

1 Introduced by the Council President at the request of the Sheriff:

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4 **ORDINANCE 2019-523**

5 AN ORDINANCE APPROPRIATING \$400,000.00 IN
6 SURPLUS FUNDS FROM THE GENERAL FUND - ECONOMIC
7 GRANT PROGRAM TO THE GENERAL FUND - PUBLIC
8 SERVICE GRANTS TO FUND A ONE-TIME CONTRIBUTION
9 TO MHRC TO HELP IT THROUGH FINANCIAL
10 DIFFICULTIES SO THAT IT MAY CONTINUE PROVIDING
11 IMPORTANT MENTAL HEALTH SERVICES TO THE DUVAL
12 COUNTY COMMUNITY, AS INITIATED BY B.T. 19-105;
13 PROVIDING AN EFFECTIVE DATE.

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15 **BE IT ORDAINED** by the Council of the City of Jacksonville:

16 **Section 1. Appropriation.** For the 2018-2019 fiscal year,
17 within the City's budget, there are hereby appropriated the
18 indicated sum(s) from the account(s) listed in subsection (a) to
19 the accounts(s) listed in subsection (b):

20 (B.T. 19-105 attached hereto as **Exhibit 1** and incorporated herein
21 by this reference)

22 (a) Appropriated from:

23 See B.T. 19-105 \$400,000.00

24 (b) Appropriated to:

25 See B.T. 19-105 \$400,000.00

26 (c) Explanation of Appropriation

27 The funding above is a transfer of surplus funds from the
28 General Fund - Economic Grant Program to the General Fund
29 - Public Service Grants to fund a one-time contribution
30 to MHRC to help it through financial difficulties so that
31 it may continue providing important mental health

1 services to the Duval County community.

2 **Section 2. Purpose.** The purpose of the appropriation in
3 Section 1 is to provide a one-time contribution in the amount of
4 \$400,000.00 in additional financial support to MHRC, a non-profit
5 mental health services provider in Duval County that is currently
6 experiencing financial difficulties which threaten its continued
7 operations. The additional support is necessary to help MHRC
8 through this difficult period so that it may continue to provide
9 important mental health services to the Duval County community.
10 MHRC treats approximately 39% of the Baker Act cases in Duval
11 County and is also a primary intake for JSO. In 2018, MHRC treated
12 7,692 admitted cases and employed 380 Jacksonville-area residents.
13 It is also a significant partner in the Urban Rest Stop, which
14 treats the underlying causes of homelessness. The City of
15 Jacksonville currently provides \$2.2 million to MHRC annually, an
16 amount that has generally remained the same since 2002. MHRC's
17 debt, which was issued to fund capital improvement needs, carried
18 certain coverage requirements. Due to the cost pressures it has
19 experienced, MHRC's coverage ratios have fallen below what is
20 required and the bank forced it to make "right-sizing" payments to
21 reduce debt outstanding and meet the ratio requirements; this had a
22 significant impact on its cash position and forced it into a crisis
23 state. The Finance and Administration Department (the "Department")
24 performed a financial review of MHRC's operation and concluded that
25 it does need assistance. Given its demonstration of a commitment to
26 regain financial viability, along with recent austerity measures it
27 enacted at the Department's suggestion, including pay and
28 retirement contribution freezes, the Department recommends that the
29 City provide \$400,000.00 in one-time additional funding, with all
30 future funding subject to improvements in financial and operational
31 management in the coming year.

1 **Section 3. Effective Date.** This ordinance shall become
2 effective upon signature by the Mayor or upon becoming effective
3 without the Mayor's signature.

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5 Form Approved

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7 /s/ James R. McCain, Jr.

8 Office of General Counsel

9 Legislation prepared by: James R. McCain, Jr.

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