



OFFICE OF THE CITY COUNCIL

117 WEST DUVAL STREET, SUITE 425
4TH FLOOR, CITY HALL
JACKSONVILLE, FLORIDA 32202
904-630-1377

FINANCE COMMITTEE BUDGET HEARING #3 MINUTES

August 15, 2019
9:00 a.m.

Location: City Council Chamber, City Hall – St. James Building; 117 West Duval Street,
In attendance: Council Members Aaron Bowman (Chair), LeAnna Cumber, Randy DeFoor, Terrance Freeman, Tommy Hazouri, Ju'Coby Pittman, Ron Salem
Excused: None

Also: Council Members Danny Becton, Joyce Morgan; Peggy Sidman and Paige Johnston – Office of General Counsel; Kyle Billy, Brian Parks and Heather Reber - Council Auditor's Office; Crystal Shemwell – Legislative Services Division; Brian Hughes, Jordan Elsbury and Leeann Krieg – Mayor's Office; Joey Greive, Angela Moyer and Theresa Eichner – Finance and Administration Department

Meeting Convened: 9:01 a.m.

Chairman Bowman convened the meeting and the attendees introduced themselves for the record.

Page references from this point refer to Auditor's Budget Hearing #3 handout.

Sheriff's Office

Council Auditor Kyle Billy gave an overview of statistics for the Sheriff's Office, which comprises approximately 38% of the General Fund budget and 52% of the General Fund's employee cap with a \$481 million budget. In response to a question from Council Member DeFoor about the use of JSO officers for the school guardian program, Mr. Billy confirmed that the City will be reimbursed approximately 50% of the \$7.5 million cost of officer overtime by the school district.

Sheriff Mike Williams highlighted four enhancements in his budget this year over last:

1. Final expansion of the body camera program to all officers below the rank of lieutenant to be worn whenever they are in uniform.
2. Addition of 5 civilian analysts to expand operation of the Real Time Crime Center from 8 hours to 16 hours per day; next year there will be a further expansion to 24 hour per day operation.
3. Purchase of a new vendor-based report management system to replace the home-grown system currently in use.
4. Enhanced computer infrastructure and increased maintenance costs.

In response to a question from Council Member Hazouri, the Sheriff said that JSO statistics are aggregated based on patrol zones, not City Council districts, which are more difficult to process. He reported that JSO has cold cases going back to the 1970s because homicide cases are never closed; if any new evidence surfaces then a case is reinvestigated. The department's clearance rate was in the 40% range last year, but is in the 70% range this year, which is very high and likely to reduce somewhat to a more normal level between those two extremes. In response to a question about privatization, the Sheriff said the largest function the JSO has privatized is the jail health care system, contracted to a vendor 2 years ago. In response to a question about overtime usage and patterns, he said the current budget and next year's are substantially impacted by the school guardian program needs. The state's sex trafficking database will be run through the JSO's web site when it goes into effect next year.

The Sheriff responded to several questions from Council Member DeFoor about the expansion of the Real Time Crime Center monitoring from 16 to 24 hours per day. Ms. DeFoor expressed the need for more officers assigned to her council district because of the amount of crime and service needs. Sheriff Williams said that the new report management system will free up considerable officer time for more field work. The International Association of Chiefs of Police has been hired to do a thorough departmental assessment of case load, officer deployment patterns, zone lines, etc. to determine what the department needs to improve. The sheriff noted that JSO is traditionally under-staffed in comparison with other large police departments, in part because of our consolidated government status covering both a large population and a very large geographic area.

In response to a question from Council Member Cumber the Sheriff said the lifespan of a body camera is typically 5 to 7 years, and that what needs updating and maintenance is the software. JSO has a policy about when cameras are turned on and off. In response to another question he discussed the school guardian program required by the Marjory Stoneman Douglas School Safety Act passed by the legislature last year. He described the mandate for personnel screened and trained by the Sheriff's Office. He said there will never be enough volunteers to meet the state mandate. The school district last year paid \$12 per hour, and more than 50% of potential guardians did not pass the training and certification process. The school district eventually got to 40-50 guardians hired by the end of the last school year, and started with about 80 this year. The legislature now allows certified private security guards to serve as school guardians but they must also be screened and trained by the JSO. JSO's reimbursement has gone up \$10 an hour for officers acting as guardians, which he assumes means the School Board is paying \$22/hour to those personnel it hires. The Sheriff doesn't want to be in the school guardian business but anticipates the department will still be involved at some level for this school year, and hopefully phased out next year.

