



## OFFICE OF THE CITY COUNCIL

**CHERYL L. BROWN**  
DIRECTOR  
OFFICE (904) 630-1452  
FAX (904) 630-2906  
E-MAIL: CLBROWN@coj.net

117 WEST DUVAL STREET, SUITE 425  
4<sup>TH</sup> FLOOR, CITY HALL  
JACKSONVILLE, FLORIDA 32202

### **Finance Committee Budget Hearing #3 Minutes August 15, 2013 9:00 a.m.**

**Location:** City Council Chamber, 1<sup>st</sup> floor, City Hall – St. James Building; 117 West Duval Street, Suite 425

**In attendance:** Council Members Greg Anderson (Chair), Richard Clark, John Crescimbeni, Matt Schellenberg, Robin Lumb, Clay Yarborough

**Excused:** Johnny Gaffney, Reggie Brown

**Also:** Council Members Doyle Carter (arr. 9:18)

**Also:** Kirk Sherman, Kim Taylor – Council Auditor’s Office; Carol Owens – Legislative Services Division; Peggy Sidman – Office of General Counsel; Jeff Clements – Council Research Division; Ronnie Belton and Michele Barth – Mayor’s Office; Glenn Hansen and Angela Moyer - Budget Office

**Meeting Convened:** 9:02 a.m.

Chairman Anderson convened the meeting and reminded viewers of the budget web site on the City Council web page which contains all of the budget handouts and other information. There is also a link to a suggestion page through which citizens can make suggestions for improvements and savings, which will be tabulated and referred to the appropriate departments.

Council Auditor Kirk Sherman updated the committee on the status of the Special Council Contingency Fund, which currently stands at negative \$2.7 million.

### **References from this point refer to Budget Hearing #3 Handout – August 15, 2013**

#### Tax Collector

Tax Collector Michael Corrigan explained the service cuts that will have to be made to accomplish the 13.88% extraordinary lapse: close 3 branch offices, reduce staff by 20-25%, and stop collecting City fees and charges (state mandated fees and charges will continue to be collected). Mr. Corrigan stated that his office runs on a very lean basis compared to tax collectors in other counties, charging a service fee of 0.25% when other counties charge 2%.

**Motion** (Yarborough): on p. 3, approve Council Auditor's recommendation #2 to reduce service charge revenue by \$341,554 and on p. 4 restore the extraordinary lapse of \$1,258,739 – **approved unanimously.**

**Motion** (Crescimbeni): reduce the Tax Collector's vehicle cap from 13 to 11 – **unanimously approved.**

Council Member Crescimbeni requested the Tax Collector to keep the Finance Committee updated throughout the year about the instructions he is receiving from the Budget Office about preparations for next year's budget.

#### Property Appraiser

Mr. Sherman noted that the Property Appraiser's budget must also be approved by the Florida Department of Revenue, so reconciliation is needed between the City's latest version and the version approved by the DOR. Property Appraiser Jim Overton said that he submits his budget to the DOR on June 1<sup>st</sup>. The version that DOR approved was not what the administration submitted to City Council, it included the 13.88% cut. His staff has looked at various savings possibilities by eliminating non-mandates services, of which there are very few. The office is not required to have a web site and could stop defending Value Adjustment Board appeals, but both of those would be counterproductive options. Mr. Sherman stated that Jacksonville runs a very lean operation, currently ranking 41<sup>st</sup> in the state in average appraisal costs.

**Motion** (Yarborough): on p. 7 restore the extraordinary lapse except for the OGC legal charges and the ITD charges lines – **approved unanimously.**

Mr. Overton said that he will be giving some small pay increases to several employees because they are experiencing high turnover in their appraisal staff. The private real estate market is heating up and salaries are rising. He is re-establishing a small merit pool for raises.

