

# CITY COUNCIL RESEARCH DIVISION

## LEGISLATIVE SUMMARY

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**Bill Type and Number:** Ordinance 2019-504

**Introducer/Sponsor(s):** Council President at the request of the Mayor

**Date of Introduction:** July 23, 2019

**Committee(s) of Reference:** F

**Date of Analysis:** July 25, 2019

**Type of Action:** Adoption of FY19-20 budget ordinance; appropriation; Ordinance Code waivers; authorization of direct contracting and designation of oversight agencies

**Bill Summary:** The bill adopts the 2019-20 budgets for the City and its independent agencies and authorities, its constitutional officers, the City's Community Redevelopment Agencies (CRAs) and for the Duval County Tourist Development Council. The proposed General Fund GSD departmental expenditure budget is \$1,129,923,264, with a total City departmental expenditure budget (General Fund, Special Revenue, Capital Projects, Enterprise, Internal Service, Trust and Agency Funds, and Other Component Units) of \$2,241,043,090. Non-departmental expenditures, inter-fund transfers and reserves are budgeted at \$489,324,943 for total appropriations, reserves and cash carryover of \$2,730,368,033.

The bill sets an employee cap of 7,549. The 5-year financial projection estimates the City's General Fund GSD revenues to increase by 10.4% from \$1,264,471,645 (proposed) in FY19-20 to \$1,396,376,428 in FY23-24, with ad valorem taxes and state shared revenues growing substantially over the period, many sources remaining nearly flat, and the utility service tax, communication services tax, and transfers from fund balance projected to decline. The bill allocates \$177,533,447 for capital improvements (\$10,608,162 for stormwater projects, \$7,022,360 for solid waste projects, and \$155,902,925 for other departmental capital improvements). The bill sets the employer's contributions to the various pension plans as follows: \$71,249,679 to the General Employees' Pension Fund (plus 0.3% of payroll for disability), \$15,042,623 to the Corrections Officer's Pension Fund (plus 0.3% of payroll for disability), and \$140,292,637 the Police and Fire Pension Fund.

The bill waives the following provisions of Ordinance Code: 1) conflicting provisions within Code Section 10.105 regarding Council members' postage and communication expenses so as to reduce the communication expense allowance to the lower of the conflicting provisions; 2) the provision requiring funding to the JSEB and MBE programs in a minimum amount of \$500,000 (excluding staff costs); 3) Code Section 111.183 requiring Taye' Brown Regional Park Improvement Trust Funds to be used for improvements to the park so as to allow the funds to be used for operational costs of the Equestrian Center; 4) provisions of Chapter 126 – Procurement Code – in order to permit SMG to procure goods and services in accordance with its own competitive procurement process for capital expenditures of \$250,000 or less and non-capital extraordinary repair and maintenance projects of \$500,000 or less; 5) the requirement to annually review fees to ensure that they are recouping at least 85% of the cost to the City of providing the service to which the fee applies; 6) the requirement \$4,000,000 or 15 percent of the total revenue received from stormwater user fees, whichever is higher, must be appropriated for stormwater capital projects; 7) the requirement in Sec. 129.103, Ordinance Code, that the Mayor's salary shall be equal to the average of the salaries of the Sheriff, Clerk of the Circuit Courts, the Supervisor of Elections, the Property Appraiser, and the Tax Collector, in a county with a population equal to that of Duval County, in accordance with the provisions of F.S. Chapter 145, plus an additional amount equal to 20% of that average; 8) the provisions of

Section 77.113, Ordinance Code (Annual operating budget; budget transfers), regarding the Kids Hope Alliance budget transfer authority; 9) the provisions of Ordinance 2000-1079-E (as amended) requiring loan repayments of VCP-Lynch Ltd. to be deposited into the Downtown Economic Development Fund.

The bill budgets the Kids Hope Alliance a total of \$43,205,886 and authorizes the KHA to transfer funds administratively via a Transfer Directive from one service provider to another within the same Essential Services Plan categories, provided that the KHA Board does not transfer appropriations greater than 10% of the individual Essential Service Plan category budget. Any KHA transfers from one agency to another agency within the Plan in excess of 10% shall require City Council approval. Transfers of appropriations from one Plan category to another Plan category shall require City Council approval. There shall be provided to the Council Auditor at the end of each quarter a copy or a summary of the written documentation of all transfers made between approved budget line items.