In response to a question from Council Member Salem, Sheriff Williams described the inmate health care system and its use of UF Health for emergency services, about half of which gets charged to the City's indigent care contract with the hospital. With regard to body camera use for officers who work secondary employment in uniform while off-duty, the Sheriff said the standard policy applies and the cameras are used during off-duty activities. In response to a question from Council Member Pittman, the Sheriff explained how zones are staffed based on historical trends and short-term needs to deal with crime spikes. Ramped up enforcement tends to tamp down crime in the target area, but sometimes at the cost of less coverage in other areas since crime is mobile. He said that officers assigned to zones can stay there as long as they like and get to build relationships with residents and businesses. Ms. Pittman suggested better publicizing the enhanced enforcement efforts so the community knows that they're getting increased service. The Sheriff explained that use of stop stations has declined over the years because most of the resources an officer needs are available in their car via the mobile computers.

In response to a question from Council Member Freeman, the Sheriff discussed the violent crime trends (up 9% for the first six months of the year), a large proportion of which he said is concentrated in a relatively small group of people involved in gang, gun and drug activities. He said the Cure Violence

initiative will work, given time to ramp up. He urged consistency in tackling the crime problem. He is dismayed by the amount of senseless violence based on nothing more than perceived disrespect or insults that quickly grows into escalating rounds of retaliation. Prevention and intervention programs are vital to head off trouble before it takes hold and escalates. The whole community needs to be involved in helping to bring a sense of order and a positive outlook to their neighborhoods.

In response to a question from Chairman Bowman, the Sheriff said that Jacksonville has approximately 1.8 to 1.9 officers per 10,000 citizens, while the national average is 2.1 and the Florida average is 2.4. The IACP study will provide a great deal of insight into how well the department is doing and what its needs are. Mr. Bowman expressed concern about the violent crime rate and asked what else the City Council could do to help attack the problem. The Sheriff said the department has been provided with everything it has requested, and what is needed now is community buy-in and grassroots engagement to tackle the roots of crime. Other cities seem to be ahead of Jacksonville in that regard, with community leaders mobilizing citizens to revitalize their communities and lead the charge. Council Member Becton asked about officer recruitment and retention given the change in the retirement plan 2 years ago. Sheriff Williams said his initial impression is that the turnover rate is somewhat higher initially. The police academy had one very small class which was unusual, but that has not persisted. He is concerned about recruitment of corrections officers where they are currently short staffed. Mr. Bowman asked for additional information on how the officers added to the employee cap last were assigned. In response to a question about the success of the revised burglar alarm program, the Sheriff said he would provide information after the meeting.

In response to a question from Council Member Morgan, the Sheriff said that the current zone system was established 25 years ago and was partially based on response times, taking into account factors such as river crossings, major roadways, crime patterns, etc. That will be reviewed by the upcoming study and may well need updating after so many years. Ms. Morgan commended the JSO on the Sheriff's and lieutenant's walks, National Night Out, and other community engagement efforts. She asked about citizen review boards and the Sheriff said that they can be problematic if not focused on factual evidence instead of emotion or hidden agendas. Many agencies are involved in investigating crimes (JSO, FDLE, Medical Examiner, etc.) and each produces a report on what happened which can be compared. As a result of a lawsuit by the police union some years ago, JSO's internal reviews of officer performance were closed to the public until a report is released at the end of the process. What is needed is more transparency for the public to understand how the review process is working in accordance with the law. Ms. Morgan said the JSO website is a great source of information for the public if they will learn how to take advantage of it. She said that the community is crying out for community policing, but she understands that will take a large increase in manpower because of the day-to-day workload on officers.