#### Court Administration

Court Administrator Joe Stelma stated that he has reached agreement with the Information Technologies Division to assign an employee permanently to the courthouse to deal with needs there. Bringing the Beach Boulevard court functions to the main courthouse has caused a space crunch, with more room needed for hearing foreclosure cases, traffic court and the potential for many large tobacco liability cases. There is a bill pending in City Council to provide the technology for 4 of the 8 shelled courtrooms on the 5<sup>th</sup> floor, although the other 4 are needed as well.

**Motion** (Yarborough): on p. 18, add \$311,500 to the Court Administration budget to outfit 4 additional shelled courtrooms on the 5<sup>th</sup> floor of the courthouse, plus \$23,000 for maintenance, from the Special Council Contingency fund – **approved unanimously.**

**Motion:** on p. 25, approve Council Auditor's recommendations #1 and 2 – **approved unanimously.**

**Motion:** on p. 28, table the Council Auditor's recommendation re: reduction of courthouse maintenance costs pending further discussion with Court Administration about needs.

#### Teen Court

The Auditor's Office notes that the use of fund balance has been keeping the Teen Court afloat for several years and the balance will not last through more than one additional year. Lawrence Hills, director of the Teen Court, noted that staff has been cut drastically over the last several year even as referrals to the court have increased 300%. They are actively seeking grants to sustain the operation and will be looking to the Jacksonville Journey for potential funding.

Recording Fees

**Motion:** on p. 32, approve Council Auditor’s recommendations #1 and 2 re: allocation of IT maintenance costs and a requirement that all entities sign the Memorandum of Understanding before funds can be utilized – **unanimously approved.**

Court Administrator Joe Stelma noted that there has been a great improvement in relations between the courts and the City regarding IT issues resulting from discussions in last year’s budget hearings. The court administration staff will meet with the Council Auditor’s staff to resolve the tabled issue on courthouse maintenance costs.

Supervisor of Elections

Supervisor of Elections Jerry Holland expressed surprise that his budget has been charged a \$1.9 million principal and interest charge from the Banking Fund for the borrowing for the propose purchase of the Gateway Center elections operation center that was never consummated. Mr. Holland asked for an allocation of \$1.656 million to purchase electronic poll books to provide real-time registration data for all polling places which would improve fraud protection and increase voting efficiency at polling places. Other surrounding counties and the other large counties all use them. It would allow early voting on the Sunday prior to election day because the registration data would be available instantaneously. Will reduce pollworker costs and somewhat increase data transmission costs.

Council Member Clark opposed use of the Banking Fund for the purchase of items with a value of less than \$50,000 (the electronic poll books are \$2,200 apiece); these should not be considered a capital expense. Mr. Holland stated that he will purchasing an entire electronic system with a value of over \$1 million with an expected lifespan of 16 years and needs to be considered as a whole, which is certainly capital project-eligible. The political parties are anxious to have this technology because it allows them access to data in real time that currently takes a week or more to become available.

**Motion** (Yarborough): allocate \$1.6 million of Banking Fund authorization for purchase of electronic poll books and allocate the remaining \$300,000 in debt service payments to a non-departmental debt service line; the CAO and Supervisor of Elections will arrange the details – **approved 6-1** (Clark opposed).

Clerk of the Courts

Clerk of the Courts Ronnie Fussell told the committee that the budget is up due to increasing filing activity because of increasing economic activity. Building maintenance expenses are up due to the location in the new courthouse. The jury shuttle will be discontinued in early October.

**Motion:** on pp. 16-17, approve Council Auditor’s recommendations #1-5 – **approved unanimously.**

Alcohol Rehabilitation Program

The Council Auditor is concerned about the how the fine revenues are allocated pursuant to state law and local ordinance. The effects of the Article 5 revisions to the court system funding need to be considered. The revenue stream is down over the past several years, which Mr. Fussell attributes to reduced number of tickets being written.

