

# **OFFICE OF THE COUNCIL AUDITOR**

## **FY 2013/2014 PROPOSED BUDGET**

### **FINANCE COMMITTEE MEMBERS**

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**Meeting #5**  
**August 22, 2013**

**COUNCIL AUDITOR'S OFFICE  
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**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
HUMAN RIGHTS COMMISSION  
GENERAL FUND (S/F 011)**

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**PROPOSED BUDGET BOOK- Page # 137-138  
ON SCREEN- PDF Page # 151-152**

**BACKGROUND:**

The Jacksonville Human Rights Commission (JHRC) within the City focuses on promoting and encouraging fair treatment and equal opportunity for all. The Commission strives to eliminate discrimination and promote mutual understanding and respect. Equal Opportunity/Equal Access (EO/EA), the only division under JHRC, resolves non-compliance with equal opportunity employment laws and investigates allegations made by job applicants and city employees.

The JHRC investigates complaints alleging discriminatory practices in employment, housing, and areas of public accommodations. In addition to investigating claims, the JHRC offers mediation services and works to resolve the complaints. The JHRC works with the Equal Employment Opportunity Commission (EEOC) at the Federal level and is reimbursed at an agreed upon rate based on the number of cases resolved. The staff of nine expects to generate \$105,925 in revenues for FY 2013/14.

The services provided by the JHRC are also provided at the State level through the Florida Commission of Human Rights (FCHR) and the Federal level through the EEOC and the U. S. Department of Housing and Urban Development (HUD). There is no additional cost incurred by the city for deferring discrimination claims to these State or Federal agencies.

**REVENUE:**

The \$105,925 in revenue is a reimbursement by the EEOC as stated above.

**EXPENDITURES:**

1.Salaries:

- The decrease of \$39,782 is primarily due to the elimination of an Equal Employment Specialist.

2.Employee Provided Benefits:

- The increase of \$21,553 is primarily due to an increase of \$25,980 in pension contribution. This increase was offset by a reduction of \$2,090 in group hospitalization insurance and worker compensation insurance of \$1,363 which is the result of the elimination of position mentioned above.

3.Internal Service Charges:

- The decrease of \$13,390 is primarily due to a reduction of \$6,111 in legal charges, \$4,234 in copier consolidation charges and \$2,562 in helpdesk and desktop charges.

4.Utilities and Building Maintenance Allocations:

- The Administration is proposing to remove and replace two Public Works allocations with internal service charges for Building Maintenance and Utilities. These proposed

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HUMAN RIGHTS COMMISSION  
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**PROPOSED BUDGET BOOK- Page # 137-138  
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internal service charges are intended to reflect the costs for utility consumption, applicable debt service, and building maintenance in the individual City Departments' budgets.

**5. Other Operating Expense:**

- The decrease of \$2,018 is primarily due to a reduction of \$1,242 in dues, subscriptions and membership's and \$746 in general liability insurance.

**6. Extraordinary Lapse:**

- The extraordinary lapse was eliminated for FY 2013/14.

**SERVICE LEVEL CHANGES:**

None.

**EMPLOYEE CAP CHANGES:**

One position is proposed to be eliminated for FY 2013/14.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
13.88% REDUCTION  
HUMAN RIGHTS COMMISSION (011)**

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**Reductions in Controllable Costs from Mayor's Tentative Budget to Proposed Budget:**

<b>FY2013/14 - Controllable Costs Only</b>			
<b>Mayor's Tentative Budget</b>	<b>Mayor's Proposed Budget</b>	<b>Increase / (Decrease) in Controllable Costs</b>	
		<b>Dollar</b>	<b>%</b>
526,873	486,962	(39,911)	-7.58%

Based on the table above, the Human Rights Commission did not meet the 13.88% cut.

**13.88% Reductions as Represented by the Department/Budget Office:**

<b>Reductions*</b>		
<b>Dollar impact</b>	<b>Ranking</b>	<b>Description</b>
\$ 59,143	1	Eliminated vacant Equal Opportunity Specialist position
<u>\$ 59,143</u>		

\*The reductions list was prepared by the Department and Budget Office. We received the listing from the Budget Office and summarized it for simplicity. The rankings are per the Department with one being the least impact to service levels.

**Recommendations Related to Mayor's Reductions:**

We recommend that the City Council review the above reductions to determine whether any or all of the above items should be funded in FY 2013/14.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
GROUP HEALTH (S/F 571)**

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**PROPOSED BUDGET BOOK – Page # 103-105  
ON SCREEN-Page # 117-119**

**BACKGROUND:**

This Internal Service Fund provides for the costs of group hospitalization, life insurance and other types of employee insurances.

**REVENUES:**

1. Charges for Services:

- The net decrease of \$3,682,552 is mainly attributable to a decrease in the employee cap. This is offset somewhat with an 8.8% rate increase for nine (9) months in group health insurance.

This revenue is based on expenses in this sub-fund less non-billing revenue (including interest earnings). In the case of employee-paid health insurance costs, these are withheld from the employee's pay. The remaining amount (employer paid costs and administrative costs) is then billed to departments via bi-weekly payroll interfaces.

2. Miscellaneous Revenue:

- The increase of \$84,312 is attributable to an increase in investment earnings.

3. Transfer from Fund Balance:

- The transfer from fund balance in FY 2012/13 was associated with proceeds from the life insurance stock sold in FY 2010/11 that were utilized to offset costs in FY 2012/13.

**EXPENDITURES:**

1. Salaries:

- The net decrease of \$9,798 is mainly attributable to decreases of \$20,000 in overtime and \$4,830 in salaries. This is offset somewhat with an increase in part time salaries of \$14,838.

2. Employer Provided Benefits;

- The net increase of \$35,356 is mainly attributed to increases in pension of \$28,321 and group health insurance of \$6,935.

3. Internal Service Charges:

- The net increase of \$26,912 is mainly attributable to increases in legal charges of \$20,027 and mailroom charges of \$11,313. This is offset somewhat with decreases in ITD charges and copier consolidation totaling \$4,428.

4. Utilities and Building Maintenance Allocations:

- The Administration is proposing to remove and replace two Public Works allocations with internal service charges for Building Maintenance and Utilities. These proposed internal service charges are intended to reflect the costs for utility consumption,

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
GROUP HEALTH (S/F 571)**

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**PROPOSED BUDGET BOOK – Page # 103-105  
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applicable debt service, and building maintenance in the individual City Departments' budgets.

5. Other Operating Expense:

- The net decrease of \$4,570,732 is primarily attributed to decreases for insurance costs of \$4,381,467 and professional services of \$174,059. The actual insurance costs are decreasing due to individuals opting out of participation and decreases in the number of City employees.

6. Indirect Cost:

- This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study.

7. Salary & Benefit Lapse:

- This reflects an estimated salary and benefit lapse based on the average turnover ratio and estimated number of vacancies in FY 2013/14.

**EMPLOYEE CAP CHANGES:**

There are no cap changes.

**SERVICES LEVEL CHANGES:**

None.

**RECOMMENDATIONS:**

We recommend that the revenue budgeted to be received from the City and employees be reduced by the current years portion of the sale of life insurance stock. Specifically, revenue line items Employers Premium – Life and Employees Premium – Life should be reduced by \$382,714 and 574,071, respectively. This entry should be offset by a \$956,785 Transfer from Fund Balance. There is no impact to Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
13.88% REDUCTION  
GROUP HEALTH (S/F 571)**

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**Reductions in Controllable Costs from Mayor's Tentative Budget to Proposed Budget:**

<b>FY2013/14 - Controllable Costs Only</b>			
<b>Mayor's Tentative Budget</b>	<b>Mayor's Proposed Budget</b>	<b>Increase / (Decrease) in Controllable Costs</b>	
		<b>Dollar</b>	<b>%</b>
950,050	818,184	(131,866)	-13.88%

Based on the table above, the Group Health (S/F 571) did meet the 13.88% cut.

**13.88% Reductions as Represented by the Department/Budget Office:**

<b>Reductions*</b>		
<b>Dollar impact</b>	<b>Ranking</b>	<b>Description</b>
\$ 10,839	9	Reduced Reward and Recognition funding
40,161	8	Reduction in Part Time Hours - Front Desk and Open Enrollment
20,000	7	Eliminated Overtime Funding
300	6	Eliminated Offsite Training
400	5	Eliminated Other Operating Supplies
2,607	4	Reduction in Office Supplies - Copier and Printer
2,000	3	Reduced Office Supplies
1,000	2	Eliminated Miscellaneous Services and Charges
54,560	1	Reduced EAP Contract
<u>\$ 131,867</u>		

\*The reductions list was prepared by the Department and Budget Office. We received the listing from the Budget Office and summarized it for simplicity. The rankings are per the Department with one being the least impact to service levels.

**Recommendations Related to Mayor's Reductions:**

We recommend that the City Council review the above reductions to determine whether any or all of the above items should be funded in FY 2013/14.



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
GENERAL FUND (011)**

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**PROPOSED BUDGET BOOK – Page 187-189  
ON SCREEN – PDF Page 201-203**

**BACKGROUND:**

The Neighborhoods Department (formerly the Environmental and Compliance Department) includes the Animal Care & Protective Services, Municipal Code Compliance, Housing and Community Development, Environmental Quality, Mosquito Control, and Office of the Director divisions.

**REVENUES:**

1. Charges for Services:

- The net increase of \$148,407 is primarily due to increases of \$80,000 in animal licenses and permits and \$79,698 in water/air annual maintenance fees revenue. These were somewhat offset by a decrease of \$17,091 in water conservation well permits revenues.

2. Fines and Forfeits:

- The increase of \$19,916 is due to a projected increase in code enforcement civil fines and penalties.

**EXPENDITURES:**

1. Salaries:

- The net decrease of \$475,408 is due to reductions of \$374,470 in permanent and probationary salaries (due to eliminations detailed below) and \$72,549 in part time salaries (mostly within Animal Care & Protective Services).

2. Employer Provided Benefits:

- The net increase of \$174,394 is primarily due to an increase of \$266,947 in pension contributions. This was offset by a decrease of \$128,032 in workers compensation insurance.

3. Internal Service Charges:

- The net decrease of \$227,427 is mainly due to reductions of \$107,490 in legal internal services (mostly within Municipal Code Compliance), \$107,647 in fleet charges, and \$59,317 in ITD charges. These are offset by an increase of \$38,926 in mailroom charges (mostly due to Municipal Code Compliance).

4. Utilities & Building Maintenance Allocations:

- The Administration is proposing to remove and replace two Public Works allocations with internal service charges for Building Maintenance and Utilities. These proposed internal service charges are intended to reflect the costs for utility consumption, applicable debt service, and building maintenance in the individual City Departments' budgets.

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COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
GENERAL FUND (011)**

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**PROPOSED BUDGET BOOK – Page 187-189  
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**5. Other Operating Expenses**

- The net decrease of \$94,600 is primarily due to decreases of \$64,279 in insurance, \$45,373 in contractual services – journey (Municipal Code Compliance), \$42,196 in other operating expenses, \$28,224 in repairs and maintenance supplies (mostly within Mosquito Control), and \$12,626 in repairs and maintenance fees (mostly within Mosquito Control). These were greatly offset by an increase of \$124,000 in feed for animals due to the free food program ending (Animal Care & Protective Services).

**SERVICE LEVEL CHANGES:**

Service level changes and purposed reductions are summarized in the attached handout.

**EMPLOYEE CAP CHANGES:**

The employee cap was decreased by a net of thirteen (13) positions. Fourteen (14) positions are proposed to be eliminated in FY 2013/14 and one (1) position was added during the year in the Office of Director.

