

CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY

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Bill Type and Number: Ordinance 2019-0523

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

Date of Introduction: July 23, 2019

Committee(s) of Reference: F, NCSPHS

Date of Analysis: July 23, 2019

Type of Action: Appropriation of a continuation grant

Bill Summary: This bill appropriates \$400,000.00 in Surplus Funds from the General Fund - Economic Grant Program to the General Fund – Public Service Grants to fund a one-time contribution to Mental Health Resource Center (MHRC) to help it through financial difficulties so that it may continue providing crucial mental health services to the Duval County community, as initiated by B.T. 19-105.

Background Information: MHRC requires financial assistance with the payoff of outstanding debt and the additional increase in annual funding for FY 20 and FY 21. The agency has experienced a surge in the number of cases and expenses; however, funding from external sources has remained level. Also, the debt is impacted by specific requirements associated with necessary capital improvements. MHRC's coverage ratios significantly dropped, which caused the bank to force "right-size" payments to reduce the debt and meet the ratio requirements. The Finance and Administration Department fiscal audit on MHRC determined assistance was needed, and the agency required the implementation of stricter financial controls. MHRC Board of Directors reassessed the annual budget and reduced a \$1 million projected loss to an \$18,000.00 surplus. Based on the board's actions, the Finance and Administration Department recommends providing MHRC \$400,000.00 in immediate additional funding and all future funding subject to continuous improvements and operational management in the upcoming year.

Policy Impact Area: Public service grants, MHRC, ratio requirements

Fiscal Impact: The appropriation of \$400,000.00, as initiated by B.T. 19-105, from the General Fund – Economic Grant Program to General Fund – Public Service Grants.

Analyst: Mitchell