match these costs.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2024/25 BUDGET
KIDS HOPE ALLIANCE
KIDS HOPE ALLIANCE (FUND 10901)**

PROPOSED BUDGET BOOK - Page # 159 - 161

BACKGROUND:

Chapter 77 of the City’s Ordinance Code established the Kids Hope Alliance (KHA) to be responsible for comprehensively developing, overseeing, managing, and implementing an Essential Services Plan for Kids (“Plan”). KHA is to primarily implement and manage the children and youth programs, services, and activities permitted under the Plan through third-party service providers and other City agencies and may only perform limited services in-house as specified in the Chapter. KHA is also responsible for improving the lives of children and youth in the City by working to ensure the safety, health, employability, and self-value of the children and youth and a more secure future for the children and youth.

Chapter 77 also identifies five (5) Essential Service Categories that identify the types of programs, services, and activities that are to be included in the plan and are comprised of 1) Early Learning, Literacy and School Readiness, 2) Juvenile Justice Prevention and Intervention Programming, 3) Out-of-School Programming, 4) Pre-teen and Teen Programming, 5) Special Needs, including but not limited to Mental Health, Behavioral Health, Emotional Health, and Physical Disabilities Programming.

REVENUE:

1. Investment Pool / Interest Earnings:
 - The \$558,380 represents anticipated interest earnings based on the interest rate projected by the Treasury Division for FY 2024/25.
2. Transfer from Other Funds:
 - The \$53,693,734 represents the transfer from the General Fund / GSD (Fund 00111) to fund the Kids Hope Alliance.

EXPENDITURES:

1. Salaries:
 - The increase of \$65,357 is due to the net impact of an increase of \$238,668 in permanent and probationary salaries due to position reclassifications and salary increases, which is partially offset by a decrease of \$175,690 in part time salaries.
2. Pension Costs:
 - The increase of \$242,702 is mainly due to an increase in the required contributions to the pension plans and the salary increases noted above.
3. Employer Provided Benefits:
 - The increase of \$20,717 is mainly due to an increase in the Group Hospitalization Insurance based on employee health plan elections.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2024/25 BUDGET
 KIDS HOPE ALLIANCE
 KIDS HOPE ALLIANCE (FUND 10901)**

PROPOSED BUDGET BOOK - Page # 159 - 161

4. Debt Service:
- The \$406,355 represents the debt service payment for the Don Brewer Early Learning Center.
5. Contingencies:
- The proposed contingency amount of \$46,968,032 represents the Department’s program funding for FY 2024/25 that will be approved via separate legislation (Ordinance 2024-511) due to a voting conflict. The FY 2023/24 contingency amount of \$46,968,032 does not include additional funding of \$625,000 that was added to KHA’s budget as part of the wrap up process. Below is more detail on the funding changes across the essential service categories.

Essential Services Category	Approved FY 2023/24 Contingency	Approved FY 2023/24 Wrap Up	Approved FY 2023/24 Total	Proposed FY 2024/25 Contingency	Change		
					Dollar Amount	Percentage	
Early Learning	\$ 6,826,268	\$ 75,000	\$ 6,901,268	\$ 6,826,268	\$ (75,000)	-1.09%	A
Juvenile Justice Prevention & Intervention	3,115,169	-	3,115,169	3,115,169	-	0.00%	
Out of School	22,462,271	-	22,462,271	22,462,271	-	0.00%	
Preteen and Teen	4,211,552	350,000	4,561,552	4,211,552	(350,000)	-7.67%	B
Mayor's Youth at Work Partnership	1,300,000	-	1,300,000	1,300,000	-	0.00%	
Special Needs	9,005,245	200,000	9,205,245	9,005,245	(200,000)	-2.17%	C
Total Essential Services Programming	\$ 46,920,505	\$ 625,000	\$ 47,545,505	\$ 46,920,505	\$ (625,000)	-1.31%	
Grief and Burial	\$ 47,527	-	47,527	47,527	-	0.00%	
Total	\$ 46,968,032	\$ 625,000	\$ 47,593,032	\$ 46,968,032	\$ (625,000)	-1.31%	

- A. The decrease of \$75,000 is due to the removal of funding that was added during the FY 2023/24 budget wrap up process.
- B. The decrease of \$350,000 is due to the removal of funding that was added during the FY 2023/24 budget wrap up process.
- C. The decrease of \$200,000 is due to the removal of funding that was added during the FY 2023/24 budget wrap-up process.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED FY 2024/25 BUDGET
 KIDS HOPE ALLIANCE
 KIDS HOPE ALLIANCE (FUND 10901)**

PROPOSED BUDGET BOOK - Page # 159 - 161

6. Transfers to Other Funds:

- The \$250,000 represents:
 - a transfer of \$200,000 to the Kids Hope Alliance Trust Fund (Fund 10904) for small provider contracts.
 - a transfer of \$50,000 to the Youth Travel Trust (Fund 10905) to fund the annual appropriation for the Youth Travel Trust Fund.

FOOD AND BEVERAGES EXPENDITURES:

Description of each service / event that requires the purchase of food and/or beverages	Explanation that the service / event serves a public purpose	FY25 Proposed
Family, youth and community events held by KHA to promote its programming and services.	These events promote the programming offered by KHA providers. These services provide a positive impact to the children in Jacksonville.	\$2,500

EMPLOYEE CAP CHANGES:

None

SERVICE LEVEL CHANGES:

While funding is remaining flat except for the removal of one-time enhancements added during the FY 2023/24 budget wrap-up process, KHA anticipates the following service level changes based on other funding that it received through separate legislation that enhanced services during FY 2023/24 not being renewed in the FY 2024/25 budget.

1. Afterschool and summer seats are being reduced as a result of previous one-time funding (American Rescue Plan (ARP) and Mayor’s Task Force) not being renewed:
 - a. There will be a reduction of 425 afterschool seats without the continuation of \$1,005,157 in ARP funding that was appropriated by Ord. 2021-516-E (which was used to fund year one of the Jax Reads Pilot Program).
 - b. There will be a reduction of 575 afterschool seats and 980 summer seats without the continuation of \$1,900,000 in Mayor’s Task Force funding that was appropriated by Ord. 2023-847-E for afterschool programming/summer literacy expansion.
 - c. There will be a reduction of 150 participants in the Mayor’s Youth at Work Partnership Program without the continuation of \$1,250,000 in Mayor’s Task Force funding that was appropriated by Ord. 2023-847-E.

In addition, KHA will not be increasing the unit-of-service reimbursement rate paid to providers. As a result, providers will have to absorb the impact of the minimum wage increase and increased operating costs.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2024/25 BUDGET
KIDS HOPE ALLIANCE
KIDS HOPE ALLIANCE (FUND 10901)**

PROPOSED BUDGET BOOK - Page # 159 - 161

RECOMMENDATIONS:

We recommend reducing part time hours from 107,100 to 25,000 to align with the proposed budget for part time salaries. This will have no impact on Special Council Contingency.

Note – Schedule M is revised on the following page to reflect the corrected operating and program support amount as well as other formatting changes that we will recommend as part of 2024-511.

