

OFFICE OF THE COUNCIL AUDITOR

FY2010/2011 PROPOSED BUDGET

FINANCE COMMITTEE MEMBERS

Daniel Davis - Chair
Warren Jones - Vice Chair
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Meeting #6
August 26, 2010

**COUNCIL AUDITOR'S OFFICE
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**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/2011 BUDGET
OFFICE OF THE SHERIFF (011)**

PROPOSED BUDGET BOOK – Page # 222

BACKGROUND:

The Jacksonville Sheriff's Office mission is to protect the lives and property of the citizens of this community, to preserve the peace, and to prevent crime and disorder while constantly guarding personal liberties as prescribed by law.

- In the 2010/2011 Proposed Budget there are 1,750 sworn police officers, 809 correction officers, and 795 civilians for a total of 3,354 Sheriff's Office employees in the General Fund.
- The total number of vehicles in the Sheriff's fleet is 2,114.
- The average inmate population for the correctional facilities in 2009 was 3,757.
- The Sheriff's Office has a vacancy count of 111 as of July 2010. The vacancy count includes 32 police officers, 26 corrections officers, and 53 civilian.
- The Sheriff's Office is 35% of the General Fund expenditure budget and 52% of the General Fund employee cap.

REVENUES:

1. Charges for Services:

- The decrease of \$3,748,482 is primarily due to the many factors described below:
 - There is a reduction of \$1,976,763 in the Duval County School Board – School Resource Officer revenue due to the School Board hiring their own officers to patrol the campuses. This revenue would pay for 2/3 of the School Resource Officers salaries and benefits. The General Fund will now need to cover the salary and benefits due to the loss in the revenue.
 - A decrease of \$901,815 in Contractual Services Revenue primarily due to Jacksonville Port Authority hiring a private company to provide security at Blount Island. The security was provided to the U.S. Army for military cargo deployments.
 - The decrease of \$329,187 in Reimbursement from Independent Agencies is primarily due to a decrease of \$288,147 in the Jacksonville Port Authority Security contract which provides routine security of the three marine terminals.
 - A reduction of \$207,721 in Concealed Weapon Permit Fees since the organizers of guns shows have fingerprinting capabilities. Also, many new applicants are going to the State Office located in the Baymeadows area.
 - A reduction of \$188,000 in Off Duty Reimbursement fees due to the economy affecting secondary employment.
 - A decrease of \$141,709 in Prisoner's Board – Workfurlough due to an increase in home detention participation and fewer jobs are available for those who qualify.

2. Fines and Forfeits:
 - The \$641,025 decrease is mainly due to the reduction of \$351,863 in Sheriff's Fines and Estreatures and a decrease \$287,112 in Violations of Local Ordinances.
3. Other Sources:
 - This is Banking Fund Loan Proceeds in the amount of \$1,165,000 which will be used to purchase:
 - FY 10/11 Replacement Laptops (450) \$765,000
 - FY 10/11 Servers (17) and Network Equipment \$200,000
 - FY 10/11 Telecom Equipment Refresh \$200,000

EXPENDITURES:

1. Salaries:
 - The decrease of \$5,365,075 is primarily due a 3% salary line item reduction of \$5,329,632. Also, there is a reduction of \$1,615,425 in Overtime primarily due to the Port Authority providing private security at Blount Island and replanning for special events. Offsetting this decrease were increases in Terminal Leave of \$534,852 and Part-time Salaries of \$176,176.
2. Lapse:
 - The increase of \$1,104,784 is due to anticipated savings from 20 positions identified to be redlined. However, the total lapse within the department has changed from \$2,123,311 to \$2,777,095, after factoring in last year's extraordinary lapse of \$545,000, which has been reduced to \$94,000.
3. Employer Provided Benefits:
 - The \$1,993,891 increase is primarily due to an increase \$1,522,318 in Workers' Compensation Insurance due to the high risk of the police officer's job and \$1,380,904 in Pension Contributions due to individuals moved to the pension per Human Resources.
 - The pension contribution for Police and Fire is 49.60%, the Corrections Officers' pension contribution is 31.78%, and the General Employee pension contribution is 13.50%, which is no change from fiscal year 2009/2010.
4. Internal Service Charges:
 - The \$461,902 decrease is primarily due to the following factors:
 - A reduction of \$985,786 in Radio –IS Allocation.
 - A decrease of \$608,258 in Fleet Vehicle Rental allocation due to delaying hiring grant positions after fiscal year 2010/2011.
 - A reduction of \$137,162 in System Development (Banking Fund).
 - Partially offsetting the decrease is an increase of \$597,733 in Fleet Parts/Oil/Gas due to lengthening the life of the vehicles. An increase of \$220,247 in Wireless Communication and an increase of \$239,492 in Fleet Repairs and Maintenance.
5. Other Operating Expenses:

Within Other Operating Expenses there were a number of increases and decreases. The major increases and decreases are discussed below.

- There is a reduction of \$104,828 in Equipment Rentals.
- A decrease of \$433,716 in Miscellaneous Services and Charges due to reclassifying the expenses to more appropriate sub-objects.
- A reduction of \$270,446 in Clothing, Uniforms & Safety Equipment since the cap has not increased and due to anticipation of fewer new hires.
- A decrease of \$271,389 in Employee Training since the cap is not increasing and there will be fewer recruits to train.
- Partially offsetting the above decreases was an increase of \$297,012 in Plant Renewal to return to the allocation level from two years ago.
- There is also a budgeted increase in Other Contractual Services which include Security/Guard service with an increase of \$73,819 and Contract Food Services with an increase of \$91,610 due a projected increase in the jail population.

6. Capital Outlay:

- The \$602,765 decrease is due to a reduction in the purchase of equipment.

7. Extraordinary Lapse:

- This amount represents estimated savings in various operating accounts resulting from changes in the School Resource Officer contract.

8. Banking Fund Debt Repayment:

- The \$250,888 increase is due to the acquisition of equipment funded by the banking fund.

SERVICE LEVEL CHANGES:

There are no significant changes.

EMPLOYEE CAP CHANGES:

There were 16,482 part-time hours transferred from the vacancy pool during FY 10.

During the budget process for FY 2010-11, 20 Police Officer positions will be redlined. Once these positions become vacant, they will be eliminated.

RECOMMENDATION:

1. We recommend that Part-time Salaries, Part-time Hours, Worker's Compensation Insurance and General Liability Insurance that is erroneously budgeted in the Public Safety Initiative – Corrections index code be moved to the Pretrial Detention Facility index code. This will have no impact on Special Council Contingency.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/2011 BUDGET
911 EMERGENCY USER FEE (171)**

PROPOSED BUDGET BOOK – Page # 225

(NO GENERAL FUND DOLLARS)

BACKGROUND:

The special revenue fund for the operation of the 911 Emergency Telephone System was established pursuant to Section 365.171 of the Florida Statutes, which states, “a county may impose a “911” fee to be paid by the local exchange subscribers within its boundaries served by the “911” service.” The fund provides for the maintenance and operations of the system for Duval County, including ADA accessibility. According to Section 365.172 (9) (b) of the Florida Statutes, “all costs directly attributable to the establishment or provision of E911 service and contracting for E911 services are eligible for expenditure of moneys derived from imposition of the fee authorized by this section.” Some of the eligible expenditures include telephone devices and other equipment for the hearing impaired used in the E911 system, hardware and software for computer-aided dispatch (CAD) systems and integrated CAD systems for that portion of the system used for E911 call taking.

REVENUES:

1. Miscellaneous Revenue:
 - The increase of \$59,649 is due to an increase in investment pool earnings. The actual revenue received as of June 30, 2010 is \$77,346.
2. Charges for Services:
 - Charges for Services include the landline fee paid each month of \$0.44 with a budgeted amount of \$2,006,097 and a wireless fee of \$0.50 paid each month with a budgeted amount of \$2,482,521.
 - The decrease of \$297,653 is primarily due to people moving towards using pre-paid wireless phones which do not charge the 911 user fee.

EXPENDITURES:

1. Lapse:
 - There is no lapse budgeted for this sub-fund.
2. Cash Carryover:
 - There is not a cash carryover for this sub-fund.
3. Salaries:
 - The decrease of \$8,737 is primarily due to a 3% salary line item reduction.

4. Employee Provided Benefits:
 - The increase of \$1,783 is primarily due to the increase of \$10,398 in Pension Contribution and \$3,082 in Group Hospitalization Insurance. This is somewhat offset by reductions of \$6,075 in Payroll Taxes (FICA) and \$5,630 in Workers' Compensation Insurance.
5. Internal Service Charges:
 - The decrease of \$5,554 is due to a drop in the allocation of Telecommunication Service charges.
6. Other Operating Expense:
 - Other Operating Expenses includes \$2,333,580 for Police and Fire call taker salaries and \$438,200 for the Beaches call taker salaries.
 - The decrease of \$225,510 is primarily due to the decrease of \$298,678 in Repairs and Maintenance due to sub-fund 173 receiving surplus funds from the 911 Board and using those funds for Repairs and Maintenance. The decrease is offset by an increase of \$68,497 in Miscellaneous Services and Charges for 911 database maintenance expenditures.

SERVICE LEVEL CHANGES:

There are no significant changes.

EMPLOYEE CAP CHANGES:

No change.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/2011 BUDGET
911 EMERGENCY WIRELESS USER FEE (173)**

PROPOSED BUDGET BOOK – Page # 228

(NO GENERAL FUND DOLLARS)

BACKGROUND:

The funds were budgeted in this sub-fund to account for the special distribution of 911 funds from the wireless user fees collected statewide and remitted to the 911 Board.

REVENUES:

1. Charges for Services:

- The \$388,880 is the budget request based on the State's 911 Board's distribution of surplus funds after all obligations and projected expenses were met.

EXPENDITURES:

1. Other Operating Expense:

- The \$388,880 will be used for maintenance on the 911 telephone system, software licenses and headsets for call takers.

SERVICE LEVEL CHANGES:

There are no significant changes.

EMPLOYEE CAP CHANGES:

No change.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/2011 BUDGET
SHERIFF'S TRUSTS (64A)**

PROPOSED BUDGET BOOK – Page # 230

(NO GENERAL FUND DOLLARS)

BACKGROUND:

Municipal Code Section 111.300 created a trust fund account to be known as the Inmate Welfare Trust Fund. There shall be deposited into this fund the net profits from the commissary operation within the City's correctional facilities, which shall be used only for the overall welfare of the inmates. An inmate welfare committee shall recommend what expenditures are to be made. Also included in this sub-fund are the Teen Driver Special Revenue Fund and the Motor Vehicle Safety Program Fund pursuant to Municipal Code Sections 111.365 and 111.396, respectively, along with the Domestic Battery Surcharge pursuant to Florida Statute 938.08.

