



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

Marc El Hassan, Chair  
Greg Radlinski, Vice Chair  
Diane Brown, Secretary

## TRUE Commission Meeting Minutes

September 6, 2012  
4:00 p.m.

**Attendance:** Marc El Hassan (Chair), Marcella Lowe, Ernest McDuffie, Ted Wendler, Thomas Martin, Diane Brown, Patti Anania, Joe Andrews, Leroy Kelly, Alex Marerro

**Excused:** Greg Radlinski, Daniel Blanchard

**Absent:** Jason Fischer

**Also:** Tommy Carter – Council Auditor’s Office; Jeff Clements – City Council Research; Sheriff John Rutherford and Chief Michael Edwards – Sheriff’s Office; Howard Maltz - Office of General Counsel

Chairman Marc El Hassan convened the meeting at 4:00 p.m. with a quorum present.

### Minutes

The minutes of the August 2, 2012 commission meetings were approved as revised and distributed.

### Red light camera enforcement presentation – Jacksonville Sheriff’s Office

Sheriff John Rutherford made a presentation to the commission on the implementation of a red light camera enforcement system, which was just approved by City Council at its last meeting. The JSO has chosen a company called RedFlex to install and operate the camera system on 25 intersection approaches (1 roadway entering an intersection from 1 direction) at 17 intersections with the highest accident rates in the city. The cost of the cameras is \$4,000 per camera per month, which RedFlex will earn from fines from enforcement; at no time will City dollars pay for costs of operating the system, other than the time of a JSO officer who will review and approve all citations. Pursuant to state law, 50% of the \$156 fine will go to the state for various purposes (including funding trauma centers) and 50% will go to the City. The Sheriff emphasized that the City’s revenue will go into the General Fund, not to the Sheriff’s budget. In response to a question, Chief Edwards stated that experience in other cities has shown that less than 1% of persons receiving citations challenge them in court, in large part because the citation has information about a web site where the violator can see the recording of their violation, which includes 6 seconds of video before and after the vehicle runs the red light. Seeing the evidence the citing officer used, and that would be shown to a judge in court, most violators agree to pay the fine.

Howard Maltz of the General Counsel’s Office explained the changes in the state law regarding red light camera operation, particularly the 2010 amendment to the Florida Uniform Traffic Act that specifically authorized the use of the cameras and established regulations for their operation. Cities that utilized the cameras prior to the passage of that law under the auspices of a local ordinance rather than the state law have been sued and are facing multi-million dollar claims. The state law requires that cameras only take video of the vehicle from behind, showing the license tag number but not the driver or occupants of the

vehicle. The citation goes to the vehicle owner, not the driver at the time of the infraction, although the owner may contest the citation in court and attempt to transfer liability for the ticket to the driver. No points are assessed on a violator's driving license if the citation is paid within 30 days of issuance. In response to a question about who is the "accuser" in court, Mr. Maltz said that the JSO officer who approves the citation and the videotape itself are the witnesses to the violation.

Sheriff Rutherford said that the two primary benefits to the JSO and the City from operation of the red light enforcement system are 1) a reduction in traffic accidents and the attendant property damage, injuries, fatalities, and JSO response burden, and 2) additional revenue to the City's General Fund. He said that the JSO is unaware of any statistics or research done to date indicating that a reduction in accidents from the operation of the red light cameras has led to a reduction in auto insurance rates, although that is an eventual possibility if overall accident claims to insurance companies are reduced. Commissioner Wendler expressed concern over the possibility of privacy rights violations if, for example, other criminal activity in the area of a red light camera might cause police to use the red light camera video to try to identify persons who may have been in the area of a crime by checking for vehicle tag numbers.

### Committee Reports

Legislative Tracking Committee – Commissioner Andrews reported that the committee had met once in the last month and was tracking a variety of pending bills:

2012-493 (appropriating \$326,804 from the Banking Fund to reconstruct Haldumar Terrace Road) - the committee questioned why this appropriation is being proposed now rather than simply incorporated into the budget, CIP and Banking Fund project list for FY12-13 that will be approved in a few weeks. This project raises the larger issue of how the City "warehouses" funds for future projects and shifts funds from project to project.

2012-501 (reducing Mayor's administrative budget transfer authority from \$750,000 to \$50,000 per line item) – the committee questioned why the term "transfer between" line items was changed to "transfer into" line items without a corresponding authority to transfer out of line items. Joe Andrews posed that question to Council Member Schellenberg who will ask the Office of General Counsel for a clarification.

2012-510 (approving Interlocal agreement for expansion of North Florida Transportation Planning Organization boundaries) – the committee was reminded of the need to follow up on the source of funding for the construction of the east/west rail corridor, the location of which the TPO will be studying using a \$100,000 appropriation from the City.