The bill approves exceptions to the Procurement Code's competitive procurement requirements and authorizes the KHA to directly contract with the following grant recipients:

State of FL Dept. of Health - USDA Child and Adult Care Food Program - After 21 School Food Program; State of FL Dept. of Agriculture & Consumer Services - USDA Summer Food Service Program; Healthy Families - The Ounce of Prevention FL; FL Department of Education - 21st Century Community Learning Center Grant; Department of Health & Human Services (SAMHSA) - Grant; Criminal Justice Reinvestment Grant; FL Department of Education - 21st Century Grant;  
Full-service school providers: Jewish Family & Community Services, Inc.; Children's Home Society of Florida, Inc.; Child Guidance Center, Inc.; and Daniel Memorial, Inc.  
Early learning and after-school programs: listed on Schedule M

The bill prohibits charge-backs by the Public Works on appropriations to discretionary council district bond fund projects. It approves the food and beverage appropriations listed on Attachment A. It provides that payments to Jacksonville Area Legal Aid from court fees and costs shall be made on a monthly basis in arrears in accordance with the contracts between the City and Legal Aid. It requires the tracking by the Public Works Department of the use of its time, equipment, materials and personnel by the Stormwater Utility and quarterly reporting of such accounting to the Council Auditor's Office and the Finance Committee. It provides that the City's indigent care appropriation to Shands Jacksonville shall not exceed \$26,275,594 and requires that all Community Redevelopment Area (CRA) board resolutions approved by CRA boards shall be forwarded (along with all attachments) to the Chief Administrative Officer for transmittal. It requires that the Finance and Administration Department's annual memo to the Council Auditor describing the year-end excess funds recapture and deposit into reserve funds this year include a report on which subfunds end the year with negative balances.

The bill requires the Public Buildings Division to justify to the Chief Financial Officer or Chief Administrative Officer the uses to be made of the \$250,000 public buildings emergency fund before they are expended. It provides that each district City Council member shall be allocated \$1,000 for postage expenses and the remainder of the Council postage budget shall be distributed at the discretion of the Council President among all members.

The bill invokes the Ordinance Code's direct contracting exception for the purpose of authorizing contracts with: Gateway Services and up to seven emergency departments for the Project Save Lives opioid response project; Prisoners of Christ, Inc. for a \$400,000 ex-offender program; New Hope Education and Addiction Services, Inc. d/b/a Florida Recovery School for a \$100,000 academic program for high school students in substance abuse recovery programs; Operation New Hope Inc. for a \$400,000 program providing assistance to people exiting the criminal justice system with treatment for chemical dependency, clothing and shelter and educational training and employment; Edward Waters College for \$161,300 to be used for the New Town Success Zone for prenatal and well-baby care to college or post-secondary training for children and their families; Groundwork Jacksonville for \$50,000 to be used for support in coordinating the McCoy's Creek and Hogan's Creek Improvements to restore and develop the Emerald Trail; United Way of Northeast Florida for \$150,000 to be used to operate the United Way 2-1-1 telephone resource line; Jacksonville Zoo and Gardens for a matching grant for capital improvements; Shands Jacksonville Medical Center, Inc. for a grant for capital maintenance and capital improvements; Agape Community Health Center, Inc. for \$150,000 to be used for primary health care services; I.M. Sulzbacher Center,

Inc. for \$270,000 to provide emergency shelter, rapid rehousing, permanent supportive housing, case management, meals, life skills, employment assistance and referrals, career education, primary health and dental care, mental health care, substance abuse counseling, showers, laundry and mail access for the homeless; and with the Florida Theatre Performing Arts Center, Inc. for \$1 million in capital maintenance and capital improvements.

The bill adopts the annual budgets for the Renew Arlington, KingSoutel Crossing, Jacksonville International Airport, and DIA Community Redevelopment Areas, and adopts the Tourist Development Council budget which shall be administered by the TDC in accordance with the adopted Tourist Development Plan.

**Background Information:**

**Policy Impact Area:** Annual budget adoption

**Fiscal Impact:** The proposed General Fund departmental expenditure budget is \$1,129,923,264, with a total City departmental expenditure budget (General Fund, Special Revenue, Capital Projects, Enterprise, Internal Service, Trust and Agency Funds, and Other Component Units) of \$2,241,043,090. The total budgetary approval, operations and capital, for the City and the independent authorities, is approximately \$5.5 billion, excluding the Duval County Public Schools, the budget for which is not approved by City Council.

**Analyst:** Clements