REVENUE:

1. Fines and Forfeits:
 - The increase of \$80,000 is due to the budget of \$80,000 in county court fines and penalties for the Domestic Battery Surcharge pursuant to Florida Statute 938.08. The City receives \$115 of the \$201 Domestic Battery Surcharge.
2. Miscellaneous Revenue:
 - Miscellaneous Revenue of \$370,816 includes \$355,816 for Concession Sales, \$10,000 for the Teen Driver Special Revenue Fund and \$5,000 for the Motor Vehicle Safety Program.
 - The increase is due to an increase of \$57,218 in Concession Sales due to the services being rebid and the commissary commission for the concession sales increasing as a result.

EXPENDITURES:

1. Lapse:
 - There is not a proposed lapse budgeted.
2. Salaries:
 - The decrease of \$89,947 is primarily due to this fund being an all years fund and there are unspent salary dollars from prior years that can be used to fund fiscal year 2010/2011 salaries without a significant amount of new dollars being appropriated.
3. Employer Provided Benefits:
 - The decrease of \$26,542 is primarily due to this fund being an all years fund and there are unspent dollars from prior years that can be used to fund fiscal year 2010/2011 employer provided benefits without a significant amount of new dollars being appropriated.

4. Other Operating Expenses:

- The increase of \$253,707 is primarily due to an increase of \$173,363 for Trust Fund Authorized Expenditures for the Inmate Welfare Trust Fund due to all other expenses remaining low and having more funds available for the welfare of the inmates.
- There is also an increase of \$80,000 in Trust Fund Authorized Expenditures for the Domestic Battery Surcharge. These funds will be used to defray the costs of incarcerating people sentenced for domestic violence and provide training to law enforcement personnel in combating domestic violence.

SERVICE LEVEL CHANGES:

There are no significant changes.

EMPLOYEE CAP CHANGES:

No change.

RECOMMENDATIONS:

None.

**Sheriff's Trusts
Subfund - 64A**

	Domestic Battery Surcharge	Inmate Welfare Trust Fund	Motor Vehicle Trust Fund	Teen Driver Special Revenue Fund	Total
REVENUE					
Fines and Forfeits	80,000				80,000
Miscellaneous Revenue		355,816	5,000	10,000	370,816
TOTAL REVENUE	\$ 80,000	\$ 355,816	\$ 5,000	\$ 10,000	\$ 450,816
EXPENDITURES					
Salaries		35,201			35,201
Employer Provided Benefits		17,062			17,062
Other Operating Expenses	80,000	303,553	5,000	10,000	398,553
TOTAL EXPENDITURES	\$ 80,000	\$ 355,816	\$ 5,000	\$ 10,000	\$ 450,816

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/2011 BUDGET
PUBLIC SAFETY INITIATIVE (019)**

PROPOSED BUDGET BOOK – Page # 255

BACKGROUND:

This subfund was established as part of the FY 09 budget ordinance (Ord No. 2008-555-E) to account for the non-enforcement activities of the “Jacksonville Journey”. The *Journey* provides funding for expanded early literacy programs, supervised after-school guidance and recreational programs and expanded activities during the summer. It also dedicates funding to expand existing juvenile crime prevention programs and intervention programs that help ex-offenders make the transition to becoming productive citizens.

REVENUES:

1. Transfers From Other Funds:

- This is the amount of the transfer from the General Fund (011) to fund non-grant funded programs. In fiscal year 2009/2010 approximately \$4.3 million was grant funded from the Department of Justice, Department of Education, and Justice Assistance Grants. In fiscal year 2010/2011, the bulk of these grant monies will end.

EXPENDITURES:

1. **Housing:**

Local Initiatives Support Corporation (LISC) - \$500,000

- There was no change in funding for this program.

2. **Jacksonville Children's Commission:**

Early Literacy - \$2,000,000

- There was no change in funding for this program.

Summer Camps - \$1,081,399

- There was a reduction of \$75,001 in funding for this program. Even with this reduction in funding demand will still be met.

Team-Up Program - \$1,488,044

- There is a reduction of \$50,000 from the General Fund when compared to fiscal year 2009/2010 due to an increase in grant funding which will be approved through separate legislation.

Out of School Suspension - \$1,067,423

- The increase of \$257,099 is due to the General Fund covering this program. For fiscal year 2009/2010 a grant of \$433,340 and a General Fund amount of \$810,324 covered this program for a total of \$1,243,664. Overall there was a reduction of \$176,241 for the operating budget of the program.

4. Central Operations:

Summer Jobs Program - \$209,220

- The decrease of \$40,000 in the General Fund contribution is mainly due to a reduction in part-time salaries based on historical use.

5. Recreation & Community Services:

Ex-Offender Employment Program - \$475,000

- For fiscal 2009/2010 this program was funded by a grant. The General Fund is now funding this program. There was no change in the operating budget for this program.

Juvenile Crime Prevention and Intervention - \$321,600

- For fiscal 2009/2010 this program was funded by a grant. The General Fund is now funding this program. There was no change in the operating budget for this program.

Ex-Offender Training/Re-entry - \$738,000

- For fiscal 2009/2010 this program was funded by a grant. The General Fund is now funding this program. There was no change in the operating budget for this program

After School Recreation League - \$250,000

- The reduction of \$156,290 in the General Fund contribution is due to program changes that utilize outside agencies verses City services. This change reflects the removal of funding from Salaries and Employer Provided Benefits due to the elimination of 16,640 part-time hours.

Jax Commitment Scholarship Program - \$800,000

- In fiscal year 2010/2011 the budget shows a reduction of \$100,000. Overall funding remains unchanged by use of leveraged "Take Stock in Children" funding that will be matched with \$100,000 from the State of Florida. The amount of scholarships given will not be reduced.

Family Foundations - \$100,000

- There was no change in funding for this program.

6. Officer of the Sheriff:

Ex-Offender Re-Entry Portal - \$700,000

- For fiscal 2009/2010 this program was funded by a grant. The General Fund is now funding this program. There is an overall reduction of \$100,000 in the operating budget. The nine positions that were grant funded for this program are now in the General Fund.

Juvenile Assessment Center - \$352,475

- For fiscal 2009/2010 this program was funded by a grant. The General Fund is now funding this program. There was a minimal increase of \$24,239 in the operating budget for this program.

SERVICE LEVEL CHANGES:

There are no significant changes in service level.

EMPLOYEE CAP CHANGES:

The increase is due to the movement of nine positions from grant funding.

PART-TIME HOUR REDUCTIONS:

16,640 part-time hours were eliminated as part of the After School Recreation League program restructuring.

RECOMMENDATION:

None.

Public Safety Initiative (Jacksonville Journey)

Program Description	FY 09/10 Approved			FY 10/11 Mayor's Proposed			
	General Fund Contribution	Grant Funding	Total FY 09/10 Approved	General Fund Contribution	Grant Funding	Total Proposed FY 10/11	Change in Budget
Local Initiatives Support Corporation	\$ 500,000	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ 500,000	\$ -
Early Literacy	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -
Summer Camps	\$ 1,156,400	\$ -	\$ 1,156,400	\$ 1,081,399	\$ -	\$ 1,081,399	\$ (75,001)
Team-up Programs	\$ 1,538,044	\$ 1,200,000	\$ 2,738,044	\$ 1,488,044	\$ 1,250,000	\$ 2,738,044	\$ -
Out of School Suspension Centers	\$ 810,324	\$ 433,340	\$ 1,243,664	\$ 1,067,423	\$ -	\$ 1,067,423	\$ (176,241)
Summer Jobs Program	\$ 249,220	\$ -	\$ 249,220	\$ 209,220	\$ -	\$ 209,220	\$ (40,000)
Ex-Offender Employment Program		\$ 475,000	\$ 475,000	\$ 475,000	\$ -	\$ 475,000	\$ -
Juvenile Crime Prevention & Intervention	\$ -	\$ 321,600	\$ 321,600	\$ 321,600	\$ -	\$ 321,600	\$ -
Ex-offender Training/Re-entry	\$ -	\$ 738,000	\$ 738,000	\$ 738,000	\$ -	\$ 738,000	\$ -
After School Recreation Leagues	\$ 406,290	\$ -	\$ 406,290	\$ 250,000	\$ -	\$ 250,000	\$ (156,290)
Jax Commitment Scholarship Program	\$ 900,000	\$ -	\$ 900,000	\$ 800,000	\$ -	\$ 800,000	\$ (100,000)
Family Foundations	\$ 100,000	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ -
Ex-Offender Re-entry Portal	\$ -	\$ 800,000	\$ 800,000	\$ 700,000	\$ -	\$ 700,000	\$ (100,000)
Juvenile Assessment Center	\$ -	\$ 328,236	\$ 328,236	\$ 352,475	\$ -	\$ 352,475	\$ 24,239
DART - Code Compliance	\$ 484,000	\$ -	\$ 484,000	\$ 484,000	\$ -	\$ 484,000	\$ -
Total for Sub-fund 019	\$ 8,144,278	\$ 4,296,176	\$ 12,440,454	\$ 10,567,161	\$ 1,250,000	\$ 11,817,161	\$ (623,293)

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2010/11 BUDGET
JACKSONVILLE CHILDREN'S COMMISSION (SF 191)**

PROPOSED BUDGET BOOK – Page 128

BACKGROUND:

The Jacksonville Children's Commission was established pursuant to Sec. 51.101 of the Municipal Code to oversee federal, state, City and private funding and provide programs that promote positive infant, child and youth development. This includes oversight to the Mayor's Early Literacy Initiative. In addition to their proposed budget of \$21,140,059, JCC is responsible for overseeing \$5,636,867 in Jacksonville Journey funding.

REVENUES:

1. Miscellaneous Revenue – Jacksonville Citywide Activities:
 - The decrease of \$95,243 in miscellaneous revenue reflects a reduction in investment pool earnings projected due to market conditions and a lower fund balance than prior years.
2. Transfer from General Fund:
 - The decrease in the transfer from the General Fund is due to a reduction in various expenses.

