



Council Auditor's Office 2024/25 Annual Report

Report # 898

Executive Summary

Authority

The position of the Council Auditor is established by Section 5.10 of the Charter of the Consolidated Government of the City of Jacksonville. The Council Auditor is appointed by the City Council and is the Director of the Council Auditor's Office, a department of the legislative branch of the consolidated government.

The Council Auditor is responsible for conducting a continuous internal audit of the fiscal operations of the consolidated government and all independent agencies. Audits are selected based on risk factors, reported problems in an area, or at the request of City Council.

The Council Auditor's Office also conducts legislative review and performs other forms of research as Council Committees, the Council President or individual Council Members may request.

The office is also tasked with developing specifications to be included in the request for proposal for the selection of an outside audit firm for the City's annual independent audit.

Our Product

Audit Function

We issued three performance audits during FY 2024/25. These three reports identified 36 findings, 11 internal control weaknesses, and 2 opportunities for improvement. Results included, but were not limited to, identifying over \$390,000 in overpayment for expenses and lost revenues and \$7.7 million to \$12.6 million in liquidated damages that were not being calculated.

Legislation Function

During FY 2024/25, we reviewed approximately 690 legislative bills. Our review of legislation results in financial savings, safeguards in contracts, improvements in reporting requirements, and many other benefits to the City, which are not always quantifiable, but place the City in a better financial position than what was originally proposed. Specific recommendations included:

- Reallocation of funding to prevent loss of \$2 million in federal dollars
- Funding a \$39 million economic development deal with unbudgeted revenue from the Solid Waste fee increase rather than issuing debt.
- Identifying cumulative savings of over \$2.1 million on a garbage hauler contract based on a calculation error in the requested rate.

For the Special Committee on the Future of Downtown, we identified \$45 million in funding available within the Self-Insurance Fund that could be utilized for Downtown Projects. Additionally, we identified a change in process that helped save about \$15 million annually to the operating budget. For the Special Committee on Duval DOGE, we helped identify some process improvements for the close-out of projects and identified \$25 million in potential unutilized appropriation capacity available for capital projects.

Additionally, the office is responsible for reviewing the proposed budget for the City and its Independent Authorities. Our review of the Mayor's Proposed Budget resulted in recommendations that increased revenues by \$5,600,000 and reduced expenditures by \$4,495,624.

Special Projects Function

We issued six numbered special reports in FY 2024/25. The reports were primarily prepared to provide information to City Council and the citizens of Jacksonville regarding the City's and the Independent Agencies' financial position and our office's work.



Council Auditor's Office

Annual Report FY 2024/25

December 1, 2025

Report #898

ANNUAL REPORT

MISSION AND GOALS	1
Charter Authority of the City Council Auditor.....	1
Our Mission	2
OUR WORK PRODUCTS	2
Audit Function.....	2
Special Project Function.....	4
Legislative Function	5
OFFICE OPERATIONS.....	8
Our Structure	8
Staffing	8
Expenditures.....	9
PROFESSIONAL DEVELOPMENT	9
Summary	9
Continuing Education	9
Professional Associations	9
Quality Assurance	10
REPORTS RELEASED DURING THE YEAR.....	Exhibit A
SUMMARY OF REPORTS.....	Exhibit B
LEGISLATION REQUIRING SIGNIFICANT REVIEW.....	Exhibit C
CITY COUNCIL AUDITOR’S OFFICE STAFF.....	Exhibit D

OFFICE OF THE COUNCIL AUDITOR
Suite 200, St. James Building



December 1, 2025

Report #898

Honorable Members of the City Council
Jacksonville, Florida

The annual report of the City Council Auditor's Office of Jacksonville, Florida for the fiscal year ended September 30, 2025, provides a description of the mission and goals of the Council Auditor's Office and an explanation as to the types of work performed.

The office issued 18 reports, in addition to performing many special projects and providing numerous hours reviewing legislation and attending meetings of City Council and its committees. A summary of the reports, along with highlights of significant legislation, is included. The Council Auditor's Office also provided staff time to assist in the external financial audit of the City.

In addition to issuing reports, performing special projects, and reviewing legislation, more than 4,400 staff hours were spent from July through September 2025 reviewing the proposed fiscal year 2025/2026 budgets for the City and its Independent Agencies, preparing handouts with recommendations, and researching numerous questions for Council Members.

