OFFICE OF THE COUNCIL AUDITOR

FY 2013/2014 PROPOSED BUDGET

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Meeting #8
August 29, 2013

COUNCIL AUDITOR'S OFFICE
TABLE OF CONTENTS
MEETING #8

Office of the Sheriff 1

E911 User Fee 7

Inmate Welfare 9

Special Services 12

Neighborhoods – General Fund 16

Mosquito Control – State 1 22

Air Pollution Tag Fee 24

Air Pollution EPA 26

Ambient Air Monitoring 28

Hazardous Waste Program 29

Animal Care and Control (Training and Cruelty Prevention) 31

Veterinary Services 32

Animal Care & Control (Spay and Neuter Trust) 35

Adult Arcades 38

Parks and Recreation 40

COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED FY 13/14 BUDGET
OFFICE OF THE SHERIFF
GENERAL FUND

PROPOSED BUDGET BOOK – PAGE #277-279
ON SCREEN – PDF PAGE #291-293

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 2013/2014 Proposed Budget there are 1,603 sworn police officers, 787 correction officers and 643 civilians for a total of 3,033 Sheriff's Office employees in the General Fund.
- The total number of vehicles currently in the Sheriff's fleet is 2,017.
- The average inmate population for the correctional facilities in 2012 was 3,661, which is down from 3,961 in 2011.
- The Sheriff's Office had a vacancy count of 126 as of July 22, 2013, which is broken out as follows; 22 Sworn, 50 Corrections and 54 Civilians.
- The Sheriff's proposed budget is 38% of the General Fund/GSD expenditure budget and 52% of the General Fund/GSD employee cap.

REVENUES:
Charges for Services:

- The decrease of $418,307 is primarily due to:
    - A reduction in the Home Detention Fee of $109,500 due to a decrease in the inmate population. This is a $15/day fee if placed in this program. The judge does have the ability to waive the fee.
    - A decrease of $63,749 in Off Duty Reimbursement which is more in line with current year actuals.
    - Prisoner's Board – Work furlough is decreasing by $105,177 due to the decrease of the inmate population. This is also a $15/day fee. The inmate is allowed to leave during the day for a job and must return for the night.
    - Interfund Service Charges is decreasing by $53,208 but the budgeted amount of $1,796,997 is overstated by $76,888. This is the reimbursement of call taker salaries from the 911 Emergency User Fee (sub-fund 171).

Fines and Forfeits:

- Fines and Forfeits includes three revenue line items based on fees collected on traffic infractions and one line item based on alarm citations. The decrease of $144,849 is primarily due to a decrease on the fees collected on traffic infractions. The budgeted amounts are more in line with actual collections. There has been a continued decline in revenue collections since fiscal year 07/08.

PROPOSED BUDGET BOOK – PAGE #277-279
ON SCREEN – PDF PAGE #291-293

Miscellaneous Revenue:

- The reduction of $99,439 is due to:
    - A decrease in Miscellaneous Sales and Charges of $38,466 which is in line with current year actuals.
    - A decrease in Instructor's Fees of $24,500 is due to changes in staffing levels.
    - A decrease of $37,127 for Overtime Reimbursement Charges which is the reimbursement from Federal Agencies for investigative activities.

EXPENDITURES:

Salaries:

- The decrease of $83,849 is primarily due to the following factors:
    - There is an increase of $182,562 in Permanent and Probationary Salaries. Some of the impacts to salary for fiscal year 2013/2014 include the step impact of $951,688, which is a reduction of $483,886 from this current year's step impact of $1,435,574, and the reduction of 9 civilian positions. Also, 10 police officers under the COPS grant will be absorbed by the General Fund in March of fiscal year 2013/2014.
    - There is a decrease of $409,429 in Terminal Leave which reflects a decreased number of DROP participants for fiscal year 2013/2014.
    - Part-Time Salaries has a decrease of $236,971 which is primarily due to a decrease of $765,945 in Court Protection because of staffing changes at the courthouse and an increase of $527,719 in Health Services due to loss of a staffing agency for nurses and having a hard time keeping full time staff.
    - There is a decrease of $679,915 in Overtime Salaries due to shift changes and scheduling changes.
    - Leave Rollback/Sellback is increasing by $958,009 which is primarily due to eligible employees not taking as much leave and being more inclined to rollback or sellback some of their leave balances.

Lapse:

- The imposed Salary Lapse for fiscal year 2013/2014 is $2,993,289 which is an increase of $1,866,422. This amount is based on the City's average turnover model.