Council Member Hazouri asked to what extent the JSO is involved in the school district's design of new schools and urged the Sheriff to offer their services to the School Board and not wait to be asked. The Sheriff said that JSO has a good relationship with the Duval County Schools Police Department, which is led by a former JSO chief. The Sheriff described the focused deterrence effort that identifies potential criminals and offers to connect them with preventive services to head off criminal activity.

911 Emergency User Fee

Motion: on p. 9, approve Council Auditor's recommendation to decrease \$940,000 for Capital Outlay Carryforward to \$600,000 based on the actual costs associated with procuring the consoles mentioned above coming in less than previously expected – **approved**.

Council Member Becton asked for details about how the 3 different taxes his cellphone bill are shared with Jacksonville and Council Member DeFoor asked for information about the use of the capital outlay carry-forward; if not used during the fiscal year it will revert to General Fund fund balance.

Courts

General Fund/GSD, Subfund 011

Motion: on p. 14, approve Council Auditor's recommendation to move the full-time position and associated funding being transferred into the subfund from the Judicial Support activity into the Municipal Code Violation - Hearing Officer activity, which is the correct activity – **approved**.

In response to a question from Council Member Salem about the reduction in revenues from traffic violations, Sheriff Williams said he would need to investigate the reason for that reduction and report back.

Recording Fees Technology, Subfund 15U

Mr. Billy noted that the three signatories (State Attorney, Public Defender, Court) signed the required MOU after the budget was submitted to the Council. Budget Officer Angela Moyer described the process of the three agencies determining how the recording fee is to be utilized for the court system.

Motion: on pp. 13-14 (see discussion on p. 22), approve the listed MOU Budget Adjustments – **approved**.

Public Defender

State Attorney

Steve Siegel, First Assistant State Attorney, said his office valued the working relationship with the Mayor and City Council and thanked the committee for its consideration of their budget.

The committee was in recess from 11:21 a.m. to 12:33 p.m.

Parks, Recreation and Community Services

In response to a question from Council Member Salem, CAO Brian Hughes explained the relocation of the Sports and Entertainment staff to the Parks and Recreation Department.

In response to a question from Council Member Cumber, Parks and Recreation Department Director Daryl Joseph explained that as more people use the public parks, there is an increasing number of accidents and therefore insurance claims. He also explained that the increase in the Hemming Park budget is largely attributable to additional security because of increasing event usage.

Council Member Hazouri said that he has been meeting with the Sheriff's Office and Parks and Recreation about re-purposing the former Victim Services Center to new uses, perhaps for service provision related to human trafficking.

Council Member Freeman advocated for increased funding and partnerships for swimming training to ensure that everyone in the community knows how to swim. Mr. Joseph said the City offers many opportunities for free swim lessons and is on track to teach as many as 4,000 swim lessons this year. Pool heaters are being added so that pool use can be extended later in the fall after Labor Day. 34 of the City's pools need maintenance and upgrades and there is funding in the budget to begin that work. Mr. Freeman asked for information on how many youth are served by the department's summer programming and what else the City could be doing to expand that use. Mr. Joseph said that there are many organizations in the community (churches, not-for-profits) that are also doing summer programming for youth so the department is not the only resource for that service.

In response to a question from Council Member Salem about the lack of funding for the Florida/Georgia Hall of Fame, Mr. Joseph said that it's in another budget line that consolidates all Georgia/Florida expenditures into one place.

Council Member DeFoor asked Mr. Joseph about how Baker Act cases and funding are handled between his department and the Sheriff's Office.

In response to a question from Chairman Bowman about what the extra funding for park maintenance in the current year's budget produced, Mr. Joseph said the increased funding is allowing replacement of facilities that then won't need much maintenance for a while, and the department is getting past mere patches to real fixes of problems. The \$500,000 line item for security cameras is being spent in conjunction with JSO for full-time monitoring of the camera feeds. Brian Hughes said the administration, ITD and JSO worked together to integrate and unify all the cameras to work with the Real Time Crime Center. In response to a question from Mr. Hazouri, Mr. Joseph said the department currently has 42 JSO officers resident in parks and 2 parks with vacancies to fill. He noted the need to find the right officer for the right location. Council Member Freeman thanked Mr. Joseph and the department for their responsiveness and service to the community.