**Kids Hope Alliance
Comprehensive Budget-Schedule M
Fiscal Year 2024-2025**

ESTIMATED REVENUE FROM GRANTS	Grant Period	Positions & PT Hours	Federal	State	Private Sources	Total External Funds	COJ Funds (Local Match)	Total Funds
*Criminal Justice Reinvestment Grant(JJ)	10/1/2024-03/31/2025	.5 FT Staff	\$0	\$0	\$0	\$0	\$0	\$0
Department of Health & Human Services - SAMHSA-RECAST Program (JJ)	9/29/2025-9/28/2026	.5 FT Staff	\$1,000,000	\$0	\$0	\$1,000,000	\$0	\$1,000,000
Department of Justice- Project RISE Youth Program (JJ)	10/01/2024-9/30/2025	.5 FT Staff	\$300,000	\$0	\$0	\$300,000	\$32,000	\$332,000
Department of Health and Human Services- CREATE Program (SN)	09/30/2024-09/29/2025	.5 FT Staff	\$1,000,000	\$0	\$0	\$1,000,000	\$75,000	\$1,075,000
TOTAL ESTIMATED GRANT REVENUE			\$2,300,000	\$0	\$0	\$2,300,000	\$107,000	\$2,407,000

	Total Program Funding	Grant Match
Essential Service Plans:		
Early Learning Programs	\$6,826,268	
Juvenile Justice Prevention/Intervention Programs	\$3,115,169	\$32,000
Out of School Time Programs	\$22,462,271	
Preteen and Teen Programs	\$4,211,552	
Special Needs Programs	\$9,005,245	\$75,000
Grief Counseling & Burial Costs	\$47,527	
Preteen and Teen Programs - Mayor's Youth at Work Partnership	\$1,300,000	
Subtotal	\$46,968,032	\$107,000

	Total
Across All Essential Service Plans:	
Youth Travel Trust Fund	\$50,000
Kids Hope Alliance Trust Fund	\$200,000
Jacksonville Upward Mobility Program Special Revenue Fund	\$310,000
Total	\$47,528,032

KHA - Operating & Program Support Funds	\$7,034,082
Total City Funding:	\$54,562,114
Grant Funding from Above:	\$2,300,000
Total Funding Including Grants:	\$56,862,114

*KHA is requesting a 6 month no-cost extension for the Criminal Justice Reinvestment Grant (CJRG).

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2024/25 BUDGET
JACKSONVILLE UPWARD MOBILITY PROGRAM SPECIAL REVENUE FUND
(FUND 10906)**

PROPOSED BUDGET BOOK - Page # 61-62

BACKGROUND:

Ordinance 2022-886-E created a new Ordinance Code Chapter 180 and Section 111.630 to establish the Jacksonville Upward Mobility Program (JUMP) and Jacksonville Upward Mobility Program Special Revenue Fund. The purpose of JUMP is to train, educate, and maintain a sustainable local workforce. Pursuant to Section 180.104, the City shall designate an amount equal to one percent of the approved economic development agreement incentives approved during a calendar year for projects located outside of the geographical boundaries of an established Community Redevelopment Area for inclusion in the next annual budget to deposit in the Jacksonville Upward Mobility Program Special Revenue Fund. Funding within the Jacksonville Upward Mobility Program Special Revenue Fund shall be utilized for apprenticeship, pre-apprenticeship, and skilled workforce training programs for residents. The CEO of the Kids Hope Alliance shall make grant and other expenditure recommendations which will be approved by City Council through the annual budget process or other legislation.

REVENUES:

1. Transfers from Other Funds
 - This represents a transfer from the General Fund – GSD based on the calculation established in Code Section 180.104.

EXPENDITURES:

1. Other Operating Expenses
 - This represents the FY 2024/25 funding for JUMP.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no authorized positions or part-time hours in this fund.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2024/25 BUDGET
KIDS HOPE ALLIANCE
KIDS HOPE ALLIANCE TRUST (FUND 10904)**

PROPOSED BUDGET BOOK - Page # 162 - 163

BACKGROUND:

Municipal Code Section 111.850-Part A created a trust fund account to be known as the Kids Hope Alliance Trust Fund. The Chief Executive Officer ("CEO") of the Kids Hope Alliance ("Board") shall deposit into the fund all donations and contributions of money, including gifts and grants, received for use toward achieving the purposes, functions and goals set forth in the Essential Services Plan for Kids and Chapter 77, Ordinance Code. All such donations and contributions shall be accounted for separately within the fund by the CEO. All sums placed into the fund, which shall include all interest earned or accrued thereon, shall be appropriated by the Council prior to expenditure, and shall be utilized for operating, maintaining and improving the Essential Services Plan for Kids provided in Chapter 77, Ordinance Code, and to provide funding for the Board's mini-grant program, which can award grants of up to \$25,000.

REVENUES:

1. Transfer From Other Funds

- The \$200,000 is a transfer from the General Fund/GSD (Fund 00111) through the Kids Hope Alliance fund (Fund 10901).

EXPENDITURES:

1. Grants, Aids & Contributions

- This funding is to support the Essential Services Plan for Kids by providing funding for the Kids Hope Alliance to award grants to organizations that provide programs for children and youth in the Jacksonville community that are within the services, programs and activities identified in the Essential Services Categories under Chapter 77, Ordinance Code. Funding for FY 2024/25 will be used for the Emerging Provider Academy contract renewals.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

There are no positions within this fund.

RECOMMENDATION:

None.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED FY 2024/25 BUDGET
KIDS HOPE ALLIANCE
YOUTH TRAVEL TRUST FUND (FUND 10905)**

PROPOSED BUDGET BOOK - Page # 164 - 165

BACKGROUND:

Municipal Code Section 111.850 - Part B created a trust fund account to be known as the Youth Travel Trust Fund. The Board of Directors of the Kids Hope Alliance is designated as the agent of the City for the purposes of determining and authorizing the allocation of a travel grant appropriation. The board shall also deposit into the fund all donations and contributions of money, including gifts and grants, received for use toward youth travel. All such donations and contributions shall be accounted for separately within the fund. The annual appropriation to this fund may not exceed \$50,000. This is an “all years” fund. KHA Board can accept and consider requests of up to \$25,000 from an organization with this funding covering no more than 50% of the total cost.

REVENUES:

1. Transfer From Other Funds

- This amount totaling \$50,000 is a transfer from the General Fund/GSD (Fund 00111) through the Kids Hope Alliance fund (Fund 10901) and represents the annual appropriation for the Youth Travel Trust Fund, which is not to exceed \$50,000.

EXPENDITURES:

1. Grants, Aids & Contributions

- This funding is for youth travel support provided to eligible organizations based on applications submitted to the Kids Hope Alliance.

SERVICE LEVEL CHANGES:

None

EMPLOYEE CAP CHANGES:

There are no positions within this fund.

RECOMMENDATION:

None

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED 2024/25 BUDGET
PUBLIC WORKS
GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – PAGE # 311- 313

BACKGROUND:

The Public Works Department consists of the Office of the Director and seven other Divisions: Engineering and Construction Management, Mowing & Landscape Maintenance, Real Estate, Right-of-Way (R-O-W) & Stormwater Maintenance, Solid Waste, Traffic Engineering, and Public Buildings.