Employer Provided Benefits:

- The increase of $22,098,359 is primarily due to the following factors:
    - There is an increase of $1,573,243 in General Employee's Pension Contribution. The City's contribution went from 20.81% to 28.21%.
    - An increase of $14,159,073 for the City's Contribution into Police and Fire Pension going from $69,143,668 to $83,302,741.

PROPOSED BUDGET BOOK – PAGE #277-279
ON SCREEN – PDF PAGE #291-293

- There is an increase of $3,249,232 for the Correction Officer Pension Contribution. The City's contribution went from 39.11% to 49.93%.
- Worker's Compensation for the Sheriff's Office includes $6,568,323 for all other claims and $3,489,894 for Heart and Hypertension claims which is a net increase of $2,178,965.

Internal Service Charges:

- The decrease of $568,844 is primarily due to the following factors:
  - There is a decrease of $593,487 in Fleet Repairs and Maintenance.
  - A decrease of $775,506 in Fleet Parts, Oil and Gas.
  - The decreases are offset by an increase of $706,658 in Fleet Vehicle Rental for current and previous years' purchases.

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 for the individual City Departments' budgets.

Other Operating Supplies:

- The increase of $831,067 is primarily due to the following factors:
  - Professional Services has an increase of $97,403. This line item appears to be over budgeted by $134,000.
  - There is a decrease of $267,235 in Security/Guard Service which is attributable to a decline in the inmate population and renegotiated rates for courthouse security.
  - There is a decrease for the Contract Food Services – Jail of $312,471 due to the decline in the inmate population.
  - There is a new expense of $180,000 for Other Rent which will be used to lease a warehouse facility for storage of specialty equipment. The current building on Wilson Blvd. is unsafe especially during storms.
  - The allocation for General Liability Insurance is increasing by $186,239.
  - It appears as though Out of State Auto Liability Policy is double budgeted and will need to be reduced by $30,300.
  - The increase of $200,746 in Hardware/Software Maintenance and Licenses is due to required maintenance on hardware/software purchased during this current fiscal year and for maintenance not covered by grants.
  - The increase of $241,794 for Miscellaneous Services and Charges is primarily due to a re-class of expense into this line item.

PROPOSED BUDGET BOOK – PAGE #277-279
ON SCREEN – PDF PAGE #291-293

- There is an increase of $206,154 for Clothing, Uniforms and Safety Equipment for the purchase of ammunition, which was cut this current fiscal year, and uniforms and body armor.
- There is an increase of $116,386 for Other Operating Supplies due to a re-class of expense from Repairs and Maintenance.
- Employee Training is increasing by $312,781 for agency wide training for new hires.

Capital Outlay:

- There is no capital items budgeted for the Sheriff's Office for fiscal year 2013/2014.

Extraordinary Lapse:

- The $29,553,475 represents an additional lapse imposed on the Sheriff's Office.

Banking Fund Debt Repayment:

- The Banking Fund principal payment amount is $435,508, which has decreased by $1,043,941 and the interest payment amount is $22,076, which has decreased by $56,174. These payments are for prior year's borrowing. There is no new borrowing for computers and other equipment for fiscal year 2013/2014.

SERVICE LEVEL CHANGES:
The Office of the Sheriff will discuss in detail.

EMPLOYEE CAP CHANGES:

- The Sheriff's Office cap has decreased by eleven (11) positions. Two (2) Correction Sergeants were on the Redline List for this current year and the positions were eliminated when they retired. Nine (9) civilian positions will be eliminated in fiscal year 2013/2014 and they are all vacant.

RECOMMENDATIONS:

1. We recommend that Interfund Services Charges revenue be reduced by $76,888 since it appears to be overstated and Professional Services expense be reduced by $134,000 since it appears to be over budgeted. The net savings of $57,112 will be applied to the Extraordinary Lapse. This will have no impact to Special Council Contingency.

2. It appears as though the Out of State Auto Liability Policy was budgeted twice. We recommend that $30,300 be removed from the Sheriff's Budget and the savings be applied to the Extraordinary Lapse. This will have no impact to Special Council Contingency.

PROPOSED BUDGET BOOK – PAGE #277-279
ON SCREEN – PDF PAGE #291-293

3. Just recently two Transfer Directives (TDs) were approved for the Sheriff's Office. These TDs have de-appropriated fiscal year 2012/2013 Salaries to purchase items that will be used in fiscal year 2013/2014. Therefore, the Sheriff's Office fiscal year proposed 2013/2014 budget can be reduced by $682,645 and the savings applied to the Extraordinary Lapse. This will have no impact to Special Council Contingency.