2012-522 (transfer of St. Johns River Ferry assets from the JPA to the City) – the committee was concerned about the City's liability, if any, for the ferry's operations once it is taken over by the St. Johns River Ferry Commission, and is anxious to hear the results of the City Council committee questions in that area.

Performance Committee – Commissioner Wendler said that the committee had met just prior to the full commission meeting and talked about the upcoming changes in the Governmental Accounting Standards Board (GASB) standards for local government reporting of future pension liabilities. The standards, which will change in 2014, will require cities and counties to report their unfunded actuarial pension liability within the body of the annual financial report and not as a footnote to the report as is now the case. In a recent article, Moody's Investor Services

estimates that each 1% reduction in the assumed rate of return on pension assets will cause a 15% increase in a jurisdiction's unfunded actuarial liability. The City has long used 8.5 and 8.4% assumed rates of return on its police and fire and general employee's pension funds (respectively), and the Florida Division of Retirement has mandated a reduction to no more than 7.75%. Chairman Wendler also reported that City Ethics Officer Carla Miller is investigating the Police and Fire Pension Fund's Senior Personnel Pension plan and whether it was lawfully created and funded. The Performance Committee voted to recommend to the full TRUE Commission that the commission ask the Mayor to include the commission in his pension reform study team.

**Motion** (Lowe): the TRUE Commission Chairman is authorized to send a letter to Mayor Alvin Brown and Special Pension Advisor Kevin Hyde requesting that the TRUE Commission be granted the opportunity to designate one commissioner to serve as a member of the Mayor's pension reform study team – **approved unanimously**.

Audit Review Committee - Commissioner Lowe reported that no new audits have been released in the past month by the Council Auditor's Office due to the on-going budget process. She urged all commissioners to read all of the audits as they are released and come to commission meetings with questions and comments. The commission will discuss the third quarter budget report (#719) at the September meeting.

#### Auditor's Report

Tommy Carter of the Council Auditor's Office echoed that the latest report is the FY11-12 third quarter budget report (through June 30, 2012). Two more reports are pending and will be released shortly. Mr. Carter also noted that the Council's Audit Committee met recently to receive the City's FY10-11 independent audit from McGladrey and Pullen.

#### Chair's Comments

Chairman El Hassan reported that he had attended the Audit Committee meeting and talked to the committee about the TRUE Commission's continuing concerns about City contract management procedures. City CFO Ronnie Belton is interested in the topic and agreed to meet with the chairman after the conclusion of the budget process at the end of September. There is no funding in the proposed budget for a contract management and tracking system, but Mr. Belton indicated the administration is looking at ways to make it happen.

Mr. El Hassan also talked to the Audit Committee about the apparent lack of serious follow-up on the part of auditees to the Council Auditor's recommendations. McGladrey and Pullen noted that lack of follow-up to their management letter recommendations had been cited in several consecutive audits. Audit Committee Chairman Greg Anderson suggested that the TRUE Commission might have a role to play in audit follow-up, and former TRUE Commission chairman Tony Bates said that that had been a major emphasis of the commission during his tenure. The Chairman said that he intended to ask for volunteers or would appoint committees of 1 to 3 commissioners to be responsible for reviewing and following up on the recommendations of each audit. Commissioner Lowe noted the necessity of having commissioners step up and volunteer to review audits and meet with departmental personnel to ensure that action on recommendations is really taking place in a timely manner.

The commission will schedule a new commissioner orientation meeting prior to the next full commission meeting to talk about policies and procedures and to orient new members to the commission's committee structure.

### Old Business

The commissioners briefly resumed last month's discussion of what might be a better commission meeting schedule to facilitate more timely input into the City Council's meeting schedule. This topic will be added to the new commissioner orientation meeting later this month. Commissioner McDuffie cautioned that calling special meetings as needed might negatively impact on the attendance record of commissioners who might not be able to attend meetings at non-standard times and dates, and could be an issue with the Rules Committee during commissioner reappointment proceedings.

### New Business

The commission commented on the recent passing of former TRUE commissioner and chairman Tony Bates.

**Motion** (Andrews): that the TRUE Commission adopt a resolution of commemoration and condolence for the late Tony Bates – **approved unanimously**.

### Commissioner Comments

Commissioner Martin reiterated that Jacksonville seems very weak in contract management, citing as an example the recent revelation of ADA accessibility problems at the new courthouse. Someone should have been responsible for ensuring that ADA accessibility was clearly written into the construction contract, and someone should have been responsible for monitoring during the construction process to ensure that the appropriate standards were being met before they were discovered months after the building opened for business.

Commissioner Andrews welcomed the two new commissioners present today and urged them to become active members of the commission and its committees.

### Public Comments

None

### Next meeting

The commission's next meeting is scheduled for Thursday, October 4th.

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

Posted 10.5.12  
10:00 a.m.

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