The Engineering and Construction Management Division’s primary responsibility is to plan and design public works projects. Mowing & Landscape Maintenance Division maintains the landscape, including grass, trees, other vegetation and irrigation, on various City owned property while managing all citywide mowing contracts for both public and private property. The Real Estate Division manages the financial aspects of the City’s real estate holdings in terms of acquisition, appraisals, disposals, inventories, and usage assessments. The R-O-W & Stormwater Maintenance Division plans and builds streets, highways and drainage facilities. The General Fund/General Services District (Fund 00111) operations of the Solid Waste Division monitor and collect litter and illegal dumping along streets and public right-of-ways with the remaining activities of the division operated separately as enterprise funds. The Traffic Engineering Division installs, maintains and regulates all street markings, signs, signals and other traffic control devices on City owned roadways. The Public Buildings activity is administered as an internal service fund.

REVENUES:

1. Intergovernmental Revenue

- The \$440,908 budget amount reflects the State of Florida Department of Transportation (FDOT) funding for mowing, litter removal, and tree trimming for public right-of-ways on State roads pursuant to contractual agreements.

2. Miscellaneous Revenue

- The increase of \$226,203 is primarily due to increased reimbursements from the FDOT for the maintenance of traffic signals of \$107,613 and streetlights of \$92,349 on State roads. These increases are the result of changes in the Maintenance and Compensation Agreements between the City of Jacksonville and the Florida Department of Transportation, which were made by the State for FY 2024/25.

EXPENDITURES:

1. Salaries

- The increase of \$468,018 is mainly due to an increase of \$290,178 in permanent and probationary salaries mainly due to a change in the way salaries are split between the General Fund/GSD (Fund 00111) and Stormwater Service (Fund 44101) and the reclass of positions at higher salaries and other salary increases. There is also an increase of \$179,830 in salaries overtime which better aligns with anticipated need.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2024/25 BUDGET
PUBLIC WORKS
GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – PAGE # 311- 313

2. Pension Costs

- The increase of \$198,533 is primarily due to an increase in the required contribution to the defined benefit plan and the salary increases noted above.

3. Employer Provided Benefits

- The increase of \$37,546 is primarily due to an increase in group health insurance due to changes in plan elections associated with employee turnover.

4. Internal Service Charges

- The net decrease of \$446,618 is mainly due to a decrease of \$483,192 in computer system maintenance and security costs due to a decrease in charges related to the Real Estate Management System and a decrease in other various ITD related charges. There is also a decrease of \$412,078 in fleet vehicle replacement costs due to the removal of costs associated with a boom mower that was replaced and fully paid for in FY 2023/24 as well as older vehicles being paid off. These decreases are offset by the following increases:
 - \$124,240 in utilities allocation based on updates to the allocation.
 - \$103,965 in ITD replacements related to 79 computers being replaced.
 - \$97,879 in building maintenance – citywide mainly due to an increase in the allocation percentage.
 - \$76,490 in building cost allocation – Ed Ball mainly due to an overall increase in costs due to the connection of the Ed Ball building to JEA's chilled water system.
 - \$74,918 in legal charges to align with actual usage.

5. Insurance Costs and Premiums

- The net increase of \$98,941 is mainly due to an increase in general liability insurance associated with an increase in prior year claims.

6. Professional and Contractual Services

- The net decrease of \$1,345,282 is mainly due to a decrease of \$1,039,791 in contractual services primarily due to a decrease in park mowing costs (fertilizations mainly) and a decrease of \$440,000 in other professional services due to the removal of one-time funding added in FY 2023/24 for a study of outfalls in district 9. These decreases are partially offset by an increase of \$134,509 in contractual services – downtown core related to contractual increases for mowing services.

7. Other Operating Expenses

- The net decrease of \$1,439,396 is mainly due to a decrease of \$1,109,153 in electricity – utility bills for street lights related to a decrease in JEA's fuel rates and a decrease of \$339,629 in JEA improvements – utilities due to the last payment for the energy and water conservation agreement with JEA being made in FY 2023/24.

**COUNCIL AUDITOR’S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR’S PROPOSED 2024/25 BUDGET
 PUBLIC WORKS
 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – PAGE # 311- 313

8. Capital Outlay

- The \$200,000 will be used for the purchase and installation of streetlights. The decrease of \$76,338 is due to the removal of a one-time enhancement added by City Council in FY 2023/24 for trash receptacles placed in San Marco.

9. Supervision Allocation

- The FY 2024/25 net negative amount of \$27,296 reflects \$322,259 charged by the Engineering and Construction Management Division to capital projects offset by \$294,963 in costs allocated from Solid Waste (fund 43101) to the General Fund/GSD (Fund 00111) for overhead costs covered in the Solid Waste Fund related to oversight of the litter pick-up and illegal dumping programs covered in the General Fund/GSD.

SERVICE LEVEL CHANGES:

During FY 2023/24 each park had fertilization services within parks quarterly. Due to the decrease in contractual services funding, the frequency of fertilizations will be reduced back to prior levels. The goal is to keep the rest of the landscaping services at the increased levels from FY 2023/24.

EMPLOYEE CAP CHANGES:

None.

DIVISION CHANGES:

DIVISION	FY 2023/24 APPROVED	FY 2024/25 PROPOSED	CHANGE		
			AMOUNT	%	
Engineering	\$ 3,951,178	\$ 4,002,388	\$ 51,210	1.3%	A
Mowing & Landscape	\$ 27,423,515	\$ 26,709,955	\$ (713,560)	(2.6%)	B
Office of the Director	\$ 3,061,575	\$ 3,005,462	\$ (56,113)	(1.8%)	C
Real Estate	\$ 1,177,958	\$ 864,270	\$ (313,688)	(26.6%)	D
R-O-W and Stormwater	\$ 11,906,525	\$ 11,674,360	\$ (232,165)	(1.9%)	E
Solid Waste	\$ 1,450,080	\$ 1,383,324	\$ (66,756)	(4.6%)	F
Traffic Engineering	\$ 21,482,996	\$ 20,283,264	\$ (1,199,732)	(5.6%)	G
TOTAL	\$ 70,453,827	\$ 67,923,023	\$ (2,530,804)	(3.6%)	

- A. The net increase of \$51,210 in the Engineering Division is primarily due to the following increases:
- \$78,611 in legal charges based on actual usage.
 - \$39,378 in building costs allocation – Ed Ball due to an overall increase in costs which is associated with the Ed Ball building being connected to JEA’s chilled water system.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2024/25 BUDGET
PUBLIC WORKS
GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

PROPOSED BUDGET BOOK – PAGE # 311- 313

- \$34,005 in pension costs mainly attributable to new employees entering the defined contribution plan.
- \$18,817 in salaries mainly due to a position being reclassified and a vacant position being filled at a higher salary.

These increases are partially offset by a decrease of \$76,338 in specialized equipment due to the removal of funding for trash receptacles that was a City Council enhancement added in FY 2023/24 and \$38,349 in computer systems maintenance and security due to a decrease in various ITD service charges including application maintenance and internet services.