4. The Sheriff has requested that three (3) vacant positions be eliminated from the proposed budget. The vacant positions are a Correction Lieutenant with budgeted salaries and benefits of $90,283, a Corrections Sergeant with budgeted salaries and benefits of $77,721 and a Police Photographer with budgeted salaries and benefits of $45,026. Therefore, the total salaries and benefits requested to be cut from the proposed budget will be $213,030 and the savings can be applied to the Extraordinary Lapse. This will have no impact to Special Council Contingency.

5. The Sheriff's Office has requested that 104 vehicles be removed from the 2013/14 Proposed Vehicle Replacement List (Schedule B4c which is attached) and the number of months budgeted to be billed for the new vehicles be adjusted from eight to six months to more properly align with the delivery of the vehicles. The savings in charges from Fleet Vehicle Replacement (S/F 512) will be $759,331 in FY 2013/14. This will require corresponding adjustments within Fleet Vehicle Replacement (S/F 512) and the Banking Fund (S/F 592) due to the decreased borrowing and purchasing requirements.

   By removing the 104 vehicles from the FY 2013/14 replacement list, there will be an increase in charges from Fleet Management (S/F 511) for Parts ($125,000) and Labor ($75,000) for a total amount of $200,000. This will require corresponding changes with Fleet Management Operations (S/F 511) for the increased revenues and costs.

   The net savings of $559,331 can be applied against the Extraordinary Lapse. These changes will require an amendment to Schedule B and Schedule B4c.

COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
13.88% REDUCTION
OFFICE OF THE SHERIFF (011)

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	%
210,028,386	181,487,943	(28,540,443)	-13.59%

Based on the table above, the Office of the Sheriff did essentially meet the 13.88% cut based on the Extraordinary Lapse placed in the Sheriff's Office's budget by the Administration. This does not mean the Sheriff agrees with the reduced budget amount.

13.88% Reductions as Represented by the Department/Budget Office:
The cut is being met by the $29,553,475 extraordinary lapse placed on the Office of the Sheriff's budget.

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 2013/2014 BUDGET
OFFICE OF THE SHERIFF
911 EMERGENCY USER FEE (SF 171)

PROPOSED BUDGET BOOK – PAGE #281-282
ON SCREEN – PDF PAGE #295-296

BACKGROUND:
Pursuant to Florida Statutes Section 365.172 the City established the 911 Emergency User Fee sub-fund. All counties are eligible to receive two separate distributions, one based on the total number of wireless service identifiers in each county, and a second based on the total number of nonwireless service identifiers in each county. 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 authorized fee."

REVENUES:
Miscellaneous Revenue:

- The decrease of $34,378 is due to a projected reduction in Investment Pool Earnings based on a lower assumed interest rate.

Transfers from Fund Balance:

- A transfer from Fund Balance is not budgeted for fiscal year 2013/2014.

Charges for Services:

- Charges for services includes the landline fee paid each month of $0.44 with a budgeted amount of $1,750,595 and a wireless fee of $0.50 paid each month with a budgeted amount of $2,292,209.
- The decrease of $242,372 includes decreases of:
    - $114,906 for the revenue collected on landlines due to more people moving away from the use of landlines.
    - $127,466 for the revenue collected on wireless phones due to the increase in usage of prepaid cell phones that are not charged the wireless fee.

EXPENDITURES:
Employer Provided Benefits:

- The increase of $16,124 is primarily due to the increase in the General Employee's Pension contribution rate going from 20.81% to 28.21%.

Other Operating Expenses:

- The decrease of $356,571 is due to the following:
    - The reimbursement amount of $2,014,266 for Police and Fire call taker salaries has decreased by $81,895.
    - There is a decrease of $166,288 for Repairs and Maintenance due to the use of grant funds appropriated by Ordinance 2011-670-E for the phone equipment maintenance only for fiscal year 2013/2014.

PROPOSED BUDGET BOOK – PAGE #281-282
ON SCREEN – PDF PAGE #295-296

- Miscellaneous Services and Charges have decreased by $142,099. The Beaches call taker salaries reimbursement amount of $314,700 is included in this line item and has decreased by $106,100.

EMPLOYEE CAP CHANGES:
None.

RECOMMENDATIONS:

1. The department has requested an increase in the budgeted salary and benefits for the Information Systems Coordinator for the salary to be competitive. This would be a net increase of $9,253 for salaries and benefits to be taken out of Miscellaneous Services and Charges expense. This will have no impact to Special Council Contingency.

COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2013/2014 BUDGET
OFFICE OF THE SHERIFF
SHERIFF'S TRUSTS (64A)

PROPOSED BUDGET BOOK – PAGE #283-284
ON SCREEN – PDF PAGE #297-298

BACKGROUND:
This sub-fund includes many small trust accounts for the Sheriff's Office. The primary trust account is the Inmate Welfare Trust Fund in which the net profits from the commissary operations is received and used only for the overall welfare of the inmates pursuant to Municipal Code Section 111.300. Other trust accounts under sub-fund 64A include the Domestic Battery Surcharge, Special Law Enforcement, Police Explorer Trust, Motor Vehicle Safety Program, Teen Driver Special Revenue Fund, Police Accident Reports and the Criminal Justice Training Trust Fund.

This is an all-years fund. Since there is still available spending capacity within the Inmate Welfare Trust Fund part of the proposed budgeted amount will be de-appropriated. We will also be removing the proposed Special Law Enforcement Trust Fund budget since the Sheriff's Office intends to bring the appropriation through the normal legislative process.

RECOMMENDATIONS:

1. The Sheriff's Office requested that the proposed budget of $635,573 for the Special Law Enforcement Trust Fund be removed. The funds will be appropriated as needed through the legislative process. This will have no impact to Special Council Contingency.

2. We recommend that the net salary budgeted at $133,803 and the net benefits budgeted at $18,516 not be appropriated for the Inmate Welfare Trust Fund for fiscal year 2013/2014. Since this is an all years fund and there is a total current spending capacity of $368,829 for the salary and benefits as of June 30, 2013. This will have no impact to Special Council Contingency.

NOTE:
See the next page for the Proposed Budget after Adjustments based on the recommendations above.

COUNCIL AUDITOR'S OFFICE
COMMENTS AND RECOMMENDATIONS
MAYOR'S PROPOSED 2013/2014 BUDGET
OFFICE OF THE SHERIFF
SHERIFF'S TRUSTS (64A)

PROPOSED BUDGET BOOK – PAGE #283-284
ON SCREEN – PDF PAGE #297-298

	FY 2012/13 Adopted	FY 2013/14 Proposed Before Adjustments	Council Auditor's Office All Years Adjustment	FY 2013/14 Proposed After Adjustments
REVENUE				
OFFICE OF THE SHERIFF				
Charges for Services	-	-	-	-
Fines and Forfeits	714,939	40,000	-	40,000
Miscellaneous Revenue	1,530,000	1,392,169	(635,573)	756,596
TOTAL REVENUE	**2,244,939**	**1,432,169**	**(635,573)**	**796,596**
EXPENDITURES				
NON-DEPARTMENTAL / FUND LEVEL ACTIVITIES				
Transfers to Other Funds	552,000	-	-	-
	552,000	-	-	-
OFFICE OF THE SHERIFF				
Salaries	619,913	135,113	(133,803)	1,310
Employer Provided Benefits	261,006	65,888	(18,516)	47,372
Other Operating Expenses	412,020	(760,105)	152,319	(607,786)
Capital Outlay	400,000	1,838,773	(483,073)	1,355,700
Grants, Aids and Contributions	-	152,500	(152,500)	-
TOTAL EXPENDITURES	**2,244,939**	**1,432,169**	**(635,573)**	**796,596**

REVENUE:
Fines and Forfeits:

- The budgeted amount of $40,000 is for the Domestic Battery Surcharge which is in line with current year collections. The City receives $115 of the $201 surcharge. The decrease of $674,939 is due to appropriating excess revenues from the Domestic Battery Surcharge to reduce the Office of the Sheriff's salary lapse that was budgeted for fiscal year 2012/2013. Therefore, overall fine revenue is staying constant at $40,000.

Miscellaneous Revenue:

- The revised budgeted amount of $756,596 is for Concession Sales deposited into the Inmate Welfare Trust Fund. The decrease of $773,404 is due to appropriating $510,000 of excess revenue over budget for fiscal year 2012/2013. Overall, the revenue from

PROPOSED BUDGET BOOK – PAGE #283-284
ON SCREEN – PDF PAGE #297-298

Concession Sales is going from $1,020,000 to $756,596, which is in line with current year collections

EXPENDITURES:
Salaries:

- The salaries budgeted include one (1) position and the allocation of five (5) other positions for the management of the Inmate Welfare Trust Fund. Funding of only $1,310 remains for fiscal year 2013/2014 based on excess capacity within salaries.

Employer Provided Benefits:

- The benefits budgeted are for the positions that manage the Inmate Welfare Trust Fund.

