



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

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

TRUE Commission Meeting Minutes

April 4, 2013
4:00 p.m.

Attendance: Marc El Hassan (Chair), Greg Radlinski, Thomas Martin, Joe Andrews, John Campbell, Danny Becton, Diane Brown (arr. 4:30), Marcella Lowe, James Edwards, Ernest McDuffie

Excused: Ted Wendler, Daniel Blanchard, Patti Anania, Alex Marerro

Absent: Leroy Kelly

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

Chairman El Hassan convened the meeting at 4:04 p.m. with a quorum present.

Minutes

The minutes of the March 7, 2013 commission meetings were amended to correct a typographical error and approved.

A scheduled presentation by City Treasurer Joey Greive on the status of Better Jacksonville Plan finances was canceled due to an unavoidable scheduling conflict. Mr. Greive will make the presentation at the May meeting.

Committee Reports

Legislative Tracking Committee – Commissioner Andrews reported the committee’s recommendations on a number of pending bills:

2013-155 (creating a position of Bicycle/Pedestrian Coordinator in the Planning and Development Department):

Motion (Andrews): that the TRUE Commission opposes the passage of this bill on the basis that 1) the proposed functions for the position should be able to be performed by existing City personnel, and 2) the Ordinance Code should not address specific job specifications for personnel below the traditional department head and division chief level - **approved by unanimous vote.**

2013-156 (creating a Neighborhood Enhancement Trust Fund for poker room revenues in the Regency Square area)

Motion (Andrews): that the TRUE Commission opposes passage of the bill on the grounds that no demonstrated problems or needs arising from the existence of the poker room have been identified and that any such issues that subsequently develop could be dealt with by the City Council in the usual manner through the budget process – **approved by a vote of 8-1** (Commissioner Lowe opposed).

2013-170 (resolution opposing state legislation that would reduce or restrict City revenue from telecommunications services tax changes)

Motion (Andrews): that the TRUE Commission supports passage of the bill while also expressing opposition to any increase in the state sales tax as suggested by the state’s Communications Services Tax Working Group – **approved by unanimous vote.**

2013-178 (resolution urging the Florida Legislature to authorize a second \$2 million per year sales tax rebate for the benefit of facilities that house professional sports franchises): the bill was already approved by City Council so no further action is needed.

2013-187 (appropriating \$14,255,000 from Banking Fund for purchase of the Godbold City Hall Annex)

Motion (Andrews): that the TRUE Commission strongly supports the City’s purchase of the Godbold City Hall Annex building using the \$11 million in recently identified bond refinancing savings and other currently available funding instead of utilizing Banking Fund borrowing.

Motion (Radlinski): amend the Andrews motion to state that the TRUE Commission strongly supports the City’s purchase of the Godbold City Hall Annex building as proposed in 2013-187 but without borrowing to do so.

The commission discussed the proposal at some length and debated the merits of purchasing the building now versus in the future, and the merits of borrowing to make the purchase versus utilizing currently available funds as suggested by the Council Auditor. Those funds were recently appropriated by the City Council to economic development purposes but have not yet been allocated to specific projects or expended.

Motion (Martin): that the question be called – **approved by vote of 10-0.**

The Radlinski motion was **approved by a vote of 8-2** (Becton and Campbell opposed).

Performance Committee – the committee did not meet this month, but will resume its work in May.

Audit Review Committee – Commissioner Lowe reported on the committee’s discussion of Audit #731 – Jacksonville Retirement System Audit earlier in the day. The audit found numerous data errors in the JaxPension system, the computer program recently implemented to replace manual data entry and pension benefits calculations and made several recommendations relating to data access security and the possibility for fraud in the system. Mrs. Lowe noted that the General Employee’s Pension administration had not been audited since 2002 and credited the Auditor’s Office for doing a very thorough job on the audit.

Motion (Lowe): that the TRUE Commission accepts Audit #731 with two recommendations: 1) that a strong internal management structure be implemented in the pension administration office to prevent opportunities for or incidents of fraud, and 2) that data access rights in the pension office be changed immediately when any employee of the office leaves City employment – **approved unanimously.**

Commissioner Brown asked why system access rights weren't covered by a standard City policy regarding passwords that mandate such changes as a standard procedure. Tommy Carter of the Council Auditor's Office said that there are standard Citywide policies on such things as cash management and data access – the problem is with management ensuring that the standard policies are disseminated and always followed.

The Audit Committee will meet again on May 2nd and will discuss Report #730 (Quarterly Budget Summary for 3 Months Ending December 31, 2012) and the Office of Economic Development's new standard incentive contract.

Commissioner Brown asked if the Council Auditor's Office had adopted her suggestion from several months ago that the office enter and track all audit recommendations in a spreadsheet and check off compliance with each item as it occurs. Mr. Carter indicated that that system had not been adopted. The Auditor's Office's standard policy is to follow up with audited agencies 12 to 18 months after the issuance of an audit report. Ms. Brown felt that a proactive tracking system would allow the Auditor's Office to put the onus for compliance back on the auditees by making it easier to keep track of promised improvements and to frequently question their progress toward implementation rather than allowing issues to linger for a year or more before determining if any progress whatsoever is being made toward compliance. Chairman El Hassan noted that the TRUE Commission also has the authority to do its own follow-up with departments and to question their progress toward implementation of audit recommendations.

Auditor's Report

Tommy Carter of the Council Auditor's office reported that Audit #731 discussed above was the last audit released. Several more audits are in process. Commissioner Martin requested that Mr. Carter update the commission on the early history of red light camera enforcement revenues.

Chair's Comments

Chairman El Hassan said that he went to the last City Council Audit Committee meeting and discussed the commission's contract management and Banking Fund studies, but has seen no action yet with regard to either. He suggested that TRUE Commissioners speak to council members personally about 1) sponsoring a bill to reduce the Banking Fund borrowing cap by the amount of projects de-authorized or cancelled and therefore no longer in need of funding, and 2) sponsoring a bill to fund and direct the procurement of a contract management system.

Old Business

Commissioner Radlinski reported that City Treasurer Joey Greive had finally located some of the Police and Fire Pension Fund audited financial statements that had been requested by Commissioner Wendler on behalf of the Performance Committee. Mr. Greive was requested to hold the documents until after the federal tax filing deadline, after which Mr. Wendler will have time to resume his work on the pension project.

Tommy Carter reported that red light camera revenues first go to the state and then a portion is rebated to the locality where the infraction occurred. Since the cameras have not been in operation for very long, he will check and see if any revenues have been received yet.

New Business

Commissioner Radlinski noted that Ordinance 2013-121 pending in City Council would enact an additional \$25,000 homestead for low income seniors who have owned a residence valued at \$250,000

or less for a minimum of 25 years. He opposes adoption of this additional exemption and requested a discussion of the bill at the next Legislative Tracking Committee.

Jeff Clements reminded the commission that a Nominating Committee will need to be appointed in May to develop a slate of officers for election by the commission at its June meeting.

Commissioner Comments

None

Public Comments

None

Next meeting

The commission's next meeting is scheduled for Thursday, May 2nd at 4:00 p.m. The Audit Committee will meet at 2:30 p.m. and the Performance Committee at 3:00 p.m. that afternoon.

There being no further business, the meeting was adjourned at 5:29 p.m.

Posted 5.10.13

4:00 p.m.

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City Council electronic file
Media box