- B. The net decrease of \$713,560 in the Mowing & Landscape Division is mainly due to a decrease of \$1,069,161 in contractual services mostly due to the decision to reduce funding for park mowing contractual services related to fertilization. This decrease is partially offset by the following increases:
- \$141,428 in general liability insurance which is based on prior year claims.
 - \$134,509 in contractual services – downtown core due to contractual increases.
 - \$86,852 in overtime which better aligns with actual need.
- C. The net decrease of \$56,113 in the Office of the Director Division is primarily due to a decrease of \$111,243 in computer systems maintenance and security related to a decrease in various application development projects and support and maintenance costs and a decrease of \$32,387 in general liability insurance based on recent claims. These decreases are partially offset by the following increases:
- \$28,358 in building costs – Ed Ball due to an overall increase in costs which is associated with the Ed Ball building being connected to JEA's chilled water system.
 - \$19,750 in ITD replacement costs associated with the replacement of 14 computers.
 - \$14,571 in group health insurance associated with changes in elections.
- D. The net decrease of \$313,688 in the Real Estate Division is mainly due to a decrease of \$342,563 in computer systems maintenance and security due to a decrease in charges related to the Real Estate Management System Development project. This decrease is partially offset by an increase of \$28,473 in salaries due to a position being reclassified at a higher salary.
- E. The net decrease of \$232,165 in the R-O-W and Stormwater Division is mainly due to the following decreases:
- \$440,000 in other professional services due to the removal of one-time funding related to an outfall study for District 9.
 - \$313,809 in fleet vehicle replacements due to the removal of funding associated with the replacement of a boom mower that was fully paid for in FY 2023/24.
 - \$73,747 in insurance costs and premiums – allocation mainly due to a decrease in general liability insurance which is based on prior year claims.

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 GENERAL FUND/GENERAL SERVICES DISTRICT (FUND 00111)**

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These decreases are partially offset by the following increases:

- \$236,737 in permanent and probationary salaries mainly due to a change in the way salaries are split between the General Fund/GSD (Fund 00111) and Stormwater Service (Fund 44101).
- \$157,760 in pension costs mainly due to an increase in the required contribution to the defined benefit pension plan and the salary increases noted above.
- \$86,980 in building maintenance – citywide due to an increase in the allocation percentage.
- \$60,800 in ITD replacements associated with the replacement of 55 computers.
- \$58,573 in Employer Provided Benefit costs based on health plan elections by employees.

F. The net decrease of \$66,756 in the Solid Waste’s Division is mainly due to the following decreases:

- \$29,032 in salaries overtime to better align with actual costs.
- \$26,208 in supervision allocation due to a decrease in costs being allocated.
- \$19,308 in landfill charges to better align with actual costs.

G. The net decrease of \$1,199,732 in the Traffic Engineering Division is mainly due to the following decreases:

- \$1,109,153 in electricity – utility bills for street lights mainly due to a decrease in fuel rates portion of electricity charges.
- 339,629 in JEA improvements – utilities due to the last payment associated with the JEA energy & water conservation agreement being made in FY 2023/24.

These decreases are offset by the following increases:

- \$122,010 in salaries overtime to better align with actuals.
- \$59,837 in general liability insurance due to an increase in prior year claims.

FOOD AND BEVERAGES EXPENDITURE:

FY 2024/25 Proposed	Description	Explanation
\$120	Employee Recognition Program: Funding to support employee appreciation for the purpose of employee retention & recruitment	Employee Appreciation/Retention: One employee will be selected as Public Works Employee of the Year and will be rewarded by having lunch with the Director.

RECOMMENDATION:

None.

**COUNCIL AUDITOR’S OFFICE
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PUBLIC WORKS
TREE PROTECTION & RELATED EXPENDITURES (FUND 15304)**

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BACKGROUND:

The City of Jacksonville’s Tree Protection and Related Expenditures Trust Fund provides that protected trees are required to be conserved during the clearing of land for development purposes wherever and whenever reasonably possible. To the extent that protected trees are lost or destroyed, the developer mitigates their loss or destruction by planting replacement trees or by paying a monetary contribution to the Fund. All monetary contributions are to be used exclusively for planting trees, incidental landscaping, and maintaining trees along the public rights-of-way and on public lands within Duval County. Pursuant to Municipal Code Section 111.760 the amount appropriated from these funds for tree maintenance in any fiscal year cannot exceed twenty-five percent of the budgeted amount for tree maintenance within the Public Works 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.

REVENUES:

1. Miscellaneous Revenue:

- The proposed \$573,834 budgeted for FY 2024/25 is from monetary contributions and will provide the source of funding for tree protection activities in FY 2024/25.

EXPENDITURES:

1. Other Operating Expenses:

- The proposed amount of \$479,656 is mainly for the tree maintenance that represents a 25% match of the amount budgeted in Public Works General Fund/GSD of \$1,753,066 and Stormwater Services of \$165,000.

SERVICE LEVEL CHANGES:

There is no change in service level.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

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BEACH EROSION – LOCAL (FUND 11404)**

PROPOSED BUDGET BOOK – Page # 67-68

BACKGROUND:

The Beach Erosion - Local fund is primarily governed by the Local Cooperation Agreement (established in 1978) between the Federal Government (Army Corps of Engineers) and the City of Jacksonville. The agreement provides for periodic renourishment of the County’s beaches and to maintain the design profile for a total of 50 years (through the year 2028). The State is not a party to the aforementioned agreement but has participated in previous years in each phase of beach renourishment by contributing a percentage of the “local share”. State funding is not guaranteed and is subject to State legislative approval. Total project costs are shared between federal and non-federal (County and State) funding at the level of 61.6% and 38.4%, respectively. The State of Florida covers up to 46.89% of the County and State portion.

The Local Cooperation Agreement and a related Beach Renourishment Financing Plan account for County beach renourishment projects every five (5) years. The next county beach renourishment project is scheduled to begin in FY 2028/29.

This is an “all years” fund.

REVENUE:

1. Transfers from Other Funds:

- The Transfer from Other Funds of \$500,000 is an interfund transfer from the General Fund/General Services District (Fund 00111) as part of the local-share obligations.

EXPENDITURES:

1. Other Operating Expenses:

- The \$141,000 in FY 2023/24 represented the estimated annual local cost-share of design, permitting, construction quality control and monitoring. The decrease is due to there being a sufficient “all years” balance to cover costs in FY 2024/25.

2. Cash Carryover:

- This represents the City building up reserves to cover future beach renourishment costs.

EMPLOYEE CAP CHANGES:

There are no authorized positions in this fund.

RECOMMENDATION:

None.

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PUBLIC WORKS
SOLID WASTE DISPOSAL (FUND 43101)**

PROPOSED BUDGET BOOK - Page # 316 – 318

BACKGROUND:

The Solid Waste Disposal fund accounts for solid waste disposal operations, including the collection of household and commercial waste, yard debris, recyclables, and disposal activities most notably at the Trail Ridge landfill. It is comprised of multiple activities that include Collection Administration, Downtown Collection, Residential Collection, and Disposal Operations Scale House. The fund also provides oversight for the Public Works activity of sanitation service for litter pick-up and large debris-illegal dumping within the General Fund/General Services District.