Other Operating Expenses:

- Other Operating Expenses includes $40,000 in Trust Fund Authorized Expenditures for the Domestic Battery Surcharge and a revised transfer of ($648,260) to Capital Outlay for the purchase of Specialized Equipment within the Inmate Welfare Trust Fund.

Capital Outlay:

- The Inmate Welfare Trust Fund includes a budgeted capital amount of $1,355,700 for Specialized Equipment listed below:

Description	Amount
Wi-Fi Facility Array for PDF	$100,000
Wi-Fi Facility Array for MCC	$60,000
Wi-Fi Facility Array for CTC	$40,000
23 Barcode Scanners ($5,900/Unit)	$135,700
Security Software Upgrades	$40,000
4 Body Orifice Security Scanner (BOSS) Chairs	$80,000
SecurePASS Body Scanner (PDF)	$300,000
SecurePASS Body Scanner (MCC)	$300,000
SecurePASS Body Scanner (CTC)	$300,000
Total	**$1,355,700**

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

PROPOSED BUDGET BOOK – Page # 367-369
ON SCREEN – Page # 381-383

BACKGROUND

The Special Services Department is comprised of three divisions: Behavioral and Human Services, Senior Services, and the Office of the Director. The Special Services Department is responsible for providing many human and social services to the City of Jacksonville, including programs and events targeted specifically toward seniors, programs for victims of crime, and overseeing an array of mandated substance abuse and mental health services.

REVENUE:

1. Miscellaneous Revenue
   - The decrease of $15,000 is due a projected reduction of $15,000 in welfare reimbursement received from the Social Security Administration.

EXPENDITURES:

1. Salaries
   - The net decrease of $31,541 is due to reductions of $5,749 in permanent salaries, $33,202 in part-time salaries (three custodian positions that are currently vacant) and $3,575 in overtime salaries. The decreases were partially offset by increases of $4,300 in special pay, $3,250 in leave rollback/sellback, and $3,435 in pensionable special pay.

2. Employer Provided Benefits
   - The net increase of $162,102 is mainly due to increases of $146,743 in pension contribution and $37,076 in group hospitalization insurance. The increases were partially offset by a decrease of $22,501 in workers compensation insurance.

3. Internal Service Charges
   - The net decrease of $137,430 is primarily due to reductions of $132,880 in legal charges. Funding for legal charges previously budgeted within Office of the Director has been reallocated to the Parks and Recreation Department in FY 2013/14 per the departments' request.

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.

PROPOSED BUDGET BOOK – Page # 367-369
ON SCREEN – Page # 381-383

5. Other Operating Expenses
   - The decrease of $1,027,725 is due to reductions of $634,917 in professional services (Sexual Assault Response Center, mental health, homeless services, and substance abuse programs), $177,650 in building rentals (error by the Budget Office described in recommendation #3), $122,987 in miscellaneous services and charges (rent and utility assistance provided to individuals) and $85,238 in non-departmental expenditures (Baker Act funding).

6. Grants, Aids and Contributions
   - The decrease of $388,988 is due to a reduction in the General Fund contribution to the Jacksonville Senior Services Program. The FY 2013/14 General Fund contribution is budgeted at $2,522,315 ($95,685 match and $2,426,630 overmatch).

7. Extraordinary Lapse
   - The department's extraordinary lapse was eliminated for FY 2013/14.

FOOD AND BEVERAGE EXPENDITURES:

Indexcode	Amount	Description of each Service/Event that requires the purchase of food/beverage	Explanation that the Service/Event serves a public purpose
RCAH011CC	$4,500	Meals provided for more than 700 seniors at the Mayor's BEST meetings. Two BEST meetings are held annually allowing seniors to meet with the Mayor and to discuss current issues and concerns.	More than 700 seniors throughout the community (Senior Centers, Senior residences, church groups, neighborhood associations, etc) are invited to these meetings.
RCBH011VC	$500	The Victim Assistance Fund provides emergency assistance to help reduce the financial hardship incurred as a direct result of the crime. Food assistance is given via food card purchases from Winn Dixie.	Food Assistance - Used to assist the crime victim or family member as a direct result of their victimization.

SERVICE LEVEL CHANGES:
Service level changes and proposed reductions are summarized on the attached handout.

EMPLOYEE CAP CHANGES
There are no proposed changes to the employee cap. There are 51 authorized positions.

