



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

**John Palombi, Chair**

**Pam Korn, Vice Chair**

**Greg Anderson, Secretary**

## **Draft Meeting Minutes**

**June 5, 2008**

**4:00 p.m.**

**Attendance:** Ron Mallett (Chair), John Palombi, Nicole Lester, Greg Anderson, Elaine Burnett, John Jolly, Louvenia Tippins and Marcella Lowe,

**Excused:** Mark Cowart, Randy Deen, Wes Benwick

**Absent:** Charles Curley, Charles Magee, Pamela Korn, Lou Myers

The meeting convened at 4:20 p.m. without a quorum present for discussion purposes.

### Committee Reports

Performance Committee – Commissioner Palombi reported that the City has extended its employee health insurance coverage for an additional year through December 2009 at the same premium rate in order to further consider the possibilities of self-insurance. An additional year will give the City time to study the School Board’s experience with self-insurance that began this year (new commissioner Wes Benwick has met with the school system administration to begin this discussion) and to gauge the effects of the City’s expanded wellness program on claims experience.

### Ad Hoc Committee on Budget Efficiencies

Commissioner Palombi reported that the committee had met again since the last commission meeting to review additional departments’ budgets and, as before, restored 90 percent of the lapse funds to the departments. There is one additional meeting scheduled to wrap up the process.

Chairman Mallett stated that he had met with Council Member Richard Clark and is informed that there will be a 3-member Council audit committee that will meet prior to the Finance Committee meeting to review audits, and this will likely be the venue for the TRUE Commission to have its input. Mr. Mallett expressed his appreciation for the City Human Resources Division personnel who provided very useful information and helpful comments to the committee studying self-insurance.

Effectiveness Committee – Commissioner Burnett reported that the committee has prepared the commission’s year-end report for the chairman. The evaluation form seems to be working fairly well, but the commission needs to be mindful of the importance of formal motions and votes during commission meetings to properly take action on audits and reports that are reviewed and discussed. This will serve the dual purpose of providing a record in the minutes of the commission’s findings and action, and also a reminder for future follow-up or action if needed.

As an aside, Commissioner Burnett briefly recapped the memorial service last for the late commissioner Mike Meroney. She noted that it was a beautiful and touching event, and that the TRUE Commission seemed to have been important to Mr. Meroney. His family was grateful for the commissioners’ presence.

#### Auditor’s Report

Council Auditor Kirk Sherman reported that two reports have been released since the last commission meeting. The mid-year budget review projects a potential \$5 million positive variance by year-end; preferable to a deficit, but generally an insignificant amount in a \$970 million General Fund budget.

The Children’s Commission cash receipts and handling audit found some problems. The Brewer early childhood development center seemed like a very expensive daycare center (\$8,000 subsidy per child) and over 60% of the children enrolled were full-pay students – not from low-income households in the inner city as originally envisioned. The auditors questioned whether the cost of the research component into early childhood development was worth the investment. Mr. Sherman understands that a private operator may be interested in taking over the Brewer Center after the City’s closure date of August 18<sup>th</sup>. In answer to a commissioner’s question, Mr. Sherman indicated that the Children’s Commission annual budget is approximately \$55 million, of which \$20 million is the City’s appropriation and \$35 million is state and federal funds. The Brewer Center’s budget is approximately \$1 million of the City’s \$20 million appropriation.

Finally, the auditor reported that the Florida Tax Watch cost efficiency assessment of city government is underway and should be completed by the end of June. He suspects that performance measurement and management will be identified as an issue needing improvement in Jacksonville’s government.

#### Chair’s Comments

- Chairman Mallett thanked the commissioners for a good and productive year of work, and expressed the hope that the TRUE Commission is now better known and respected because of the quality of the work it produced this year.
- Mr. Mallett thanked the Effectiveness Committee for its good work in compiling the commission’s annual report, which will be distributed shortly. He requested that language be added regarding the commission’s work on health self-insurance.
- The Chairman suggested, and the commission agreed, to cancel the July meeting due to its proximity to the 4<sup>th</sup> of July holiday and summer vacation season.
- The Chairman requested that staff add a line to the commission’s agenda requesting members to be diligent about calling or e-mailing notice prior to the meeting requesting excused absences.

#### Old Business

None

#### New Business

None

Commissioner Comments

Commissioner Lowe noted the recent stories in the newspaper regarding the investigation of First Coast Black Business Investment Corporation (BBIC) and recalled that the TRUE Commission had raised questions about BBIC's organization and operations several years ago, apparently to no effect. In response to a question about BBIC's use of City funds, Kirk Sherman reported that First Coast BBIC had been receiving a \$200,000 appropriation each year through the JEDC to operate its business assistance center, but the agency did not apply for the grant in the FY07-08 funding cycle.

With the arrival of Commissioner Lester a quorum was now present.

Election of Officers

On behalf of the Nominating Committee, Chairman Greg Anderson moved the following slate of officers for 2008-09: Chair – John Palombi; Vice Chair – Pam Korn; Secretary – Greg Anderson  
The floor was opened for additional nominations, of which there were none.  
The commission **unanimously approved** the slate of officers for 2008-09.

Minutes

The minutes of the May 1, 2008 meeting **approved as distributed**.

Public Comments

None

Next meeting

Pursuant to the discussion earlier in the meeting, the commission's next meeting is scheduled for Thursday, August 7th at 4:00 p.m.

There being no further business, the meeting was adjourned at 5:05 p.m.