



OFFICE OF THE CITY COUNCIL

117 WEST DUVAL STREET, SUITE 425
4TH FLOOR, CITY HALL
JACKSONVILLE, FLORIDA 32202
904-255-5151

FINANCE COMMITTEE BUDGET HEARING #1 MINUTES

August 7, 2025
9:00 a.m.

Location: City Council Chamber, City Hall

In attendance: Committee Members Arias (Chair), Howland (Vice Chair), Salem, Diamond, J. Carlucci, Lahnen and Pittman; Council President Carrico; Council Members Amaro, Boylan, Peluso, White, Freeman, and Carlucci

Also: Kim Taylor, Brian Parks, Phillip Peterson - Council Auditor's Office; Mary Staffopoulos - OGC; Mike Weinstein - Mayor's Office; Angela Moyer - Budget Office; Colleen Hampsey - Council Research

Meeting Convened: 9:02 a.m.

Chairman Arias convened the meeting, and the attendees introduced themselves for the record. He reviewed the rules of procedures for the budget hearings. Chair Arias said that any item that may be cut is to be identified as moved "below the line" to be revisited later, or removed entirely without further discussion. Chair Arias talked about the Council Contingency account.

Budget Overview

Motion (Arias/Diamond) to remove the \$14 million for district projects from the CIP and put in the operating budget. **Approved unanimously.**

There was discussion about reducing the millage rate. Council Member Salem said Jacksonville's rate is comparatively lower than other municipalities, in part because of consolidation. Council Member Diamond expressed his wish to reduce the rate by 1 mill. Council Member Pittman cautioned against reducing the rate, as it could impact the City's bond rating and threaten resident services. Council Member Lahnen mentioned future financial obligations. Council Member Amaro talked about retaining funds for public safety. CP Carrico indicated that public safety funding will not be touched. Council Member Boylan spoke about the importance of funding social services. Council Member Howland shared his support for returning money to the pocket of constituents. Kim Taylor, Council Auditor, said that a millage reduction will also affect TIF dollars.

Motion (Arias/Salem): to reduce ad valorem revenue in budget by \$13,478,133 to allow for a 1/8 mill reduction. **Approved 7-1** (CM Pittman in opposition)

There was discussion about debt funded economic incentives, in connection to the Related project, and alternate funding mechanisms for Related, and methods by which to prohibit debt funded incentives in the future. There was consensus from the Committee to file legislation to be introduced by the Finance Committee to remove the related incentive from the CIP and use solid waste loan repayment dollars to pay for the incentive. Mike Weinstein, Mayor's Office, reminded the group of the financial considerations for the next round of collective bargaining, and the undetermined costs of joining FRS.

Kim Taylor reviewed the overall budget, the budget bills and the timeline associated with the budget process.

She spoke about the 3 Auditor recommendations as to the General Fund:

1. Recommend increasing the Municipal Revenue Sharing for Sales and Fuel taxes revenue by a combined \$3 million to better align with the distribution amount that started in July 2025 (after the budget was proposed). This would have a positive impact on Special Council Contingency of \$3 million.

Motion to approve (Lahnen/J. Carlucci) **Approved unanimously.**

2. Recommend increasing the Sales Tax County Revenue Sharing Program revenue by \$1.8 million combined to better align with the distribution amount that started in July 2025 (after the budget was proposed). This would have a positive impact on Special Council Contingency of \$1.8 million.

Motion to approve (Lahnen/J. Carlucci) **Approved unanimously.**

3. Recommend decreasing investment pool earnings by \$4.8 million to better align with the reduced outlook on investment earnings for FY 2025/26 of 3.02% compared to 3.59%. This would have a negative impact on Special Council Contingency of \$4.8 million.

Motion to approve (J. Carlucci/Lahnen) **Approved unanimously.**

Dr. Joshi, Administration, provided a brief overview of the Mayor's health initiatives and associated funding proposals. He highlighted the areas of priorities: Reducing infant mortality in Northeast Florida, Improving awareness and access to mental health/wellbeing resources, Reducing elderly food insecurity, and Increasing access to primary/preventative care.

The committee was in recess from 10:52 am to 11:25 am.

The committee discussed the list of proposed non-departmental expenditures. Council Member Salem expressed opposition to the amount of healthcare services in the Mayor's budget, which he categorized as "unsustainable health creep". Council Member Howland concurred, noting there was an increase in non-departmental expenses that exceeded the rate of inflation and population growth.

