

**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
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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.

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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.

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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.

**COUNCIL AUDITOR'S OFFICE
 COMMENTS AND RECOMMENDATIONS
 13.88% REDUCTION
 SPECIAL SERVICES (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 | % |
| 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 | |
| <i>Senior Services</i> | | | |
| \$ 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.