<b>Division</b>	<b>Approved FY 2012/13 Positions</b>	<b>Proposed FY 2013/14 Positions</b>	<b>Cap Change</b>
Animal Care & Protective Services	44	38	-6
Environmental Quality	31	29	-2
Housing & Community Development	3	3	0
Mosquito Control	24	23	-1
Municipal Code Compliance	70	66	-4
Office of Director	9	9	0
<b>Department Total</b>	<b>181</b>	<b>168</b>	<b>-13</b>

**PROPOSED ELIMINATIONS:**

	<b>Job Class</b>	<b>Job Class Description</b>	<b>Indexcode</b>	<b>Filled / Retiring / Vacant / Attrition</b>	<b>Budget Savings</b>
1	04748	AC&PS Field Manager	ERAC011	Filled	\$71,830
2	C0141	Clerical Support Aide III	ERAC011	Filled	\$41,941
3	T0021	Animal Code Enforcement Officer Senior	ERAC011	Filled	\$30,881
4	T0021	Animal Code Enforcement Officer Senior	ERAC011	Filled	\$36,583
5	T0023	Veterinary Technician	ERAC011	Filled	\$32,844
6	T0023	Veterinary Technician	ERAC011	Vacant	\$32,844
7	C0143	Clerical Support Specialist	ERCC011CE	Vacant	\$34,663
8	L0051	Code Compliance Officer	ERCC011CE	Vacant	\$39,406
9	L0051	Code Compliance Officer	ERCC011CE	Vacant	\$47,632

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**PROPOSED BUDGET BOOK – Page 187-189  
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10	L0065	Code Compliance Officer Senior	ERCC011CE	Vacant	\$54,864
11	C0401	Executive Secretary I	EREQ011EPB	Vacant	\$43,976
12	P0103	Environmental Specialist	EREQ011WQER	Vacant	\$55,804
13	P0135	Environmental Programs Coordinator	ERMC011	Filled	\$57,691
14	U0268	Remediation Program Coordinator	EROD011ASH	Vacant	\$91,013
<b>Total savings from proposed eliminations</b>					<b>\$671,972</b>

**DIVISION CHANGES:**

<b>Division</b>	<b>FY 2012/13 Adopted</b>	<b>FY 2013/14 Proposed</b>	<b>Change</b>
Animal Care & Protective Services	\$3,016,452	\$3,095,640	\$79,188
Environmental Quality	\$2,606,900	\$2,813,817	\$206,917
Housing & Community Development	\$159,385	\$236,192	\$76,807
Mosquito Control	\$1,807,710	\$1,699,690	\$(108,020)
Municipal Code Compliance	\$4,934,115	\$4,927,784	\$(6,331)
Office of Director	\$1,026,885	\$1,072,565	\$45,680
<b>Department Total</b>	<b>\$13,551,447</b>	<b>\$13,845,688</b>	<b>\$294,241</b>

- The increase of \$79,188 in Animal Care and Protective Services is mostly due to the addition of utilities and building maintenance allocations (\$314,223) and an increase in feed for animals (\$124,000). These increases were partially offset by decreases in salaries (\$220,577), and employer provided benefits (\$74,804) and fleet charges (\$46,066).
- The increase of \$206,917 in Environmental Quality is mostly due to the addition of utilities and building maintenance allocations (\$301,679) and increased pension contributions (\$86,391). These increases were partially offset by a decrease in salaries (\$116,735).
- The increase of \$76,807 in Housing and Community Development is due to increases in salaries (\$46,263) and employer provided benefits (\$32,076) mainly due to the erroneous inclusion of 100% of salaries and benefits instead of 50% (the other 50% should be covered by a grant). See recommendation #1.
- The decrease of \$108,020 in Mosquito Control is mostly due to decreases in workers' compensation insurance (\$37,034), salaries (\$33,028), other operating supplies (\$34,611), and repair and maintenance supplies (\$26,782). These decreases were partially offset by the addition of utilities and building maintenance allocations (\$34,248).
- The decrease of \$6,331 in Municipal Code Compliance is mostly due to decreases in salaries (\$148,990) and legal internal services (\$68,490). These decreases are primarily offset by the addition of utilities and building maintenance allocations (\$195,243).

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COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
GENERAL FUND (011)**

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**PROPOSED BUDGET BOOK – Page 187-189  
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- The increase of \$45,680 in the Office of the Director is mostly due to the addition of utilities and building maintenance allocations (\$62,778). This increase is slightly offset by a decrease in legal internal services (\$13,573).

**RECOMMENDATIONS:**

1. We recommend decreasing the salaries and benefits for the three positions in Housing & Community Development by \$103,751. Half of the funding for these positions will be paid by a CDBG grant. This will have a positive impact of \$103,751 on Special Council Contingency.
2. We recommend increasing miscellaneous insurance by \$20,000 for the Mosquito Control Division. This is for the HULL/Chemical loss deductible that is billed directly to mosquito control. This will have a negative impact of \$20,000 on Special Council Contingency.
3. The Department has requested to restore one position in Animal Care and Control and the funding for this position of \$32,844 that was eliminated in error. This will have a negative impact of \$32,844 on Special Council Contingency.

The net impact to Special Council Contingency if all three recommendations are approved will be a positive \$50,907.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
13.88% REDUCTION  
NEIGHBORHOODS (011)**

**Reductions in Controllable Costs from Mayor's Tentative Budget to Proposed Budget:**

<b>FY2013/14 - Controllable Costs Only</b>			
<b>Mayor's Tentative Budget</b>	<b>Mayor's Proposed Budget</b>	<b>Increase / (Decrease) in Controllable Costs</b>	
		<b>Dollar</b>	<b>%</b>
8,209,942	7,405,414	(804,528)	-9.80%

Based on the table above, Neighborhoods did not meet the 13.88% cut.

**13.88% Reductions as Represented by the Department/Budget Office:**

Reductions*		
Dollar impact	Ranking	Description
Municipal Code Compliance		
\$ 200,159	6	Reduced Abatement Funding
50,000	5	Eliminated Demolition and Site Clearance
48,025	4	Eliminated Vacant Code Compliance Officer
55,477	3	Eliminated Vacant Code Compliance Officer Senior
39,795	2	Eliminated Vacant Code Compliance Officer
35,051	1	Eliminated Vacant Clerical Support Specialist

428,507 Subtotal Municipal Code and Compliance

<i>Office of the Director</i>			
865	-	Reduction in Various Line Items Based on Actuals	
91,013	3	Eliminated Vacant Remediation Program Coordinator	

91,878 Subtotal Office of the Director

<i>Mosquito Control</i>			
58,304	5	Eliminated Environmental Programs Coordinator	
86,611	4	Move Various Expenditures to Mosquito Control (S/F 012)	
500	3	Reduced FMCA membership	
221	2	Reduced Parts Washer Service	
1,500	2	Reduced Overtime Budgeted for Emergency Situations	
5,564	2	Reduced Part-Time Hours	
163	1	Reduced Medicare Tax	
3,655	1	Reduced Supervisory Differential	
500	1	Reduced Shift Differential	

157,018 Subtotal Mosquito Control

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
13.88% REDUCTION  
NEIGHBORHOODS (011)**

Reductions*		
Dollar impact	Ranking	Description
<i>Environmental Quality</i>		
56,277	3	ERT Environmental Specialist I
44,369	2	EPB Executive Secretary I
49,574	1	Eliminate Executive Secretary I
1,500	1	Reduced Out of Class Pay
12,247	1	Reduced Overtime for Emergency Response Team
30,000	1	Reduced Part-Time Hours
4,539	-	Reduction in Various Line Items Based on Actuals

198,506 Subtotal Environmental Quality

<i>Animal Care and Protective Services</i>		
68,066	3	Loss of Response to Complaints - Eliminates 2 Filled Animal Code Enforcement Officer Senior
63,233	3	Close Intake of all over the counter animals & owner surrenders - eliminates 1 Vet Tech and part-time hours.
72,581	2	Eliminated Filled Animal Care and Protective Services Manager
41,941	1	Eliminated Clerical Support Aide III

245,821 Subtotal Animal Care and Protective Services

\$	1,121,730	Total Neighborhoods
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\*The reductions list was prepared by the Department and Budget Office. We received the listing from the Budget Office and summarized it for simplicity. The rankings are per the Department with one being the least impact to service levels.

**Recommendations Related to Mayor's Reductions:**

We recommend that the City Council review the above reductions to determine whether any or all of the above items should be funded in FY 2013/14.

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COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
MOSQUITO CONTROL STATE 1 (012)**

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**PROPOSED BUDGET BOOK – Page 191-192  
ON SCREEN – PDF Page 205-206**

**BACKGROUND:**

Subfund 012 is mandated by Florida Statute 388.261 to administer mosquito control activities within the county. The proposed budget for the Mosquito Control Division in FY 2013/14 will continue to support efforts to control the population of mosquitoes and help reduce mosquito borne illnesses in Duval County.

**REVENUE:**

Neighborhoods:

1. Intergovernmental Revenue:

- The decrease of \$1,544 is due to decreased state funding for mosquito control operations based on year to date revenue.

2. Miscellaneous Revenue:

- The increase of \$8,844 is due to an increase of miscellaneous sales and charges for aerial mosquito spraying under an intergovernmental agreement with the Navy at Mayport and Amelia Island Mosquito Control based on year to date revenue.

Jacksonville Citywide Activities:

1. Miscellaneous Revenue:

- The decrease of \$5,581 is due to lower investment pool earnings.

2. Transfers from Fund Balance:

- The reduction of \$225,243 is attributable to a decrease in expenditures for FY 2013/14.

**EXPENDITURES:**

1. Salaries:

- The decrease of \$20,800 is due to the elimination of part-time salaries for FY 2013/14.

2. Other Operating Expenses:

- The decrease of \$202,722 is mainly due to a reduction of \$180,759 in other operating supplies and \$18,722 in repair and maintenance supplies.

**SERVICE LEVEL CHANGES:**

The proposed budget reduces funding for Other Operating Supplies from \$186,077 to \$5,318. This decrease of \$180,759 is based on reduced chemical usage and anticipated year-end surplus chemical inventory. Per the Division, service level impacts will depend on the mosquito activity for the remainder of the season.

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MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
MOSQUITO CONTROL STATE 1 (012)**

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**PROPOSED BUDGET BOOK – Page 191-192  
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**EMPLOYEE CAP CHANGES:**

There are no positions in this subfund.

**RECOMMENDATIONS:**

1. The department has requested an increase of \$11,250 for transfers from fund balance based on year to date actuals. Other operating supplies will increase by the same amount. This will have no impact on Special Council Contingency.
2. We recommend removing the 2,080 part-time hours that are budgeted for FY 2013/14 and removing the employer provided benefits associated with these hours in the amount of \$302. There are no salaries associated with these hours. Office supplies would be increased by the same amount. This will have no impact on Special Council Contingency.



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
AIR POLLUTION TAG FEE (121)**

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**PROPOSED BUDGET BOOK – Page 193-194  
ON SCREEN – PDF Page 207-208**

**BACKGROUND:**

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

**REVENUES:**

1. State Shared Revenue:
  - The increase of \$10,302 is due to higher revenue from the State for vehicle registrations, based on a projection from the Division.
2. Miscellaneous Revenue:
  - The decrease of \$2,903 is attributable to a lower projection for investment pool earnings.
3. Transfers from Fund Balance:
  - The decrease of \$3,834 is due to a reduction in the proposed transfer from fund balance in FY 2013/14.

**EXPENDITURES:**

1. Salaries:
  - The increase of \$4,681 is mainly due to an increase of \$5,830 in leave rollback. This is slightly offset by \$749 decrease in special pay – pensionable.
2. Employer Provided Benefits:
  - The increase of \$20,147 is mainly due to an increase of \$26,389 in pension contribution. This was partially offset by a decrease of \$6,533 in workers compensation insurance.
3. Internal Service Charges:
  - The increase of \$6,977 is mainly due to an increase of \$8,476 in ITD charges. These were somewhat offset by a decrease of \$1,504 in fleet charges.
4. Other Operating Expenses:
  - The decrease of \$8,174 is mainly due to reductions of \$5,250 in other rent and \$1,701 in miscellaneous service and charges.

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AIR POLLUTION TAG FEE (121)**

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5. Capital Outlay:
  - The capital outlay of \$9,980 will be used to purchase an ozone analyzer for FY 2013/14.
6. Indirect Cost:
  - This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study. Indirect costs have decreased by \$918.

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**EMPLOYEE CAP CHANGES:**

There were no changes to the employee cap.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
AIR POLLUTION EPA (127)**

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**PROPOSED BUDGET BOOK – Page 195-196  
ON SCREEN – PDF Page 209-210**

**BACKGROUND:**

The Clean Air Act of 1970 allows for the Air Pollution EPA grant, within the Environmental Quality Division, to help support activities to ensure compliance with Federal and State Air Quality Standards. Activities include but are not limited to permit compliance, ambient air monitoring, and citizen complaints.