**Motion:** on p. 57, approve Council Auditor’s recommendation to study the allocation of alcohol-related fines with the Clerk of the Courts office to ensure correct distribution – **approved unanimously.**

Public Service Grants

Council Member Boyer reported that at the last meeting of the Public Service Grant Council a PSG recipient agency (Meals on Wheels) requested to change its allocation from one priority category to another, but was advised by the Office of General Counsel that that was not something that could be done by the PSG Council and would require City Council approval. Several committee members expressed reservations about allowing category changes because of the effect it would have on how the PSG funds were prioritized among the categories and the precedent it might set for future category change requests.

**The committee was in recess from 11:56 to 1:04**

Kirk Sherman reported that the Special Council Contingency currently stands at negative \$5.1 million (equivalent of .12 mills)

Public Defender

**Motion:** on p. 33, approve Council Auditor’s recommendation to add \$128,237 in utilities and building maintenance allocations erroneously budget to the State Attorney instead of the Public Defender – **approved unanimously.**

State Attorney

Cheryl Peek representing State Attorney Angela Corey reported that a new state mandate requires complete e-filing and the elimination of paper documents. The State Attorney’s Office requested funding for the necessary technology but none was included in the budget. The City is required to provide this technology at some point. Ms. Peek also noted that she had just heard from the Public Works Department this morning about a bid protest on the new State Attorney’s office building which will likely delay this project even further. Council Member Crescimbeni asked Ms. Peek to convey his displeasure to Ms. Corey at seeing reports in the media of the State Attorney’s communications officer offering “no comment” to media inquires.

Parks and Recreation Department

Parks and Recreation Director Kelly Boree stated that she achieved a 13.7% reduction for FY14 by cutting staffing and closing 4 community centers and by reducing hours at swimming pools, having only swim lessons at some pools and reduced free swim hours at most pools. A decision was made to keep funding for park maintenance intact to keep the parks in good shape for the public’s use. The department has a difficult time budgeting for clean-up after events at the Jacksonville Landing. The City owns the land and maintains the grounds. The Landing cannot provide a list of events for the upcoming year, but the department is required to clean up after whatever events they schedule.

Ms. Boree answered committee member questions about pool and community center utilization and proposed cuts. Council Member Boyer cautioned about the negative impacts of closing the San Marco Library and Balis Community Center. Substantial private dollars were invested in that facility and it sends a very discouraging message about public/private partnerships if the City subsequently closes a facility the community helped to fund.

The committee tabled the department’s general fund budget to the budget hearing of August 23<sup>rd</sup> in order to give Ms. Boree an opportunity to meet with the Finance Committee members and explore options for alternatives to the proposed cuts.

Huguenot Park

Ms. Boree stated that the admission fee to the park was intended to pay for park improvements, not to supplant operational funding, which has occurred in recent years as budgets have gotten tighter.

**Motion:** on p. 42 approve Council Auditor's recommendation to review the Hueguenot Park entrance fee annually – **approved unanimously.**

Hanna Park

**Motion:** on p. 44 approve Council Auditor's recommendations #1 and 2 to reduce camping revenue and review the Hanna Park entrance fee annually – **approved unanimously.**

Metropolitan Park

Council Member Boyer briefly describe the 2010 Metropolitan Park improvement project as it has been described to the Ad Hoc Metropolitan Park Committee. Ms. Boree explained that the \$125,000 capital project shown on p. 46 is intended to begin the design process for the Metro Park stage canopy, getting to the 30% stage so that the Procurement Division can produce bid documents.

Cecil Commerce Center Park

**Motion:** on p. 50, approve Council Auditor's recommendation eliminating investment pool earnings of \$6,910 – **approved unanimously.**

Special Services Department

Special Services Department Director Terrance Ashanti-Barker explained what the proposed budget cuts would mean to the department. He described the City's Sexual Assault Response Center as the only county-funded sexual response center in the state. The fallback position if the center is closed is to contract with Shands Medical Center to provide the exams. Dr. Ian Kakam described how the program operates and expressed his preferences for where it should be operated.