REVENUE:

1. Franchise Fees

- This represents the 17% franchise fee charged for non-residential collections. The increase of \$1,151,927 is to align with the actual revenues collected in the current fiscal year.

2. Charges for Services:

- The \$28,789,129 is mainly made up of:
 - \$12,891,563 for commercial tipping fee revenue,
 - \$7,265,764 for residential tipping fee revenue, and
 - \$6,834,839 in internal and external host fee revenue.

3. Solid Waste User Fee:

- The \$43,503,417 represents the net solid waste user fees charged to residential customers for the collection and disposal of solid waste including household trash, yard waste, recycling, and bulky items. The annual fee charged is \$151.80 (or \$12.65 per month) and has remained flat since October 1, 2010. Since this is a non-ad valorem fee, residents receive the same discounts they receive for paying property taxes early.

This fee is not charged to residents of the Beaches and Baldwin since they are assessed and pay for the collection and disposal separately. Note the General Fund/GSD does pay the tipping fees on yard waste and household trash for Baldwin and Jax Beach and for 50% of the cost of sludge for Atlantic Beach pursuant to interlocal agreements.

4. Revenue from City Agencies:

- This amount represents costs billed to City departments for the tonnage of litter and waste dumped at Trail Ridge Landfill.

5. Miscellaneous Revenue:

- The increase of \$132,759 is to better align sales of recyclables with current year revenue. This revenue stream is heavily impacted by the price of commodities.

**COUNCIL AUDITOR’S OFFICE
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 PUBLIC WORKS
 SOLID WASTE DISPOSAL (FUND 43101)**

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6. Investment Pool / Interest Earnings:

- Investment Pool Earnings of \$1,632,186 for FY 2024/25 are based on projected available cash and the interest rate projected by the Treasury Division. This was caused by the fund receiving the loan from the General Fund/GSD all in the month of October.

7. General Fund Loan:

- The \$92,984,449 represents a loan from the General Fund/General Services District (Fund 00111) required to balance revenues and expenditures. See table below with details on what makes up the total loan and **CONCERN #1** for issues surrounding the loan.

Fiscal Year	Original Loan Amount Based on Approved Budget	Actual Loan Based on Adjustments from Recapture	Reduction to Loan Due to Recapture
2017/18	\$3,058,842	\$3,058,842	\$0
2018/19	5,538,779	5,538,779	0
2019/20	4,162,443	0	4,162,443
2020/21	6,420,340	992,581	5,427,759
2021/22	7,750,065	4,250,065	3,500,000
2022/23	11,905,219	11,055,219	850,000
2023/24	31,504,940	31,504,940	TBD
2024/25	\$36,584,023	\$36,584,023	TBD
	<u>\$106,924,651</u>	<u>\$92,984,449</u>	
		<u>\$2,750,000</u>	2018-458-E end of FY 24/25
		<u>\$95,734,449</u>	Total Projected Loan End of FY 24/25

EXPENDITURES:

1. Salaries:

- The net increase of \$58,183 is primarily due to pay increases for end of probation and filling positions during FY 2024/25.

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 2024/25.

3. Pension Costs:

- The net increase of \$221,067 is primarily due to an increase in required contributions to the pension plan.

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SOLID WASTE DISPOSAL (FUND 43101)**

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4. Employer Provided Benefits:
 - The net increase of \$29,757 is primarily due to an increase of \$30,824 in the workers compensation allocation based on recent claims experience.

5. Internal Service Charges:
 - The net decrease of \$348,321 is mostly due to a decrease of \$1,047,671 in fleet vehicle replacement. This is mainly due to FY 2023/24 including the full replacement cost of 3 packers in FY 2023/24 with the full replacement cost of \$1.2 million (\$400,000 each) being budgeted to be charged completely within FY 2023/24. The decrease is partially offset by an increase of \$605,975 in fleet parts and repairs mainly based on recent usage by this fund.

6. Professional and Contractual Services:
 - The increase of \$5,496,837 is due to increases of \$3,038,500 for waste hauler collection services based on contractual CPI increases and a contingent amount for ongoing Rate Review negotiations, \$1,619,308 for recycling based on the current contract ending and budgeting based on the bids that were received, \$700,000 due to moving temporary day labor charges from Miscellaneous Services & Charges under Other Operating Expenses to this budget line and increasing the cost by \$385,000 to match actual need for laborers to help reduce overtime costs, and \$139,029 in Landfill charges due to an increase in estimated residential garbage tonnage delivered to the landfill.

7. Other Operating Expenses:
 - The net decrease of \$246,861 is due to a decrease of \$253,295 in Miscellaneous Services & Charges due to moving \$315,000 in temporary day labor charges to Professional and Contractual Services which is slightly offset by an increase of \$61,405 in JEA charges for treatment of leachate from city owned landfills.

8. Debt Management Fund Repayments:
 - The net increase of \$3,023,615 in internal loan repayments is due to new borrowing from the Debt Management Fund for recent Solid Waste CIP Projects.

9. Supervision Allocation:
 - This represents administrative costs of Solid Waste Disposal which are allocated to General Fund/General Services District (Fund 00111) activities (e.g., litter pick-up and illegal dumping).

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.

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
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SOLID WASTE DISPOSAL (FUND 43101)**

PROPOSED BUDGET BOOK - Page # 316 – 318

11. Transfers to Other Funds:

- The \$2,429,500 represents the debt service for a \$9,000,000 loan from the General Fund/General Services District (Fund 00111) pursuant to Ordinance 2018-458-E. This is made up of \$2,250,000 in principal and \$179,500 in interest payments. This will reduce the outstanding balance to \$2,750,000 and FY 2025/26 will be the final payment. This loan is separate from the operational loan.

12. Repayment of General Fund Loan:

- This is the “payback” of the amounts borrowed from the General Fund/General Services District (Fund 00111) to balance this fund and repay prior loans from FY 2017/18 through FY 2023/24 and is not a true payback of the loan. This amount plus the \$36,584,023 operational deficit in the proposed budget is being loaned from the General Fund/General Services District (Fund 00111) for a new cumulative operating loan of \$92,984,449.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

CONCERN:

As noted above, this fund does not have a balanced budget and requires an annual operating loan/subsidy from the General Fund/General Services District for the eighth straight year. The amount of the loan/subsidy is \$36.6 million for FY 24/25. Per the Office of General Counsel, due to interlocal agreements with the Beaches, these contributions from the General Fund/GSD must be treated as a loan.

In the past we have stated that since the fee is not covering the cost, then efforts need to be made to reduce the cost of the service, reduce the level of services provided, increase the fees, or address the interlocal agreement issues. Given the significant increases in waste hauler contractual costs in recent years, the only realistic solutions are to increase fees (would have a positive impact to the General Fund/GSD) or to address the interlocal agreements, which only addresses the loan being eliminated but would not address the annual subsidy of \$36.5 million that continues to increase each year based on contractual rates in the waste hauler contracts.

RECOMMENDATION:

Given that the transfer from the General Fund/GSD must be treated as a loan, we recommend that the Solid Waste fee be increased so that the fee pays for the cost of providing the services.