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

PROPOSED BUDGET BOOK – Page # 367-369
ON SCREEN – Page # 381-383

DIVISION CHANGES:

- The decrease in the Behavioral and Human Services Division is mostly due to reductions in funding for homeless, mental health, and substance abuse professional services ($283,835), eliminating funding for the Sexual Assault Response Center ($194,264) and child forensic exams ($130,750), funding for temporary rent and utility assistance ($122,776) and funding for Baker Act services ($85,238). Proposed funding for the United Way 2-1-1 hotline is also being decreased by $1,680 to a total of $22,320 (this program is also budgeted to receive a public service grant of $82,289 in FY 2013/14).
- The decrease in the Office of the Director Division is mostly due to eliminating funding for legal internal service charges ($130,047), which have been reallocated to the Parks and Recreation Department's Office of the Director.
- The increase in the Senior Services Division is mostly due to the addition of utilities and building maintenance allocation charges ($391,051) and an increase in pension contributions ($58,994), which were partially offset by decreases in the General Fund match for the senior meals federal grant ($388,988) and salaries ($35,851).

RECOMMENDATIONS

1. Funding for the Sexual Assault Response Center (SARC) was eliminated in the Mayor's proposed budget. However, State reimbursement revenue associated with the SARC and several related expenditures were not eliminated. To correct these errors, we recommend decreasing Reimbursement-Victim Services revenues by $110,000, Repairs and Maintenance by $1,000, and Other Operating Supplies by $16,200 all within Victim Services. The net effect will have negative impact of $92,800 on Special Council Contingency.

2. We recommend reducing Welfare Reimbursement revenue from $60,000 to $25,000 to align the projection with current year actuals and the Department's estimate. This will have a negative impact of $35,000 on Special Council Contingency.

3. Funding for building rentals within the General Assistance office of the Behavioral and Human Services Division is incorrectly budgeted as a negative $52,525 instead of zero. This office leases space at 1809 Art Museum Drive and funding for the lease was submitted as a proposed elimination in an effort to meet the Administration's budget reduction targets. We recommend correcting this error and bringing this expense to zero. This will have a negative impact of $52,525 on Special Council Contingency. However, there will still be no dollars budgeted for occupancy for the 18 employees of this activity after the lease is terminated.

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	%
10,330,029	9,537,702	(792,327)	-7.67%

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

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

Reductions*		
Dollar impact	Ranking	Description
Senior Services		
$ 310,170	8	Reduction in over match of Federal Grant for Senior Services Program which provides transportation to and meals at Senior Citizen Centers. (Breakfast would be reduced from one per week to zero and lunch from five to three times per week.)**
115,198	7	Closing of 3 low-attendance senior centers (Hammond, Longbranch, Louis Dinah)**
53,620	6	Reduction in transportation to Senior Centers**
33,201	5	Reduction in three part-time custodians at Senior Centers
$ 512,189	Subtotal Senior Services	

Behavioral Services		
$ 84,808	9	Reduction in substance abuse program funding (State Mandate)
70,766	9	Reduction in mental health service funding (State Mandate)
85,239	9	Reduction in Baker Act emergency/crisis stabilization funding (State Mandate)
152,649	4	Reduction in homeless assistance funding to I.M. Sulzbacher Center
181,500	3	Give up lease space at Art Museum Drive (Actual Lease $128,975 Incorrectly cut $181,500)
325,014	2	Discontinue the Sexual Assault Response Center (SARC) and eliminate funding for child protection forensic exams.
1,680	1	Reduction in United Way 2-1-1 hotline
$ 901,656	Subtotal Behavioral Services	

$ 1,413,845	Total Reductions

*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.
**Please note if these items are restored they would result in an increase of $90,000 over the FY 2012/13 budget.

Recommendations Related to Mayor's Reductions:

We recommend that the City Council review the 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)

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.

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

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.

Division	Approved FY 2012/13 Positions	Proposed FY 2013/14 Positions	Cap Change
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
Department Total	**181**	**168**	**-13**

PROPOSED ELIMINATIONS:

	Job Class	Job Class Description	Indexcode	Filled / Retiring / Vacant / Attrition	Budget Savings
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

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

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
				Total savings from proposed eliminations	**$671,972**

DIVISION CHANGES:

Division	FY 2012/13 Adopted	FY 2013/14 Proposed	Change
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
Department Total	**$13,551,447**	**$13,845,688**	**$294,241**

- 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).

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

- 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.