**REVENUES:**

1. Miscellaneous Revenue:
  - The decrease of \$5,438 is due to lower investment pool earnings based on year to date earnings.
2. Transfers from Other Funds:
  - There is a proposed transfer from the General Fund of \$424,269. This represents the City's required match for the EPA grant.
3. Transfers from Fund Balance:
  - Included in FY 2013/14 is a transfer from fund balance of \$42,681.

**EXPENDITURES:**

1. Salaries:
  - The increase of \$1,227 is due to an increase of \$8,560 in permanent and probationary salaries. This was partially offset by decreases of \$5,357 in leave rollback/sellback, \$997 in overtime salaries, and \$979 in special pay – pensionable.
2. Employer Provided Benefits:
  - The increase of \$50,916 is mainly due to increases of \$46,389 in pension contributions and \$14,146 in group hospitalization insurance. These were slightly offset by a decrease of \$9,307 in workers compensation.
3. Internal Service Charges:
  - The decrease of \$1,273 is mainly due to the net decrease of \$1,195 in fleet charges.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
AIR POLLUTION EPA (127)**

---

**PROPOSED BUDGET BOOK – Page 195-196  
ON SCREEN – PDF Page 209-210**

4. Utilities & Building Maintenance Allocations:

- The Administration is proposing to remove and replace two Public Works allocations with internal service charges for Building Maintenance and Utilities. These proposed internal service charges are intended to reflect the costs for utility consumption, applicable debt service, and building maintenance in the individual City Departments' budgets.

5. Other Operating Expenses:

- The decrease of \$11,718 is mainly due to decreases of \$5,000 in repair and maintenance supplies, \$3,000 in repairs and maintenance, and \$2,874 in other operating supplies.

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**EMPLOYEE CAP CHANGES:**

There were no changes to the employee cap.

**RECOMMENDATIONS:**

We recommend eliminating the transfer from fund balance of \$42,681 and decreasing cash carryover by the same amount. Transfers from fund balance should not be done in an all-years subfund. This will have no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
AMBIENT AIR MONITORING (128)**

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**PROPOSED BUDGET BOOK – Page 197-198  
ON SCREEN – PDF Page 211-212**

**BACKGROUND:**

The Environmental Quality Division is mandated by the U.S. Department of Environmental Protection to monitor air quality in Duval County and observe progress whenever possible.

**REVENUES:**

1. Intergovernmental Revenue:
  - This is a grant from the Florida State Department of Environmental Protection.
2. Miscellaneous Revenue:
  - The decrease of \$214 is due to a reduction in projected investment pool earnings.

**EXPENDITURES:**

1. Other Operating Expenses:
  - The increase of \$5,649 is due to an increase in projected revenue noted above available for expenditure. Other operating expenses consist of training, travel, miscellaneous services and charges, uniforms, and office supplies.
2. Cash Carryover:
  - There is no cash carryover budgeted in FY 2013/14 due to the increase in other operating expenses.

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**EMPLOYEE CAP CHANGES:**

There are no positions associated with this sub fund.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
HAZARDOUS WASTE PROGRAM (154)**

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**PROPOSED BUDGET BOOK – Page 199-200  
ON SCREEN – PDF Page 213-214**

**BACKGROUND:**

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

**REVENUES:**

1. Charges for Services:

The decrease of \$6,600 is due to lower projected hazardous waste annual verification inspection fee revenue, based on the number of facilities that will be invoiced.

2. Transfers from Fund Balance:

- The reduction of \$12,419 is due to a decrease in the transfer from fund balance for FY 2013/14.

**EXPENDITURES:**

1. Salaries:

- The increase of \$22,198 is primarily due to an error in budgeting the full amount of one supervisor's salary rather than half of the supervisor's salary for working half-time in this program. Half of the cost is charged to subfund 154 by a journal entry during the year.

2. Employer Provided Benefits:

- The increase of \$16,460 is mainly due to an increase of \$18,603 in pension contributions. This was slightly offset by a decrease of \$1,867 in workers' compensation charges.

3. Internal Service Charges:

- The increase of \$4,676 is predominantly due to increases of \$1,975 in copy center charges, \$1,709 in mailroom charges, as well as \$1,148 in fleet repairs charges.

4. Other Operating Expenses:

- The increase of \$32,782 is primarily due to increases of \$11,545 in other operating supplies, \$11,366 in miscellaneous services and charges, and \$5,768 in travel expense.

5. Capital Outlay:

- Funding for capital outlay purchases was eliminated for FY 2013/14.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
HAZARDOUS WASTE PROGRAM (154)**

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**PROPOSED BUDGET BOOK – Page 199-200  
ON SCREEN – PDF Page 213-214**

6. Indirect Cost:

- This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study. Indirect costs have decreased by \$53,035.

**SERVICE LEVEL CHANGES:**

There are no service level changes.

**EMPLOYEE CAP CHANGES:**

There were no changes to the employee cap.

**RECOMMENDATIONS:**

We recommend decreasing permanent and probationary salaries by \$34,000 and increasing miscellaneous services and charges by the same amount to correct an error. This is half of the funding for salary and benefits of a position that is proposed to be funded by Gas Storage Tank Inspections and Cleanup (subfund 15M). This will have no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
ANIMAL CARE & CONTROL (15D)**

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**PROPOSED BUDGET BOOK – Page 201-202  
ON SCREEN – PDF Page 215-216**

**BACKGROUND:**

Ordinance 2010-527-E grants the Animal Care and Protective Services Division authority to oversee the Training and Cruelty Prevention Trust Fund. Revenues are derived from a \$5 surcharge on civil penalties related to animal cruelty ordinances.

**REVENUE:**

1. Licenses and Permits:

- The increase of \$1,500 is due to a projected increase in dangerous dog permits. The incidence of dangerous dog cases is expected to increase due to new anti-tethering regulations.

2. Fines and Forfeits:

- The increase of \$7,305 is primarily due to higher projected revenue of \$6,000 for animal care & control civil penalty, based on year to date actuals.

3. Miscellaneous Revenue:

- The increase of \$3,245 is due to an increase of \$1,750 in contributions from private sources and \$1,495 in fees for classes.

**EXPENDITURES:**

1. Other Operating Expenses:

- The increase of \$12,050 is due to increases of \$9,425 in travel expense and \$2,625 in employee training.

**SERVICE LEVEL CHANGES:**

There are no service level changes.

**EMPLOYEE CAP CHANGES:**

There are no positions in this subfund.

**RECOMMENDATIONS:**

We recommend reducing contributions from private sources revenue by \$1,750 and decreasing travel expense by the same amount to align the revenue more closely with year to date actuals and to align the expense with the department's request. This will have no impact on Special Council Contingency.



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
VETERINARY SERVICES (15G)**

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**PROPOSED BUDGET BOOK – Page 203-204  
ON SCREEN – PDF Page 217-218**

**BACKGROUND:**

Ordinance 2010-527-E grants the Animal Care and Protective Services Division (ACPS) authority to oversee the Veterinary Services Trust Fund. Revenues are derived from a portion of animal license fees and may be expended for purposes described in Code Section 111.455. This is an all years fund and as such, during the budget process the amounts budgeted may include de-appropriating unused balances in both expense and revenue from the fiscal year just closed (FY 2011/12). The clean-up of an all-years fund, as part of the annual budget, may cause negative totals. The upcoming fiscal year budget needs are netted against the all-years balances to determine the FY 2013/14 proposed “change” to the all-years appropriation.

**REVENUES:**

1. Charges for Services:
  - This amount includes \$120,000 of anticipated FY 2013/14 animal licenses & permit revenue as well as the de-appropriation of prior year revenue balances of \$119,613.
2. Fine and Forfeits:
  - This amount represents the net de-appropriation of prior year balances of \$12,594.
3. Miscellaneous Revenue:
  - This amount represents the net appropriation of prior year balances of \$1,720.
4. Transfers from Fund Balance:
  - This amount represents the de-appropriation of a prior year error of \$45,931. All years funds, by definition, do not have fund balance since the balances are not closed at the end of the fiscal year.

**EXPENDITURES:**

1. Salaries:
  - This amount represents the net de-appropriation of prior year balances of \$41,851. There are no longer any employees in this subfund.
2. Employer Provided Benefits:
  - This amount represents the net de-appropriation of prior year balances of \$7,626. There are no longer any employees in this subfund.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
VETERINARY SERVICES (15G)**

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**PROPOSED BUDGET BOOK – Page 203-204  
ON SCREEN – PDF Page 217-218**

3. Internal Services:
  - This amount represents the net de-appropriation of prior year balances of \$14.
4. Other Operating Expenses:
  - This amount includes \$133,629 for FY 2013/14 operating expenses as well as a \$39,148 net de-appropriation of prior year expense balances.
5. Cash Carryover:
  - This amount represents the de-appropriation of prior year balances of \$101,408.

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**EMPLOYEE CAP CHANGES:**

There are no positions in this subfund.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
VETERINARY SERVICES (15G)  
RECONCILIATION OF BUDGET TO CLEANUP AMOUNTS**

**PROPOSED BUDGET BOOK – Page 203-204  
ON SCREEN – PDF Page 217-218**

	FY 2012/13 Adopted	FY 2013/14 Proposed Before Adjustments	Budget Office All Years Adjustment	FY 2013/14 Proposed
REVENUE				
VETERINARY SERVICES				
Charges for Services	\$ 120,000	\$ 120,000	\$ (119,613)	\$ 387
Fine and Forfeits	-	-	(12,594)	(12,594)
Miscellaneous Revenue	-	-	10,402	10,402
Transfers from Fund Balance	-	-	(45,931)	(45,931)
NON-DEPARTMENTAL / FUND LEVEL ACTIVITIES				
Miscellaneous Revenues	-	-	(8,682)	(8,682)
<b>TOTAL REVENUE</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>	<b>\$ (176,418)</b>	<b>\$ (56,418)</b>
EXPENDITURES				
VETERINARY SERVICES				
Salaries	-	-	\$ (41,851.00)	\$ (41,851.00)
Employer Provided Benefits	-	-	(7,626)	(7,626)
Internal Service Charges	-	-	(14)	(14)
Other Operating Expenses	120,000	133,629	(39,148)	94,481
	120,000	133,629	(88,639)	44,990
NON-DEPARTMENTAL / FUND LEVEL ACTIVITIES				
Cash Carryover	-	-	(101,408)	(101,408)
<b>TOTAL EXPENDITURES</b>	<b>\$ 120,000</b>	<b>\$ 133,629</b>	<b>\$ (190,047)</b>	<b>\$ (56,418)</b>

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
ANIMAL CARE & CONTROL PROGRAMS (1H2)**

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**PROPOSED BUDGET BOOK – Page 207-209  
ON SCREEN – PDF Page 221-223**

**BACKGROUND:**

Ordinance 2010-527-E grants the Animal Care and Protective Services Division (ACPS) authority to oversee the Spay and Neuter Trust Fund. Revenues are derived from a portion of licensing fees and revenues generated by the adoption of animals from the City's Animal Care and Protective Services facilities. This is an all years fund and as such, during the budget process the amounts budgeted may include de-appropriating unused balances in both expense and revenue from the fiscal year just closed (FY 2011/12). The clean-up of an all-years fund, as part of the annual budget, may cause negative totals. The upcoming fiscal year budget needs are netted against the all-years balances to determine the FY 2013/14 proposed "change" to the all years appropriation.

**REVENUES:**

1. Charges for Services:

- This amount includes \$898,235 of anticipated FY 2013/14 revenue from animal licenses & permits, animal control shelter and medical fees and adoption fees as well as the de-appropriation of prior year revenue balances of \$634,133.

2. Fines and Forfeits:

- This amount includes \$6,500 of anticipated FY 2013/14 revenue from spay and neuter forfeited deposits and animal care & control civil penalties as well as the appropriation of prior year revenue balances of \$144,041.

3. Miscellaneous Revenue:

- This amount includes \$8,000 of anticipated FY 2013/14 contributions from private sources revenue as well as the appropriation of prior year revenue balances of \$43,853.