MISSION AND GOALS

Charter Authority of the City Council Auditor

The position of the Council Auditor is established by Section 5.10 of the Charter of the Consolidated Government of the City of Jacksonville. The Council Auditor is appointed by the City Council and is the Director of the Council Auditor's Office, a department of the legislative branch of the consolidated government. The Council Auditor is responsible for conducting a continuous internal audit of the fiscal operations of the consolidated government and all independent agencies. Audits are selected based on risk factors, reported problems in an area, or at the request of City Council. The Council Auditor's Office conducts legislative review and performs other forms of research as Council Committees, the Council President or individual Council Members may request. The office is also tasked with developing specifications to be included in the request for proposal (RFP) for the selection of an outside audit firm for the City's annual independent audit.

Our Mission

The mission of the Council Auditor's Office is to improve the accountability and effectiveness of local government by actively providing independent and informative services to the City Council and the citizens of Jacksonville. The City Council, Mayor, Independent Agencies and the public need timely, objective, and accurate information regarding the efficiency and effectiveness of the operations of the City and its Independent Agencies. We seek to accomplish our mission by evaluating department and program performance.

OUR WORK PRODUCTS

Our office performs three essential functions: audits, special projects, and legislative review.

Audit Function

Overview

The audit function of the office conducts performance audits in accordance with Generally Accepted Governmental Auditing Standards (GAGAS), attestations in accordance with GAGAS and/or the American Institute of Certified Public Accountants (AICPA), and assists the external auditors with the City's Annual Comprehensive Financial Report (ACFR). Audit work, including follow-ups on audit work, accounted for approximately 13,200 hours of the overall time of our office in FY 2024/25. The standards that we utilize require due professional care in conducting audits, professionally qualified staff, independence, adequate supervision and planning of audit work, reporting of audit results, and periodic review of the office by outside professionals. This enhances the quality of our work product which enables users to place greater reliance on our work.

We select areas to audit based on several factors. We consider areas that provide services to the government and community that may have potential for improvement in the areas of economy and efficiency. Areas at risk for the misuse of assets or resources are more likely to be selected for audit. We also consider areas with a high volume of complaints or concerns identified by the City Council, Mayor, and management. The length of time since our last audit and the internal and external oversight of the area by other parties are also considered. Appropriate staff is assigned to the audit based on individual staff qualifications and the number of staff needed to conduct the audit. See Exhibit A and Exhibit B for a listing of the FY 2024/25 reports and a brief summary of the FY 2024/25 reports, respectively.

The Municipal Code requires the offices of the Clerk of Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector to be audited by the Council Auditor's Office no less than once every five years. The office is in compliance with this requirement.

Performance Audits

A performance audit is an engagement that provides objective analysis, findings, and conclusions to assist management and those charged with governance.¹ This type of auditing may also include steps to determine if the City is in compliance with contracts, laws, regulations, and procedures. The benefit of audit work is not always quantifiable. Performance audits result in recommendations that will improve resource utilization, reduce the risk of loss or abuse of assets, increase productivity, and correct wasteful practices. Audit recommendations can improve services to the public by making programs more effective and efficient.

Results

We issued three performance audits during FY 2024/25. These three reports identified 36 findings, 11 internal control weaknesses, and 2 opportunities for improvement. This included but was not limited to identifying over \$390,000 in overpayment for expenses and lost revenues, \$7.7 million to \$12.6 million in liquidated damages that were not being calculated, and over \$600,000 that was paid in a manner outside the terms of the contract. Overall, these audits identified several process changes that could reduce costs and made multiple recommendations to address deficient system controls and safeguard City assets.

Attestations

Attestation engagements can cover a broad range of financial or nonfinancial objectives about the subject matter or assertion, depending on the users' needs. GAGAS incorporates by reference the AICPA's Statements on Standards for Attestation Engagements (SSAE). The AICPA's standards recognize attestation engagements that result in an examination, a review, or an agreed-upon procedures report on a subject matter or on an assertion about a subject matter that is the responsibility of another party.²

Results

We issued no attestations during FY 2024/25.

External Auditors

The Council Auditor's Office is tasked with engaging an outside audit firm to perform the City's annual independent audit. Pursuant to Section 102.116 of the Municipal Code, the Council Auditor's Office establishes the specifications to be included in the request for proposal (RFP) for the City's independent audit, assists those charged with the ranking and selection of an outside audit firm, and negotiates the formal fee and contract terms. During FY 2024/25, the Council Auditor's Office issued a new RFP for the City's annual independent audit. Three Council Members scored six responses and the Independent External Auditor Selection Committee recommended to award Carr, Riggs and Ingram, LLC a three year contract with two one-year renewal options.

¹ Comptroller General of the United States, *Government Auditing Standards 2018 Revision Technical Update April 2021* (Washington, DC: U.S. Government Printing Office, 2021), p.10-11

² Comptroller General of the United States, *Government Auditing Standards 2018 Revision Technical Update April 2021* (Washington, DC: U.S. Government Printing Office, 2021), p.15

The Council Auditor's Office also provides staff to assist Carr, Riggs and Ingram, LLC with the audit work performed on the City's annual financial audit.

