



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

Marc El Hassan, Chair

Vice Chair - Vacant

Joe Andrews, Secretary

TRUE Commission Meeting Minutes

December 1, 2011

4:00 p.m.

Attendance: Marc El Hassan (Chair), Marcella Lowe, Joe Andrews, Ernest McDuffie, Greg Radlinski, Daniel Blanchard, Ted Wendler, Thomas Martin, Hiron Peck, David Lane, Patti Anania, Jason Fischer (arr. 4:15)

Excused: Diane Brown, Ryan Jones, Gamal Lyons

The meeting convened at 4:09 p.m. with a quorum present.

Minutes

The minutes of the November 3, 2011 commission meetings were approved as distributed, including corrections suggested by Commissioner Andrews to his Legislative Tracking Committee report.

Committee Reports

Legislative Tracking Committee – Commissioner Andrews reported that the committee had not met in November due to several City holidays and a general lack of items of interest to the TRUE Commission. He did note that 2011-745 authorizing a City Charter amendment to give the task of redistricting School Board districts to the School Board rather than the City Council is nearing a final vote. With regard to 2011-719 (declaring a brownfield site on West 5th Street), Mr. Andrews voiced objection to the designation of a brownfield for use as an economic development incentive for a particular company, in this case the Bruss Company, a division of Tyson Foods. He requested Commissioner Radlinski to assist him in researching this issue further because of his knowledge of brownfields and environmental law. Chairman El Hassan suggested that the Florida Department of Environmental Protection web site has a wealth of information on brownfields, and noted that a site does not have to be proven conclusively to contain contamination in order to be designated as a brownfield.

Performance Committee – Commissioner Wendler stated that the committee had met just before the full commission meeting and discussed the subject of privatization of government services. Council Member Holt's Special Committee on Privatization is looking at several topics including fleet management, fire inspections and EMS service and this appears to be an area where the TRUE Commission could provide valuable and appreciated input to the City Council. He has done some initial fact-finding on EMS privatization and encouraged commissioners to volunteer to join the effort and to look at areas of personal interest or expertise in the City budget for potential privatization and budget savings.

Audit Review Committee

Commissioner Lowe stated that she and Commissioners Radlinski, Martin and Anania had reviewed Audit #694 – Supervisor of Elections – and she had talked with Supervisor of Elections Jerry Holland and posed a series of questions about audit findings. Regarding the \$190,000 postage account, Mr. Holland explained that the amount in account fluctuates depending on the number of elections in a fiscal year. In the non-election year of 2013 the account will be reduced to a more normal \$100,000. With regard to some exempt employees being paid for overtime worked, the practice has been discontinued and those employees will receive compensatory time in the future. Other findings addressed included hiring of City of Jacksonville employees for off-duty work at the elections office, an inability to account for some capital assets, and some discrepancies in contracts and payments for polling places and poll workers.

Motion (Lowe): accept report #694 as having been appropriately addressed by the Supervisor of Elections, and with a recommendation that the follow-up look by the Council Auditor take place no later than April 2013: **approved.**

Tommy Carter of the Council Auditor's Office stated that the audit follow-up would normally take place in either FY11-12 or FY12-13, and that the Supervisor's office would be scheduled for another audit in 2016 as the Auditor's Office is required to audit each of the constitutional officers once every five years.

Ms. Lowe noted that two new audits have just been released by the Auditor's Office: #705 – Housing and Neighborhoods Department Bank Accounts Audit and #706 – City Imprest Accounts report. She has read the audits and recommended that the other commissioners do the same and be ready with questions/comments at the January meeting. She briefly reviewed the audit/report findings, which included out-of-date signature cards, failure to reconcile accounts on a timely basis, and checks that require dual signatures only being signed by one individual.

Motion (Lowe): with regard to Audit #705, contact Chief Financial Officer Ronnie Belton and recommend that the Housing and Neighborhoods Department quickly close or consolidate the multiple bank accounts holding federal funds as collateral for homeowner mortgages – **approved.**

Motion (Lowe): with regard to Report #706, contact Chief Financial Officer Ronnie Belton and recommend that the City establish and/or enforce a policy that all imprest accounts be reconciled on a monthly basis and that the reconciliations be reviewed and signed off by a departmental employee who is *not authorized* as a signer of the checks for that account – **approved.**

Auditor's Report

Tommy Carter of the Council Auditor's Office reported that the office has released four reports since the last TRUE Commission meeting: #705 – Housing and Neighborhoods Department Bank Accounts Audit; #706 – City Imprest Accounts report; #707 – Auditor's Office Annual Report for FY10-11; and #708 – Budget Adoption Summary for FY11-12. The JEDC audit is still pending and is now being delayed, in part, by the change-over in personnel at the commission. The actual field work on the audit was completed in the spring of 2011, but then further progress was put on hold during the budget process.

Commissioner Lowe suggested that the Auditor's Office conduct an audit of SMG's operations prior to their contract renewal coming up in 2012.

Chair's Comments

None

Old Business

Commissioner Andrews stated that he had been mistaken in his report on 2011-521 (declaring surplus and authorizing disposition of 130 ash remediation parcels) with regard to the funding source for the acquisition of those lots. He proposed to re-write the commission resolution adopted at the September meeting to deal with future dispositions of property that were acquired via Banking Fund financing, and will bring that resolution to the commission in January for consideration.

New Business

Commissioner McDuffie distributed a packet of materials regarding the City's recent process to commission a procurement disparity study for use in evaluating the Jacksonville Small and Emerging Business program. Mr. McDuffie believes the City has not conducted a proper disparity study that complies with the requirements of federal law since the 1990 study. He said that since the 1990 study the City frequently waived the provisions of Part 8 of the Procurement Code – the minority- and women-owned business program until the practice of waivers was stopped during the Peyton administration after a group of minority contractors sued the City. He stated that no journeymen are being trained for the construction trades anywhere in the city. He also believes that the proposed study of the last 5 years of procurement practices will give a very inaccurate picture because it will reflect the results of a skewed marketplace. Very few projects have been constructed in the last 5 years (aside from the county courthouse) and minority and women business owners have quit bidding on City jobs altogether in recent years because of the unfairness of the process. Mr. McDuffie believes that the new Mason Tillman study should cover all procurement back to 1992 in order to be a real disparity study. He also objected to the terms of the contract that permit Mason Tillman to compile a report that does not contain the names of persons giving testimony for the study, believing instead that all testimony should be attributed on the record to particular individuals.

Commissioner Martin wondered if the time period for the study was set at 5 years because of the cost of doing a study that covered more years. Commissioner Blanchard wondered if the 5-year time frame for the study related to studying the effects of the City's JSEB program which was established in 2004. Commissioner McDuffie stated that the disparity study is not supposed to be just about procurement covered under the JSEB program but about all City procurement.

Motion (McDuffie): that the TRUE Commission pass a resolution requesting the City Council and Mayor to direct that a change order be made to the Mason Tillman procurement study contract directing the company to document the City's procurement practices and award percentages from 1992 to the present – **died for lack of a second.**

Commissioners McDuffie and Fischer will investigate the issue of a disparity study further.

Commissioner Comments

- Commissioner Fischer announced his intention to begin a study of JEA operations.
- Chairman El Hassan stated that, in relation to a question raised at the last meeting, he understands that the Mayor's Education Commissioner and the staff for that position will be funded entirely with private funds.

Public Comments

None

Next meeting

The commission's next meeting will be on Thursday, January 5th at 4:00 p.m.

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

Posted 1.9.12
12:00 p.m.

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