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	%
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		
$ 48,025	4	Eliminated Vacant Code Compliance Officer
55,477	4	Eliminated Vacant Code Compliance Officer Senior
39,795	4	Eliminated Vacant Code Compliance Officer
200,159	3	Reduced Abatement Funding
50,000	2	Eliminated Demolition and Site Clearance
35,051	1	Eliminated Vacant Clerical Support Specialist
428,507	Subtotal Municipal Code and Compliance	

Office of the Director		
91,013	1	Eliminated Vacant Remediation Program Coordinator
865	-	Reduction in Various Line Items Based on Actuals
91,878	Subtotal Office of the Director	

Mosquito Control		
58,304	4	Eliminated Environmental Programs Coordinator
86,611	3	Move Various Expenditures to Mosquito Control (S/F 012)
500	2	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**
Environmental Quality		
30,000	4	Reduced Part-Time Hours
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
4,539	-	Reduction in Various Line Items Based on Actuals
198,506	Subtotal Environmental Quality	

Animal Care and Protective Services		
131,299	3	Close Intake of all over the counter animals & owner surrenders - Eliminates 2 Filled Animal Code Enforcement Officer Senior, 1 Vet Tech and Part-Time hours. This will impact the response to complaints.
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

*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
MOSQUITO CONTROL STATE 1 (012)

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.

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

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

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)

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.

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

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

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)

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)

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)

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)

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)

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)

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)

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)
TOTAL REVENUE	**$ 120,000**	**$ 120,000**	**$ (176,418)**	**$ (56,418)**
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)
TOTAL EXPENDITURES	**$ 120,000**	**$ 133,629**	**$ (190,047)**	**$ (56,418)**

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

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

	FY 2012/13 Adopted	FY 2013/14 Proposed Before Adjustments	Budget Office All Years Adjustment	FY 2013/14 Proposed
REVENUE				
ANIMAL CARE & CONTROL				
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)
NON-DEPARTMENTAL / FUND LEVEL ACTIVITIES				
Transfers from Fund Balance	-	-	(5,431)	(5,431)
TOTAL REVENUE	**739,771**	**912,735**	**(480,097)**	**432,638**
EXPENDITURES				
ANIMAL CARE & CONTROL				
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
NON-DEPARTMENTAL / FUND LEVEL ACTIVITIES				
Salary & Benefit Lapse	-	-	(2,560)	(2,560)
Cash Carryover	-	-	(310,995)	(310,995)
TOTAL EXPENDITURES	**$ 739,771**	**$ 1,419,826**	**$ (987,188)**	**$ 432,638**

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

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.

<u>Non-Departmental / Fund Level Activities:</u>
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)

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

PROPOSED BUDGET BOOK – Page # 287-288
ON SCREEN – Page # 301-302

BACKGROUND

The Parks and Recreation Department consists of three divisions: Office of the Director, Recreation and Community Programming, and Waterfront Management and Programming. The Office of the Director includes Administration, the Cooperative Extension Office, and Grant Compliance. The Parks and Recreation Department is responsible for city parks, preserves, entertainment venues, pools, marinas, waterfront facilities, and programs administered through partnerships, liaisons and city staff. The department also oversees the park maintenance activities of the City.

During FY 2012/13, SMG was awarded a facilities management contract for the Ritz Theatre, which was previously under the Parks and Recreation Department. The facilities management contract is managed by the Office of Economic Development. All revenues and expenditures related to the Ritz Theatre are budgeted in subfund 4H0 in FY 2013/14.

REVENUE

1. Charges for Services
   - The net decrease of $166,000 is primarily due to decreases of $131,000 in revenues attributable to the Ritz Theatre, $27,000 in organized event charges within Playgrounds and Centers, and $10,500 in summer camps.

2. Miscellaneous Revenue
   - The net increase of $10,500 is due to an increase of $50,000 in overtime reimbursement charges due to the City now billing the Jacksonville Landing for parks maintenance at that location. This increase is offset by the elimination of $39,500 in Ritz Theatre miscellaneous revenues.

EXPENDITURES

1. Salaries
   - The net decrease of $1,336,107 is primarily due to the elimination of 32 positions for FY 2013/14 and a decrease of $440,232 in part time salaries. These decreases are due to reductions in programs and services.

2. Employer Provided Benefits
   - The increase of $36,258 is primarily due to an increase of $270,695 in pension contributions, which is partially offset by decreases of $127,819 in workers' compensation, $88,418 in group hospitalization insurance, and $15,841 in medicare.

PROPOSED BUDGET BOOK – Page # 287-288
ON SCREEN – Page # 301-302

3. Internal Service Charges
   - The net increase of $826,607 is primarily due to increases of $793,282 in fleet allocation charges associated with the transfer of park maintenance vehicles from Public Works and $111,943 in OGC legal allocation charges that are being reallocated from the Special Services Department. These increases were somewhat offset by decreases of $61,054 in ITD charges, and $17,479 in copier consolidation 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
   - Other Operating Expenses are decreasing by $29,400. However, contractual services are increasing by $467,208 due to the transfer of contracts for parks restroom janitorial service and limb disposal from the Public Works Department. This increase is offset by decreases in expenditures related to reductions in programs and services.

