



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

John Palombi, Chair

Pam Korn, Vice Chair

Greg Anderson, Secretary

Meeting Minutes

October 2, 2008

4:00 p.m.

Attendance: John Palombi (Chair), Marcella Lowe, Pamela Korn, Wes Benwick Nicole Lester, John Jolly, Randy Deen, Joe Andrews

Excused: Ron Mallett, Greg Anderson, Elaine Burnett, Louvenia Tippins,

Absent: Mark Cowart

The meeting convened at 4:10 p.m. with a quorum present.

Minutes

The minutes of the August 14, 2008 meeting were **approved as distributed.**

The minutes of the September 4, 2008 meeting were **approved with authorization to staff to correct several minor typographical errors.**

Audit reports

#635 – Medical Examiner’s Office: Commissioner Lowe briefly described the audit’s findings and the actions taken by the City and the Medical Examiner to remedy the troublesome practices identified; a motion to accept the audit without comment and recommend follow-up by the Council Auditor in 1 year was **approved.**

#653 – JSO Investigative Fund 2007: Commissioner Lowe reported that the investigative fund audit findings are much better than when the Commission first began reviewing the annual audits; a motion to accept the audit without comment and await the next annual required audit by the Council Auditor was **approved.**

#651 – Sunshine Law Compliance: Commissioner Lowe reported that thorough training for both City Council members and their staff on the requirements of the Government in the Sunshine law and ordinances is on-going on an annual basis and compliance should not be a problem; a motion to accept the audit without comment and take no further action unless new circumstances indicate that it is necessary was **approved.**

#647 – Procurement, Sole Source/Proprietary Purchases: Commissioner Korn outlined the findings and recommendations of the audit and stated that there are still some outstanding issues that the Procurement Division recognizes need correcting, but that will require additional funding and technological improvements to complete. Ms. Korn recently received additional requested information from the Procurement Division indicating that the volume of these types of procurements for FY06-07 was \$27,622,940 (sole source awards - \$10,987,938, proprietary awards - \$16,665,002) out of a total procurement expenditure of \$212,052,256, or 11.2%. A motion to accept the audit without comment pending the Council Auditor’s normal follow-up within 1-2 years to determine the degree of compliance with the audit recommendations was **approved**. The September 29, 2008 memo from the Procurement Division outlining the dollar amounts and percentages of the various types of expenditures will be attached to the Korn evaluation form for the audit.

Commissioner Lowe stated that the *Florida Times-Union* has pointed out in recent articles on the 40th anniversary of city/county consolidation that problems with procurement processes are still as much of a perennial issue today as they were during the debate leading up to the consolidation vote. She believes the TRUE Commission either needs to create a committee and study the procurement issue in-depth, or at least review every audit for the presence of procurement-related problems and issues.

#649 - Jacksonville Children’s Commission Cash Management: Chairman Palombi reported that the audit found a great many problems and issues with the JCC’s funding of the Brewer Early Learning Center, but felt that since the center was being closed (eventually control was transferred to FCCJ instead) there was no real need to vigorously pursue remedies for the findings. Mr. Palombi indicated that he had written a letter to the Mayor and all City Council members urging that someone at the City take real responsibility for keeping a sharp eye on contracts between the City and private entities (i.e. Jacksonville Shipyards, First Coast Black Business Investment Corporation, Brewer Early Learning Center, etc.) to ensure that the public’s interest is being protected. Councilman Corrigan ensured that many of the TRUE Commission’s suggestions were incorporated in the new Jacksonville Journey oversight committee process, so that indicates some level of recognition of the potential for problems. A motion to accept the audit with no further comments was **approved**.

#654 – Accounts Payable: Chairman Palombi stated that he thinks the responses by the General Accounting Division to the issues raised by the auditors in their audit report were entirely insufficient. There was too much “it’s not our fault” and “there’s nothing we can do about that” and not enough commitment to making needed improvements. He recommends that the commission form a committee to delve further into this issue, which was **approved**. Pam Korn volunteered to chair the committee with the assistance of Nicole Lester. Mr. Palombi will attend their first meeting to provide some background information on his conversations with various people regarding this audit.

Committee Reports

Performance Committee – in the absence of Commissioner Anderson the report was deferred.

Long Term Fiscal Health Committee – Commissioner Jolly indicated that he has talked to City Finance Director Mickey Miller to discuss what topics need to be explored. He also noted that Jacksonville Community Council, Inc. (JCCI) has chosen the city’s long term fiscal health as its community study topic for 2008-09. Commissioner Andrews stated that he intends to be a participant in the study.

Auditor’s Report

Tommy Carter made the report on behalf of the Council Auditor. The City budget process has just wrapped up and a budget summary document will be produced by the end of the month. Now that the time consuming work on the budget has been completed, auditing work will resume.

Chair's Comments

Chairman Palombi reported that he was invited to appear at a meeting of the City Ethics Commission to engage in a discussion about the proposed contract for operation of the Trail Ridge Landfill currently pending before City Council. The contract is being considered by the Council as a sole-source procurement and the Ethics Commission has some questions about the propriety of doing it that way – it is, after all, a contract that could potentially be worth half a billion dollars or more over the 40 or 50 year remaining life of the landfill. The Ethics Commission suggested the possibility of a joint meeting with the TRUE Commission to discuss the issue. Their interest is the openness and transparency and any ethical considerations of the contracting process, not the efficiency and fiscal impacts of the contract itself that might be more in line with the TRUE Commission's mission and interests. Mr. Palombi feels this contract is of sufficient size and importance to merit a look by the TRUE Commission.

The Chairman noted that there are still several audits assigned for review at the September commission meeting that have not yet been reported – hopefully commissioners will have them prepared for consideration at the November meeting. Also, now that the budget season is completed the Auditor's Office will resume its auditing work and begin releasing new audits to be reviewed.

Old Business

None

New Business

None

Commissioner Comments

Commissioner Lowe noted that one or more members of the TRUE Commission attended every Finance Committee budget hearing this year. She feels it would be a valuable exercise for each member who attended a budget hearing to record their impressions, findings, comments, etc. in writing and provide them to staff to compile into a document that could be attached to the commission's annual written report to the Mayor and Council President. Staff was asked to convey that request on behalf of the Chairman to the commissioners absent from today's meeting.

Public Comments

None

Next meeting

The commission's next meeting is scheduled for Thursday, November 6th at 4:00 p.m.

There being no further business, the meeting was adjourned at 4:59 p.m.

Posted 10.6.08
11:50 a.m.

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