4. Transfers from Fund Balance:

- This amount represents the de-appropriation of a prior year error. All years funds, by definition, do not have fund balances since the balances are not closed at the end of the fiscal year.

**EXPENDITURES:**

1. Salaries:

- This amount includes \$80,100 for FY 2013/14 salaries as well as a \$28,416 net de-appropriation of prior year expense balances.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
ANIMAL CARE & CONTROL PROGRAMS (1H2)**

---

**PROPOSED BUDGET BOOK – Page 207-209  
ON SCREEN – PDF Page 221-223**

2. Salary & Benefit Lapse:
  - This amount represents the de-appropriation of prior year balances of \$5,120.
3. Employer Provided Benefits:
  - This amount includes \$38,108 for FY 2013/14 benefit costs as well as a \$6,810 net de-appropriation of prior year expense balances.
4. Internal Service Charges:
  - This amount includes \$1,113 for FY 2013/14 internal service charges as well as a \$1,342 net de-appropriation of prior year expense balances.
5. Other Operating Expenses:
  - This amount primarily includes \$1,300,505 for FY 2013/14 operating expenses consisting primarily of contractual services of \$524,775 for the animal transfer program and sterilization programs, trust fund authorized expenditures of \$652,011, chemical and drugs of \$50,558, as well as a \$639,640 net de-appropriation of prior year expense balances.
6. Capital Outlay:
  - This amount represents the de-appropriation of prior year balances of \$2,545.

**NON-DEPARTMENTAL:**

1. Cash Carryover:
  - This amount represents the de-appropriation of prior year balances of \$310,995.
2. Salary & Benefit Lapse:
  - This amount represents the de-appropriation of prior year balances of \$2,560.

**SERVICE LEVEL CHANGES:**

There are no significant changes to service levels.

**EMPLOYEE CAP CHANGES:**

There are no changes to the employee cap.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
ANIMAL CARE & CONTROL PROGRAMS (1H2)  
RECONCILIATION OF BUDGET TO CLEANUP AMOUNTS**

**PROPOSED BUDGET BOOK – Page 207-209  
ON SCREEN – PDF Page 221-223**

	<b>FY 2012/13 Adopted</b>	<b>FY 2013/14 Proposed Before Adjustments</b>	<b>Budget Office All Years Adjustment</b>	<b>FY 2013/14 Proposed</b>
<b>REVENUE</b>				
<b>ANIMAL CARE &amp; CONTROL</b>				
Charges for Services	\$ 730,771	\$ 898,235	\$ (634,133)	\$ 264,102
Fine and Forfeits	5,000	6,500	144,041	150,541
Miscellaneous Revenue	4,000	8,000	43,853	51,853
Transfers from Fund Balance	-	-	(28,427)	(28,427)
<b>NON-DEPARTMENTAL / FUND LEVEL ACTIVITIES</b>				
Transfers from Fund Balance	-	-	(5,431)	(5,431)
<b>TOTAL REVENUE</b>	<b>739,771</b>	<b>912,735</b>	<b>(480,097)</b>	<b>432,638</b>
<b>EXPENDITURES</b>				
<b>ANIMAL CARE &amp; CONTROL</b>				
Salaries	80,100	80,100	(28,416)	51,684
Salary & Benefit Lapse	-	-	5,120	5,120
Employer Provided Benefits	32,377	38,108	(6,810)	31,298
Internal Service Charges	1,110	1,113	(1,342)	(229)
Other Operating Expenses	626,184	1,300,505	(639,640)	660,865
Capital Outlay	-	-	(2,545)	(2,545)
	739,771	1,419,826	(673,633)	746,193
<b>NON-DEPARTMENTAL / FUND LEVEL ACTIVITIES</b>				
Salary & Benefit Lapse	-	-	(2,560)	(2,560)
Cash Carryover	-	-	(310,995)	(310,995)
<b>TOTAL EXPENDITURES</b>	<b>\$ 739,771</b>	<b>\$ 1,419,826</b>	<b>\$ (987,188)</b>	<b>\$ 432,638</b>

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
ADULT ARCADES – ALL YEARS (1HK)**

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**PROPOSED BUDGET BOOK – Page 211-212  
ON SCREEN – PDF Page 225-226**

**BACKGROUND:**

Municipal Code Section 155.109 grants the Department of Neighborhoods the authority to oversee the inspection of adult arcade amusement centers and electronic game promotions in Duval County. Revenues are derived from permitting fees from establishments offering gaming/sweepstakes entertainment services.

**REVENUES:**

1. Licenses and Permits:
  - There is no projected change in adult arcade fee revenue.

**EXPENDITURES:**

1. Employer Provided Benefits:
  - The increase of \$12,981 is caused by increases of \$7,842 in pension contribution and \$5,251 in group hospitalization insurance.
2. Internal Service Charges:
  - The increase of \$2,303 is predominantly due to the \$2,366 increase in OGC legal charges.
3. Other Operating Expenses:
  - The increase of \$1,525 is mostly due to an increase of \$1,500 in printing and binding commercial for annual invoices and machine citation stickers.

Non-Departmental / Fund Level Activities:

1. Cash Carryover:
  - The decrease of \$16,809 is due to an increase in expenses while revenues remained flat.

**SERVICE LEVEL CHANGES:**

There are no significant service level changes.

**EMPLOYEE CAP CHANGES:**

There are no changes to the employee cap.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
NEIGHBORHOODS  
ADULT ARCADES – ALL YEARS (1HK)**

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**PROPOSED BUDGET BOOK – Page 211-212  
ON SCREEN – PDF Page 225-226**

**RECOMMENDATIONS:**

We recommend removing the revenue of \$365,000 until the State Legislature resolves the issues with internet café vendors lobbying to get temporary legislation to reopen the cafes. We recommend that cash carryover from prior years be used to fund the department's two employees and the related operating costs totaling \$179,325. This will have no impact on Special Council Contingency.



**COUNCIL AUDITOR'S OFFICE  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
CITY COUNCIL GENERAL FUND (011)  
COMMENTS AND RECOMMENDATIONS**

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**PROPOSED BUDGET BOOK – Page #93-95  
ON SCREEN – Page #107-109**

**BACKGROUND**

This Department provides for the operation and salary expenditures for the City Council and its staff including the Office of the Council Auditor and the Value Adjustment Board.

**REVENUE**

1. Charges for Services

- This amount \$110,001 represents the anticipated Value Adjustment Board protest fee revenue of \$110,000 and \$1 budgeted for fees collected for road and street closures.

2. Miscellaneous Revenue

- This category is mainly made up of a reimbursement from the Duval County School Board for 2/5 of the cost of the Value Adjustment Board as directed by Florida Statute.

**EXPENDITURES**

1. Salaries

- The net increase of \$128,142 is being driven by the addition of two positions, a Research Assistant and an Information Systems Administrator, both in Council Staff Services. Various salary increases are occurring in Council Staff Services, the Council Auditor's Office and the Value Adjustment Board. Additionally, part-time salaries are increasing \$18,882 for clerical staff within the VAB and Legislative Services office.

2. Employer Provided Benefits

- The net increase of \$330,459 is due primarily to increased pension costs in both General Employee pension (\$189,876) and the Florida Retirement System pension contribution (\$159,033). General Employee pension contribution rates are increasing from 20.81% in fiscal year 2012/13 to 28.21% in fiscal year 2013/14. FRS Elected Officials pension contribution rates are increasing from 10.23% in fiscal year 2012/13 to 33.03% in fiscal year 2013/14.

3. Internal Service Charges

- The net reduction of \$91,499 is being driven by a \$64,344 decrease in OGC legal internal service allocation and approximately \$20,000 of reductions in ITD charges.

4. Utilities & Building Maintenance Allocations

- The Administration is proposing to remove and replace two Public Works allocations with internal service charges for Building Maintenance and Utilities. These proposed internal service charges are intended to reflect the costs for utility consumption, applicable debt service, and building maintenance in the individual City Department's budgets. The charge of \$204,459 is new to the City Council's budget.

**COUNCIL AUDITOR'S OFFICE  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
CITY COUNCIL GENERAL FUND (011)  
COMMENTS AND RECOMMENDATIONS**

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**PROPOSED BUDGET BOOK – Page #93-95  
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5. Other Operating Expenses

- The net increase of \$5,333 is being driven by a \$22,000 increase in professional services for captioning services. This increase is somewhat offset by reductions in parking / tolls (\$3,081), employee training (\$3,800), office supplies (\$5,526) and miscellaneous services & charges (\$9,901).

6. Capital Outlay

- The Department has requested funding to purchase a computer for public use in the Value Adjustment Board office.

7. Extraordinary Lapse (Per the Mayor's Proposed Budget Book)

- "In keeping with the revenue and expense numbers available at the time of this proposed budget, City executive departments have reduced controllable expenses by 13.88%. Consistent with that reduction, an extraordinary lapse in the same percentage has been applied to the budget of the City Council.

While the City Council is aware that this extraordinary lapse has been placed in the budget, the presence of this extraordinary lapse does not mean that the City Council has endorsed the extraordinary lapse or any budgetary impacts that would result from the lapse if this proposed budget were to be adopted."

8. Banking Fund Debt Repayment

- The table below compares the FY 13 and FY 14 banking fund debt repayment by project:

	26,509      1,151		12,705      286		
	FY13 B4		FY14 Proposed		-14,669
Project Title	Principal	Interest	Principal	Interest	Change
Creston System and various projects	26,509	1,151	12,705	286	-14,669

\* The Creston System is used to conduct audio/visual presentations and manage the queuing system in the Council Chambers.

**SERVICE LEVEL CHANGES:**

If the Extraordinary Lapse is left in place, service levels will be affected due to a reduction in staff needed to meet the Extraordinary Lapse amounts.

**COUNCIL AUDITOR'S OFFICE  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
CITY COUNCIL GENERAL FUND (011)  
COMMENTS AND RECOMMENDATIONS**

**PROPOSED BUDGET BOOK – Page #93-95  
ON SCREEN – Page #107-109**

**FOOD AND BEVERAGE EXPENDITURE:**

Indexcode	Amount	Description of each Service/Event that requires the purchase of food/beverage	Explanation that the Service/Event serves a public purpose
CCSS011AD	2,000	Agenda, Committee and Council Meetings	Open to Public

**EMPLOYEE CAP CHANGES**

Two positions and 1,170 part-time hours were added by the Department to the Council Staff Services activity as part of the budget process. 1,040 part time hours were added to the Value Adjustment Board activity during the 2012/13 fiscal year.

**CAPITAL OUTLAY CARRYFORWARD**

Per Schedule AF, City Council is requesting the following capital carryforward for the codification costs associated with the City Re-organization, pursuant to 2011-732-E:

- Professional Services \$3,906

**DIVISIONAL HIGHLIGHTS**

CITY COUNCIL	2012/13	2013/14	\$ CHANGE	% Change	
SERVICE EXPENSES	Adopted	Proposed	from FY 13	from FY 13	
Council Auditor	\$ 2,013,236	\$ 1,921,300	\$ (91,936)	-4.57%	<b>A</b>
Council President Expense Account	\$ 10,000	\$ 10,000	\$ -	0.00%	
Council Staff Services	\$ 4,164,685	\$ 3,920,232	\$ (244,453)	-5.87%	<b>B</b>
Direct Expenditures	\$ 1,246,591	\$ 1,349,558	\$ 102,967	8.26%	<b>C</b>
Value Adjustment Board	\$ 616,314	\$ 666,003	\$ 49,689	8.06%	<b>D</b>
Departmental Total	\$ 8,050,826	\$ 7,867,093	\$ (183,733)	-2.28%	

- A** The decrease of \$91,936 in the Council Auditor's budget is mainly due to the extraordinary lapse of \$207,508, offset by various pay increases of \$14,280 in salary line items, \$76,250 from increased pension costs, and a new charge of \$34,868 from the Public Works cost allocation.
- B** The decrease of \$244,453 in Council Staff Services is mainly due to an extraordinary lapse of \$545,368 as well as a decrease of \$93,130 in internal service charges, which is offset by increases of \$93,997 in salaries for two additional employees and various pay

**COUNCIL AUDITOR'S OFFICE  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
CITY COUNCIL GENERAL FUND (011)  
COMMENTS AND RECOMMENDATIONS**

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**PROPOSED BUDGET BOOK – Page #93-95  
ON SCREEN – Page #107-109**

increases, an increase of \$126,923 in pension costs, and a new charge of \$150,960 from the Public Works cost allocation.