Results

By providing assistance to the external auditors, we reduced the cost of the contracts by approximately \$70,000 and our staff gained valuable experience, information, and training for future audit work.

Follow-Ups on Audits

The Council Auditor's Office conducts follow-up reviews to determine the progress made in addressing findings and recommendations identified in previously issued audit reports. These reviews are performed periodically and are substantially less in scope than an audit conducted in accordance with GAGAS.

Results

During the fiscal year, we completed 9 follow-ups on audit reports. We noted that 75 findings, 30 internal control weaknesses, and 19 opportunities for improvement which had been reported as issues during those audits had been addressed by the various departments since our original audit. This left 11 findings, 3 internal control weaknesses, and 1 opportunity for improvement that still need to be addressed related to 3 of the reports since the remaining 6 reports had all items cleared.

Special Project Function

Overview

The special project function releases special reports, which are typically in response to a request by a Council Member or involve a project substantially less in scope than an audit conducted in accordance with GAGAS. This area accounts for over 4,500 hours of the overall time of our office. See Exhibit A for a listing of FY 2024/25 reports and Exhibit B for a summary of the FY 2024/25 reports.

Special Reports

The Council Auditor's Office performs some reviews to fulfill the City Charter and Ordinance Code requirements of providing the City Council with reports of financial analysis and information pertaining to the operations of the City and its Independent Agencies. For example, in accordance with Section 106.421 of the Municipal Code, the Council Auditor compiles and reviews quarterly financial reports from the City and its Independent Agencies and presents reports thereon.

Results

We issued six numbered special reports in FY 2024/25. The reports were primarily prepared to provide information to City Council and the citizens of Jacksonville regarding the City's and the Independent Agencies' financial position and our office's work.

Special Projects

The Council Auditor's Office performs many special projects that do not result in a report. These are typically small requests initiated by a Council Member. The nature of these projects typically relates to the gathering of financial information, which also assists the office with gaining an understanding of all City operations and properly compiling a risk assessment of the City.

One special project that occurs every year is the annual Recapture of General Fund subsidies to General Fund Supported Funds as outlined in Section 106.106(i), Ordinance Code. After our review, the General Fund recaptured \$7,980,286. This was a net increase of \$20,316 from the original amount that was proposed by the Administration to be recaptured. Also, as required by the annual Budget Ordinance 2023-504-E, we coordinated with the Finance Department to identify funds that were unlikely to generate sufficient revenue through the remainder of the fiscal year to cure its negative cash position. Through this process, two funds were identified as having negative cash balances in the total amount of \$287,462, which Ordinance 2025-206-E addressed by using these recaptured funds that were returned to General Fund Operating Reserves.

City Grants

Per Chapter 118 of the Municipal Code, the Council Auditor's Office is tasked with overseeing the proper submission of annual audits and financial reports by agencies which receive City of Jacksonville grant funding. In addition to assuring that the audits and financial reports are submitted by the required deadlines, the Council Auditor's Office also reviews the audits and financial reports. The Council Auditor's Office has the authority to remove entitlement of grant funding from an agency that does not follow the provisions of Chapter 118. The Council Auditor's Office maintains a "non-compliance list," which includes all agencies that are out of compliance with their grant contract or Chapter 118. Entitlement is re-instated upon correction of non-compliance or as directed by legislation approved by City Council. In FY 24/25 City Council approved \$30.1 million associated with around 250 different grants related to Public Service Grants (56), Cultural Service Grants (52), Direct and Other Chapter 118 Contracts (45), Opioid Grants (14), and Neighborhood Matching Grants Program (estimated at 82 based on funding amount) for which we will review annual reports and audits in the future.

Results

During FY 24/25, our office reviewed annual reports and audits related to 330 different grants. As of September 30, 2025, there were 79 organizations that were on the Chapter 118 non-compliance list, which is an increase from 47 organizations as of September 30, 2024.

Legislative Function

Overview

The legislative function reviews all legislation for all of the Council Committees (with the exception of the Land Use and Zoning Committee) and attends all City Council meetings. It is the role of this team to provide transparency and accountability to each legislative bill that is reviewed. The legislative review function accounted for over 9,600 hours of the overall time of our office in FY 2024/25, which includes over 4,400 hours related to the annual budget review. The following more specifically describes the scope of work performed.