EXPENDITURES:

1. Salaries:
 - There is a reduction of \$61,291 mostly due to a 3% reduction in the salary line item and the elimination of one Program Associate position (eliminated in FY 2009/10) and one Contract Compliance position. In addition, a position that was being funded 50% from subfund 191 and 50% from grant funds was moved from the grant fund to subfund 191 for FY 2010/11. The net affect was a reduction of one position.
2. Lapse:
 - The increase of \$138,608 is the result of the removal of the lapse imposed in FY 2009/10.
3. Employer Provided Benefits:
 - The increase of \$29,499 for benefits is mainly due to a rise in pension costs of \$120,861 for FICA conversions and health insurance costs of \$3,015. There were offsetting decreases in FICA Payroll and Medicare taxes of \$62,024, life insurance for \$6,150 and workers compensation for \$26,203.
4. Internal Service Charges:
 - The decrease of \$172,799 is primarily due to reductions in ITD data center services of \$104,899, telecommunication services of \$58,700 and ITD GIS/Aerial services of \$25,382, copier consolidation and system development for \$7,241.

These reductions were partially offset by an increase of \$23,423 in other IT internal service areas.

5. Grants and Aids:

- The decrease of \$282,358 is due to the elimination of the Substance Abuse and Mental Health Services Administration Grant of \$103,333 along with reductions in other program areas.

SERVICE LEVEL CHANGES:

None.

EMPLOYEE CAP CHANGES:

One Program Associate position was eliminated during FY 2009/10 and one Contract Compliance position was eliminated during the FY 2010/11 budget process. In addition, a position that was being funded 50% from subfund 191 and 50% from grant funds was moved from the grant fund to JCC for FY 2010/11. The net affect was a reduction of one position.

RECOMMENDATIONS:

1. We recommend that Schedule M, JCC's Comprehensive Budget, and Schedule A-2, Schedule of Funding to Agencies for Children's Programs and Other (08201) Funding, be revised to the attached in order to align the schedules with the Proposed Budget and correct technical errors. Funding has been reallocated between agencies but the total amount awarded to partner agencies has not changed.
2. The department has requested that the New Town Project Manager position, related salary and benefits, professional services and office supplies be eliminated from the FY 2010/11 budget. This will have a positive impact of \$86,753 on Special Council Contingency.
3. We recommend revising Section 11.1, page 23, line 18 of the budget ordinance to reflect the correct FY 2010/11 total budget for JCC of \$53,991,500 and the changes outlined above.

Jacksonville Children's Commission

Budget - Fiscal Year 2010 - 2011

Schedule of Funding to Agencies for Children's Programs and Other (08201) Funding

Estimated Agency Funding:	COJ Funding	Other Revenue	Grant Funding	Contract Amount
Big Brothers, Big Sisters - BIGS in Schools	284,598			284,598
Boys and Girls Club of Northeast Florida	985,315	17,582	159,329	1,162,226
Boys and Girls Club of Northeast Florida - New Town Success Zone	545,000			545,000
Bridge of North East Florida	1,802,705	147,150	705,023	2,654,878
Child Guidance Center	691,606			691,606
Child Guidance Center - Full Service Schools Beaches Resource Center	128,000			128,000
COJ Dept of Parks and Recreation - Mary Lena Gibbs	128,756			128,756
Communities In Schools of Jacksonville, Inc.	2,382,326	129,568	553,735	3,065,629
Community Connections	1,576,630		484,563	2,061,193
daniel	624,985			624,985
DLC Nurse and Learn	304,588			304,588
Hope Haven	294,554			294,554
MaliVai Washington Foundation - TnT	130,030			130,030
Mental Health Resources	222,708			222,708
New Heights of Northeast FL, Inc. formerly Cerebral Palsy	120,099			120,099
Northwest Behavioral Health	142,493			142,493
PACE Center for Girls - Drop Out Prevention and Support Services	203,974			203,974
Police Athletic League of Jacksonville, Inc.	281,727			281,727
Sulzbacher Center for Homeless	44,360			44,360
Wayman Community Development Corporation	328,017			328,017
Youth Crisis Center - Intervention Program	90,500			90,500
Total Agency Funding	\$ 11,312,971	\$ 294,300	\$ 1,902,650	\$ 13,509,921
Agency Matching Funds & Statewide Coalitions:				
Children's Services Council	20,000			20,000
Florida Afterschool Network	15,000			15,000
Early Learning Coalition (Slot Dollars)	625,000			625,000
FL Healthy Kids Corporation (Kidcare Healthy Insurance)	25,000			25,000
Healthy Start - Kidcare Outreach Grant Match	35,000			35,000
Promise Neighborhoods Program - Edward Waters College	90,000			90,000
21st Century Grant Match	215,638			215,638
Total Matching Funds	\$ 1,025,638	\$ -	\$ -	\$ 1,025,638
Other Initiatives:				
Transfer to TEAM-UP Grant for JCC Administration	8,403			8,403
Nutrition Program Funding	255,713			255,713
Summer Camp Program	800,000			800,000
Childcare for Special Needs Population	50,000			50,000
Jacksonville Housing Authority - New Town Case Management	105,000			105,000
Total Other Initiatives	\$ 1,219,116	\$ -	\$ -	\$ 1,219,116
Total Agency Funding JCOD191	\$ 13,557,725	\$ 294,300	\$ 1,902,650	\$ 15,754,675
Estimated Literacy Funding JCEL191				
Early Learning Programs:				
Episcopal Children's Services	1,687,379			1,687,379
Jacksonville Urban League	200,000			200,000
United Way Born Learning	40,000			40,000
Total Agency Funding JCEL191	\$ 1,927,379	\$ -	\$ -	\$ 1,927,379
Total Agency Funding - JCOD & JCEL	\$ 15,485,104	\$ 294,300	\$ 1,902,650	\$ 17,682,054
Total Appropriated in Subobject 08201:				
City Funding for Agency Contracts	\$ 11,312,971		Index Split	
Matching Grants	\$ 1,025,638		JCOD191	\$ 1,025,713
Other Initiatives	\$ 1,219,116		JCOD191RG	\$ 12,086,312
Literacy Contracts	\$ 1,927,379		JCOD191CZ	\$ 740,000
	\$ 15,485,104		JCEL191A	\$ 1,927,379
DCPS Revenue for Agency Contracts	\$ 294,300			\$ 15,779,404
	\$ 15,779,404			

Jacksonville Children's Commission

**Comprehensive Budget
Fiscal Year 2010 - 2011**

	Grant Period	Positions & PT Hours	Federal	State	City	Other Sources	Total
ESTIMATED REVENUE:							
Early Learning Coalition - Child Care Services Grant	07/01/11 06/30/12	30 FT Staff / 2,080 PT Hrs	\$ 27,888,854		\$ 625,000		\$ 28,513,854
FL Dept. of Children & Families - Refugee Program	10/01/10 09/30/11	.25 FTE		\$ 291,171			\$ 291,171
Fl. Dept. of Health - After School Food Program	10/01/10 09/30/11	1 FT Staff / 1,040 PT Hrs	\$ 1,310,131		\$ 255,713		\$ 1,565,844
FL Dept. of Ed. - Summer Lunch Program (Sum. '2009)	05/01/11 08/10/11	2 FT Staff / 17,000 PT Hrs	\$ 1,400,000				\$ 1,400,000
Healthy Families - Ounce of Prevention FL	07/01/11 06/30/12	3 FT Staff / 1,040 PT Hrs		\$ 707,200	\$ 1,125,028	\$ 175,000	\$ 2,007,228
FL Dept. of Ed. - 21st Century Team-Up Grant (3 sites)	08/01/11 07/31/12	.5 FT Staff		\$ 703,286	\$ 357,407		\$ 1,060,693
FL Dept. of Ed. - 21st Century Team-Up Grant (2 Sites)	08/01/11 07/31/13	.25 FT Staff		\$ 462,552	\$ 185,102		\$ 647,654
Contribution from Duval County School Board						\$ 294,300	\$ 294,300
Earnings - Other Miscellaneous						\$ 4,000	\$ 4,000
Interest Earnings (JXSF191JC)					\$ 50,000		\$ 50,000
City Contribution for Other Programs					\$ 18,156,756		\$ 18,156,756
TOTAL ESTIMATED REVENUE			\$ 30,598,985	\$ 2,164,209	\$ 20,755,006	\$ 473,300	\$ 53,991,500
ESTIMATED EXPENDITURES:							
Child Care Administration			\$ 2,055,314				\$ 2,055,314
Child Care Direct Services (Slot Funds)			\$ 24,954,040				\$ 24,954,040
Child Care Direct Services (CCEP)			\$ 879,500		\$ 625,000		\$ 1,504,500
Refugee Program				\$ 291,171			\$ 291,171
21st Century Learning Food Program			\$ 1,310,131		\$ 255,713		\$ 1,565,844
Summer Lunch Food Program (Summer 2010)			\$ 1,400,000				\$ 1,400,000
Healthy Families				\$ 707,200	\$ 1,125,028	\$ 175,000	\$ 2,007,228
TEAM UP Programs (21 Century Grant 3 Sites)				\$ 703,286	\$ 357,407		\$ 1,060,693
TEAM UP Programs (21 Century Grant 2 Sites)				\$ 462,552	\$ 185,102		\$ 647,654
TEAM UP Programs					\$ 3,110,827	\$ 294,300	\$ 3,405,127
Community Based Afterschool Programs					\$ 2,577,552		\$ 2,577,552
Children with Special Needs Programs					\$ 544,687		\$ 544,687
Mental Health Counseling Programs					\$ 1,749,792		\$ 1,749,792
Mentoring Programs					\$ 404,598		\$ 404,598
Support for Alternative Schools					\$ 203,974		\$ 203,974
Summer Camp Program					\$ 800,000		\$ 800,000
Childcare for Special Needs Families					\$ 50,000		\$ 50,000
Case Management & Homeless Programs					\$ 494,860		\$ 494,860
Take Stock in Kids Scholarship & Staff Support					\$ 238,184		\$ 238,184
Healthy Kids and Kidcare					\$ 60,000		\$ 60,000
Statewide CSC Participation					\$ 35,000		\$ 35,000
Promise Neighborhoods Program - EWC					\$ 90,000		\$ 90,000
Early Literacy Initiative - Teams					\$ 3,547,068		\$ 3,547,068
Early Literacy Initiative - Book Club					\$ 307,316		\$ 307,316
Early Literacy - Don Brewer Early Learning Center					\$ 389,820		\$ 389,820
Training, Workforce Development & Mentoring					\$ 378,726	\$ 4,000	\$ 382,726
New Town Success Zone					\$ 650,000		\$ 650,000
JCC Admin., Grants Admin. & Community Outreach					\$ 2,574,352		\$ 2,574,352
TOTAL ESTIMATED EXPENDITURES			\$ 30,598,985	\$ 2,164,209	\$ 20,755,006	\$ 473,300	\$ 53,991,500

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/11 BUDGET
PUBLIC WORKS – GENERAL FUND (S/F 011)**

PROPOSED BUDGET BOOK – PAGE 260

BACKGROUND:

The Public Works Department consists of the Office of the Director and five Divisions: Engineering and Construction Management, Public Buildings, Real Estate, Right of Way and Grounds Maintenance and Solid Waste Sanitation Service.