- C** Direct Expenditures represent the cost of the 19 City Council members. The increase is primarily due to the \$159,033 increase in the Florida State Retirement System (FRS) pension costs. Rates are increasing from 10.23% in 2012/13 to 33.03% in 2013/14. There was no extraordinary lapse imposed in this activity.
- D** The increase of \$49,689 in the Value Adjustment Board is mainly due to an increase of \$2,977 in permanent salaries for pay increases, an increase of \$8,882 in part time salaries, an increase of \$5,877 in pension costs, an increase of \$11,295 in internal service charges and a new charge of \$18,631 from the Public Works cost allocation.

**RECOMMENDATIONS:**

1. The proposed budget includes \$1,500 in Capital Outlay for the purchase of a computer for the public in the VAB office. After discussions with ITD, they indicated that they have a spare computer that could be placed in the office rather than purchasing a new one. Therefore, we recommend the removal of \$1,500 in capital outlay. This could either be applied against the extraordinary lapse or have a positive impact of \$1,500 on Special Council Contingency.
2. We recommend removal of the extraordinary lapse in the City Council's budget totaling \$752,876. This will have a negative impact on Special Council Contingency.
3. The Director/Council Secretary is requesting that \$126,629 be added to the capital carryover schedule. These funds will be used to upgrade the existing Legislative Tracking and Council/Committee Voting Systems to newer technology.
4. The Director/Council Secretary is requesting that \$10,000 be restored to Miscellaneous Services and Charges within the Council Staff Services budget. These funds were removed by the Budget Office. This will have a negative impact of \$10,000 on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
13.88% REDUCTION  
CITY COUNCIL (011)**

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**Reductions in Controllable Costs from Mayor's Tentative Budget to Proposed Budget:**

FY2013/14 - Controllable Costs Only			
Mayor's Tentative Budget	Mayor's Proposed Budget	Increase / (Decrease) in Controllable Costs	
		Dollar	%
5,424,179	4,807,353	(616,826)	-11.37%

Based on the table above, City Council did not meet the 13.88% cut; however, there is an Extraordinary Lapse of \$752,876 placed in the budget of City Council by the Administration.

**Comparison with Council Member Salaries and Benefits Excluded:**

FY2013/14 - Controllable Costs Only			
Mayor's Tentative	Mayor's Proposed	Increase / (Decrease)	
		Dollar	%
4,512,540	3,895,714	(616,826)	-13.67%

The table above removes City Council Salaries and Benefits from the Controllable cost table above. Based on this new table, City Council did essentially meet the 13.88% cut based on the Extraordinary Lapse placed in the City Council's budget by the Administration.

**13.88% Reductions as Represented by the Department/Budget Office:**

There was no information provided by the Department.

**Recommendations Related to Mayor's Reductions:**

We recommend that the City Council review the above reductions to determine whether any or all of the above items should be funded in FY 2013/14.

# DUVAL COUNTY TOURIST DEVELOPMENT COUNCIL

## BUDGET PROPOSAL 2013-14

	2011/12 ORIGINAL BUDGET	2012/13 ORIGINAL BUDGET	2013/14 TDC BUDGET
<b><u>REVENUE</u></b>			
Tourist Development Taxes	4,518,000	5,142,095	5,334,415
Interest Earnings	58,500	58,500	41,333
Subtotal Revenue	4,576,500	5,200,595	5,375,748
Transfer from Fund Balance	1,502,342	1,499,827	2,400,000
Total Estimated Revenue	6,078,842	6,700,422	7,775,748
<b><u>EXPENDITURES</u></b>			
Operations Account			
Grants			
Other Grants	460,000	460,000	460,000
Country Superfest	-0-	-0-	200,000
CVB Convention Grants	100,000	100,000	100,000
Gator Bowl Game	350,000	350,000	350,000
Gator Bowl Game Advertising 2011-2014	150,000	150,000	150,000
First Coast of Golf	128,717	135,000	135,000
Florida / Georgia Game	90,000	90,000	90,000
Total Grants	1,278,717	1,285,000	1,485,000
Visit Jacksonville			
Operating budget	3,289,980	3,474,402	3,626,701
Marketing Initiative	469,997	-0-	518,100
Total Visit Jacksonville	3,759,977	3,474,402	4,144,801
Operations Account	5,038,694	4,759,402	5,629,801
Festival Funding Account	75,000	75,000	75,000
Administration Account	117,524	118,840	124,255
Subtotal Expenditures	5,231,218	4,953,242	5,829,056
Contingency Account	847,624	1,747,180	1,946,692
Total Appropriations	6,078,842	6,700,422	7,775,748

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
TOURIST DEVELOPMENT COUNCIL (S/F 132)**

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**PROPOSED BUDGET BOOK – Page #97-98  
ON SCREEN – Page #111-112**

**BACKGROUND:**

This fund accounts for the first two cent tax levy on lodging. The Tax Collector collects the Tourist Development Tax and remits it to the City for administration by the Duval County Tourist Development Council (TDC).

**REVENUES:**

1. Taxes:
  - This was a plug of the anticipated revenue from the two cent tax levy on lodging for FY 2013/14. Recommendation #1 reflects the TDC's anticipated revenue.
2. Miscellaneous Revenue:
  - This is made up of anticipated interest earnings for FY 2013/14.
3. Transfers From Fund Balance:
  - The Transfer from Fund Balance was a plug figure used to balance the budget prior to TDC approval. This is addressed in recommendation #1 below.

**EXPENDITURES**

1. Employer Benefits:
  - The increase is caused by pension and health insurance costs for the one employee.
2. Internal Service Charges:
  - The net decrease is due to the General Counsel – Legal cost allocation.
3. Other Operating Expenses:
  - The FY 2012/13 levels have been maintained in the budget submission. The actions of the TDC are reflected in the recommendations below.

**SERVICE LEVEL CHANGES:**

There are no service level changes in the budget.

**EMPLOYEE CAP CHANGES:**

There are no changes to the overall employee cap.

**RECOMMENDATIONS:**

1. We recommend an increase in tax revenue of \$438,728 based on current year actuals from the two cent tax levy on lodging. We also recommend an increase of the Transfer from Fund Balance of \$631,183.
2. We recommend an increase in authorized expenditures within the Operations account of \$870,399 and an increase in the Contingency account of \$199,512.

These actions reflect the total budget as approved by the TDC on August 15, 2013. This will have no effect on the General Fund or Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT (S/F 011)**

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**PROPOSED BUDGET BOOK – Page # 219-221  
ON SCREEN-Page # 233-235**

**BACKGROUND**

The Office of Economic Development (OED) serves as the economic development agency for the City of Jacksonville, implementing policies that result in sustainable job growth, raising personal incomes and creating broader tax base for the community. The office also oversees the administration of local and state incentives, the redevelopment of Cecil Commerce Center, Downtown development and permitting, Film and Television initiatives and Sports and Entertainment programs including administration of the SMG Contract.

The General Fund portion of the department is comprised of the Office of the Director, the Downtown Investment Authority, the Equal Business Opportunity Office (EBO), and the Office of Sports and Entertainment.

**REVENUE**

**1. Charges for Services**

- This consists of revenues of \$66,096 from JEA's Small and Emerging business certification and mentoring services provided by the city's EBO Office. There is no change in FY 2013-14.

**2. Miscellaneous Revenue**

- The increase of \$2,200 is mainly due to an increase in the Downtown Development Review Board services.

**EXPENDITURES**

**1. Salaries**

- The net increase of \$308,557 is primarily due to increases of:
  - \$276,885 in permanent salaries due to:
    - a transfer of two positions from the Procurement Division and the vacancy pool totaling approximately \$126,000 (the other six new positions are unfunded)
    - an increase in salaries of approximately \$13,000
    - an increase of approximately \$138,000 due to reclassification of four positions to higher paid positions (one of them was unfunded in current fiscal year)
  - \$30,000 in part time salaries for GIS services

**2. Employer Provided Benefits**

- The net increase of \$156,198 is primarily due to an increase of \$121,367 in pension costs and \$41,368 in group health insurance. These are slightly offset by a decrease of \$11,530 in workers' compensation insurance.



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT (S/F 011)**

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**PROPOSED BUDGET BOOK – Page # 219-221  
ON SCREEN-Page # 233-235**

3. Internal Service Charges

- The net decrease of \$89,058 is mainly due to decreases of \$42,870 in IT system development charges because of a project being paid off and \$38,496 in legal charges based on actual usage.

4. Utilities & Building Maintenance Allocations

- The Administration is proposing to remove and replace two Public Works allocations with internal service charges for Building Maintenance and Utilities. These proposed internal service charges are intended to reflect the costs for utility consumption, applicable debt service, and building maintenance in the individual City Departments' budgets.

5. Other Operating Expenses

- The net decrease of \$345,362 is mainly attributed to:
  - an increase of \$36,969 in travel expenses
  - a reduction of \$407,473 in professional services; more specifically:
    - \$118,277 is proposed for the Equal Business Opportunity Office to provide funding for the Bonding Assistance Program as required by the Ordinance 2004-602-E (decreased by \$117,473 based on actual usage and as part of the departmental reductions process)
    - \$140,000 is proposed for the Office of the Director (decreased by \$290,000 from prior year as part of the departmental reductions process)

<b>Description of Services</b>	<b>FY13 Approved</b>	<b>FY14 Proposed</b>
Program Related Studies	\$ 15,111	\$ 15,000
Misc. Surveys/Appraisal	\$ 100,000	\$ 20,000
Misc. Title Work	\$ -	\$ 5,000
Marketing/Labor Study	\$ 20,000	\$ 20,000
Real Estate Review Consultant	\$ -	\$ 50,000
Economic Development Consultant	\$ -	\$ 30,000
Outside Engineering Services	\$ 24,889	\$ -
Various TCEA/DRI Studies	\$ 90,000	\$ -
Downtown Permitting	\$ 45,000	\$ -
Shipyards Groundwater Monitoring	\$ 50,000	\$ -
Shipyards Repair Work	\$ 45,000	\$ -
Fire station No. 5 Environmental	\$ 40,000	\$ -
<b>TOTAL</b>	<b>\$ 430,000</b>	<b>\$ 140,000</b>

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT (S/F 011)**

**PROPOSED BUDGET BOOK – Page # 219-221  
ON SCREEN-Page # 233-235**

- an elimination of in house engineering services of \$55,000 (per the department, those services are needed)
- an increase of \$91,100 in event contribution (\$28,500 is budgeted for the Office of the Director and \$204,500 is budgeted for the Office of Sports and Entertainment).
- Office of the Director event contribution -- \$28,500

<b>Event</b>	<b>FY13 Approved</b>	<b>FY14 Proposed</b>	<b>Contract</b>
Economic Summit	\$ -	\$ 10,000	no
Sister Cities Visit (Changwon)	\$ -	\$ 10,000	no
NAIOP Gold Marketing Opportunity	\$ 4,000	\$ 4,000	no
Business Development Seminars/ Sponsorships/Bus Tours	\$ 2,000	\$ 2,500	no
Real Estate Outlook Conference	\$ -	\$ 1,500	no
UNF Small Business Week	\$ 500	\$ 500	no
Event Sponsorship (Eat up Downtown)	\$ 11,500	\$ -	no
<b>TOTAL</b>	<b>\$ 18,000</b>	<b>\$ 28,500</b>	

- Office of the Sports and Entertainment event contribution -- \$204,500

<b>Event</b>	<b>FY13 Approved</b>	<b>FY14 Proposed</b>	<b>Contract</b>
Davis Cup Tennis	\$ 35,000	\$ -	YES
FL Basketball	\$ 25,000	\$ -	YES
Florida/Florida State Baseball	\$ 25,000	\$ 50,000	YES
Soccer	\$ 20,000	\$ -	YES
JU Lacrosse Event (Moe's)	\$ 11,900	\$ 15,000	no
EWC Basketball	\$ 5,000	\$ -	no
Film Festival	\$ 2,000	\$ 5,500	no
Familiarization Trip for Industry Executives	\$ -	\$ 5,000	no
Annual Film Industry Reception	\$ -	\$ 4,000	no
MLS Soccer Preseason Game	\$ -	\$ 30,000	YES
NBA Basketball Game	\$ -	\$ 30,000	YES
The Players Championship	\$ -	\$ 40,000	no
NCAA Track and Field	\$ -	\$ 25,000	YES
<b>TOTAL</b>	<b>\$ 123,900</b>	<b>\$ 204,500</b>	

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT (S/F 011)**

**PROPOSED BUDGET BOOK – Page # 219-221  
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\* No funding is budgeted for the City Suite at Jaguars Games. Per Amendment 11 of the Jaguars contract, if tickets are not purchased, the City will permanently lose the use of the suite for all events at the stadium. Per the Administration, a private third party is planning to purchase tickets for the City.