Legislative Review

The legislative review function is performed by staff members in order to provide Council Members with information regarding areas of potential improvement, full disclosure of financial impacts, errors requiring correction and other possible outcomes of pending legislation to assist Council Committees in their decision-making process. Some of the general categories of legislation reviewed are economic incentives, capital project approval and appropriation, grant contracts and appropriations of funds, lease agreements, and appointments. The Legislative review team will make Council Committees aware of concerns that staff has with particular matters and recommend a solution to address those matters. The decision to fund an initiative or a project is always a policy decision to be made by the City Council, but the recommendations from staff are usually centered around providing better protection for the City. These recommendations can be related to the timing of funding, claw backs after the funding has been disbursed, suggestions to result in financial savings, improvements in reporting requirements, and many other benefits to the City. An additional aspect that the Legislative team worked on this year was assisting Council Members on the multiple pieces of legislation that were needed to bring dollars above the line that were put into contingency accounts as part of the budget process or for Council Strategic Priorities.

Results

During FY 2024/25, we reviewed approximately 690 legislative bills which included 16 economic development deals and 35 direct contract agreements (See Exhibit C for a listing of legislation that required a significant amount of review time during FY 2024/25). The legislative review resulted in significant improvements to the City's benefit this year, some of which included:

- A reallocation of funding received from the federal government that would have otherwise had to be returned and cost the City \$2,000,000 of general fund dollars. A project that had been funded with federal dollars was not going to be completed in the time required to have the funding spent. Our review of the program resulted in a recommendation of a reallocation of funding with another project to enable the funds to be spent in the required time frame with no impact to the General Fund. (Ordinance 2025-142-E)*
- An appropriation of American Rescue Plan Act (ARPA) funding from the federal government that authorized the City to maximize the use of federal funding received. ARPA dollars had to be obligated by the end of December 2024. With the last Council meeting of 2024 occurring on December 10, there was a possibility that the Administration would become aware of unobligated ARPA dollars, but not have the time to get Council approval for the movement of those dollars. Our review recommended that any unobligated ARPA dollars be authorized to be appropriated to an allowable expenditure thereby not losing out any federal funding.*
- A multi-agreement proposal to facilitate the University of Florida (UF) establishing a higher education campus in the LaVilla area of Downtown. The proposal included the conveyance of City-owned property to UF—along with a parcel not owned by the City, addressed through a separate agreement—along with City-provided incentives, additional obligations, and specified timeframes for UF to meet key development milestones. Our review and recommendations of the development agreement led to important clarifications of each party's responsibilities and introduced additional protections for the City.*

- *A proposal to amend a waste hauler contract, in alignment with the contractor, to account for their reasonable and necessary expenses, along with a defined markup range for the services provided. This amendment stemmed from the rate review process outlined in the original agreement. The waste hauler appealed to City Council, arguing that their compensation was insufficient and that the rate review process failed to accurately capture their actual costs. Additional analysis was performed to attempt to substantiate the haulers' claims. Through that additional work, we were able to identify a calculation error that forced the hauler to request a lower rate that resulted in \$707,573 of savings in the FY 2024/25 budget. This savings would also replicate for the remaining two years of the hauler contract resulting in a cumulative savings of over \$2.1 million.*
- *A proposal to fund an economic development incentive largely with unbudgeted revenue rather than issuing debt. The Fiscal Year 2025-2026 budget proposed to fund an incentive by issuing \$39 million in debt. Our office made the recommendation to meet the commitment from Ordinance 2024-748-E mostly by utilizing revenue attributed to Fiscal Year 2024-2025 from the increased solid waste fee instead. This not only saved on additional interest costs from the issuance of debt, but also did not allow a precedent to be set for funding economic development incentives through debt issuances.*

Budget Review

The Council Auditor's Office is also responsible for reviewing the proposed budgets for the City and its Independent Agencies. This review entails an extensive analysis of revenue and expenditures on a line-item basis, along with statistical calculations and a review of material changes in funding for expenditures. Our staff interacts with the Budget Office, City Departments, Constitutional Offices, and Independent Agencies to complete our analysis and obtain answers to questions regarding budget requests. Over 4,400 staff hours were spent mainly from July through September 2025 reviewing the fiscal year 2025/26 budget proposal. We recently released Report #896 summarizing the Mayor's and Independent Agencies' proposed budgets and City Council actions regarding those budgets.

Results

The total City budget for FY 2025/26, including Independent Agencies, was approved by the City Council at \$9,165,445,996. Our review of the Mayor's Proposed Budget resulted in recommendations that increased revenues by \$5,600,000 and reduced expenditures by \$4,495,624. These savings were used to address other issues noted in our budget review and fund other items, including the City Budget Stabilization Account

Assistance to Special and Ad Hoc Committees

The Council Auditor's staff attends special committee meetings to provide background information and aid committee members in their review and deliberations on tasks assigned to the committee. Staff participated in meetings associated with the Better Jacksonville Plan, the Duval County Tourist Development Council, the Taxation, Revenue, and Utilization of Expenditures (TRUE) Commission, as well as various special committees noted below. The Council Auditor's Office attended all of the Special Committee meetings throughout the fiscal year and provided background and financial information as requested.