(Note – The timing of when the fee can increase and how the amount of the increase may impact the timing of when the increase can occur needs to be addressed by the Office of General Counsel).

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COMMENTS AND RECOMMENDATIONS
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PUBLIC WORKS
SOLID WASTE CONTAMINATION ASSESSMENT (FUND 43102)**

PROPOSED BUDGET BOOK - Page # 319-320

BACKGROUND:

The Solid Waste Division charges Internal and External Host Fees in order to fund groundwater sampling, contamination assessment reports, and also examine, evaluate, and remedy closed contaminated landfill and dump sites within the City. Internal Host Fees are applied to each Class I ton deposited in the Trail Ridge landfill and External Host Fees are applied to each Class III ton deposited in private landfills. Host fees for the Contamination Assessment sub fund are assessed at the rate of \$0.24 per ton.

REVENUE:

1. Charges for Services:

- The net increase of \$30,503 in host fees is mainly due to increases of \$28,324 in external host fees related to Class III waste hosted by private facilities.

EXPENDITURES:

1. Internal Service Charges:

- The decrease of \$2,719 is due to a decrease in charges for OGC legal services.

2. Professional and Contractual Services:

- The increase of \$2,798 is due to a post-closure groundwater monitoring permit renewal fee for the Sandler Road Landfill, which was closed in 1981.

3. Cash Carryover:

- Funds that are net of revenues and expenditures are placed in reserve pending future Council appropriations for contamination assessment activities.

EMPLOYEE CAP CHANGES:

There are no positions in this subfund.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

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MAYOR'S PROPOSED FY 2024/25 BUDGET
PUBLIC WORKS
LANDFILL CLOSURE (FUND 43103)**

PROPOSED BUDGET BOOK - Page # 321-322

BACKGROUND:

The Landfill Closure fund was established to provide for the closure and post closure costs of the North, East, and Trail Ridge landfills. A Resource Recovery Fee (part of internal and external host fees) provides funding for this purpose at the rate of \$2.11 per Class I and Class III tons deposited at the Trail Ridge (City-owned) landfill and Class III tons deposited at private landfills.

REVENUE:

1. Charges for Services:

- The decrease of \$189,137 in External Host Fees is due to a decrease in Construction and Demolition (C&D) Debris Permit fees revenue to reflect projected revenues based on current year collections.

EXPENDITURES:

1. Other Operating Expenses

- This represents the borrow pit and post closure costs of maintaining previously closed landfills. The decrease of \$284,182 is mainly due to decreases in expected closure costs.

2. Cash Carryover:

- Funds are placed in reserve pending future Council appropriations for mitigation activities. The amount budgeted is the excess of revenues over expenditures in the proposed budget.

EMPLOYEE CAP CHANGES:

There are no positions associated with this fund. The personnel are an allocation of salaries and benefits of five employees from Solid Waste Disposal Operations (Fund 43101) that perform duties related to landfill closure.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
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PUBLIC WORKS
SOLID WASTE FACILITIES MITIGATION (FUND 43301)**

PROPOSED BUDGET BOOK - Page # 323-324

BACKGROUND:

The Solid Waste Facilities Mitigation Fund was established to mitigate property concerns in areas surrounding Class I landfills. A Resource Recovery Fee (Internal Host Fee) of \$0.50 is applied to each Class I ton deposited at the Trail Ridge landfill. Ordinance 2007-739-E authorized a 50/50 sharing of the Internal Host Fee between Class I mitigation activities and the Taye Brown Regional Park Improvement District. Mitigation projects are determined pursuant to the City of Jacksonville's Municipal Code, Chapter 380, Part 4.

REVENUE:

1. Charges for Services:

- The \$231,690 represents an internal host fee of \$.25 times the projected tonnage of 830,000 budgeted at \$207,500 and 3.5% of the construction and demolition permit fees revenues budgeted at \$24,190.

2. Investment Pool / Interest Earnings:

- The \$41,033 represents anticipated investment pool earnings for FY 2024/25.

EXPENDITURES:

1. Cash Carryover:

- Funds are placed in reserve pending future Council appropriations for mitigation activities that fall within a 15-mile radius of a City owned Class I solid waste management facility.

EMPLOYEE CAP CHANGES:

There are no positions in this fund.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

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 PUBLIC WORKS
 SOLID WASTE FACILITIES MITIGATION NON-CLASS I (FUND 43302)**

PROPOSED BUDGET BOOK - Page #325-326

BACKGROUND:

This fund was established to mitigate concerns in areas surrounding Non-Class I Solid Waste Management Facilities. It is mostly funded by a recovery fee of \$0.50 (charged as a part of the External Host Fee) per Non-Class I ton processed at the private solid waste management facilities and by a 7% of construction and demolition permit fee. Mitigation projects are determined pursuant to the City of Jacksonville’s Municipal Code, chapter 380, Part 4, and funding is approved by Council.

REVENUE:

1. Charges for Services:
 - The increase of \$59,635 is due to an increase in external host fees based on projections for increased Class III waste tons delivered to private facilities.
2. Investment Pool / Interest Earnings:
 - The \$56,614 represents anticipated investment pool earnings for FY 2024/25.
3. Transfers from Fund Balance:
 - This represents a proposed transfer from fund balance to be utilized to help fund the capital projects listed below.

EXPENDITURES:

1. Transfers to Other Funds:
 - This represents a transfer to the Capital Projects Fund (32124) for the following projects:

Project	Project Name	Proposed Budget
001300	Chaffee Road <i>(Within 7 miles of Otis Road Landfill)</i>	\$ 836,000
010377	Frye Ave. W. (DSR) - Capital Improvement <i>(Within 7 miles of Stericycle)</i>	100,000
010806	San Mateo Elementary School Sidewalk <i>(Within 7 miles of Coastal Recycling)</i>	327,000
		<u>\$1,263,000</u>

2. Cash Carryover:
 - There is no proposed cash carryover in FY 2024/25.

**COUNCIL AUDITOR'S OFFICE
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SOLID WASTE FACILITIES MITIGATION NON-CLASS I (FUND 43302)**

PROPOSED BUDGET BOOK - Page #325-326

EMPLOYEE CAP CHANGES:

There are no positions in this fund.

SERVICE LEVEL CHANGES:

None.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS & RECOMMENDATIONS
MAYOR'S PROPOSED 2024/25 BUDGET
SOLID WASTE MITIGATION CAPITAL PROJECTS (FUND 43303)**

PROPOSED BUDGET BOOK - Page # 327-328

BACKGROUND:

The Solid Waste Mitigation Capital Projects fund was established to record and account for capital projects attributed to Class I landfill mitigation as well as to provide a separate fund to isolate Tayé Brown Regional Parks share of Internal Host Fees (\$.25/Class I ton) collected at the Trail Ridge Landfill, and associated investment earnings, from general mitigation activities.

The fund also serves as the Tayé Brown Regional Park fund, a permanent, on-going trust fund of the City of Jacksonville. The fund is authorized to accept Council appropriations, gifts, fees, and other types of donations. 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:

- The \$231,690 represents an internal host fee of \$.25 times the projected tonnage of 830,000 budgeted at \$207,500 and 3.5% of the construction and demolition permit fees revenues budgeted at \$24,190.