**6. Grants, Aids & Contributions**

- The net decrease of \$176,814 is due to the elimination of \$183,815 in subsidies and contributions used to support the UNF Small Business Development Center and the Bob Hayes Track Meet. It was somewhat offset by the inclusion of \$7,000 to support the workshop events and an accounting grant program for certified small and emerging businesses in Jacksonville.

**7. Extraordinary Lapse**

- The extraordinary lapse of \$118,168 was eliminated for FY 2013-14.

**8. Banking Fund Debt Repayment**

- The decrease of \$204,496 is due to the project being paid off in the current fiscal year. The table below compares the FY 2012-13 and FY 2013-14 banking fund debt repayment by project.

	200,000	4,496	0	0	
	FY13 B4		FY14 Proposed		-204,496
Project Title	Principal	Interest	Principal	Interest	Change
Laura Street Trio Pension Contribution	200,000	4,496	0	0	-204,496

**EMPLOYEE CAP CHANGES:**

The authorized employee cap has increased by eight for FY 2013-14:

- Two positions were transferred in (from the vacancy pool and Procurement Division)
- Six new unfunded positions are proposed (one in the Office of Economic Development, one in the Sports and Entertainment, and four in the Downtown Investment Authority)

**DIVISIONAL CHANGES**

Division	FY13 FTEs	FY14 FTEs	FY13 Approved	FY13 Proposed	Change
Office of the Director	17	15	\$ 3,427,606	\$ 2,188,425	\$ (1,239,181)
Sports and Entertainment	0	4	\$ -	\$ 751,277	\$ 751,277
Downtown Investment Authority	0	5	\$ -	\$ 296,218	\$ 296,218
Equal Business Opportunity	5	6	\$ 664,639	\$ 680,801	\$ 16,162
Small Business	0	0	\$ -	\$ 1	\$ 1
<b>TOTAL</b>	<b>22</b>	<b>30</b>	<b>\$ 4,092,245</b>	<b>\$ 3,916,722</b>	<b>\$ (175,523)</b>

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT (S/F 011)**

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**PROPOSED BUDGET BOOK – Page # 219-221  
ON SCREEN-Page # 233-235**

- The decrease of \$1,239,181 in Office of the Director is mostly due to:
  - Transfer of funding to the newly established Sports and Entertainment Office and the Downtown Investment Authority
  - Decrease of \$290,000 in professional services
  - Decrease of \$204,496 in banking funds debt repayment
- The increase of \$751,277 in the newly established Sports and Entertainment Office is primarily due to:
  - three (3) positions transferred from the Office of the Director totaling \$315,615 in salaries and \$76,458 in benefits (a forth position, Administrative Support Assistant, is unfunded)
  - part-time salaries transferred from the Office of the Director totaling \$60,000 for Mayor Brown's Ambassador for Sports, Entertainment and Physical Fitness
  - event contribution totaling \$204,500 transferred and increased from the Office of the Director
- Increase of \$296,218 in the newly established Downtown Investment Authority is largely due to:
  - one position transferred from the Office of the Director totaling \$200,000 in salaries and \$67,619 in benefits (four new proposed positions are unfunded)
- Increase of \$16,162 in Equal Business Opportunity is primarily due to:
  - an increase in salaries of approximately \$76,000:
    - a transfer of one position from Procurement Division totaling approximately \$54,000
    - a reclassification of another position with an increase in salary of approximately \$22,000
  - an increase in new utilities and building maintenance allocation of \$36,042
  - a decrease in ITD system development of \$42,870
  - a decrease in professional services of \$117,473

**SERVICE LEVEL CHANGES:**

Subsidies totaling \$183,815 for the Bob Hayes Track & Field event and UNF Small Business Center were eliminated in the FY 2013-14.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT (S/F 011)**

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**PROPOSED BUDGET BOOK – Page # 219-221  
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**CONCERN:**

The Bond Enhancement Program approved by the Ordinance 2004-602-E was created to provide support services to assist certified small businesses to secure performance and payment bonds for public and private contracts. No funds were used by the Bond Enhancement Program in FY2011-12 and FY2012-13.

	<b>FY12 Approved</b>	<b>FY12 Actual</b>	<b>FY13 Approved</b>	<b>YTD FY13 Actual (7/31)</b>	<b>FY14 Proposed</b>
JSEBs Training	\$ 82,500	\$ -	\$ 80,000	\$ 737	\$ -
<b><i>Bond Enhancement Program</i></b>	\$ 156,750	\$ -	\$ 155,750	\$ -	\$ 18,277
Total Professional Services	\$ 239,250	\$ -	\$ 235,750*	\$ 737	\$ 18,277

\* In July 2013, \$103,703.79 was transferred from the Equal Business Office's Professional Services to support the Mayor's Summer Jobs Program (TD13307).

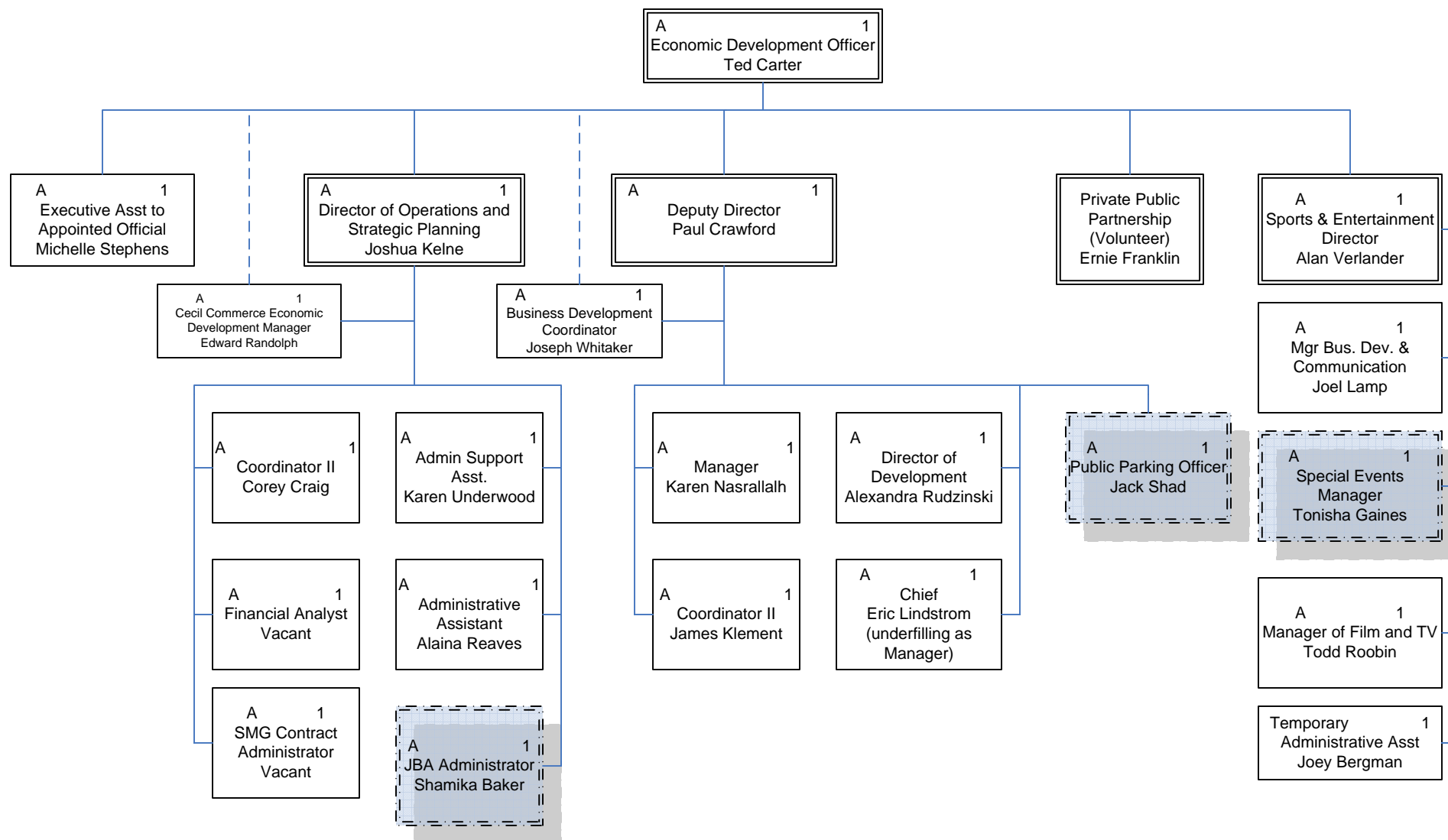
**RECOMMENDATION 1:**

There are six vacant and unfunded positions (one at the Office of Economic Development, one at the Sports and Entertainment, four at the Downtown Investment Authority). We recommend removing those positions. This will have no impact on the Special Council Contingency.

Office of Director 15  
Sports & Entertainment 4  
Total 19

Revised: 8/19/13

# Office of Economic Development FY 2013/ 2014



Note: This chart does not include part-time positions (Artis Gilmore) and Mike Thomas)

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
13.88% REDUCTION  
OFFICE OF ECONOMIC DEVELOPMENT (011)**

**Reductions in Controllable Costs from Mayor's Tentative Budget to Proposed Budget:**

<b>FY2013/14 - Controllable Costs Only</b>			
<b>Mayor's Tentative Budget</b>	<b>Mayor's Proposed Budget</b>	<b>Increase / (Decrease) in Controllable Costs</b>	
		<b>Dollar</b>	<b>%</b>
4,945,771	2,745,698	(2,200,073)	-44.48%

This above table is misleading as evidenced by the fact that controllable costs in this area are increasing from \$2,611,913 in Approved FY 2012/13 to \$2,745,698 in the Proposed FY 2013/14.

**13.88% Reductions as Represented by the Department/Budget Office:**

<b>Reductions*</b>		
<b>Dollar impact</b>	<b>Ranking</b>	<b>Description</b>
\$ 290,000	12	Reduces or Eliminates Various Surveys, Engineering Studies, Title Work, Real Estate Consultant, Economic Development Consultant, Contracted Graphics Designer, and Impacts Mayport CRA Plan
183,815	11	Eliminates Aid to Private Organizations and Promotion of Events
14,770	10	Reduced Travel Expense
13,691	9	Reduced Dues, Subscriptions and Memberships
58,725	8	Eliminate Bonding Assistance Program which is required by Ordinance 2004-602-E
55,000	7	Performance of Engineering Fees In-House by Public Works
38,999	6	Reduced Other Operating Supplies
7,250	5	Reduced Office Supplies - Other
6,799	4	Eliminates Intern Background Checks, Permit Application Fees, Various Award Entry Fees and Water Service
1,950	3	Reduced Postage
1,750	2	Reduced Food Used When Hosting Others
2,550	1	Reduced Local Mileage
<u>\$ 675,299</u>		

\*The reductions list was prepared by the Department and Budget Office. We received the listing from the Budget Office and summarized it for simplicity. The rankings are per the Department with one being the least impact to service levels.

**Recommendations Related to Mayor's Reductions:**

We do not recommend City Council fund the above mentioned items. This list is misleading as evidenced by the fact that controllable costs in this area are increasing from \$2,611,913 in FY 2012/13 to \$2,745,698 in the FY 2013/14 proposed budget.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
SPECIAL EVENTS (S/F 01A)**

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**PROPOSED BUDGET BOOK – Page # 223-224  
ON SCREEN-Page # 237-238**

**BACKGROUND**

Special Events was an activity of the Recreation and Community Services Department in the FY 2011-12 approved budget. Pursuant to 2011-732-E, it became activity under the Jacksonville Economic Development Commission (JEDC). With the passage of 2012-212-E, JEDC is no longer a component unit of the City and was moved back into the General Fund – GSD as a City Department (Office of Economic Development). Special Events is now housed in its own subfund (01A) that is project driven to better track event revenues, costs and provide transparency. It is still under the oversight of the Office of Economic Development.