Special Committees

- Special Committee on JSEB
- Special Committee on Duval DOGE
- Special Committee on the Future of Downtown
- Special Committee on the Community Benefits Agreement 2.0

Results

For the Special Committee on the Future of Downtown, we identified \$45 million in funding available within the Self-Insurance Fund that could be utilized for Downtown Projects. Additionally, we identified a change in process that helped save about \$15 million annually to the operating budget. Ordinance 2025-385-E set-up an initial plan for the use of the \$45 million. For the Special Committee on Duval DOGE, we helped identify some process improvements for the close-out of projects and identified approximately \$25 million in unutilized appropriation capacity available for capital projects.

OFFICE OPERATIONS

Our Structure

The Council Auditor's Office is structured in the most effective method for internal audit independence in that we report directly to the City Council. Given the unique nature of functions our office performs, our office is recognized as a model organization and from time to time we are contacted by other jurisdictions who want to better understand our operation.

Staffing

Pursuant to the FY 2024/25 budget, the office was authorized to fill 19 full-time positions. Positions include the Council Auditor, an Assistant Council Auditor, 16 auditors and an administrative assistant (refer to Exhibit D). All auditors have degrees in accounting, including several with graduate degrees. The Charter requires the Council Auditor to be a Certified Public Accountant (CPA). The audit staff members are CPAs or are in the process of preparing for or taking the CPA exam. We also have two staff members who are Certified Internal Auditors (CIAs).

Expenditures

The Council Auditor's Office had expenditures of approximately \$3.3 million in fiscal year 2024/25, as detailed in the following table:

Description	FY 2024/25 Expenditures*
Salaries	\$ 1,941,776
Pension	954,197
Other Employee Benefits	204,869
Internal Service Charges	136,167
Other Operating Expenses	41,133
	<u>\$ 3,278,142</u>

**Please note that these amounts are unaudited.*

PROFESSIONAL DEVELOPMENT

Summary

The work of the Council Auditor's Office requires professionals with high standards of integrity, independence, and conduct. Procedures have been established as a guide for development and improvement of the employee's professionalism. The Council Auditor's Office emphasizes professional development to improve our skills, effectiveness, and efficiency. The office provides required continuing education, encourages professional certification, and supports staff involvement in professional associations.

Continuing Education

Government Auditing Standards require that our staff complete at least 80 hours of continuing education every two years, including 24 hours in subjects directly related to the government environment or government auditing. Auditors who are CPAs must also complete the 80 hours every two years to retain their active status as Florida CPAs. The professional staff is in compliance with these provisions.

Professional Associations

The Council Auditor and other staff members were members of organizations such as the Association of Local Government Auditors, Governmental Finance Officers Association, the Florida Government Finance Officers Association, the First Coast Chapter of the Florida Government Finance Officers Association, and the Institute of Internal Auditors.

Quality Assurance

In compliance with Government Auditing Standards, the Council Auditor's Office undergoes an external quality control review once every three years by an organization not affiliated with the Council Auditor's Office. We participate in the peer review program of the Association of Local Government Auditors through which our office had a peer review and was found to be in compliance with Government Auditing Standards in April 2024, with no management letter comments. This peer review covered all audits and attestations performed in accordance with Governmental Auditing Standards from January 1, 2021 through December 31, 2023.

We appreciate the strong support given to us by the City Council. We strive to continuously find ways to improve our City and its Independent Agencies.

Respectfully submitted,

Kim Taylor

Kim Taylor, CPA
Council Auditor

EXHIBIT A
REPORTS RELEASED DURING THE YEAR

Performance Audits

Issued

Report No. 891	Residential Waste Haulers Contract Audit	June 9, 2025
Report No. 892	City Accounts Payable Audit	June 10, 2025
Report No. 893	Jacksonville Sheriff's Office GPS Electronic Monitoring Program	June 23, 2025

Special Reports – Excluding Follow-Ups

Report No. 886	Budget Summary Fiscal Year 2024/25	December 5, 2024
Report No. 887	Quarterly Summary for the Twelve Months Ended 9/30/24	December 12, 2024
Report No. 888	Quarterly Summary for the Three Months Ended 12/31/24	February 14, 2025
Report No. 889	Council Auditor's Office Annual Report Fiscal Year 2023/24	February 14, 2025
Report No. 890	Quarterly Summary for the Six Months Ended 3/31/25	May 15, 2025
Report No. 894	Quarterly Summary for the Nine Months Ended 6/30/25	August 14, 2025