2. Investment Pool / Interest Earnings:

- The \$4,488 represents anticipated investment pool earnings for FY 2024/25.

EXPENDITURES:

1. Other Operating Expenses:

- The funding of \$236,178 is proposed to be utilized for repairs and maintenance. This was moved to a Capital Improvement Plan project for these purposes during Meeting #5.

2. Transfer to Other Funds:

- There is no proposed transfer from this fund to the Equestrian Center Fund (45102) to assist in funding the operating contract with the Northeast Florida Equestrian Society.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no employees associated with this fund.

RECOMMENDATION:

None.

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
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 VARIOUS DEPARTMENTS
 STORMWATER SERVICES (FUND 44101)**

PROPOSED BUDGET BOOK – PAGE # 188 - 191

	FY 23-24 ADOPTED	FY 24-25 PROPOSED	DOLLARS	%
REVENUE				
Jax Citywide Activities				
Investment Pool / Interest Earnings	\$ 241,433	\$ 329,725	\$ 88,292	36.6%
	\$ 241,433	\$ 329,725	\$ 88,292	36.6%
Public Works				
Stormwater User Fees	\$33,637,871	\$34,128,565	\$ 490,694	1.5%
	\$33,637,871	\$34,128,565	\$ 490,694	1.5%
TOTAL REVENUE	\$33,879,304	\$34,458,290	\$ 578,986	1.7%
EXPENDITURES				
Jax Citywide Activities				
Debt Management Fund Repayments	\$ 477,086	\$ 459,955	\$ -17,131	-3.6%
Transfers to Other Funds	11,220,697	11,618,891	398,194	3.5%
	\$11,697,783	\$12,078,846	\$ 381,063	3.3%
Neighborhoods				
Salaries	\$ 68,977	\$ 73,549	\$ 4,572	6.6%
Pension Costs	40,914	53,601	12,687	31.0%
Employer Provided Benefits	14,070	14,263	193	1.4%
Internal Service Charges	22,858	22,633	-225	-1.0%
Insurance Costs and Premiums - Allocations	952	45,761	44,809	4,706.8%
Professional and Contractual Services	7,444	7,444	0	0.0%
Other Operating Expenses	7,923	8,063	140	1.8%
Capital Outlay	1	1	0	0.0%
Indirect Cost	44,802	197,320	152,518	340.4.0%
	\$ 207,941	\$ 422,635	\$ 214,694	103.2%
Public Works				
Salaries	\$ 6,666,651	\$ 6,590,502	\$ -76,149	-1.1%
Pension Costs	868,587	965,142	96,555	11.1%
Employer Provided Benefits	1,498,041	1,474,990	-23,051	-1.5%
Internal Service Charges	4,289,587	3,700,485	-589,102	-13.7%
Insurance Costs and Premiums - Allocations	55,830	67,035	11,205	20.1%
Professional and Contractual Services	7,414,897	8,057,153	642,256	8.7%
Other Operating Expenses	566,783	574,793	8,010	1.4%
Capital Outlay	1	1	0	0.0%
Indirect Cost	613,203	526,708	-86,495	-14.1%
	\$21,973,580	\$21,956,809	\$ -16,771	-0.1%
TOTAL EXPENDITURES	\$33,879,304	\$34,458,290	\$ 578,986	1.7%
AUTHORIZED POSITION CAP				
	FY 22-23 ADOPTED	FY 23-24 ADOPTED	CHANGE	
Authorized Positions	53	53	0	
Part-Time Hours	0	0	0	

**COUNCIL AUDITOR’S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR’S PROPOSED 2024/25 BUDGET
VARIOUS DEPARTMENTS
STORMWATER SERVICES (FUND 44101)**

PROPOSED BUDGET BOOK – PAGE # 188 - 191

BACKGROUND:

Stormwater Services subfund provides the Public Works Department with a dedicated funding source for stormwater services. Funding is primarily provided by a user fee. The stormwater fee is billed to all owners of property in the municipal City of Jacksonville limits that contains impervious area. The fee is based on the total amount of impervious area on the property. For a typical homeowner, that would include not just the house itself, but things like patios, walkways and driveways. The owner of an average single family house is charged \$5 per month. Non-residential properties (such as businesses) are analyzed individually to determine the exact amount of impervious area.

Section 754.110 of the Municipal Code provides for the value of Stormwater User Fees to be waived for 501(c)(3) organizations and individuals or families who are economically disadvantaged. The City’s General Fund/GSD covers the cost of the fees waived.

REVENUES:

Jax Citywide Activity

1. Investment Pool / Interest Earnings:
 - The \$329,725 represents anticipated interest earnings for FY 2024/25.

Public Works

1. Stormwater User Fees:
 - The net increase of \$490,694 in stormwater user fees is consistent with current growth.

EXPENDITURES:

Jax Citywide Activity

1. Debt Management Fund:
 - This is debt repayments associated with stormwater projects that were authorized after the utility was established, but prior to October 1, 2015, when it was decided that the stormwater revenue stream would not be pledged for debt service of any new projects. At the same time, it was decided that any debt incurred prior to the creation of the utility would no longer be paid for with this revenue stream but would instead be paid from the General Fund/GSD.
2. Transfers to Other Funds:
 - This represents the transfer to Stormwater Services - Capital Projects (fund 44102) to be used as pay-go funds for various capital projects related to drainage system rehabilitation and stormwater capital projects.

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STORMWATER SERVICES (FUND 44101)**

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Neighborhoods

The Environmental Quality Division (EQ) within the Neighborhoods Department manages a portion of the Stormwater Management System Program, which is a vital part of the River Accord and helps the City meet Federal Clean Water Act and State regulations. Responsibilities include inspections of illicit connections to drainage systems, inspections of high priority industries, and surface water quality monitoring.

The City has an inter-local agreement with the Florida Department of Transportation (FDOT) that provides the City grant funding for the federally mandated National Pollutant Discharge Elimination System (NPDES) monitoring plan for the Municipal Separate Storm Sewer System (MS4) permit in Jacksonville. The grant expands the EQ’s abilities to comply with Stormwater management regulations by funding personnel salaries and benefits, supplies, and services. As shown in schedule B1a, Public Works and Neighborhoods are requesting \$380,034 and as a result of the FDOT grant, EQ is able to reduce its budget for these line items.

1. Salaries:
 - The increase of \$4,572 is due to salary increases and employee turnover.
2. Pension Costs:
 - The increase of \$12,687 is mainly due to an increase in the required contribution to the general employees defined benefit plan.
3. Insurance Costs and Premiums:
 - The increase of \$44,809 is due to an increase in general liability insurance due to recent claims history.
4. Indirect Cost:
 - This is an allocation of costs to operate central services of the City (e.g., Office of Administrative Services, Finance and Administration, Employee Services, and City Council). This represents a portion of the amount calculated by the City’s independent consulting firm.