The Engineering and Construction Management Division's primary responsibility is to plan and design public works projects. The Public Buildings Division provides security, custodial and maintenance and repair services for all public buildings. The Real Estate Division manages the financial aspects of the City's real estate holdings in terms of acquisition, appraisals, disposals, inventories, and usage assessments. The Right of Way and Grounds Maintenance Division plans, builds and maintains streets, highways and drainage facilities and their landscapes. The Division also provides and maintains street lighting, traffic signals, traffic control devices, including railroad crossings, and landscaping at public buildings, streets, parks and other public sites. The general fund operations of the Solid Waste Division monitor and collect litter and illegal dumping along streets and public rights-of-way.

REVENUES:

1. Charges for Services:

- The \$1,016,672 increase is primarily related to changes in interfund and intrafund service charges that serve as offsets to cost allocations of security guards, alarm systems, building (internal) rents and plant renewal. A \$1,796,609 increase in the provision of plant renewal is partially offset by a \$396,499 decrease in the allocation of building (internal) rents and a \$356,948 decrease in guard and alarm services.

2. Miscellaneous Revenue:

- The \$328,503 net increase is primarily the result of a \$17,450 increase in tenant revenues derived from leases at the Ed Ball Building and a \$385,366 increase in reimbursement from the Florida Department of Transportation for the maintenance and operation of street lights on the State highway system in Duval County. These increases in revenue were partially offset by a \$76,813 reduction in the projection for miscellaneous sales and charges.

EXPENDITURES:

1. Salaries:

- The reduction in salaries is attributable to the change in positions described in the Employee Cap Changes section below, a reduction in overtime and a 3% reduction in the salary line.

2. Internal Service Charges:

- The \$866,437 net decrease is reflective of a reduction in fleet operating costs of (\$671,293) and information technology costs of (\$281,491). These cost savings were

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
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 PUBLIC WORKS – GENERAL FUND (S/F 011)**

partially offset by cost increases in telecommunication costs of \$19,558 and legal services of \$73,462.

3. Capital Outlay:

- The increase of \$1,796,609 is attributable to the increase in the funding for building improvements.

SERVICE LEVEL CHANGES:

Right-of-Way (ROW) and Grounds Maintenance Division has reduced the frequency of ROW mowing in urban and suburban areas, mowing surrounding City buildings and landscaped medians as well as certain areas of parks (i.e., excluding athletic fields).

EMPLOYEE CAP CHANGES:

Two (2) vacant positions were eliminated from the FY 11 budget. During FY 10, one (1) Engineering Technician Senior position was transferred from ROW and Grounds Maintenance Division to Stormwater Services.

	2009/10 Original	Net Changes	2010/11 Proposed
Engineering	59	-2	57
Office of the Director	14	0	14
Public Buildings	135	0	135
Real Estate	15	-2	13
Grounds Maintenance	228	1	229
Solid Waste Sanitation	18	0	18
	469	-3	466

DIVISIONAL HIGHLIGHTS:

PUBLIC WORKS EXPENSES	2009/10 Original	2010/11 Proposed	% Change from FY 10	\$ Change from FY10	
Engineering	4,333,546	3,917,765	-9.6%	(415,781)	A
Office of the Director	2,112,023	2,044,984	-3.2%	(67,039)	
Public Buildings	33,406,618	35,827,307	7.2%	2,420,689	B
Real Estate	807,180	635,744	-21.2%	(171,436)	C
Grounds Maintenance	37,379,186	35,455,525	-5.1%	(1,923,661)	D
Solid Waste Sanitation	1,599,747	1,609,655	0.6%	9,908	E
Department Total	79,638,300	79,490,980	-0.2%	(147,320)	

- A.** Engineering has decreased primarily due to a reduction in the salary line and reduced overall internal service charges.
- B.** Public Buildings is increasing primarily due to the higher cost of utilities to the City of Jacksonville and funds needed for building improvements budgeted above prior year spending.
- C.** Real Estate is decreasing primarily due to a reduction in the salary line and reduced overall internal service charges.

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- D.** Grounds Maintenance is decreasing due to the sizeable reduction in R-O-W mowing contracts and City Park mowing contracts.
- E.** The proposed budget for Solid Waste Sanitation Service for Litter Pick-Up is \$1,058,347. Section 741.104 of the Municipal Code states that funding for the Zero-Tolerance Litter program is at the discretion of Council. The Mayor shall include in the annual budget request a statement of the amount of funds which would be required to fully implement the program in the ensuing fiscal year and the annual ad valorem tax millage which would produce such amount for that year. The Mayor shall also identify in the budget request the level of funding being requested for such program and the revenue source or sources of funds being appropriated in the budget request for such program.

A statement of the amount of funds and Ad Valorem tax millage needed to fully implement the Zero Tolerance Litter Program are not included in the proposed budget.

IT SYSTEM DEVELOPMENT PROJECT: Public Works – Public Buildings

Project	Total Cost of Project	Current Year's Cost
HVAC Control Sys Replacement	\$168,598	\$53,101
Utility Bill Tracking and Interface	\$60,000	\$10,975

RECOMMENDATIONS:

1. To reduce Public Works Traffic Engineering electricity expense budget billed for traffic lights by \$100,000 based on current and prior year actuals and increase Special Council Contingency by \$100,000.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2010/11 BUDGET
PUBLIC WORKS
STREETS & HIGHWAYS 5-YEAR ROAD PROGRAM (141)**

PROPOSED BUDGET BOOK- Page #263

BACKGROUND:

Funding budgeted in the Streets & Highways 5-Year Road Program is used for major road and drainage projects and debt service in accordance with the Better Jacksonville Plan and the interlocal agreement, as amended, between the City and the Jacksonville Transportation Authority (JTA).

REVENUES:

1. Intergovernmental Revenue:
 - The budgeted amount of \$6,923,284 represents 80% of the 5th and 6th Cent Gas Tax revenues. These revenues are impacted by the consumption of gasoline, which is directly affected by the state of the economy, projections in tourism, and the infusion of more gasoline-efficient vehicles and hybrids. The current trend of revenue collections and the expectation of a moderately-favorable improvement in the economy in FY 2010/11 were the presiding factors considered in the \$216,624 increase in revenues.
2. Miscellaneous Revenue:
 - Investment earnings are expected to increase by \$118,195.

EXPENDITURES:

1. Grants and Aids:
 - The proposed contribution to JTA, based upon 80% of the 5th and 6th Cent Gas tax revenues, is budgeted in accordance with the Better Jacksonville Plan and the Interlocal agreement between the City and JTA.
2. Capital Outlay:
 - Roadway sign, stripe, signal and safety - \$252,466 increase
Roadway stormwater maintenance - \$101,147 decrease
Railroad crossings - \$8,330 decrease
Sidewalk construction / maintenance county-wide - \$237,993 decrease
Intersection improvements - \$13,199 increase
Traffic signal and street light maintenance - \$200,000 increase

SERVICE LEVEL CHANGES:

Capital projects within this subfund reflect County-wide needs and those of an on-going nature. Variations will not significantly impact service levels and are consistent with the five-year County Road Program Capital Plan.

EMPLOYEE CAP CHANGES:

There are no employees associated with this subfund.

RECOMMENDATIONS:

None

5 YEAR ROAD PROGRAM PROJECTS - FY 2010-2011
SUBFUND - 141
COUNTY ROAD PROGRAM (80% OF FIFTH AND SIXTH CENTS)

PROJECTED GAS TAX RECEIPTS	\$0
TRANSFER FROM FUND BALANCE	\$0
EARNINGS ON INVESTMENT	\$782,195
TOTAL FOR PROGRAMMING	\$782,195

ROADWAY AND DRAINAGE PROGRAM

PROJECT	FISCAL YEAR
	2010-2011

COUNTY ROAD PROGRAM - FIFTH & SIXTH CENTS (80%)

<u>Acct #</u>	<u>Project #</u>	<u>Project</u>	
PWGM141FYRP	PW0057	Roadway sign, stripe and signal	\$450,000
PWGM141FYII	PW-0002-01	Intersection Improvements(C)	\$132,195
PWGM141FYTL	PW0161	Traffic Signal and Street Lighting Mainteance	\$200,000
Total 5th & 6th CENT (80%)			\$782,195

LEGEND

- R - Right-of-Way Acquisition
- C - Construction

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
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PUBLIC WORKS
LOCAL OPTION ½ CENT TRANSPORTATION (142)**

PROPOSED BUDGET BOOK- Page #265

BACKGROUND:

The local option half-cent sales tax for transportation is distributed pursuant to the terms and conditions of the interlocal agreement, as amended, between the City and the Jacksonville Transportation Authority (JTA). The funding provides for the construction and maintenance of the City's roads and bridges as well as the operation and maintenance of the City's mass transit system.

REVENUES:

1. Taxes:
 - The budgeted amount represents the revenues estimated to be generated from the local option half-cent sales tax. The revenue is expected to decrease by 4.2 percent for FY 2010/11.

EXPENDITURES:

1. Grants and Aids:
 - The local option half-cent sales tax for transportation is a pass-through to the JTA. The funding will be used towards the construction and maintenance of City roads and bridges as well as the operation and maintenance of the City's mass transit system.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no employees associated with this subfund.

RECOMMENDATIONS:

None

**COUNCIL AUDITOR'S OFFICE
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PUBLIC WORKS
LOCAL OPTION GAS TAX (143)**

PROPOSED BUDGET BOOK- Page #267

BACKGROUND:

The Local Option Gas Tax is the City's share of the Six-Cent Local Option Gas Tax collected from gasoline sales in Duval County. In accordance with the Better Jacksonville Plan, and the Interlocal Agreement between the City and the Jacksonville Transportation Authority (JTA) as amended, the gas tax revenue recorded in this subfund will be transferred to JTA as a mass-transit subsidy.

REVENUES:

1. Taxes
 - The budgeted amount represents a 7.3 percent decrease in revenues as compared to the FY 2009/10 budget.

EXPENDITURES:

1. Grants and Aids
 - These funds are strictly a pass-through to the JTA pursuant to the Interlocal agreement. Eligible uses of funding are: public transportation operations and maintenance, pedestrian safety improvements, drainage projects, street lighting, traffic signs and signals, bridge maintenance and operation, and debt service for transportation capital projects.

SERVICE LEVEL CHANGES:

The reduction in revenues is expected to have a minimal impact on service provided by the JTA.