Follow-Ups on Audits

Report No. 867A	Follow-up on City Payroll – Leave Payouts at Separation of Employment Audit	November 5, 2024
Report No. 781C	Follow-up on Animal Care and Protective Services Audit	December 11, 2024
Report No. 811B	Follow-up on Mobility Fees Audit	December 11, 2024
Report No. 793C	Follow-up on Nonresidential Solid Waste Franchise Fees Audit	January 16, 2025
Report No. 769B	Follow-up on State Housing Initiatives Partnership Audit	February 20, 2025
Report No. 865A	Follow-up on Public Parking – Off-Street Parking Audit	February 20, 2025
Report No. 832B	Follow-up on Real Estate Audit	March 20, 2025
Report No. 805B	Follow-up on Building Inspection Division Audit	April 2, 2025
Report No. 846B	Follow-up on Kids Hope Alliance Grants Audit	September 22, 2025

All reports are public record and are available to the public.
www.coj.net/City-Council/Council-Auditor.aspx

EXHIBIT B
SUMMARY OF REPORTS

Performance Audits

Residential Waste Haulers Contract Audit

Report #891 – June 2025

We conducted an audit of the residential waste collection and transportation services contracts overseen by the City's Solid Waste Division of the Public Works Department. Our audit focused on whether all payments from the City's Solid Waste Division to the residential waste haulers were properly supported, accurately calculated, correctly authorized, and timely paid.

Significant Issues:

- A \$600,000 payment to a hauler and a \$66,000 reduction in a payment to a hauler that both appear to be outside the terms of the contract.
- Various issues with the monthly liquidated damages calculations.
- Issues with the monthly premise counts used for payments which resulted in a net underpayment of \$36,199.65.
- Two haulers exceeded the annual fuel cap resulting in the City overpaying almost \$350,000.
- The invoice template created by the Solid Waste Division could be improved to help ensure proper payments.
- Lack of standard operating procedures for liquidated damages calculations.

City Accounts Payable Audit

Report #892 – June 2025

We conducted an audit of the Accounts Payable function within the City's General Accounting Division. Our audit focused on whether payments to vendors were accurate in amount, properly supported and approved, and paid in a timely manner.

Significant Issues:

- Deficiencies in the written policies and procedures relating to the accounts payable function. Several critical processes were not documented, lacked essential details, or were outdated after the switch to the new financial system in February 2020.
- Users had excessive access rights in the financial system related to the Accounts Payable process.
- A total of 241 user accounts in the financial system belonging to former City employees or accounts created for individuals going through the hiring process who never started employment had not been deactivated as of September 9, 2024.
- Changes were made to the suppliers' bank account information by Accounting Division employees with most of the changes being made by the employee responsible for creating payments in the financial system.
- Duplicate payments of over \$3.8 million that were subsequently identified and corrected by the City.
- Timeliness issues with payments, bank reconciliations, and processing of credit memos/requesting refunds.
- City departments creating "cover letters" to act as invoices to facilitate the financial system more easily being able to process payments.
- Duplicate supplier accounts in the financial system.
- Invoices not being properly linked to a purchase order.

EXHIBIT B
SUMMARY OF REPORTS

Jacksonville Sheriff's Office GPS Electronic Monitoring Program

Report #893 – June 2025

We conducted an audit of the Jacksonville Sheriff's Office (JSO) GPS Electronic Monitoring Program ("Program"). Our audit focused on whether the JSO had sufficient internal controls in place to enforce GPS electronic monitoring related to court orders as well as whether GPS electronic monitoring fees were properly and timely assessed, collected, and deposited.

Significant Issues:

- A lack of sufficient policies and procedures to address all critical Program activities.
- Excessive access granted to users of the JSO fee management and location monitoring systems, and no periodic review to ensure access was properly limited.
- Program agreements were not consistently completed properly, and location restrictions were not always entered into the location monitoring system accurately for individuals being monitored.
- One individual with a GPS court order in place that was released from incarceration after posting bail did not have a device attached prior to release (or after).
- We found three instances where the GPS monitors were not attached in a timely manner.
- Issues with inaccurate account balances that were overstated and understated.
- Issues with accuracy and timeliness of refunds.
- Reconciliations of cash collected and deposited were not properly documented.
- Individuals that were delinquent on fees were not receiving timely payment reminders, and the Court was not consistently notified of delinquent accounts.

Special Reports

Budget Summary for FY 2024/25

Report #886 – December 2024

The Budget Summary Report details the major points of the City Council approved budget for FY 2024/25. It details the major changes that occurred from the Mayor's Proposed Budget to the City Council Approved Budget that were made by the Council based on the extensive review performed by the Finance Committee and our office.

