



JACKSONVILLE CITY COUNCIL

**TRUE COMMISSION
PERFORMANCE COMMITTEE MEETING MINUTES
March 3, 2011
3:00 p.m.**

**City Council Conference Room B
Suite 425, City Hall
117 W. Duval Street**

Attendance: Committee Members Ted Wendler (Chair), Thomas Martin, Marcella Lowe, Mike McCollum and Diane Brown

Guests: Tony Bates – Concerned Taxpayers of Duval County; Bob Downey

The meeting was called to order at 3:00 p.m. by Chairman Wendler who opened discussion of the committee's work plan and future study issues. In his opinion the biggest problem the City faces is the unfunded accrued pension liability in the 3 pension plans. Mr. Wendler distributed several handouts including several pages from the Mayor's current budget workshop presentation and his own calculations of revenue and expenditure projections by department for the next 4 fiscal years.

Mr. Wendler also noted that Council President Webb has specifically asked the TRUE Commission to look into the operation of the City's internal service funds, and the commission has delegated that task to the Performance Committee. From an e-mail he received from the City's Budget Office he gathers that the internal service charges are inter-linked with other budget formulas and factors and therefore may be hard to fully understand, both for user departments and for outside observers like the TRUE Commission. The Performance Committee would benefit from some advice from TRUE Chairman Wes Benwick about his experience in analyzing the operations and budget of the Copy Center. His methodology may instructive for Performance Committee members in attempting to do their own investigations of other internal service funds.

The group agreed that the best methodology might be for the committee members to arrange meetings with a representative of their chosen internal service department and with the budget analyst who prepares that department's budget to discuss each fund in detail. The committee members volunteered for internal service funds as follows: McCollum – insurance issues; Brown – Information Technology Department; Lowe – Office of General Counsel; Wendler – Fleet Management Division.

Bob Downey, former General Manager of SMG operations in Jacksonville, stated that in his experience as a user of some City internal services, his impression was that the City wants to keep all such functions in-house rather than contracting out in order to maintain interconnectivity, uniformity and control. There may be opportunities for cost savings by outsourcing some functions (copy center, fleet management) but the City feels they are outweighed by the risks of non-uniformity of service level and potential loss of control over vital City functions.

Staff was asked to provide the following information to the committee members:

- Minutes of the recent noticed meeting of several TRUE Commissioners with Council President Jack Webb and members of the City administration to discuss internal service funds;
- Names and contact information for each internal service fund;
- Documentation of previous City Council discussions of fleet management outsourcing.

There being no further business, the meeting was adjourned at 3:55 p.m.

Jeff Clements, Chief
Council Research Division
630-1405

Posted 3.7.11
12:00 p.m.