EMPLOYEE CAP CHANGES:

There are no employees associated with this subfund.

RECOMMENDATIONS:

None

**COUNCIL AUDITOR'S OFFICE
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PUBLIC WORKS
BEACH EROSION – LOCAL (1F4)**

PROPOSED BUDGET BOOK- Page #277

BACKGROUND:

The Beach Erosion-Local subfund is primarily governed by the Local Cooperation Agreement (established in 1978) between the Federal Government (Corps of Engineers) and the City. The agreement provides for periodic renourishment of the County's beaches and to maintain the design profile for a total of 50 years (through the year 2028). Total project costs are shared between local funding and Federal funding at the level of 38.4% and 61.6% respectively.

The Local Cooperation Agreement, and a related Beach Renourishment Financing Plan, account for County beach renourishment projects every five (5) years. Contributions from the general fund, along with investment pool earnings, serve to satisfy the local-share obligations.

REVENUES:

1. Transfers from Other Funds
 - Revenues are derived from a \$200,000 transfer from the general fund as outlined in the Beach Renourishment Financing Plan. The \$350,000 reduction in general fund contributions is possible given the excess reserves in the subfund which are derived from investment earnings and the postponement of more than one county beach renourishment project.

EXPENDITURES:

1. Cash Carryover
 - These funds are placed in reserve pending future appropriations for the various phases of a beach renourishment project such as, but not limited to, design, surveys, permitting, construction, monitoring, and annual beach tilling for three (3) years following.

SERVICE LEVEL CHANGES:

The county beach renourishment project originally planned for 2010 was postponed to the 3rd or 4th quarter of FY 11 due to Federal and State funding challenges. The FY 11 county beach renourishment project will be funded from available reserves in this subfund.

EMPLOYEE CAP CHANGES:

There are no employees associated with this subfund.

RECOMMENDATIONS:

None

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
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SOLID WASTE DISPOSAL (S/F 441)**

PROPOSED BUDGET BOOK PAGE – 279

BACKGROUND:

The Solid Waste Disposal subfund accounts for solid waste disposal operations, including the collection of household and commercial waste and yard debris, recyclables, and disposal activities most notably at the Trail Ridge landfill. It is comprised of multiple activities that include Collection Administration, Residential Collection, Downtown Collection, and Disposal Operations Scale House.

REVENUES:

1. Charges for Services:

- The solid waste user fee for FY 2011 was changed pursuant to Ordinance 2010-446 from the scheduled amount of \$6 per premise to \$12.65 per premise. The increase will result in an additional net \$25,008,924 in solid waste user fees. The increase from the user fee is offset by a projected decrease in tonnage which will generate lower tipping fee revenue at the landfill.
- Note: This method of billing is billing in arrears. (See concern below)

2. Miscellaneous Revenue:

- The increase is the result of a projected increase in the market value of recyclables netted against an expected decrease in investment pool earnings.

3. Transfers from Other Funds:

- Given the adoption of Ordinance 2010-446 for the solid waste user fee increases effective October 1, 2010, the General Fund subsidy to the 441 Solid Waste Sub-fund has been eliminated.

EXPENDITURES:

City Wide Activities

1. Lapse:

- The \$125,140 decrease reflects changes in the average turnover ratios and the estimated number of vacancies in FY 11.

Public Works

1. Employer Benefits:

- The \$322,536 net decrease reflects a lower workers' compensation cost of \$355,443 and a \$43,789 reduction in FICA Taxes given the transition of employees to pension coverage. These reductions were partially offset by a \$94,888 increase in pension contribution costs.

2. Other Operating Expense:

- Within these operating expenses, the Solid Waste Division budgets for the Disposal Operation contract for Trail Ridge Landfill. The proposed budget includes \$2,594,340 to

**COUNCIL AUDITOR'S OFFICE
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 SOLID WASTE DISPOSAL (S/F 441)**

purchase and administer 28,826 loads of Daily Cover dirt at \$90 per load. The contract with Waste Management allows for an administrative fee for this type of activity. Currently Waste Management receives 10% to procure the Daily Cover dirt. In addition to paying for the Daily Cover dirt, Waste Management is receiving an estimated \$0.27 per ton to excavate, and convey the Daily Cover from the City purchased Trail Ridge Borrow Pit adjacent to the landfill. This action is not able to occur, however, because the City owned Borrow Pit has not yet received the necessary permits required by the State of Florida.

See recommendation #1 below.

3. Supervision Allocation:

- This increase is due to the addition of three positions (A vacant Solid Waste Environmental Engineer position, and two Accounting positions) in the Solid Waste Division Office of the Director.

4. Indirect Costs:

- The allocation for Indirect Costs is supported by the Full Cost Allocation Plan for the fiscal year ending September 30, 2009.

5. Debt Service:

- This is for bond issues supporting Solid Waste Disposal Operations and these amounts will transfer through to Sub Funds 44G and 44H for the payment of debt service principal, interest and fiscal agent fees.

5. Transfers to Other Funds:

- The transfer is to Sub Fund 443-Land Fill Closure for the scheduled Incremental closing of 22 acres at Trail Ridge Landfill.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

The four (4) vacant positions that were transferred to the vacancy pool in FY 10 are proposed to be eliminated.

IT SYSTEM DEVELOPMENT PROJECT: Trail Ridge

Project	Total Cost of Project	Current Year's Cost
Security / Data Capture System	\$33,341	\$9,148

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/11 BUDGET
SOLID WASTE DISPOSAL (S/F 441)**

COUNCIL AUDITOR'S CONCERN:

The Solid Waste Sub Fund, from a cash flow stand point, due to the timing for the billing of Solid Waste User Fee, will be in a negative cash position by fiscal year end 2010/11.

RECOMMENDATION:

The Director of Public Works should provide an update to the City Council Finance Committee regarding the status of the Trail Ridge Borrow Pit and when it is expected to receive the necessary permits and become operational.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/11 BUDGET
SOLID WASTE CONTAMINATION ASSESSMENT/SF 442**

PROPOSED BUDGET BOOK- Page # 283

BACKGROUND:

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

REVENUES:

City Wide Activities

1. Miscellaneous Revenue:

- Investment earnings are expected to decrease by \$4,200.

2. Transfers from Fund Balance:

- The Transfer from Fund Balance is the amount necessary to balance the budget.

Public Works

1. Charges for Services:

- Internal and external host fees decreased by \$46,785 based upon projected decreases in tonnage. Specifically, Internal Host Fees decreased by \$13,584 and External Host Fees decreased by \$33,201.

EXPENDITURES:

Public Works

1. Internal Service Charges:

- Higher OGC legal costs accounted for 99 percent of the \$14,579 increase in this category.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no employees associated with this sub fund.

RECOMMENDATIONS:

None.

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LANDFILL CLOSURE (S/F 443)**

PROPOSED BUDGET BOOK – PAGE 285

BACKGROUND:

The Landfill Closure subfund currently provides for the cost of post closure at the North and East landfills, and the costs of closure and future post closure at Trail Ridge landfill. Solid Waste Division charges an Internal Host fee that provides funding for this purpose at the rate of \$1.98 per Class I ton deposited at the Trail Ridge landfill as well as an External Host Fee at the rate of \$1.98 per Class III ton deposited at the Old Kings Road (private) landfill.

REVENUES:

Public Works

1. Charges for Services:

- Internal and external host fees decreased by \$385,975 based upon projected decreases in tonnage. Specifically, Internal Host Fees decreased by \$112,072 and External Host Fees decreased by \$273,903.

2. Transfers from Other Funds:

- These funds represent a transfer from the Solid Waste Disposal Subfund (441).

EXPENDITURES:

1. Salaries

- The increase due to an added Supervisor position allocation cost.

1. Other Operating Expenses:

- The \$1,689,167 increase is primarily due to an estimated \$1,517,053 increase in incremental closure costs associated with the Trail Ridge landfill as well as a \$60,794 increase in electrical costs to support the reopening of a flare facility and increased costs associated with additional fill dirt needed for erosion control at the East and North Landfills.

2. Capital Outlay:

- The only capital funding planned is for the replacement of two tractor mowers with specialized attachments necessary for cutting on slopes.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no employees associated with this sub fund. The personnel increase is solely attributable to an increase in the allocation of salaries and benefits of nine (9) workers from Solid Waste Disposal Operations that perform duties related to landfill closure.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
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SOLID WASTE FACILITIES MITIGATION(S/F 445)**

PROPOSED BUDGET BOOK – PAGE 288

BACKGROUND:

The Facility Mitigation Class I Landfills subfund was established to mitigate property concerns in areas surrounding Class I landfills. A Resource Recovery Fee (Internal Host Fee) of \$.50 is applied to each Class I ton deposited at the Trail Ridge landfill. Ordinance 2007-739 authorized a 50/50 sharing of the Internal Host Fee between the Class I Mitigation Fund and the Taye Brown Regional Park Improvement fund.

REVENUES:

City Wide Activities

1. Miscellaneous Revenue:

- Investment earnings are expected to increase by \$50,800.

Public Works

1. Charges for Services:

- Internal host fees decreased by \$28,302 which is directly related to the reduction in budgeted tons to be received at Trail Ridge landfill.

EXPENDITURES:

City Wide Activities

1. Cash Carryover:

- The \$22,498 net increase reflects a projected \$28,302 reduction in internal host fees, offset by a \$50,800 projected increase in investment earnings. Funds in this category are placed in reserve pending future appropriations for mitigation activities.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no employees associated with this subfund.

RECOMMENDATIONS:

None.

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SOLID WASTE FACILITIES MITIGATION CLASS III (S/F 446)**

PROPOSED BUDGET BOOK – PAGE 290

BACKGROUND:

This subfund was established to mitigate concerns in areas surrounding Class III Disposal Sites (private Construction and Demolition Debris Landfills). External Host Fees (formerly, resource recovery) are generated by a \$0.50 surcharge per Class III ton processed at the private landfills. Mitigation projects are determined pursuant to the City of Jacksonville's municipal code, chapter 380, part 4.

REVENUES:

City Wide Activities

1. Miscellaneous Revenue:

- Investment earnings are expected to decrease by \$5,550.

Public Works

1. Charges for Services:

- External host fees are expected to decrease by \$69,168 which is directly related to the reduction in budgeted tons estimated to be received at Construction & Demolition Debris (Class III) landfills.