6. Extraordinary Lapse
   - The extraordinary lapse of $500,000 represents a reduction in order to meet the Department's budget reduction target for FY 2013/14.

SERVICE LEVEL CHANGES:
Service level changes and proposed reductions are summarized on the attached handout.

FOOD AND BEVERAGE EXPENDITURES:

Indexcode	Amount	Description of each Service/Event that requires the purchase of food/beverage	Explanation that the Service/Event serves a public purpose
RPCM011PG	$600	Spring Play Day	Spring camp playday for approx. 700 children
RPCM011PG	$600	Club Rec Open House	700 children and their families
RPCM011PG	$2,500	Fall Festival (19 sites)	Fall playday and festival, open to the public at each staffed community center
RPCM011PG	$2,500	Joseph Lee Day	Summer playday for approx.1,200 kids
RPOD011CEXT	$3,000	Family & Consumer Sciences program & Food & Nutrition program	All items are used in educational programming for teaching purposes only.

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

PROPOSED BUDGET BOOK – Page # 287-288
ON SCREEN – Page # 301-302

EMPLOYEE CAP CHANGES:
Thirty-two (32) positions are proposed to be eliminated: twenty six (26) positions within Playgrounds and Centers, five (5) within the Ritz Theatre, and one (1) within Waterfront Parks. Of the five positions eliminated within the Ritz Theatre, two employees were absorbed by SMG, two were transferred to other departments, and one position was vacant.

The position within Waterfront Parks was eliminated in error by the Budget Office. The position is currently filled. The Administration has not identified a funding source to restore this position, which is budgeted at approximately $68,126.

DIVISION CHANGES:

- The decrease in the Office of the Director is mostly due to a reduction of $848,103 attributable to moving the budget for the Ritz Theatre to subfund 4H0 in FY 2013/14. This decrease was partially offset by the addition of utilities and building maintenance allocations of $448,418.
- The increase in Recreation and Community Programming is mostly due to the addition of utilities and building maintenance allocations ($4,636,832), fleet internal service charges for parks maintenance vehicles ($791,911), and contractual services for parks janitorial services ($467,208). These increases were partially offset by a decrease in salaries ($1,001,751) and an extraordinary lapse ($500,000).
- The decrease in Waterfront Management and Programming is due to a decrease in salaries from the elimination of one position ($47,250), which was partially offset by increases in utilities and building maintenance allocations ($20,358) and civil defense – guard service ($20,276).

RECOMMENDATIONS:

1. We recommend eliminating 4,400 part time hours budgeted within the Ritz Theatre. The Ritz Theatre is now budgeted under subfund 4H0. This will have no impact on Special Council Contingency.

2. We recommend reducing part time hours within Aquatics by 62,477 and also within Playgrounds and Centers by 22,990 hours due to proposed service reductions.

3. The revenues as budgeted do not take into account the proposed service reductions. If funding for the summer camp program is eliminated, Summer Camps revenue should be reduced by $107,500. This will have a negative impact of $107,500 on Special Council Contingency.

PROPOSED BUDGET BOOK – Page # 287-288
ON SCREEN – Page # 301-302

4. We recommend reducing overtime reimbursement revenue by $50,000. The City's current contract with the Jacksonville Landing does not allow the City to bill that location for park maintenance. Given that an amendment to the contract has not been approved, we recommend that this revenue be eliminated. This will have a negative impact of $50,000 on Special Council Contingency.

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	%
15,768,530	13,608,572	(2,159,958)	-13.70%

Based on the table above, the Department did essentially meet the 13.88% cut.

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

Reductions*		
Dollar impact	Ranking	Description
$ 17,207	4	Eliminate Contract for Technical Assistance for Waterfront Management
35,000	4	Reduce Repairs and Maintenance Supplies for Parks Maintenance
10,907	4	Reduce Other Operating Supplies for Parks Maintenance
40,000	4	Reduce Repairs and Maintenance for Parks Maintenance
40,000	4	Reduce Contractual Services for Parks Maintenance
500,000	3	Close 50% of outdoor (16) pools and their associated activities.
150,016	2	Elimination of Summer Night Lights which keeps lights on at select parks until midnight during the summer
98,003	2	Reduce Summer Camp Programs
1,303,214	2	Close 72% of staffed Community Centers, eliminate after school, spring break, and holiday blast programs.
50,000	1	Bill Landing for Park Maintenance. (Revenue)
$ 2,244,347		

*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.