



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

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

TRUE Commission Meeting Minutes

December 6, 2012
4:00 p.m.

Attendance: Marc El Hassan (Chair), Ernest McDuffie, Ted Wendler, Thomas Martin, Greg Radlinski, Joe Andrews, Leroy Kelly, Alex Marerro, James Edwards, Daniel Blanchard, Danny Becton, Diane Brown

Excused: Patti Anania, Marcella Lowe

Absent: Jason Fischer, David Lane

Also: Tommy Carter – Council Auditor’s Office; Jeff Clements – City Council Research;

Chairman El Hassan convened the meeting at 4:07 p.m. with a quorum present.

Minutes

The minutes of the November 1, 2012 commission meetings were amended on page 1 in the Legislative Tracking Committee report to reflect that the committee recommended that the TRUE Commission express opposition to the passage of Ordinance 2012-655, not 2012-656. The minutes were then approved as amended.

Committee Reports

Legislative Tracking Committee – Commissioner Andrews reported that the committee had met once in November and was following several items of interest: 2012-676, -682 and -703 are economic incentive bills to which Mr. Andrews objects on philosophical grounds, but which appear to have the support of a majority of City Council and the committee therefore declines to offer continued objections; 2012-683 is a Jacksonville Housing Finance Authority bill to approve a new affordable housing incentives in the form of mortgage credit certificates utilizing a partnership with a program in Hillsborough County. The committee is attempting to get a representative of the Housing Finance Authority to attend a future Legislative Tracking Committee meeting or a full TRUE Commission meeting for an explanation.

The Council has enacted 2012-655 appropriating \$300,000 to the Sulzbacher Center for the Homeless, which the TRUE Commission had opposed, and has also enacted 2012-567 retroactively amending the JTA’s FY10-11 budget. Still pending are 2012-625 proposing to solicit interest in purchasers for the JEA, 2012-654 which would restructure and extend a \$200,000 loan to an apartment complex for affordable housing, and 2012-659 authorizing the Housing Finance Authority to issue up to \$40 million in affordable housing bonds.

The Legislative Tracking Committee’s next meeting will be Friday, December 14th at 12 noon.

Performance Committee – Commissioner Wendler stated that the committee had met prior to the full commission meeting and experimented with his pension calculation spreadsheet, altering the variables using the Mayor’s proposed pension changes to see what effect they had on the pension’s long-term financial condition. Limiting City pensions to a maximum of \$100,000 appears to have very little impact because few City retirees receive a pension above that amount. Changing the amount of the annual cost of living adjustment and changing the assumed rate of return on the pension’s investments have the largest effect on future finances. Mr. Wendler is still trying to obtain the actual returns on investments for years back to the 1970s and 1980s but has thus far not been successful. He would like to share the model with the members of the City Council Finance Committee and also with the police and firefighter unions to demonstrate to them how the proposed changes impact the unfunded actuarial liability calculations.

Motion (Brown): that the Commission authorizes Commissioner Wendler to share his pension spreadsheet with the Finance Committee and with the City’s unions – **unanimously approved.**

Mr. Wendler will write a brief narrative description of the model, its assumptions and uses to describe how it can help the recipients make informed decisions on proposed pension changes.

Audit Review Committee – In the absence of Commissioner Lowe there was no committee report.

Auditor’s Report

Tommy Carter of the Council Auditor’s office reported that the office has released two new audits - #725, Sheriff’s Investigative Fund and #726 – Municipal Code Compliance Division Revenue. Several more audits are in process and will be released shortly. Commissioner Martin noted that pending 2012-633 (amending Ordinance Code Chapter 111 to delete the Sheriff’s Investigative Trust Fund) is related to Audit #725, and felt that Audit #726 raises many questions and is worthy of considerable attention by the TRUE Commission. Commissioner Brown felt that the Council Auditor’s Office needs to follow up in a more timely and vigorous manner on its audit recommendations and not wait 12 to 18 months to see if any progress has been made. It is too easy for items to be put off or to fall through the cracks when so much time elapses between original audit and subsequent follow-up. Mr. Carter responded that the Auditor’s Office wants to give the auditee a fair opportunity to make the needed improvements, and doesn’t let items drop despite the passage of time until they are successfully resolved. Chairman El Hassan stated that the Audit Subcommittee has suggested that the TRUE Commission may have a helpful role to play in the audit follow-up process.

Chair’s Comments

Mr. El Hassan spoke earlier today with City Ethics Officer Carla Miller and she has requested to attend a future commission meeting to talk about several items of potential joint interest. The commission agreed to have Ms. Miller attend the January meeting if she is available. Mr. El Hassan asked staff to add Ms. Miller to the TRUE Commission’s e-mail distribution list.

Old Business

Commissioner McDuffie requested copies of the proposed specifications and subsequent bids for the State Attorney’s Office building construction project to see if the City Procurement Division complied with Part 8 of the Procurement Code (Federal Affirmative Action Compliance).

New Business

None

Commissioner Comments

Commissioner Wendler reported the answer to a question posed at a previous Performance Committee meeting about what would be the order of precedence of claims to assets if the Police and Fire Pension Fund were to become insolvent. First priority goes to payments to current retirees, retiree spouses, and other employees who have qualified for full retirement but are still on active employment. Second priority goes to any plan participants who have accrued 10 or more years of benefits. Third priority would go to any plan participants with less than 10 years of accumulated pension time service.

Commissioner Brown suggested that the commission produce a year-end report of its activities. Staff will compile the report and Chairman El Hassan will provide a cover letter.

Commissioner Andrews suggested the need to have all TRUE Commission actions, whether by resolution, report or letter, archived on the commission's web site for easy access by the general public and by commissioners. Staff will work with the City Council's webmaster to accomplish this task.

Public Comments

None

Next meeting

The commission's next meeting is scheduled for Friday, January 4th (rescheduled from the usual first Thursday date because of the City Council's committee meeting schedule changes due to the New Year's holiday). Carla Miller and a representative of the Housing Finance Authority staff will be invited to attend.

There being no further business, the meeting was adjourned at 5:42 p.m.

Posted 1.10.13
4:00 p.m.

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