EXPENDITURES:

City Wide Activities

1. Cash Carryover:

- The \$74,718 decrease reflects a projected \$69,168 reduction in external host fees and a projected \$5,550 decrease in investment earnings. Funds in this category are placed in reserve pending future appropriations for mitigation activities.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no employees associated with this subfund.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
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PUBLIC WORKS
2009B ETR REFUNDING (S/F 44G)**

PROPOSED BUDGET BOOK – Page #292

BACKGROUND:

Subfund 44G is a debt service fund utilized for the payment of long-term debt principal, interest and fiscal agent fees associated with bond issue ETR 2009B from funding transferred from a bond sinking fund. This new bond issue refunded previous bond issue ETR 1996A and replaces subfund 44B as one of the debt service funds for bond issues supporting Solid Waste Disposal Operations (subfund 441).

REVENUES:

1. Other Sources:

- Other Sources of funding represents the intra-fund transfer from the Solid Waste Operations (S/F 441) to the Debt Service Fund (S/F 44G) for the payment of debt service principal, interest and fiscal agent fees.

EXPENDITURES:

1. Debt Service:

- This item comprises \$437,786 of interest and \$1,350,000 of principal relative to the ETR 2009B bond issue.

2. Debt Service:

- This item reflects \$450 of fiscal agent fees associated with the ETR 2009B bond issue.

SERVICE LEVEL CHANGES:

ETR 2009B refunded previous bond issue ETR 1996A.

EMPLOYEE CAP CHANGES:

There are no employees associated with this subfund.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
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MAYOR'S PROPOSED FY 2010/11 BUDGET
PUBLIC WORKS
2009C ETR REFUNDING (S/F 44H)**

PROPOSED BUDGET BOOK – Page #294

BACKGROUND:

Subfund 44H is a debt service fund utilized for the payment of long-term debt principal, interest and fiscal agent fees associated with bond issue ETR 2009C from funding transferred from a bond sinking fund. This new bond issue refunded previous bond issue ETR 1999B and replaces subfund 44D as one of the debt service funds for bond issues supporting Solid Waste Disposal Operations (subfund 441).

REVENUES:

1. Other Sources:

- Other Sources of funding represents the intra-fund transfer from the Solid Waste Operations (S/F 441) to the Debt Service Fund (S/F 44H) for the payment of debt service principal, interest and fiscal agent fees.

EXPENDITURES:

1. Debt Service:

- This item comprises \$673,117 of interest and \$2,730,000 of principal relative to the ETR 2009C bond issue.

2. Debt Service:

- This item reflects \$450 of fiscal agent fees associated with the ETR 2009C bond issue.

SERVICE LEVEL CHANGES:

ETR 2009C refunded previous bond issue ETR 1999B.

EMPLOYEE CAP CHANGES:

There are no employees associated with this subfund.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/11 BUDGET
STORMWATER SERVICES/SF 461**

PROPOSED BUDGET BOOK – PAGE 296

REVENUES:

City Wide Activities

1. Miscellaneous Revenue:

- Investment earnings are expected to increase by \$285,000 based on current year actuals.

Public Works

1. Charges for Services:

- The \$1,279,812 net increase is primarily attributable to the change in method of collection of Stormwater User Fees through Non-Ad Valorem billing. This method however, is billing in arrears. (See concern below)

2. Transfers from Other Funds:

- Pursuant to Section 754.110 of the Municipal Code, the general fund provides for the value of Stormwater User Fees waived for 501(c) 3 organizations and individuals or families who are economically disadvantaged. The \$424,166 decrease in the Transfer from the General Fund is attributable to the actual number of applications for financial assistance being lower than initial estimates in FY10.

ENVIRONMENTAL & COMPLIANCE

BACKGROUND:

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

EXPENDITURES:

Environmental & Compliance

1. Other Operating Expenses:

- The increase of \$62,015 is attributed to the funding of two laboratory contracts (\$49,500) and a lab equipment maintenance contract (\$12,500) previously funded by the general fund.

PUBLIC WORKS

BACKGROUND:

The Stormwater Services subfund provides the Public Works Department with a dedicated funding source to complete various flood and drainage mitigation projects, clean canals and ditches, address stormwater treatment issues, maintain collection and pumping systems, as well as stormwater treatment facilities (ponds). Funding is provided by a user fee.

EXPENDITURES:

City Wide Activities

1. Banking Fund Debt Repayment:

- The \$569,999 reduction reflects the anticipated debt service for FY 11.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/11 BUDGET
STORMWATER SERVICES/SF 461**

2. Cash Carryover:

- The \$390,997 increase is budgeted to provide funding for future costs.

Public Works

1. Salaries:

- The \$238,883 net increase is attributable to the change in positions described in the Employee Cap Changes section below including a \$259,481 increase in overtime based on current year actual usage.

2. Employer Provided Benefits:

- The net increase of \$452,589 is primarily based upon an increase in workers compensation and pension contribution costs in the amount of \$381,329 and \$128,839 respectively offset by a decrease in FICA Taxes by \$77,032.

3. Internal Service Charges:

- The increase is primarily a re-allocation of fleet expenses to Stormwater Services. These expenses were previously charged to Public Works Grounds Maintenance.

4. Other Operating Expenses:

- The \$191,539 net increase mainly reflects an increase in professional service costs due to added program costs and other contractual services based on actuals in the amounts of \$209,752 and \$191,978 respectively. These increases were somewhat offset by a reduction in operating supplies in the amount of \$294,833.

5. Indirect Cost:

- The allocation for Indirect Costs is supported by the Full Cost Allocation Plan for the fiscal year ending September 30, 2009. The increase in the allocation is primarily due to the inclusion of maintenance costs and the impact of the first full-year of treasury processing costs regarding refunds and credits.

6. Transfers to Other Funds:

- These funds represent the excess revenues over expenditures used to finance future stormwater capital projects. These funds are transferred to Sub Fund 462 (Stormwater Capital).

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

Three (3) Construction Inspector positions were added to the Stormwater Services FY 11 budget and one (1) vacant position that was transferred to the vacancy pool in FY 10 was eliminated. During FY 10, one (1) Engineering Technician Senior position was transferred to Stormwater Services from ROW and Grounds Maintenance Division.

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/11 BUDGET
STORMWATER SERVICES/SF 461**

COUNCIL AUDITOR'S CONCERN:

The Stormwater Service Sub Fund has been operating on a negative cash balance since the middle of the third quarter of the fiscal year 2010. The available cash balance at June 30, 2010 was (\$6,777,136.11). From a cash flow stand point, due to the timing for the billing of Stormwater Services, this fund will be in a similar negative cash position at fiscal year end 2010/11.

RECOMMENDATIONS:

None

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED 2010/11 BUDGET
 STORMWATER SERVICES – CAPITAL PROJECTS (SF462)**

PROPOSED BUDGET BOOK – PAGE 300

BACKGROUND:

The Stormwater Services – Capital Projects subfund accounts for capital projects financed by the Stormwater User Fees, excess Retained Earnings and debt proceeds. Revenues and expenditures reflect the third year of financing stormwater capital projects within this subfund.

REVENUES:

1. Transfers from Fund Balance:
 - A Transfer of \$9,514,000 from Retained Earnings provides 46 percent of the funding for stormwater capital projects planned for FY 11 as accounted for in the Capital Improvement Program (CIP). See recommendation below.
2. Other Sources:
 - The \$11,280,000 in current FY 2010 was borrowed from the Banking Fund. There are no new borrowings planned for FY 11.
3. Transfers from Other Funds:
 - The decrease in the transfer from the Stormwater Services operating budget is the result of increased operating expenses in Sub Fund 461. These funds are treated as “Pay Go” financing for the stormwater capital projects planned for FY 11.

EXPENDITURES:

1. Capital Outlay:
 - Capital Outlay accounts for Stormwater-related CIP to be undertaken in FY 11. Funding provides for a County-wide drainage system rehab (\$6,000,000), a septic tank phase out (\$2,000,000) as well as 15 other major Stormwater capital projects.

PWCP462SD - PW0715 - 01 - Avenue B/Zinnia Ave Box Culvert	\$ 1,000,000
PWCP462SD - PW0687 - 01 - Country Creek Drainage	250,000
PWCP462SD - PW0072 - 01 - Drainage System Rehabilitation	6,000,000
PWCP462SD - PW0382 - 02 - Crystal Springs Area Drainage	225,000
PWCP462SD - PW0688 - 01 - Hamilton/Jersey Outfall to Roosevelt	1,145,000
PWCP462SD - PW0020 - 01 - Lower Eastside Drainage - Pond Expansion	54,000
PWCP462SD - PW0347 - 04 - McCoy's Creek Pond "C"	2,600,000
PWCP462SD - PW0709 - 01 - Messer Area Drainage	225,000
PWCP462SD - PW0693 - 01 - Miruelo Circle Drainage	2,450,000
PWCP462SD - PW0706 - 01 - Noroad/Lambing Drainage	190,000
PWCP462SD - PW0707 - 01 - Old Plank Road Outfall	225,000
PWCP462SD - PW0446 - 01 - Paul Avenue Outfall	775,000
PWCP462SD - PW0305 - 01 - Sandalwood Canal	101,000
PWCP462SD - PW0009 - 01 - Pine forest/Larsen Acres	830,000
PWCP462SD - PW0295 - 01 - Lincoln Villas Phas II	625,000
PWCP462SD - PW0717 - 01 - Septic Tank Phase Out	2,000,000
PWCP462SD - PW0022 - 03 - Stormwater Management Plans - Alternative (LID)	1,968,674
TOTAL	<u>\$ 20,663,674</u>

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2010/11 BUDGET
STORMWATER SERVICES – CAPITAL PROJECTS (SF462)**

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no employees associated with this subfund.

RECOMMENDATIONS:

The Administration has requested to remove FY11 transfer from fund balance, remove previously appropriated cash carryovers and appropriate investment income to make up the difference.

• Remove FY11 transfer from fund balance	\$9,514,000
• Remove prior year cash carryovers	(\$9,485,817)
• Appropriate investment income	<u>(\$28,183)</u>

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 MAYOR'S PROPOSED FY 2010/11 BUDGET
 FINANCE
 BANKING FUND (S/F 592)**

PROPOSED BUDGET BOOK – Page #85

BACKGROUND:

Ordinance 2005-1373-E approved the creation of the Banking Fund as a replacement for the City Loan Pool. The Banking Fund may be used by City departments to finance purchases for which there are insufficient funds to purchase outright. The interest rate charged on loans from the Banking Fund shall be the fund's cost of money.

Note the growth in the Authorized Loan Pool/Banking Fund borrowing in the table below:

	Total Authorized	Annual Increase
FY 04/05	66,603,366	N/A
FY 05/06	118,656,171	52,052,805
FY 06/07	141,127,362	22,471,191
FY 07/08	222,729,615	81,602,253
FY 08/09	325,632,788	102,903,173
FY 09/10	438,089,716	113,628,206
FY 10/11 Proposed	476,395,121	66,180,696

REVENUES:

1. Charges for Services:

- This revenue item represents the repayment of debt from user departments into the banking fund. Repayments include principal, interest and banking service charges.