Motion (Salem/Diamond): to remove the \$2,185,000 proposed for Telehealth Safety Net/HealthLink Jax from the list of proposed non-departmental expenditures. **Approved 6-1** (CM Pittman in opposition)

Motion (Lahnen/Howland): to remove the \$230,000 for Dental Access to Care from the list of proposed non-departmental expenditures. **Approved unanimously.**

Council Member Joe Carlucci asked about certain listed items for which the requested amount is denoted with a 1,2 or 3. The full list of these items with placeholder amounts was requested.

Motion (Salem/Diamond): to decrease the Infant Mortality line item expenditure by half.

Motion (Diamond/Salem): to amend the above motion to reduce the Infant Mortality line item by \$110,000. **Approved unanimously.**

Motion (Diamond/Salem): to approve the motion as amended. **Approved unanimously.**

Lunch recess 12:12 pm to 12:46 pm.

The Auditors distributed the list of items for which the requested amount is denoted with placeholder amounts of 1,2 or 3.

Motion (Arias/Diamond): to remove all of the items on the placeholder list from the budget.

Motion (Arias/Diamond): to retain all items on that list for public safety - JFRD and JSO. **Approved unanimously.**

Motion (Arias/Diamond): to approve the motion as amended. **Approved unanimously.**

Motion (Howland/Salem): to add provision to the budget ordinance to amend contract with Jacksonville Classical Academy. **Approved unanimously.**

There was discussion about the purpose, importance and usefulness of membership in other city/county associations.

Motion (Diamond/Lahnen): to move Municipal Dues & Affiliation \$839,410 below the line. **Approved unanimously.**

Motion (Diamond/Howland): to move the \$230,603 Municipal Dues Affiliation per Sec. 10.109 below the line. **Failed 2-6** (CMs Diamond and Howland in support)

Motion (Diamond/Lahnen): to remove the \$390,673 for the Northeast Florida Regional Council. Beth Payne, CEO NEFRC, spoke on behalf of the role of the regional council, statutorily required membership, and the related interlocal agreement with the City.

Motion (Howland/Lahnen): to amend the above motion to reduce the funds by half.

Failed 2-6 (CMs Diamond and Lahnen in support)

Diamond/Lahnen Motion to remove the \$390,673 for the Northeast Florida Regional Council.

Approved 6-2 (CMs Pittman and Lahnen in opposition)

Motion (Diamond/Howland): to remove the \$120,000 Lobbyist Fees. **Failed 1-6** (CM Diamond in support)

Motion (Arias/Diamond): to remove \$2.5 million for countywide CBA projects because they are funded elsewhere. **Approved unanimously.**

Motion (Arias/Diamond) to reduce Federal Matching Grants (\$6,944,496) to last year's amount (\$3,278,136). **Withdrawn** by CM Arias without objection.

Auditor's recommendations on non-departmental expenditures

1. Recommend moving \$1,000,000 budgeted for the economic development agreement for Springfield MF Partners, LLC to FOC QOF, LLC to allow the City to meet their expected payment requirements for each of the economic development agreements. This will have no impact on Special Council Contingency.

Motion to approve (J. Carlucci/Lahnen) **Approved 6-1** (CM Diamond in opposition)

2. Recommend removing \$613,750 in debt service for the Fulton Cut loans due to there being no debt payment in FY 2025/26 since the current year funding is cash (\$7.5 million). This will have a positive impact of \$613,750 on Special Council Contingency.

Motion to approve (J. Carlucci/Lahnen) **Approved 6-1** (CM Diamond in opposition)

3. Recommend reducing the budget for Juvenile Justice by \$1,023,953 from \$7,105,814 to \$6,081,861 to align with the cost actually being paid through June 30, 2026 and the estimated amount for July - September 2026. This will have a have a positive impact to Special Council Contingency of \$1,023,953. **Motion** to approve (J. Carlucci/Lahnen) **Approved unanimously.**

Motion (Salem/Diamond): to move the Employee Travel and Training funding of \$465,789 below the line. **Approved 6-1** (CM Lahnen in opposition)

Property Appraiser

Ms. Taylor reviewed the budget for the Property Appraiser's Office.

There were no Auditor recommendations for the Property Appraiser's Office budget.

Fire and Rescue

Ms. Taylor reviewed the budget for JFRD.

Auditor Recommendations: 1. Recommend reducing Inter-Departmental Billing expenditure line by \$50,000 and increasing overtime salaries in the Emergency Preparedness Division by \$50,000 to properly classify the expenditures for the cooling centers.