Mr. Joseph reported that Hanna Park attendance has increased from 363,000 last year to 380,000 with 2 months to go in this year. Huguenot Park is getting new concessionaires and other improvements that should make visiting that park an even better experience. He said that the department's relationship with the U.S. Navy at Hanna Park is very good. Council Members DeFoor and Hazouri said that Jacksonville is a perfect city for eco-tourism and urged collaboration with Visit Jacksonville to increase marketing along those lines. Mr. Joseph reported that Visit Jacksonville is currently creating a promotional video highlighting the city's natural assets. He noted that there are more opportunities to market the great resources the park system has to offer to increase attendance.

Council Member DeFoor expressed concern about the costs and usage of the Cecil Field aquatic center and recreation complex. Mr. Joseph said both those facilities are heavily used, and are the sites for numerous swim meets and tournaments. Mr. Billy expressed concern about the continuing depletion of the Taye Brown Trust Fund due to subsidy transfers to the Equestrian Center; the Trust Fund has declined from \$1.3 million 5 years ago to an estimated \$100,000 next year. Brian Hughes said that the Mayor's Budget Review Committee recognizes the problem and has warned the current non-profit operator of the Equestrian Center that the current subsidy is unsustainable beyond the next fiscal year. Peggy Fuller of the Jacksonville Equestrian Center/Northeast Florida Equestrian Society said that event attendance and economic impact from the operation of the center are up substantially under their management compared to the previous manager. They don't get a management fee like the previous manager did. A covered show arena has been pending for several years and construction is finally going to get underway shortly. Daryl Joseph noted that a private donor for that arena never materialized so the City is footing the bill for its construction. Ms. Fuller described the variety of events hosted at the Equestrian Center, which is diversifying from simply equestrian events. She said that public ownership and subsidy of equestrian centers is a very common model, and that many public venues aren't self-sufficient but produce other benefits in the form of tourism and economic impact. Council Member Freeman advocated for recruiting baseball and softball tournaments to the Cecil recreation complex as other jurisdictions do. They are a tremendous economic driver.

Special Events

In response to a question from Chairman Bowman about the definition of a "special event", Brian Hughes said it covers a wide variety of scenarios where City participation/cooperation is needed, ranging from neighborhood block parties to the Florida/Georgia weekend and air shows. He said that the absence of the Jacksonville Landing will add some expenses to replace those facilities for Georgia/Florida weekend

events, but by the same token the City did not have any opportunity to generate revenue from game-related events as the Landing operator did. The City is planning to focus most game-related activities around the Sports Complex and looks forward to continuing the \$20-\$30 million economic impact the game generates annually. They are working on numerous private sponsorship opportunities. Mr. Hughes said that discussions have already begun with the athletic departments at the two universities to keep the game in Jacksonville past the 2 years remaining in the current contract. Council Member Salem said that he is concerned that Jacksonville will get a black eye when Florida/Georgia fans show up this year and find out that the Jacksonville Landing, their usual party spot, is closed. Mr. Hughes said that alternate activity locations are being planned and will be well publicized and accessible via public transportation.

Council Member Pittman noted that funding for many community-centered events (World of Nations, Martin Luther King Breakfast, etc.) seem to have flat budgets and wondered if the line items shown represent the entire budget for the event and include private funding contributions. Mr. Joseph said the budgets reflect the cost of the City's operation of those events (excluding personnel costs) or its contractual contribution to events operated by others. It does not include private sponsorships or the budget of an independent event operator. Ms. Pittman urged the Parks and Recreation Department to look for opportunities to partner with organizations to help support events with in-kind services. Mr. Hughes said that the City's financial support of joint use agreements with the school system is very substantial (i.e. maintenance of all the pools and playgrounds located on school properties).

In response to a question from Council Member Hazouri about where events will move when displaced by demolition of the Landing and Hart Bridge expressway, Mr. Hughes and Mr. Joseph said that they are being relocated to other appropriate locations. Some locations have been determined, others have not yet. The City has many attractive venues and this will provide an opportunity to showcase them.

