



Taxation, Revenue, and Utilization of Expenditures (TRUE) Commission

Ron Mallett, Chair
Elaine Burnett, Vice Chair
Mike Meroney, Secretary

Meeting Minutes

January 4, 2008

4:00 p.m.

Attendance: Ron Mallett (Chair), Louvenia Tippins, John Jolly, John Palombi, Marcella Lowe, Nicole Lester, Elaine Burnett, Mark Cowart

Excused: Mike Meroney, Pamela Korn

Absent: Charles Curley, Charles Magee, Greg Anderson, Lou Myers, Randy Deen

The meeting convened at 4:18 p.m. with a quorum present.

Minutes

The minutes of the December 6, 2007 meeting were **approved as distributed**.

Committee Reports

Performance Committee – Commissioner Palombi reported that the committee needs new volunteers to fill out its membership as several members are no longer available. He noted the committee's first two studies and the need to follow up again with the departments and agencies previously surveyed to determine what, if any, action has taken place since the original studies. Two administrative reorganizations have taken place since the Performance Committee started its work and that disruption may have contributed to the low response rate to previous follow-up inquiries. The committee is unsure how performance is being measured and managed presently, if it is at all. The committee needs to start over with finding out where the performance management effort stands at this point. Chairman Mallett asked the committee to follow up on the employee health care insurance privatization initiative. An RFP has been issued by the City and an insurance consultant may have been hired to study the issue, but committee members don't know where that effort stands at the moment. Several commissioners volunteered to join the committee resulting in the following membership: Palombi (Chair), Deen, Lowe, Mallett, Jolly, Cowart, and Meroney (when available).

Fair Taxation Committee – In the absence of Chairwoman Pam Korn, Jeff Clements reported that Ms. Korn had drafted and circulated a final report to the committee members for their consideration and comments. The committee will meet in the next few weeks to finalize the report for presentation to the full Commission at the February meeting. Chairman Mallett suggested the need to list all of the city's

Commissioner Mallett suggested the need to list all of the city's revenue sources and to see when the rates were last changed. It's possible that there are additional revenues to be had from existing sources by making reasonable rate increases where rates have not been changed in years. Commissioner Cowart cautioned against considering new fees or increases to existing fees that would overburden the taxpayers.

Commissioner Palombi suggested the possibility of marrying the Fair Tax Committee report to the Performance Committee's work with the goal of looking at how well the City is spending its existing income. "Fair taxation" is a combination of how much one pays in taxes and the quantity and quality of services one receives in return for those payments – it is a balancing act. Commissioner Burnett suggested that the ultimate goal of city government should be improving the quality of life of its citizens, not focusing solely on cutting costs and taxes just for the sake of cutting. Chairman Mallett asked if the Fair Taxation Committee's report is one that the full commission wants to take to the general public and seek to "make a splash?" Commissioner Palombi stated that the Fair Tax Committee should think about how its report ought to be publicized and to whom – the Mayor? City Council? General public? Media?

Effectiveness Committee – Commissioner Burnett stated that the committee met at 3:00 p.m. just before the full commission meeting and discussed the report evaluation form distributed previously. The committee is going to recommend that staff create a database of committee reports that the Chair can use to produce the required commission annual report. The committee recognizes that committee reports and other activities will differ, so not every blank on the form will be applicable to each kind of committee activity and will not need to be filled in if not applicable. It was suggested that the evaluation form should be incorporated into the commission's Policies and Procedures Manual, perhaps by means of a statement of reference rather than adoption of the form in its entirety. The Effectiveness Committee envisions each committee filling out the evaluation form when a particular assignment (audit review, special project, letter of inquiry, etc.) is deemed to be completed.

Auditor's Report

Kirk Sherman reported that 4 new audits were released in December:

- #639 – Teen Court Special Report
- #640 – Auditor's Office Annual Report
- #641 – Budget Summary for Fiscal 2007-08
- #642 – Quarterly Financial Report for 4th Quarter FY06-07

Report #642 found that the 2006-07 fiscal year ended with a General Fund positive variance (surplus) of \$2.1 million – a positive end to the year, but a very small percentage of the nearly \$900 million budget. Mr. Sherman also noted that the City does not have any funds invested in the State Investment Fund that has been in the news lately, so has not been affected by the "run on the bank" that fund suffered. Several City independent authorities do have money invested in the fund (\$25 to \$30 million overall), particularly the Aviation Authority.

Special Report #639 was a close-out audit of the county's Teen Court, a program formerly funded by a Public Service Grant that no longer exists. The State Attorney's Office took over operation of the Teen Court 2 years ago and now funds the program with \$300,000 allocated from court costs. The audit found that the program was not operated efficiently when it was funded by Public Service Grants, with the Teen Court board providing insufficient oversight of the activities of the executive director. The audit identified \$30,000 of questionable expenses, while the organization had \$1,200 left in its bank account when it went out of operation.

Several commissioners felt that there were potentially a number of Public Service Grant-funded agencies that are not being sufficiently scrutinized. Mr. Sherman stated that he allocates 25% of the time of one of his auditors to following up on these grant recipients and the annual reports they are supposed to file with the city. He reported that his office will be fully staffed as of next week with the filling of 2 full-time and 1 part-time position.

Motion: accept Report #639 without comments – **approved.**

Mr. Sherman reported that ordinances approving contracts for Medical Examiner services with 4 counties to the west of Jacksonville are currently pending before City Council and should be approved at the next Council meeting. \$250,000 in Medical Examiner funding is still placed “below the line” in the budget until the Council is sure that all outstanding issues, including the 4 contracts and all payment arrangements, have been satisfactorily resolved.

Old Business

Staff distributed copies of the latest version of pending Ordinance 2007-105 amending Ordinance Code Chapter 118 to revise the Public Service Grant process. Commissioner Lowe, having followed this issue closely for several years, will review this revised version to ensure that all of the TRUE Commission’s recommendations from previous study of the process have been incorporated.

Chair’s Comments

Chairman Mallett reported that he had spoken to Council President Daniel Davis and Rules Committee Chair Jay Jabour about the commission’s proposal to reduce the size of the commission from 18 to 12, and President Davis has agreed to sponsor the legislation to amend the Code to reduce the size and provide that the Council President and Mayor shall each appoint 6 members, of which at least one member each shall be an active CPAC representative. Mr. Mallett also reported that he will be speaking with the Mayor’s Office and Council President to determine which of them will appoint Wes Berwick to fill a vacancy on the commission.

Next meeting

The commission’s next meeting is scheduled for Thursday, February 7th at 4:00 p.m.

There being no further business, the meeting was adjourned at 5:30 p.m.