2. Other Sources:

- This amount is the FY 2010/11 proposed new borrowing.

EXPENDITURES:

1. Other Operating Expenses:

- This amount represents the cost of administering the banking fund for FY 2010/11 and includes letter of credit costs, remarketing agreement costs, rating fees and costs associated with the issuance of commercial paper.

2. Debt Service:

- This amount represents the payment to various financial institutions for the cost of borrowed funds in the form of commercial paper.

3. Other:

- This amount is the FY 11 proposed new loan amounts to be borrowed.

TRANSFERS-NON DEPARTMENTAL:

1. The increase from \$0 to \$19,221,702 is due to debt service being budgeted in the subfunds out of which debt for prior and future year's bond issuances will be paid. Transfers in will appear in subfunds 59B, 59C, and 59D.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no positions in this subfund.

BANKING FUND DETAIL:

See the attached summary schedules for a detailed listing of new items financed through the banking fund.

- B4 Main Banking Fund Schedule
- B4a Information Technology System Development Projects
- B4b Capital Improvement Projects

RECOMMENDATIONS:

1. Amend Schedule B4 to correct FY 2010/11 Payment related to Schedule B4a Technology Replacement to reflect accurate amount.
2. Amend Schedules B4, B4a, B4b, and B4c to reflect actions taken by the Finance Committee throughout all of the budget hearings.

NOTES:

1. Section 106.1005 of the Municipal Code allows for transfers between Banking Fund projects with approval by the Mayor and the City Council Finance Committee. During FY 2009/10, a transfer between two Sheriff's Office projects occurred that did not receive City Council Finance Committee approval.
2. Ordinance 2010-559, which increases the amount of Banking Fund borrowing, will need to be amended in order to reflect the changes made to the banking fund schedules in the recommendations above.

Revised Schedule B4 Summary

Indexcode	Project Name	Prior All Years Budget	FY 11 New Borrowing	All Years Budget	FY 11 Payment	Removal of Excess Capacity	Amended All Years Budget
ITIT536	Sch B4a Technology Replacement	11,477,904	2,024,782	13,502,686	2,860,355	2,600,947	10,901,739
CIP - JXMS011BKFND	Sch B4b - Capital Impr Projects	235,655,811	58,821,636	294,477,447	14,624,921	0	294,477,447
CIP - JXMS531BKFND	Sch B4b - Information Technology	0	2,000,000	2,000,000	0	0	2,000,000
CIP - ITIT534	Sch B4b - Radio System	21,000,000		21,000,000	2,732,193	0	21,000,000
CIP - JXMS461BKFND	Sch B4b - Stormwater Projects	19,130,000	0	19,130,000	937,899	0	19,130,000
OPFM512	Sch B4c Fleet Replacement	66,534,671	2,169,278	68,703,949	10,676,940	0	68,703,949
SHAD011	FY11 Replacement Laptop	0	765,000	765,000	139,931	0	765,000
SHAD011	FY11 Servers and Network Equipment	0	200,000	200,000	36,583	0	200,000
SHAD011	FY11 Telecom Equipment Refresh	0	200,000	200,000	36,583	0	200,000
Various	All Previously Approved Projects	61,907,760	0	61,907,760	9,457,809	2,890,774	59,016,986
Totals		<u>415,706,146</u>	<u>66,180,696</u>	<u>481,886,842</u>	<u>41,503,214</u>	<u>5,491,721</u>	<u>476,395,121</u>

Revised Schedule B4a Summary

Project Number	Indexcode	Project Name	Prior All Years Budget	FY 11 New Borrowing	FY 11 Payment	Removal of Excess Capacity
Various	Various	Previously Approved Projects	11,248,575	0	2,337,031	2,441,799
IT0801 01	FRRS011	JFRD Mobile data terminals (equip refresh)		614,754	168,673	0
IT0803 02	OPFM511FS	Security Upgrades - Fuel Sites	46,800	10,618	16,526	8,456
IT0803 03	PWSW441	Security / Data Capture Sys - Trail Ridge		33,341	9,148	0
IT0910 01	JEEF4C1	Replace in-house CATV headed equipment	0	19,795	7,027	0
IT1101 01	OPEB011CC	Vendor Tracking & Reporting		123,875	22,659	0
ITC002 03	PBPB15U	Server Replacement - Public Defender		42,767	11,734	0
ITC002 04	TCSG017	Server Replacement - Tax Collector		42,190	11,576	0
ITC002 05	ITIT531CS	SQL Server 2008 Environment		148,691	40,797	0
ITDS01 01	ITIT531CS	File Archiving / Data Storage		149,719	41,079	0
ITDS01 02	PBPB011	Digital Imaging - Public Defender		74,817	20,528	0
ITDS01 03	GCGA551	Document Management / Archival Solution - OGC		55,587	15,252	0
ITEQ01 01	EREQ011WQWP2	Water Quality Permit Reporting System		103,030	18,846	0
ITEQ01 02	ERCC011CP	Envir Compliance Inspection System		58,664	10,731	0
ITOR01 04	OPHR011OS	Personnel File Scanning Project	182,529	-19,795	4,266	150,693
ITOR01 05	OPHR011OS	Oracle - Automated Benefits Pay Process		67,741	12,391	0
ITOR01 06	OPHR011OS	Oracle - Discoverer Adhoc Reporting		37,590	6,876	0
ITOR01 07	OPHR011OS	Oracle - Employee Benefit Notifications		36,605	6,696	0
ITPB01 01	PWPB011SU	HVAC Control Sys Replacement		168,598	46,259	0
ITPB01 02	PWPB011SU	Utility Bill Tracking and Interface		60,000	10,975	0
ITTC01 01	TCSG017	imprest Sys Replacement - Tax Collector		137,180	25,093	0
ITVC01 01	PBPB15U	Video Conferencing - Public Def		59,015	16,192	0
ITEF01 01	ITIT536	Enterprise Resource Management Software Solution	0	2,000,000	0	0

Totals 11,477,904 4,024,782 2,860,355 2,600,947

Revised Schedule B4b Summary

FY 10/11 Capital Improvement Projects Funded via Banking Fund Borrowing

Dept.	Indexcode	Project No.		Project Name	Debt Proceeds
ER	ERAS329AS	ERR002	01	JAX Ash Sites	20,000,000
ER	ERAS329MP	ERR008	01	Burke St. Lime Pits	2,000,000
PW	PWCP329RD549	PW0070	01	Roadway Resurfacing	12,000,000
PW	PWCP329PB519	PW0180	03	Purchase Gateway Offices Supervisor of Elections	2,247,000
PW	PWCP329RD549	PW0235	02	Signalization/ITS Enhancements	1,000,000
PW	PWCP329RD549	PW0360	01	Sidewalk Construction and Repair	3,000,000
PW	PWCP329RD549	PW0381	01	Intersection Improvements, Bridge, Misc Construction	1,500,000
PW	PWCP329RD549	PW0550	02	San Marco (Naldo to Riverplace)	6,000,000
PW	PWCP329PB519	PW0557	02	Ed Ball Building	3,636,066
PW	PWCP329RD549	PW0610	03	Repairs to Coastline Drive and the Riverwalk	1,000,000
RC	RCCP329F5720	PR0014	02	Park Land Acquisition	3,000,000
RC	RCCP329F5720	PR0597	01	Park Capital Projects - Upgrades Maintenance Repairs	2,438,570
SH	PWCP329PB519	SH0020	01	Gun Range	1,000,000

Total 58,821,636

**COUNCIL AUDITOR'S OFFICE
MAYOR'S PROPOSED FY 2010/11 BUDGET
2008 SPECIAL REVENUE BOND FUND (59B)**

PROPOSED BUDGET BOOK – Page #368

BACKGROUND:

This fund receives transfers from the Banking Fund operating fund (592) and then pays out the debt service related to the 2008A CIP Special Revenue Bond fund. This includes the costs for principal, interest and fiscal agent fees.

REVENUES:

1. Other Sources:

- This represents a transfer from the Banking Fund operating fund (592) to pay the debt service costs for FY 11.

EXPENDITURES:

1. Debt Service:

- The principal and interest costs are based upon a repayment schedule that was established at the time the bonds were issued.

2. Fiscal and Other Debt Fees:

- The fiscal agent fees represent the cost of paying agent and registrar services for the bond issue.

EMPLOYEE CAP CHANGES:

There are no positions in this subfund.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
MAYOR'S PROPOSED FY 2010/11 BUDGET
2009A SPECIAL REVENUE BOND FUND (59C)**

PROPOSED BUDGET BOOK – Page #370

BACKGROUND:

This fund receives transfers from the Banking Fund operating fund (592) and then pays out the debt service related to the 2009A Special Revenue Bond fund. This includes the costs for principal, interest and fiscal agent fees.

REVENUES:

1. Other Sources:

- This represents a transfer from the Banking Fund operating fund (592) to pay the debt service costs for FY 11.

EXPENDITURES:

1. Debt Service:

- The principal and interest costs are based upon a repayment schedule that was established at the time the bonds were issued.

2. Fiscal and Other Debt Fees:

- The fiscal agent fees represent the cost of paying agent and registrar services for the bond issue.

EMPLOYEE CAP CHANGES:

There are no positions in this subfund.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
MAYOR'S PROPOSED FY 2010/11 BUDGET
2009C SPECIAL REVENUE BOND FUND (59D)**

PROPOSED BUDGET BOOK – Page #372

BACKGROUND:

This fund receives transfers from the Banking Fund operating fund (592) and then pays out the debt service related to the 2009C Special Revenue Bond fund. This includes the costs for principal, interest and fiscal agent fees.

REVENUES:

1. Other Sources:

- This represents a transfer from the Banking Fund operating fund (592) to pay the debt service costs for FY 11.

EXPENDITURES:

1. Debt Service:

- The principal and interest costs are based upon a repayment schedule that was established at the time the bonds were issued.

2. Fiscal and Other Debt Fees:

- The fiscal agent fees represent the cost of paying agent and registrar services for the bond issue.

EMPLOYEE CAP CHANGES:

There are no positions in this subfund.

RECOMMENDATIONS:

None.