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Public Works

The Stormwater Services subfund uses its dedicated funding source to complete various flood and drainage mitigation projects, clean canals and ditches, address stormwater treatment issues, maintain collection and pumping systems, as well as stormwater treatment facilities (ponds). Funding is provided by a user fee. Public Works allocates employee activity and the related expenses between the General Fund/General Services District (fund 00111) and Stormwater Services (fund 44101).

1. Salaries:

- The decrease of \$76,149 is mainly due to a change in the way salaries are split between the General Fund/GSD (Fund 00111) and Stormwater Service (Fund 44101) within the Stormwater Maintenance Division and the Mowing Division. The decrease is partially offset by permanent and probationary salary increases mainly due to employee turnover and other salary increases as well as an increase in salaries overtime based on recent actual expenditures. Note – The employee cap of this fund only includes employees that are 100% charged to this area. The other employees are included in the General Fund/GSD cap. Therefore, the salary increases cannot be compared to only the 47 Public Works employees included in the employee cap of this fund. The pay changes also relate to the equivalent of approximately 88 additional employees (based on the time allocation of 185 additional employees).

2. Pension Cost:

- The increase of \$96,555 is mainly due to an increase in the required contribution to the pension plans.

3. Employer Provided Benefits:

- The decrease of \$23,051 is mainly due to a decrease of \$28,947 in worker’s compensation due to an overall decrease in costs.

4. Internal Service Charges:

- The decrease of \$589,102 is mainly related to vehicle replacement charges in FY 2023/24 having the full year cost of two street sweepers for a total of \$590,000.

5. Professional and Contractual Services:

- The increase of \$642,256 is mainly due to multiple contractual increases for various mowing and stormwater services. The larger items include increases of approximately
 - \$200,000 related to right of way mowing – ditches (new amount \$1.76 million),
 - \$100,000 related to National Pollution Discharge Elimination System Permit (new amount \$925,000), and
 - \$85,000 related to stormwater pond mowing (new amount \$720,000).

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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	In Kind Contribution	FTE Positions	Part Time Hours
Florida Department of Transportation	National Pollutant Discharge Elimination System / MS4 Permit Grant	Grant will provide for Phase 1 Permit Cycle 3 requirements, which includes a Monitoring Plan. Perform stormwater discharge compliance and water quality assessments, total maximum daily load monitoring for nutrient levels in the Lower St. Johns basin, illicit discharge and improper disposal proactive inspections, and other means of monitoring the impairment of waterways.	\$380,034	\$0	0	0

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

None.

RECOMMENDATION:

None.

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PUBLIC BUILDING ALLOCATIONS (FUND 54101)**

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BACKGROUND:

This internal service fund accounts for the revenue and expenditures of Public Buildings related to building operation, maintenance, utilities, and security. The costs are billed to the building occupants based on occupied square footage.

REVENUE:

1. Internal Service Revenue

- The \$56,510,649 reflects the total proposed charges for building maintenance, security, and utilities to be collected from all users and is directly related to the budgeted expenditures in this fund.

2. Miscellaneous Revenue

- This amount represents the tenant revenue for non-City occupants of city buildings. Examples include Quiznos, Brick, and Mayo Clinic at Ed Ball Building. The decrease is due to a decrease in non-City occupants in the Courthouse and Ed Ball building.

3. Investment Pool / Interest Earnings

- The increase of \$142,440 in interest earnings is based on projected interest earnings in FY 2024/25 to better align with current collections.

4. General Fund Loan

- This represents a \$1 million loan from the General Fund to help spread the cost of connecting the Ed Ball Building to the JEA chilled water line over a two year period. This loan will be repaid in FY 2025/26.

5. Transfers from Fund Balance

- This transfer from fund balance is for emergency funds to address unanticipated repairs, requests, or emergency issues as they arise throughout the fiscal year. The use of these funds requires approval from the Chief Financial Officer or the Chief Administrative Officer pursuant to the Budget Ordinance.

EXPENDITURES:

1. Salaries

- The increase of \$95,241 is mainly due to employee turnover and salary increases provided during the year.

2. Salary & Benefit Lapse

- The salary and benefit lapse is based on the average turnover ratio and estimated number of vacancies in FY 2024/25.

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3. Pension Costs

- The increase of \$81,032 is mainly due to the increase in the required contribution to the defined benefit pension plan as well as the salary increases noted above.

4. Internal Service Charges

- The internal service charges are mainly related to allocating utility costs (\$7,034,924), building maintenance (\$690,227), and guard services (\$1,777,908) within this fund to multi-tenant buildings (e.g., City Hall, Ed Ball Building, Yates Building). This makes it so costs can be allocated out to the occupants of the buildings and allows the City to understand the cost of each building. The actual costs paid for these services are in other lines (e.g., utilities are in Other Operating Expenses and guard services out of Professional and Contractual Services).
- The decrease of \$2,127,446 is mainly due to the following decreases of:
 - \$1,357,714 in city wide building maintenance allocation to better align with actuals for the multi-tenant buildings.
 - \$490,122 in utilities allocation due to a decline in electricity and water costs.
 - \$318,629 in ITD system development costs related to the Courthouse Complex Antenna System replacement that has been completely billed back during FY 2023/24.

5. Inter-Departmental Billing

- The \$35,000 is for the billings from the Jacksonville Fire and Rescue Department to perform fire inspections at City buildings.

6. Professional and Contractual Services

- The professional and contractual services are mainly made up of janitorial services (\$4,386,442) and security guard services (\$3,474,637) as well as other various contractual services such as HVAC, plumbing, and generator repairs.
- The increase of \$352,919 is mainly due to the following increases of:
 - \$178,583 in contractual janitorial services and an increase of \$115,765 in security guard services mainly due to increases in minimum wage and contractual increases.

7. Other Operating Expenses

- This is mainly made up of \$19.3 million in utility costs and \$3.6 million for the cost of repairs and maintenance and supplies for the various City Buildings.
- The decrease of \$1,369,878 is mainly due to a decrease in utility costs due to decreased rates (e.g., fuel surcharge is down).

8. Capital Outlay

- This funding is to replace any broken and outdated Automated External Defibrillators (AED) for City facilities.

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9. 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.

10. Transfers to Other Funds

- This amount represents a transfer from this fund to the General Fund / GSD to pay for the Jake Godbold building debt allocation and the Ed Ball building build-out allocation and a transfer from this fund to the Authorized Capital Project fund (Fund 32124) of \$2 million to connect the Ed Ball building to the JEA chilled water line.

11. Cash Carryover

- There is no cash carryover in FY 2024/25. The amount in FY 2023/24 was to replenish the funds used in FY 2022/23 for use of the emergency repairs at the Medical Examiner’s Office.

EMPLOYEE CAP CHANGES:

There is no change in authorized positions.

SERVICE LEVEL CHANGES:

None.

CAPITAL OUTLAY CARRYFORWARD:

There is a capital outlay carryforward request of \$176,625 on Schedule AF in the Budget Ordinance associated with Automated External Defibrillators (AEDs). These funds are already encumbered. **See recommendation.**

RECOMMENDATION:

We recommend that Budget Ordinance Schedule AF be revised to remove the capital outlay carryforward request of \$176,625 for the AEDs as these funds are already encumbered. This has no impact on Special Council Contingency.