City Venues

City, Subfund 4K1

Motion: on p. 43, approve Council Auditor's recommendation that the Rental of City Facilities revenue be increased by \$2,880, from \$194,880 to \$197,760 so that the correct contractual rent payment from the Jumbo Shrimp is budgeted, reducing the transfer-in from/out of the General Fund/General Services District – **approved**.

Council Member Salem asked about the use of the naming rights fee for the VyStar Veterans Memorial Arena. Mr. Hughes explained that 10% goes to a veteran's group to propose events targeted at veterans, the remaining 90% goes to an arena maintenance fund. The group has not yet proposed an event to use the first allocation of funding. Regarding the use of tourist development taxes, Heather Reber of the Council Auditor's Office reported that bed tax collections in the current fiscal year are not going to reach the budgeted amount, so the proposed revenue for FY19-20 is backed down somewhat.

Bill McConnell, General Manager of SMG Jacksonville, answered a question from Council Member Salem about the City's share of concession revenues from the various venues (i.e. 30% of Jumbo Shrimp concessions, 100% of Arena concessions).

In response to a question from Council Member Pittman about responsibility for the capital needs of the Ritz Theater, Mr. McConnell said that the Ritz and the Convention Center get their capital funds from the City's capital improvement plan, with the work actually contracted by SMG. Mr. Hughes said there are CIP programs for both of those buildings. Council Member Hazouri asked about responsibility for promoting events in the City venues and booking acts. Mr. McConnell said that SMG's responsibility varies building by building depending on the contracts of the tenants (Jaguars, Jumbo Shrimp). They collaborate with the tenants, the City and Visit Jacksonville to attract events. Mr. McConnell said that the

City used to have a rent forgiveness program with the City to provide for free events (i.e. high school graduations) but that program was discontinued some years ago.

Council Member DeFoor said she believed the City could manage the facilities less expensively with its own employees but would not do as effective a job as SMG. Mr. McConnell said that SMG is paid a \$100,000 management fee, a \$100,000 incentive fee based on performance, and 5% of concession revenues up to a cap of \$500,000. Mr. Hughes said that SMG's contacts and expertise in the entertainment world makes it possible for the city to attract signature events such as the Lynyrd Skynyrd and Rolling Stones concerts. Council Member Becton asked about the growth in SMG salaries and benefits. Mr. McConnell said that SMG's union employees are getting 3% increases and the non-union employees the same 4.5% increase that City employees are getting this year. The costs are also increased by bringing the security guard operation in-house which was offset by a decrease in contractual services for hiring security personnel. Mr. Becton asked for documentation of the value that SMG is producing for the City via its operation of the venues, which Mr. McConnell agreed to provide. Angela Moyer pointed out that SMG manages construction projects at all the venues, relieving the City of that responsibility, and receives the benefit of the ticket surcharges imposed on ticket sales at the various venues. Council Member Salem encouraged SMG to try to attract neutral site college basketball games to the Arena. Council Member Hazouri asked about the possibility of SMG resuming management of the Equestrian Center.

In response to a question from Chairman Bowman, Mr. McConnell stated that the various facility ticket fees are established by ordinance and can be changed by City Council. Heather Reber reported that the surcharges automatically increase by 3% per year, and the revenues from the surcharges stay with the building that produces them. Mr. McConnell said that the surcharge revenues did not used to stay with the building as they do now but were pooled and shared. Each venue has a 5-year plan, updated annually, listing the capital needs of that building. Theresa Eichner of the Budget Office reported that the Ritz Theater and Prime Osborn Convention Center don't have ticket surcharges and their capital needs are budgeted in the City's Capital Improvement Program that will be discussed at a future meeting.

Special Council Contingency

Chairman Bowman reported that the Special Council Contingency fund stands at \$258,211 to the positive.

Meeting adjourned: 3:26 p.m.

Minutes: Jeff Clements, Council Research

Jeffc@coj.net 904-255-5137

8.15.19 Posted 5:00 p.m.

Tapes: Finance Budget Hearing #3 – LSD

8.15.19