2. Recommend amending Schedule AF to remove the capital outlay carryforwards for \$187,773 and \$26,669. The Department expects to encumber these fully in the current year.

Motion (Lahnen/Howland) to approve both recommendations. **Approved unanimously.**

Opioid Settlement Special Revenue Fund

No recommendations from the Auditor.

Fire and Rescue Building Inspection

Auditor Recommendations: increase Permanent and Probationary Salaries by \$56,265 and Transfer from Fund Balance by the same amount to fully fund all positions. In the current year, one Inspector position was reclassified to a Lieutenant at a higher salary and is currently filled, but in the proposed budget the position was funded at the level for an Inspector. This recommendation will have no effect on Special Council Contingency.

Motion (Howland/J. Carlucci) to approve. **Approved unanimously.**

Homelessness Initiatives Special Revenue Fund

There was discussion about the recurring costs for shelter beds, and the role of the Homelessness Initiatives Commission.

Motion (Salem/Howland): to reduce the funding for this fund by \$2,234,077. **Approved unanimously.**

Office of the Sheriff

Ms. Taylor reviewed the JSO budget. Sheriff Waters spoke on behalf of the office and fielded a few questions. Council Member Salem asked when the headquarters will be fully relocated to the Florida Blue building. Sheriff Waters said the move should be completed by next August (2026). Council Member Pittman asked about public trust in law enforcement. Council Member Peluso asked about jail conditions and the process for retaining off-duty officers.

No recommendations from the Auditor.

City Council

Auditor's recommendation that the Salary and Benefits be increased for City Council Staff Services by \$91,980 and the Value Adjustment Board by \$8,200. This can be partially offset with an increase of \$3,280 in the contribution from the Duval County School Board for the Value Adjustment Board. This will have a negative impact of \$96,900 on the Special Council Contingency.

Motion (Howland/Lahnen): to approve recommendation from the Auditor. **Approved unanimously.**

Tourist Development Council

Phillip Peterson, Auditor's Office, reviewed the budgets for the TDC funds (funds 10301 and 10304). Council Member Howland asked about funds set aside for marketing regarding direct flights to Europe. There were no recommendations for either TDC fund.

Office of General Counsel

There was discussion about adding a dedicated attorney to serve DIA, and about the School Board advocating for their own legal representation outside of OGC.

No recommendations from the Auditor for either OGC fund (00111 and 551901).

Emergency Reserves

Auditor's recommendation to increase the transfer from fund balance by \$1,719,797 to account for additional interest received since April 30, 2025 of \$819,797 and projected remaining investment pool earnings for FY 2024/25 of \$900,000. This will be offset with an increase in the cash carryover. This will have no impact on special council contingency.

Motion (Salm/Lahnen): to approve Auditor's recommendation. **Approved unanimously.**

Debt Service

Auditor's recommendation to transfer debt service payments of \$2,179,675 in principal and \$1,408,731 in interest be switched to Fund 21131 to reflect the debt service transfer to the correct fund. This has no impact on the Special Council Contingency.

Motion (Salem/Lahnen): to approve the Auditor's recommendation. **Approved unanimously.**

Public Service Grants

Auditor's recommendation that the Schedule of Public Service Grants (Schedule A2) be updated to remove PSGC funding from the schedule since it is appropriated in Ord. 25-509.

Motion (Salem/J. Carlucci): to approve the Auditor's recommendation. **Approved unanimously.**

Additional Provisions

Shands Jacksonville Medical Center - recommendation to increase the maximum indebtedness to account for the funding provided in the budget.

Motion (Lahnen/Salem): to approve the Auditor's recommendation. **Approved unanimously.**

Jacksonville Zoological Society, Inc. – recommendation to increase indebtedness amount of the contract by \$4 million.

Motion (Lahnen/Salem): to approve Auditor's recommendation. **Approved unanimously.**

Jacksonville Baseball, LLC – recommendation to remove this provision since the proposed funding is already included within the maximum indebtedness amount.

Motion (Lahnen/J. Carlucci): to approve the Auditor's recommendation. **Approved unanimously.**

The direct contracts review on the agenda for this meeting will be taken up at the end of the Friday meeting.

Meeting adjourned: 4:39 p.m.

Minutes: Colleen Hampsey, Council Research
champsey@coj.net 904-255-5151
Posted 8.13.25 5:00 pm