Council Auditor's Office Annual Report FY 2023/24

Report #889 – February 2025

This report provides a summary of the activities and accomplishments of the Council Auditor's Office during the fiscal year ended September 30, 2024.

Quarterly Summaries

Reports #887 (December 2024), #888 (February 2025), #890 (May 2025), #894 (August 2025)

The City and Independent Agencies are required to submit to the Council Auditor's Office quarterly financial reports by specified dates. The Council Auditor's Office is tasked with compiling the information and submitting a report to the City Council. The purpose of these reports is to identify budget problems as early as possible to allow for corrective action.

EXHIBIT B
SUMMARY OF REPORTS

Follow-Up Reports

Reports #867A (November 2024), #781C (December 2024), #811B (December 2024), #793C (January 2025), #769B (February 2025), #865A (February 2025), #832B (March 2025), #805B (April 2025), #846B (September 2025)

These reports are a follow-up review to determine the progress made in addressing findings and recommendations identified in previously issued audit reports. These reviews are performed periodically and are substantially less in scope than an audit conducted in accordance with Government Auditing Standards.

EXHIBIT C
LEGISLATION REQUIRING SIGNIFICANT REVIEW

2024-748-E: Approved a new redevelopment agreement for the former River City Brewing Company site to include multi-family residential units, a parking garage, waterfront restaurant, ship store, Riverwalk, and sidewalk improvements. City incentives included a \$19,798,000 REV Grant and \$39,000,000 restaurant completion grant.

2024-800-E: Approved an amended contract with Meridian Waste Florida for contract garbage hauling for Service Area II within the City of Jacksonville and appropriated \$4,028,251 from General Fund Operating Reserves to cover the increased cost approved by City Council above the recommendation of the Rate Review Committee and the amount budgeted. This bill was vetoed by the Mayor with City Council overriding the veto at a later date.

2024-851-D: Proposed the creation of a Northeast Development Review Board to establish a mechanism for a specialized review of applications for land use and zoning changes in the northeast part of the City. This bill was denied by Council.

2024-888-E: Appropriated \$1,333,728.00 from a designated contingency within the Homelessness Initiatives Special Revenue Fund to provide funding to Trinity Rescue Mission, City Rescue Mission and Salvation Army to expand homeless shelter capacity by an additional 110 total beds to address the needs of Duval County's homeless population in light of the City's obligation to comply with Section 125.0231, Florida Statutes.

2024-937-E: Appropriated \$553,195.78 in unobligated American Rescue Plan (ARP) funds to address budgetary shortfalls within two previously funded ARP expenditure accounts and increase funding for the Salesforce Public Section Platform Implementation project and authorized additional unobligated ARP funds to be administratively appropriated by the Finance Department to fund group health claims prior to the December 31, 2024 deadline.

2024-950-E: Amended Ordinance Code Section 744.110 to clarify surety requirements and amounts depending on the type of work being performed in City rights-of-way and to require community outreach and notification for certain projects occurring in City rights-of way.

2024-994-E: Authorized various agreements and amendments to effectuate the expansion of the existing landfill gas recovery installation at Trail Ridge Landfill.

2025-1-E: Adopted the preliminary residential solid waste rate ordinance required by Ordinance Code Chapter 715 for the 2025 solid waste assessment of \$27.00 per month/\$324.00 per year per residential premise and provided for a phased increase of the solid waste assessment, subject to annual approval by City Council.

2025-2-E: Amended Ordinance Code Chapter 382 to establish reductions for the solid waste assessment to be effective with the 2025 calendar year assessment.

2025-11-W: Proposed amending Ordinance Code Section 108.102 to revise various department names as a result of recent executive branch reorganizations. This bill was withdrawn by Council.

2025-30-E: Authorized a reorganization of the executive branch, moving 1) the Building Inspection Division and Development Services Division from the Planning and Development Department to the Public Works Department, 2) the Solid Waste Division from the Public Works Department to the Office of Administrative Services, and 3) the Environmental Quality Division from the Neighborhoods Department to the Office of Administrative Services.

2025-69-E: Authorized an amended and restated gross lease for space at the Blue Cross and Blue Shield (BCBS) Campus located at 532 Riverside Avenue for use by the Jacksonville Sheriff's Office.

EXHIBIT C
LEGISLATION REQUIRING SIGNIFICANT REVIEW

2025-103-E: Authorized execution of the Second Amended and Restated Redevelopment Agreement, Museum Lease Agreement, Museum Improvements Costs Disbursement Agreement, Amendment Two to Park Design Project Costs Disbursement Agreement and related agreements with the Museum of Science and History of Jacksonville, Inc. (“MOSH”) related to the redevelopment an approximately 2.5-acre City-owned parcel located within the Shipyards site in Downtown Jacksonville to extend various deadlines within the Redevelopment Agreement and restructure the project to allow for City ownership of the Museum Improvements and a lease thereof to MOSH.