**COUNCIL AUDITOR'S OFFICE
MAYOR'S PROPOSED FY 2010/11 BUDGET
BETTER JACKSONVILLE TRUST FUND (S/F 111)**

PROPOSED BUDGET BOOK – Page #366

BACKGROUND:

This subfund was established to house the financial details related to the Better Jacksonville Plan (BJP). The Better Jacksonville Plan was approved by voters in 2001 and is a \$2.25 billion comprehensive growth management program that provides road and infrastructure improvements, environmental preservation, targeted economic development and new and improved public facilities. It is funded by a half-cent sales tax approved by Duval County voters in 2001. The various projects and programs funded by The Better Jacksonville Plan are administered by the City of Jacksonville, the JEA, and the Jacksonville Transportation Authority in cooperation with the Florida Department of Transportation.

REVENUES:

1. Taxes:
 - The increase reflects budgeting the anticipated funding of FY 2010/11 debt requirements. The amount budgeted in FY 2009/10 was understated.
2. Miscellaneous Revenue:
 - This amount represents estimated investment earnings.
3. Transfers from Fund Balance:
 - A transfer from fund balance is budgeted in FY 11 to cover the debt service payments. However, this should not have been budgeted. See Recommendation below.

EXPENDITURES:

1. Debt Service:
 - The total consists of \$44,668,545 in transfers out to cover debt service interest and fiscal agent payments and \$25,936,252 in transfers out to cover debt service principal payments related to the Better Jacksonville Plan (BJP) projects.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no positions in this subfund.

RECOMMENDATIONS:

Remove the transfer from fund balance as this is an all year's fund. De-appropriate excess budgetary funding capacity for debt interest payments and appropriate budgetary funding capacity for debt principal payments for FY 2009/10 expenses. Also appropriate excess budgetary capacity for local option sales tax and investment pool earnings. These actions will replace the transfer from fund balance to cover FY 2010/11 debt service payments. There is zero impact to Special Council Contingency or the General Fund.

**2010-2011 Budget Ordinance
Capital Improvement Program Schedule A-1
Council Auditor's Office Recommendations**

Amendments to Capital Improvement Project Listing

1. Amend to attach new Schedule A-1 to -
 - a. Remove "Enterprise Resource Management Software" project from CIP list – deemed not to meet the criteria for Capital Improvement Project
 - b. Add "Southbank Riverwalk Improvements" funded by the Southbank TID
 - c. Add "Airport Road Sidewalk" funded by the JIA TID
 - d. Revise project names and numbers for continuity.

Bill 2010-558, the Capital Improvement Program, will need to be addressed at the Finance Committee meeting on September 21, 2010.

CURRENT FUNDING SOURCE

	FY 10/11
Pay Go	3,700,000
Interest & Revenue Appropriation	7,000,000
TID	1,150,000



ANTICIPATED FUNDING SOURCE

Debt Proceeds	135,321,636
Grant(s)-FIND/Other	730,000
Grand Total Per Year	147,901,636

Dept.	Program Area	Project Name	Estimated Expenditures	FY 10/11	Pay Go	Interest & Revenue Appropriation	Debt Proceeds	TID	Grants
1 E&C	Environment/Quality of Life	Burke St. Lime Pits	4,000,000	2,000,000			2,000,000		
2 E&C	Environment/Quality of Life	JAX Ash Sites	98,320,000	20,000,000			20,000,000		
3 E&C	Environment/Quality of Life	Environmental Compliance - County Wide	7,250,000	250,000	250,000				
4 FR	Public Safety	Emergency Operations Center - Hardening	154,500	154,500	154,500				
5 FR	Public Safety	Fire Station #56 Access Road/Gate - TRIDATA	309,000	309,000	309,000				
6 FR	Public Safety	Fire Station #2 Renovate Roof/Floor - TRIDATA	318,270	318,270	318,270				
7 JEDC	Drainage	Cecil North 100 Acres of New Wetlands	1,500,000	310,000	310,000				
8 R&C	Parks	ADA Compliance within Parks/Upgrade Parks	7,455,531	1,000,000	1,000,000				
9 R&C	Parks	Countywide Parks - Upgrades Maintenance Repairs		2,800,000	361,430		2,438,570		
10 R&C	Parks	Regional Park Land Acquisition	3,000,000	3,000,000			3,000,000		
11 R&C	Parks	Joe Carlucci Boat Ramp (FIND)	504,000	504,000	279,000				225,000
12 R&C	Parks	Sisters Creek Dock and Pump Out (FIND)	604,800	604,800	334,800				270,000
13 R&C	Parks	Harborview Boat Ramp - Restroom (FIND)	392,000	392,000	217,000				175,000
14 R&C	Parks	Mayport Boat Ramp (FIND)	126,000	126,000	66,000				60,000
15 PW	Environment/Quality of Life	Temporary Storm Debris Site Improvements	800,000	100,000	100,000				
16 PW	Government Facilities	Ed Ball Building	48,789,049	3,636,066			3,636,066		
17 PW	Government Facilities	Purchase Gateway Offices Supervisor of Elections		2,247,000			2,247,000		
18 PW	Government Facilities	Facilities Capital Maintenance - Government	52,964,266	6,000,000		6,000,000			
19 PW	Government Facilities	Duval County Courthouse Facilities	350,000,000	76,500,000			76,500,000		
20 PW	Roads/Infrastructure/Transportation	Intersection Improvements, Bridge, Misc Construction	36,886,580	1,500,000			1,500,000		
21 PW	Roads/Infrastructure/Transportation	Coastline Drive and the Riverwalk - Repairs	3,700,000	1,000,000			1,000,000		
22 PW	Roads/Infrastructure/Transportation	Roadway Resurfacing	136,024,386	12,000,000			12,000,000		
23 PW	Roads/Infrastructure/Transportation	San Marco (Naldo to Riverplace)	11,500,500	6,000,000			6,000,000		
24 PW	Roads/Infrastructure/Transportation	Sidewalk Construction and Repair	14,039,877	3,000,000			3,000,000		
25 PW	Roads/Infrastructure/Transportation	Signalization/ITS Enhancements	12,286,701	1,000,000			1,000,000		
26 SH	Public Safety	JSO Firing Range - FSCJ Improvements	4,000,000	2,000,000		1,000,000	1,000,000		
add		Airport Road Sidewalk	150,000	150,000				150,000	
add		Southbank Riverwalk Renov/Replacement	1,700,000	1,000,000				1,000,000	
Total				\$ 147,901,636.00	\$ 3,700,000.00	\$ 7,000,000.00	\$ 135,321,636.00	\$ 1,150,000.00	\$ 730,000.00

CURRENT FUNDING SOURCE

Stormwater Pay Go

FY 10/11

20,663,674

ANTICIPATED FUNDING SOURCE

Debt Proceeds

Total Per Year \$ 20,663,674

	Dept.	Program Area	Project Name	Estimated Expenditures	Prior Years' Appropriation	FY 10/11	Pay Go
1	PW	Drainage	Avenue B/Zinnia Ave Box Culvert	2,350,000		1,000,000	1,000,000
2	PW	Drainage	Country Creek Drainage	6,000,000	350,000	250,000	250,000
3	PW	Drainage	County Wide Drainage System Rehab	38,510,000	8,510,000	6,000,000	6,000,000
4	PW	Drainage	Crystal Springs Area Drainage	3,800,000	75,000	225,000	225,000
5	PW	Drainage	Hamilton/Jersey Outfall to Roosevelt	5,100,000	200,000	1,145,000	1,145,000
6	PW	Drainage	Lower Eastside Drainage Improvements - Phase 3	6,500,000		54,000	54,000
7	PW	Drainage	McCoy's Creek Pond "C"	3,400,000	800,000	2,600,000	2,600,000
8	PW	Drainage	Messer Area Drainage	4,750,000	75,000	225,000	225,000
9	PW	Drainage	Miruelo Circle Drainage	2,800,000	350,000	2,450,000	2,450,000
10	PW	Drainage	Noroad/Lambing Drainage	1,400,000	50,000	190,000	190,000
11	PW	Drainage	Old Plank Road Outfall	3,500,000	75,000	225,000	225,000
12	PW	Drainage	Paul Avenue Outfall	1,700,000	925,000	775,000	775,000
13	PW	Drainage	Sandalwood Canal	9,375,336	9,274,336	101,000	101,000
14	PW	Drainage	Pine forest/Larson Acres	5,882,478	5,052,478	830,000	830,000
15	PW	Drainage	Lincoln Villas Phase II	7,730,000	7,105,000	625,000	625,000
16	PW	Drainage	Septic Tank Phase Out	2,000,000		2,000,000	2,000,000
17	PW	Drainage	Stormwater Management Plans - Alternative (LID)	1,968,674		1,968,674	1,968,674

Total	\$	284,498,272	\$	16,350,000	\$	20,663,674	\$	20,663,674
Surplus (Deficit)								0

**COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 2010/11 BUDGET
ENVIRONMENTAL & COMPLIANCE
MOTOR VEHICLE INSPECTION (431)**

PROPOSED BUDGET BOOK – Page #69

BACKGROUND:

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

REVENUES:

1. Charges for Services:

- The reduction of \$18,987 is due to reduced revenues from school bus and vehicle for hire inspections.

2. Miscellaneous Revenue:

- The increase of \$752 is due to increased interest earnings.

3. Transfers from Fund Balance:

- The increase of \$32,649 is required to cover budgeted expenditures.

EXPENDITURES:

1. Salaries:

- The decrease is mainly due to a 3% salary reduction in this line item.

2. Employer Benefits:

- The increase of \$8,671 is due primarily to increases in pension contribution of \$6,339 and workers compensation of \$5,191.

3. Internal Service Charges:

- The net increase of \$9,557 is due primarily to increases in telecommunication of \$3,760, ITD network group of \$2,362, ITD data center service of \$1,683 and technology refresh of \$1,668.

4. Other Operating Expenses:

- The net increase of \$3,277 is due mainly to increases in civil defense/ guard service.

5. Indirect Cost:

- The reduction of \$6,911 represents a recalculation of indirect costs based on the KPMG cost report.

SERVICE LEVEL CHANGES:

There are no significant service level changes to the budget.

EMPLOYEE CAP CHANGES:

There are no changes to the employee cap of 8 positions.

NOTE:

During the budget hearings for FY 10, the Council expressed a desire for the fees for motor vehicle inspections to be reviewed. The fees have remained the same.

RECOMMENDATION:

Due to a reduced fund balance projection for FY 10, we recommend a reduction of \$40,000 in the proposed transfer from fund balance. This will require a transfer from Special Council Contingency to sustain the operations of Motor Vehicle Inspections. There will be a negative impact on Special Council Contingency of \$40,000. However, if fees were increased during FY 20010/11, this could negate a portion or the entire general fund subsidy needed to fund Motor Vehicle Inspection.