**REVENUE**

1. Transfer From Other Funds

- There is a \$3,237,047 transfer from the General Fund to support operations within the Office of Special Events.

2. Miscellaneous Revenue

- This amount of \$40,000 represents event permit charges for events held at city owned properties.

**EXPENDITURES**

Non-Departmental/Fund Level Activities

1. Salary & Benefit Lapse

- This reflects an estimated salary and benefit lapse based on the average turnover ratio and estimated number of vacancies in FY 2013-14.

2. Other Operating Expenses

- This amount represents equipment rentals for the Florida/Georgia Game. There is an increase of \$10,621 in FY 2013-14 due to a current contract expiration and expected increase in cost of bleachers.

3. Grants, Aids & Contributions

- This represents travel related expenses for the Florida/Georgia game. The decrease of \$32,500 is based on actual expenditures.

Office of Economic Development

4. Salaries

- The net increase of \$51,571 is mainly due to an increase of \$90,750 in salaries – overtime. This is somewhat offset by a decrease of \$38,332 in permanent salary due to the elimination of one position which is currently vacant.



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
SPECIAL EVENTS (S/F 01A)**

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**PROPOSED BUDGET BOOK – Page # 223-224  
ON SCREEN-Page # 237-238**

5. Employer Provided Benefits

- The net decrease of \$4,534 is primarily due to decreases of \$7,387 in group health insurance and \$5,790 in workers' compensation insurance. These were slightly offset by an increase of \$7,592 in pension contribution.

6. Internal Service Charges

- The increase of \$7,637 is mostly due to an increase of \$3,513 in fleet repairs allocation and \$5,463 in copy center charges which was offset by a decrease of \$5,522 in helpdesk & desktop services allocation.

7. Utilities and Building Maintenance Allocations

- The Administration is proposing to remove and replace two Public Works allocations with internal service charges for Building Maintenance and Utilities. These proposed internal service charges are intended to reflect the costs for utility consumption, applicable debt service, and building maintenance in the individual City Departments' budgets.

8. Other Operating Expenses

- The net increase of \$71,181 is mainly due to an increase miscellaneous insurance of \$72,817 (not budgeted in prior year due to an error) and an increase in security costs of \$25,000 which was recommended to the department by the JSO. This was somewhat offset by a decrease in advertising and promotion of \$35,644 based on actual expenditures.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
SPECIAL EVENTS (S/F 01A)**

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**PROPOSED BUDGET BOOK – Page # 223-224  
ON SCREEN-Page # 237-238**

**FOOD AND BEVERAGE EXPENDITURES** (subobject 05206):

<b>SF</b>	<b>Indexcode</b>	<b>Amount</b>	<b>Description of each Service/Event that requires the purchase of food/beverage</b>	<b>Explanation that the Service/Event serves a public purpose</b>
01A	JEJE01ASE	\$2,700	World of Nations Celebration	Promote variety of cultures/volunteers
01A	JEJE01ASE	\$5,310	Military Events - Various	Promote the Military presence in Jacksonville
01A	JEJE01ASE	\$5,400	Downtown Events	Promote revitalization of Downtown/Volunteers
01A	JEJE01ASE	\$6,650	FL/GA Weekend	Promote the Annual Rivalry/Volunteers
01A	JEJE01ASE	\$7,600	Mayor's Initiatives for Special Events	Promote Downtown Jax
01A	JEJE01ASE	\$8,250	Jazz Festival	Promote Downtown Jax, entertainers, Volunteers
<b>TOTAL</b>		<b>\$35,910</b>		

**EMPLOYEE CAP CHANGES:**

One vacant Special Events Helper position is proposed to be eliminated for FY 2013-14.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
SPECIAL EVENTS (S/F 01A)**

**PROPOSED BUDGET BOOK – Page # 223-224  
ON SCREEN-Page # 237-238**

<b>EVENTS PROPOSED FY 2013-14</b>	<b>Equipment Rentals</b>	<b>Printin g</b>	<b>Advertising</b>	<b>Event Contribution</b>	<b>Misc. Services &amp; Charges</b>	<b>Subsidies</b>	<b>TOTAL</b>
	04402	04721	04801	04918	04938	08101	
4th of July	\$ 12,106	\$ -	\$ -	\$ -	\$ 48,600	\$ -	\$ 60,706
Blessing of the Fleet	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ 500
FL/GA Weekend/Game	\$ 302,000	\$ 600	\$ 1	\$ 36,500	\$190,900	\$300,000	\$ 830,001
Jax Happenings (Live at Snyder in Y13)	\$ 6,244	\$ -	\$ 4,000	\$ -	\$ 18,225	\$ -	\$ 28,469
Jazz Festival	\$ 15,000	\$ -	\$ 4,500	\$ -	\$277,174	\$ -	\$ 296,674
Mayor's Initiatives	\$ 12,500	\$ -	\$ 15,000	\$ -	\$ 50,256	\$ -	\$ 77,756
Memorial Wall/Sea and Sky	\$ -	\$ -	\$ -	\$ -	\$ 95,000	\$ -	\$ 95,000
MLK Jr. Breakfast	\$ 5,000	\$ -	\$ 7,000	\$ -	\$ 46,711	\$ -	\$ 58,711
Music Festivals (Starry Night in FY13)	\$ 5,000	\$ -	\$ 3,500	\$ -	\$ 30,000	\$ -	\$ 38,500
Veterans Day Parade	\$ 3,000	\$ -	\$ 2,000	\$ -	\$ 15,000	\$ -	\$ 20,000
World of Nations	\$ 16,500	\$ -	\$ 5,000	\$ -	\$ 85,000	\$ -	\$ 106,500
<b>Grand Total</b>	<b>\$ 377,350</b>	<b>\$ 600</b>	<b>\$ 41,001</b>	<b>\$ 36,500</b>	<b>\$857,366</b>	<b>\$300,000</b>	<b>\$1,612,817</b>

**CONCERN 1:**

As of August 1, 2013, \$309,227 was spent on overtime while only \$139,250 was budgeted. For the FY 2012-14, only \$230,000 was budgeted. It appears that this level of funding may not be sufficient.

**CONCERN 2:**

Even though Special Events is entirely funded by the General Fund, it appears that no reductions were made to meet the 13.88% budget reduction. The budget for Special Events actually increased by 5.2%.

**RECOMMENDATIONS:**

None

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PUBLIC PARKING SYSTEM (S/F 411)**

**PROPOSED BUDGET BOOK-Page #225-227  
ON SCREEN-Page #239-241**

**BACKGROUND:**

The Public Parking Division manages On-Street parking (parking meter). Revenues are generated through daily parking fees, other fines and forfeitures, and late payment charges. Public Parking Division requested to move some revenue and expenditure items from Public Parking System (S/F 411) to Parking Garage Revenue to better represent the true cost of garages and parking lots. See the below schedule that provides a true comparison between FY2012/13 (adjusted) and FY 2013/14.

	<b>FY 2012/13</b>		<b>Change from FY 2012/13</b>	
	<b>Adjusted</b>	<b>FY2013/14</b>	<b>Percent</b>	<b>Dollar</b>
	<b>Budget*</b>	<b>Proposed</b>		
<b>REVENUE</b>				
NON-DEPARTMENTAL				
Charges for Services	\$7,380	-	-100.0%	(\$7,380)
	\$7,380	-	-100.0%	(\$7,380)
OFFICE OF ECONOMIC DEVELOPMENT				
Charges for Services	\$1,679,006	\$1,347,854	-19.7%	(\$331,152)
Fines and Forfeits	570,308	775,743	36.0%	205,435
Miscellaneous Revenue	2,800	2,800	-	-
	2,252,114	2,126,397	-5.6%	(125,717)
<b>TOTAL REVENUE</b>	<b>\$2,259,494</b>	<b>\$2,126,397</b>	<b>-5.9%</b>	<b>(\$133,097)</b>
<b>EXPENDITURES</b>				
NON-DEPARTMENTAL				
Salary & Benefit Lapse	(\$43,839)	(\$35,430)	-19.2%	\$8,409
Cash Carryover**	251,316	185,919	-26.0%	(65,397)
	\$207,477	\$150,489	-27.5%	(\$56,988)
OFFICE OF ECONOMIC DEVELOPMENT				
Salaries	\$893,154	\$877,858	-1.7%	(\$15,296)
Employer Provided Benefits	375,811	431,926	14.9%	56,115
Internal Service Charges	228,567	244,902	7.1%	16,335
Utilities & Building Maint Allocations	91,595	17,166	-81.3%	(74,429)
Other Operating Expenses	365,140	306,314	-16.1%	(58,826)
Capital Outlay	9	1	-88.9%	(8)
Indirect Cost	97,741	97,741	-	-
	\$2,052,017	\$1,975,908	-3.7%	(\$76,109)
<b>TOTAL EXPENDITURES</b>	<b>\$2,259,494</b>	<b>\$2,126,397</b>	<b>-5.9%</b>	<b>(\$133,097)</b>

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PUBLIC PARKING SYSTEM (S/F 411)**

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**PROPOSED BUDGET BOOK-Page #225-227  
ON SCREEN-Page #239-241**

\*The budget adopted for FY 2012/13 has been adjusted to reflect the transfer of budgeted revenues and expenditures from Public Parking System (S/F 411) to Parking Garage Revenue (S/F 412) associated with parking lot operations.

\*\*The dollar amount in Cash Carryover is a plug to balance the budget.

**REVENUES:**

Jacksonville Citywide Activities:

1. Miscellaneous Revenue:

- The \$7,380 elimination in miscellaneous revenue is due to a negative cash balance.

Office of Economic Development:

1. Charges for Services:

- The decrease of \$331,152 is primarily due to a net decrease of \$388,608 in Collection and Late Fees. This is offset somewhat by an increase of \$58,600 in parking meter revenues. Based on our projections, we are recommending Late Fees be further reduced below.

2. Fines and Forfeits:

- The increase of \$205,435 is attributable to an increase in parking fines. Based on historical data, we recommend the parking fine revenue be reduced below.

**EXPENDITURES:**

Jacksonville Citywide Activities:

1. Salary and Benefit Lapse:

- This reflects an estimated salary and benefit lapse based on historical turnover within the subfund.

2. Cash Carryover:

- The \$185,919 budgeted in this line item is the budgeted excess revenue over expenditures for this subfund.

Office of Economic Development:

1. Salary:

- The decrease of \$15,296 is primarily due to a decrease of \$13,979 in permanent salaries and the elimination of \$4,001 in part-time salaries.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PUBLIC PARKING SYSTEM (S/F 411)**

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**PROPOSED BUDGET BOOK-Page #225-227  
ON SCREEN-Page #239-241**

2. Employer Provided Benefits:
  - The increase of \$56,115 is primarily attributable to an increase of \$50,559 in Pension Contributions and an increase of \$20,492 in Health Insurance. This was offset somewhat by a decrease of \$14,428 in Workers' Compensation Insurance.
3. Internal Service Charges
  - The increase of \$16,335 is primarily due to total increases of \$14,978 in fleet repairs & maintenance and parts, oil, & gas allocations.
4. Utilities & Building Maintenance Allocations:
  - The Administration is proposing to remove and replace two Public Works allocations with internal service charges for Building Maintenance and Utilities. These proposed internal service charges are intended to reflect the costs for utility consumption, applicable debt service, and building maintenance in the individual City Departments' budgets.
5. Other Operating Expenses:
  - The decrease of \$58,826 is primarily due to a decrease of \$46,185 in Hardware/ Software Maintenance & Licenses, \$9,754 in Miscellaneous Services & Charges, and \$5,244 in Other Operating Supplies.
6. Indirect Costs:
  - This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study.

**EMPLOYEE CAP CHANGES:**

Eleven (11) positions and 1,283 part-time hours were transferred to Parking Garage (S/F 412) to represent the true cost of this subfund.