2025-148-E: Amended Ordinance Code Chapter 126 to make changes to the composition of the JSEB Monitoring Committee, require quarterly reports on the Access to Capital Program be posted on the JSEB website, allow nonprofits to participate in the JSEB program subject to certain eligibility criteria, revise the timeframe for JSEB decertification, include denial and appeal procedures, and revise the procedures and timeframe for third-party challenges to a JSEB’s eligibility.

2025-194-E: Terminated the existing agreement between the City, JAXPORT, and JEA for the raising of the Fulton Cut power lines previously approved by Ordinance 2022-874-E and authorized a new agreement which will provide a \$34,500,000 City Grant for the project instead of the previously authorized \$12,500,000 loan, \$10,000,000 grant, and \$5,000,000 revolving line of credit.

2025-207-E: Rescinded Ordinance 2024-800-E and approved an amended agreement with Meridian Waste Florida for contract garbage hauling in Service Area II. This ordinance also appropriated \$2,312,627.50 from General Fund Operating Reserves and \$675,766.00 received in additional revenue from the City Venues Fund to cover the increased costs per premise approved above the amount budgeted. An additional \$997,723.36 would also be compensated to Meridian in Fiscal Year 2025/26 to bring the monthly per premise rate up to \$22.39.

2025-285-E: Amended Ordinance Code Section 118.107 to establish waiver criteria and required disclosures for nonprofit organizations receiving City funding.

2025-286-W: Authorized an interlocal agreement with Florida Green Finance Authority to allow for operation of a residential non-ad valorem assessment (PACE) financing program for qualified improvements. This bill was withdrawn by Council.

2025-319-E: Authorized an agreement with Gateway Companies, LLC to acquire a 2.85 acre improved real property located at 801 W. Bay Street in exchange for 1 acre of City owned property located adjacent to Riverfront Plaza (“Pad B”) and the option to acquire 1.7 acres of City owned real property located on the Northbank, east of the Main Street Bridge (“East Landing Parcel”), including reversion and termination rights.

2025-385-E: Appropriated \$45,000,000 of City funds that had been accumulated beyond the necessary amount in the Self-Insurance Fund to provide (1) \$30,000,000 for future downtown economic development incentives for a limited location along the riverfront, (2) \$12,000,000 for future countywide initiatives including workforce development, higher educational projects, and historic preservation projects in downtown, and (3) \$3,000,000 for other countywide activities including the development of affordable housing.

2025-395-E: Amended the Ordinance Code to: (1) allow legislation proposed by the Downtown Investment Authority to be introduced without having to go through the Mayor’s Budget Review Committee (MBRC) process, (2) revise the criteria for Recapture Enhanced Value (REV) Grants, (3) revise the threshold for incentives requiring Council approval, and (4) require the DIA Board annually prepare and submit to City Council a 5-year Capital Improvement Plan.

EXHIBIT C
LEGISLATION REQUIRING SIGNIFICANT REVIEW

2025-396-E: Authorized execution of a Redevelopment Agreement, Option Agreements, quitclaim deeds and related documents for the development of a University of Florida graduate campus to be located in Downtown Jacksonville, including conveyance of City-owned parcels, option agreements for the future conveyance of City-owned parcels, and approval of an additional \$50,000,000 of City funding subject to future Council appropriation.

2025-411-E: Amended Ordinance Code Chapter 126 to implement the changes recommended by the Jacksonville Small & Emerging Business (JSEB) Special Committee.

2025-428-E: Reallocated \$1,015,020 in funding previously appropriated through the Ordinances 2023-807-E and 2023-847-E (Mayor's Task Force legislation), to provide gap funding through September 30, 2025 for the telehealth and elderly food insecurity programs.

EXHIBIT D
CITY COUNCIL AUDITOR'S OFFICE STAFF

Staff members as of September 30, 2025:

Kim Taylor, CPA, Council Auditor
Phillip Peterson, CPA, Assistant Council Auditor
Brian Parks, CPA, CIA, Principal Auditor
Heather Reber, CPA, Principal Auditor

Leila Bellaire
Chedly Broche, CPA, CIA
Trista Carraher, CPA
Thomas Carter, CPA
Caroline Greathouse
Elena Korsakova, CPA
Alexandria Lee, CPA
Charles Lee
Louis Lepore, CPA
Edward Linsky, CPA
Jeffrey Rodda
C. William Zeal

Administrative Assistant
Mary Fletcher