**Motion:** on p. 55, approve restoration of \$325,014 to the Sexual Assault Resource Center – **approved unanimously.**

Council Member Crescimbeni requested the department to return with an expanded list of potential budget cuts from which the Finance Committee will select its list of priorities for reductions or restorations. Cindy Funkhouser of the I.M. Sulzbacher Center for the Homeless described how the agency's City funding has been reduced by 40% over the past 2 years.

**Motion:** on p. 54, approve Council Auditor's recommendation #2 – **approved unanimously.**

Mr. Barker explained that the Behavioral and Human Services Division is proposed to be moved out of leased space on Art Museum Drive, but no new location has been identified. Two locations in City buildings are under consideration – the Ed Ball Building and the Children's Commission building on A. Phillip Randolph Boulevard.

**Motion:** on p. 54, approve Council Auditor's recommendation #3 – **approved unanimously.**

The remainder of the department's budget was deferred until the budget hearing of August 22<sup>nd</sup>. Chief Financial Officer Ronnie Belton told the committee that he understood the committee's questions about the department's budget and that he and the Special Services Department management would meet over the next week and thoroughly prepare for the resumption of the budget discussion on the 22<sup>nd</sup>.

Planning and Development Department

Planning and Development Director Calvin Burney explained how several positions within his budget are proposed to be shifted to different subfunds within the department's budget.

**Motion** (Yarborough): on p. 63 approve the department's requested restoration priority #9 to restore one City Planner II position – **approved unanimously**.

In response to a question from Council Member Yarborough, Mr. Burney explained the department's current status regarding a restaurant operating illegally as a nightclub on Arlington Expressway. After years of attempted enforcement the City needs to either coordinate Zoning Inspection and Code Enforcement inspections to catch the operator in the act of violations or to go to court to get an order to shut down the operation. Mr. Burney also discussed a requested \$200,000 project for computer upgrades in conjunction with ITD. The project will appropriate Planning Department funding to ITD to use to procure programmer services to make upgrades to existing software for better efficiency and customer service.

**Motion:** on p. 70, authorize the \$200,000 computer upgrade project with ITD – **approved unanimously**.

**References from this point refer to Budget Hearing #4 Handout – August 16, 2013**

Finance Department

**Motion:** on p. 4, reduce the Finance Department's training expense by \$23,000 and eliminate 1 position (to be determined) at a value of \$65,000, for a total reduction of \$88,800.

Twane Duckworth discussed the self-insurance programs and answered a question about a potential change in state heart/hypertension claims regulations that were discussed in the last legislative session. He has spent his first year on the job trying to understand the history of policies and procedures in Risk Management and looking at opportunities for process improvements. He is working with other Florida jurisdictions on a Tenant-User Liability Insurance Program (TULIP) to look at how self-insurers cover large public events (concerts, festivals).

Future meetings: Special Services Department on August 22 and Parks and Recreation on August 23. The Chair is looking at the afternoon of August 28<sup>th</sup> as a wrap-up meeting and inviting all council members to attend and propose small amendments then rather than offering them on the Council floor on the night of budget adoption. Council Member Crescimbeni urged that someone inform the Medical Examiner that she will be up first tomorrow since the Finance Department was covered today.

Council Member Jones said that he's been watching the meetings on the internet and the video quality is very poor.

Deputy CAO Cleveland Ferguson reported on the protest of the State Attorney's Office construction contract. It's not a bid issue, but an allegation that the prime contractor has replaced some of the subcontractors and JSEB participants from the firms listed in the original contract. Work on the building continues unabated.

**Meeting Adjourned:** 5:10 p.m.

Minutes: Jeff Clements, Council Research  
8.15.13 Posted 6:00 p.m.

Tapes: Finance Budget Hearing #3– LSD  
8.15.13

Materials: Auditor's Budget Hearing #3 handout  
8.15.13