**SERVICE LEVEL CHANGES:**

None.

**CONCERN:**

Based on historical information budgeted revenues for Public Parking System have been consistently over budgeted for the last six years, see schedule below. This subfund should closely monitor what is being spent compared to revenue received to avoid a potential negative effect on Fund Balance in the current year as well as future years.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PUBLIC PARKING SYSTEM (S/F 411)**

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**PROPOSED BUDGET BOOK-Page #225-227  
ON SCREEN-Page #239-241**

<b>Fiscal Year</b>	<b>Budgeted Revenue</b>	<b>Actual Revenue</b>	<b>Over/(Under) Budgeted</b>
FY 2006/07	5,340,125	3,816,115	(1,524,010)
FY 2007/08	5,418,893	4,735,505	(683,388)
FY 2008/09	3,448,839	2,940,018	(508,821)
FY 2009/10	3,142,339	2,718,674	(423,665)
FY 2010/11	2,788,853	2,402,389	(386,464)
FY 2011/12	2,736,330	2,382,237	(354,093)
FY 2012/13	2,602,476	1,972,284*	(630,192)

\*Actual Revenue for FY2012/13 is based on the Budget Office Quarterly Summary for the Quarter ended 06/30/2013.

**RECOMMENDATIONS:**

1. We recommend that Parking Fines be decreased by a net \$141,872 and Parking Late Fees be decreased by \$84,336 to reflect more realistic revenue projections based on historical actuals. These revenue shortfalls should be offset by creating a supervisory allocation of \$40,289 from this subfund to Parking Garage Revenue (S/F 412) to reflect 50% of the salary of the Parking Service Manager which will reduce the cash carryover in Parking Garage Revenue (S/F 412). The remaining revenue shortfall should be offset by eliminating the Cash Carryover of \$185,919. This will not impact the Special Council Contingency.
2. We recommend that Public Parking System (S/F 411) be named On-Street Parking since this subfund will no longer include parking lots and now all its revenue generating activities are related to on-street parking.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PARKING GARAGE REVENUE (S/F 412)**

**PROPOSED BUDGET BOOK – Page #229-230  
ON SCREEN-Page #243-244**

**BACKGROUND:**

The Public Parking Division manages garages and parking lots. It manages the Ed Ball, St. James Building, Yates, City Hall Annex, Library, and Water Street garages and the Bay Street, Courthouse, Forsyth, and JEA parking lots. Revenues are generated through daily, monthly, and special event parking fees. Public Parking Division requested to move some revenue and expenditure items from Public Parking System (S/F 411) to Parking Garage Revenue to better represent the true cost of garages and parking lots. See the below schedule that provides a true comparison between FY2012/13 (adjusted) and FY 2013/14.

	<b>FY 2012/13</b>			
	<b>Adjusted</b>	<b>FY2013/14</b>	<b>Change from FY 2012/13</b>	
	<b>Budget*</b>	<b>Proposed</b>	<b>Percent</b>	<b>Dollar</b>
<b>REVENUE</b>				
Charges for Services	\$2,000,746	\$2,220,597	11.0%	\$219,851
<b>TOTAL REVENUE</b>	<b>\$2,000,746</b>	<b>\$2,220,597</b>	<b>11.0%</b>	<b>\$219,851</b>
<b>EXPENDITURES</b>				
<b>NON-DEPARTMENTAL</b>				
Cash Carryover**	\$993,780	\$1,118,909	12.6%	\$125,129
	\$993,780	\$1,118,909	12.6%	\$125,129
<b>OFFICE OF ECONOMIC DEVELOPMENT</b>				
Salaries	\$294,431	\$297,688	1.1%	\$3,257
Employer Provided Benefits	151,189	174,594	15.5%	23,405
Internal Service Charges	23,791	34,195	43.7%	10,404
Utilities & Building Maint Allocations	-	139,825	-	139,825
Other Operating Expenses	423,040	390,896	-7.6%	(32,144)
Capital Outlay	50,026	1	-100.0%	(50,025)
Indirect Cost	64,489	64,489	-	-
	\$1,006,966	\$1,101,688	9.4%	\$94,722
<b>TOTAL EXPENDITURES</b>	<b>\$2,000,746</b>	<b>\$2,220,597</b>	<b>11.0%</b>	<b>\$219,851</b>

\*The budget adopted for FY 2012/13 has been adjusted to reflect the transfer of budgeted revenues and expenditures from Public Parking System (S/F 411) to Parking Garage Revenue (S/F 412) associated with parking lot operations.

\*\*The dollar amount in Cash Carryover is a plug to balance the budget.



**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PARKING GARAGE REVENUE (S/F 412)**

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**PROPOSED BUDGET BOOK – Page #229-230  
ON SCREEN-Page #243-244**

**REVENUE:**

Office of Economic Development:

1. Charges for Services:

- The increase of \$219,851 is primarily due to the addition of \$301,828 in parking revenue expected to be earned from the newly acquired library garage. This was offset somewhat by an overall decrease in expected revenue. Based on our projections, revenues from the Water Street Garage should be further reduced. This reduction will be addressed in a recommendation below.

**EXPENDITURES:**

Jacksonville Citywide Activities:

1. Cash Carryover:

- The \$1,118,909 budgeted in this line item is the budgeted excess revenue over expenditures for this subfund. This will be utilized to address the negative cash position within this subfund which was \$1,193,360 as of 6/30/13.

Office of Economic Development:

1. Salaries:

- The increase of \$3,257 is primarily due to the reclassification of a parking facility operator position as a parking facility supervisor.

2. Employer Provided Benefits:

- The increase of \$23,405 is primarily due to an increase of \$16,142 in Pension Contributions and an increase of \$13,505 in Group Hospitalization Insurance.

3. Internal Service Charges:

- The increase of \$10,404 is primarily due to an increase of \$3,584 in Fleet Allocation and the addition of \$6,007 in Purchasing Allocation that was erroneously budgeted. This error will be addressed in a recommendation below.

4. Utilities and Building Maintenance Allocations:

- The Administration is proposing to remove and replace two Public Works allocations with internal service charges for Building Maintenance and Utilities. These proposed internal service charges are intended to reflect the costs for utility consumption, applicable debt service, and building maintenance in the individual City Departments' budgets.

5. Other Operating Expenses:

- The decrease of \$32,144 is primarily attributable to changes in other operating expenses in the following garages:

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
PARKING GARAGE REVENUE (S/F 412)**

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**PROPOSED BUDGET BOOK – Page #229-230  
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- Ed Ball Garage - There is a decrease of \$36,305 in Repairs and Maintenance and a decrease of \$2,140 in Miscellaneous Insurance.
  - Water Street Garage - There is a net decrease of \$5,516 in Guard Services and Miscellaneous Insurance.
  - Library Garage - There is an addition of \$13,618 in Repairs and Maintenance for this newly acquired garage.
6. Capital Outlay:
- The decrease of \$50,025 is due to not purchasing any capital equipment for FY 2013/14.
7. Indirect Cost:
- This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study.

**EMPLOYEE CAP CHANGES:**

Eleven (11) positions and 1,283 part-time hours were transferred from parking lot Public Parking System (S/F 411).

**SERVICE LEVEL CHANGES:**

The cost of operating the Library garage has been added to this subfund.

**CONCERN:**

This fund continues to maintain a negative cash balance of \$1,193,360 as of 6/30/13.

**RECOMMENDATIONS:**

1. We recommend that Parking Fees revenue for Water Street parking garage be decreased by \$100,000 to reflect a more realistic revenue projection based on current year actuals. This should be offset by decreasing the Cash Carryover by the same amount. This will not impact the Special Council Contingency.
2. We recommend that Purchasing allocation of \$6,007 be eliminated that was erroneously included. This should be offset by decreasing the Cash Carryover by the same amount. This will not impact the Special Council Contingency.
3. We recommend that Parking Garage Revenue (S/F 412) be named Off-Street Parking since this subfund now also includes revenues from parking lots.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
MOTOR VEHICLE INSPECTION (S/F 431)**

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**PROPOSED BUDGET BOOK-Page #231-232  
ON SCREEN-Page #245-246**

**BACKGROUND:**

The Public Parking Division manages the inspection stations for school buses, city vehicles and vehicles for hire.

**REVENUE:**

1. Miscellaneous Revenue
  - The decrease of \$2,584 is due to lower investment pool earnings based on historical information.
2. Transfers from Fund Balance
  - The Transfer from Fund Balance was eliminated for FY 2013/14.
3. Charges for Services
  - The increase of \$61,328 is primarily due to an overall increase in vehicle inspection fees and an increase in the number of school buses to be inspected.

**EXPENDITURES:**

1. Salaries
  - The increase of \$2,896 is mainly due to an increase of \$1,321 in permanent and probationary salaries and an increase of \$1,575 in special pay.
2. Employer Provided Benefits
  - The increase of \$17,649 is mainly due to an increase of \$17,395 in general employees' pension contribution.
3. Internal Service Charges
  - The increase of \$1,034 is primarily due to a net increase of \$934 in fleet charges.
4. Utilities and Building Maintenance Allocations
  - The Administration is proposing to remove and replace two Public Works allocations with internal service charges for Building Maintenance and Utilities. These proposed internal service charges are intended to reflect the costs for utility consumption, applicable debt service, and building maintenance in the individual City Departments' budgets.
5. Other Operating Expenses
  - The increase of \$38,241 is primarily attributable to an increase of \$38,112 in Miscellaneous Services & Charges due to excess expenditure capacity made available from higher expected revenues.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
OFFICE OF ECONOMIC DEVELOPMENT  
MOTOR VEHICLE INSPECTION (S/F 431)**

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**PROPOSED BUDGET BOOK-Page #231-232  
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6. Indirect Cost

- This is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study. The decrease to this area is mainly attributable to the reduction in Administrative Services and certain Public Works costs being moved to the new utilities and building maintenance allocation.

**EMPLOYEE CAP CHANGES:**

None.

**SERVICE LEVEL CHANGES:**

None.

**RECOMMENDATIONS:**

None.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
CECIL FIELD TRUST FUND (S/F 759)**

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**PROPOSED BUDGET BOOK – Page # 263-264  
ON SCREEN-Page # 277-278**

**BACKGROUND**

Established per ordinance 98-1052-E, all revenues received or earned by the City from the development and operation of the Cecil Commerce Center (excluding revenues related to an interlocal agreement with the Jacksonville Aviation Authority) are deposited into this trust fund. This fund is an all years subfund.

**REVENUE**

Non-Departmental / Fund Level Activities

1. Miscellaneous Revenue

- The increase of \$68,749 is due to appropriating investment pool earnings since actual revenues for investment pool earnings exceeded budgeted revenues over the years.

Office of Economic Development

2. Miscellaneous Revenue

- The net decrease of \$98,397 is due to reductions of \$106,276 in timber product sales and \$91,040 in gain on sale of real property revenues. The actual revenues for gain on sale of real property exceeded budgeted revenues over the years and are appropriated in FY 2013-14. These decreases were somewhat offset by an increase of \$98,919 in rental of city facilities revenue based on actual revenues.

Parks & Recreation

3. Miscellaneous Revenue

- This amount of \$71,530 represents the anticipated revenue from timber sales.

**EXPENDITURES**

Office of Economic Development

1. Other Operating Expenses

- There are no significant changes in the professional services other operating expenses which include \$267,920 in professional services (engineering services and a portion of the forestry maintenance contract). Also, \$1.7M in the contractual services is budgeted for a building and property maintenance contract.

2. Indirect Costs

- This amount of \$3,482 is an allocation calculated by the City's independent consulting firm as part of the full cost allocation plan study. The increase is due to costs not being allocated to this area in the past.

**COUNCIL AUDITOR'S OFFICE  
COMMENTS AND RECOMMENDATIONS  
MAYOR'S PROPOSED FY 2013/14 BUDGET  
CECIL FIELD TRUST FUND (S/F 759)**

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**PROPOSED BUDGET BOOK – Page # 263-264  
ON SCREEN-Page # 277-278**

*Parks & Recreation*

3. Other Operating Expenses

- This amount of \$20,479 represents the other portion of the forestry maintenance contract.

**AUTHORIZED POSITION CAP**

There are no authorized positions in this subfund.

**RECOMMENDATIONS**

None