



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

John Palombi, Chair

Ron Mallett, Vice Chair

Meeting Minutes

January 4, 2007

4:00 p.m.

Attendance: John Palombi (Chair), Marcella Lowe, Mike Meroney, John Jolly, Ron Mallett, Louvenia Tippins, Charles Curley, Greg Anderson

Excused: Charles Magee, Mark Roesser, Gary Looney, Lou Myers, Bob Lee

Absent: Randy Deen, Elaine Burnett, Mark Cowart, Lee Martin

The meeting convened at 4:05 p.m. with a quorum present.

Minutes

The minutes of the December 7, 2006 meeting were distributed. The Chair requested correction of the minutes to change the meeting date from November 2 to December 7.

◆ The minutes were **approved as amended**.

Committee Reports

Public Parking Committee: In the absence of Commissioner Roesser the report was deferred to the next meeting.

Funding Control and Effectiveness Committee: In the absence of Commissioner Myers the report was deferred to the next meeting.

Performance Committee: Commissioner Meroney reported that the committee had met several times and largely completed a draft of a committee report, which is still under review by the committee. The committee will finalize its report and meet with Neil MacArthur of the General Counsel's Office for his review and comments, and will present its report to the full commission at the February meeting.

TRUE Commission effectiveness: due to the absence of Commissioner Martin the item was deferred.

Chapter 118 Revisions – Public Service Grants: Commissioner Lowe reported that there has been no further action in City Council since last month. She will try to contact Councilman Hyde to seek his reaction to what the TRUE Commission has provided thus far, then will schedule another committee meeting.

Auditor's Report

Council Auditor Kirk Sherman reported that the office had recently issued the final quarterly summary for the completed fiscal year 2005-06. The City budget ended the year in balance due to enforced efficiencies. The JEA budget showed an operating fund balance, in part based on 3 recent rate increases, but did not make the required transfer payments for all of the capital projects underway. This is awkward and indicates that the budget may be precariously balanced. The City and JEA will be meeting in the spring to discuss JEA's annual contribution to the City budget, and this topic will be discussed at that time. Mr. Sherman anticipates that there will be progress on the Ordinance Code Chapter 118 revision process at the next Finance Committee meeting. A large number of non-profit recipients of the City's public service grants met just before the Christmas holidays with Councilman Hyde, Mr. Sherman and Steve Rohan of the General Counsel's Office to discuss potential improvements to the chapter.

Mr. Sherman referred back to his comments at the December meeting at which time he indicated that his office was in the midst of 2 special audits in cooperation with the State Attorney's Office. Both are proceeding and may be near conclusion, but he is not yet at liberty to discuss the particulars of either case. He also noted that his office is assisting the City's external auditor with its review of the City's finances, with his staff providing some of the leg work both to help keep audit costs down and to give his newer employees valuable exposure to the methods and practices of the big independent auditing companies. Finally, two audits are underway and hopefully will be ready for release by March; one deals with employee overtime and the other reviews the City's Special Events Division.

In response to a question from Chairman Palombi about the JEA's budget, Mr. Sherman explained that the authority's apparent year-end shortfall in operating revenue was addressed by "short-changing" the required transfer of funds to the accounts of capital construction projects for future expenditures. The JEA did make its full required contribution to the City's General Fund. Commissioner Jolly indicated from his prior experience at JEA that this is a common practice at year-end for balancing the budget, with the remainder of capital needs being made up through borrowing.

In response to a question from Chairman Palombi about how the Auditor's Office analyzes and prioritizes potential audit targets, Mr. Sherman explained that the factors affecting the ranking of potential audit work include the relative size of the budgetary line item, any previously identified problems within a function, the recent operational history of an entity, and the City Council's interest in particular topics. His office hopes to release a new evaluation and ranking of potential audit topics this spring.

Chair's Report: Chairman Palombi requested that staff e-mail the commission's roster to all members with the request that they update their contact information (phone numbers, e-mail addresses, etc.) for distribution to everyone.

Old Business

- Two commissioners who had volunteered at the December meeting to review recently-released audits were absent, so their reports were deferred to a future meeting.
- Commissioner Lowe reported that Audit #623, the Sheriff's Office Investigative Fund, portrayed continued improvement in the fund's operation, as has been the case in the 4 years the TRUE Commission has been reviewing this function. She recommended that the report be approved without comment. The motion was **approved**.
- Commissioner Mallett reported no progress on his exploration of the topic of "lazy assets". If he doesn't find any further interest on the part of the administration or General Counsel's Office then he will recommend that the subject be dropped.

New Business

None

Commissioner Comments

- Commissioner Anderson remarked on the amount of commission work that appears to be accomplished in committee, and asked if it would be possible to list upcoming committee meetings on the monthly commission meeting agenda so that everyone would be knowledgeable about what is on the horizon. Mr. Palombi explained that the practice of scheduling committee meetings from one meeting to the next during a month doesn't really lend itself to such long-range advertisement. Staff will continue to circulate e-mail meeting notices as they are scheduled and will note such meetings as are pre-scheduled on the monthly agenda.
- Commissioner Mallett suggested the need for committee chairs to compensate for their absences from full commission meetings by informing another member of the committee and having that delegated member make the committee's report so that the work of the committees is constantly being communicated to the full commission.
- Chairman Palombi understands that the Mayor's Office has identified a potential nominee to fill the commission's vacancy, but has not received the name as of yet. He intends to invite the nominee to attend a commission or committee meeting(s) to get a feel for the work of the group.

Public Comments

None

Next meeting

The commission's next meeting will be on Thursday, February 1st at 4:00 p.m. in the City Council Chamber.

There being no further business, the meeting was adjourned at 4:40p.m.

Items pending further follow-up

- Report #624, FY2006/07 quarterly budget summary – Commissioner Deen
- Audit #625, JPA Dredging Contract Review – Commissioner Magee
- Public Parking Committee report – Commissioner Roesser
- Performance Committee report – Commissioner Meroney
- Funding Control and Effectiveness Committee – Commissioner Myers
- Chapter 118 Revisions Committee – Commissioner Lowe
- Definition and scope of a "lazy assets" review – Commissioner Mallett
- TRUE Commission performance review – Commissioner Martin
- JEA "green building" policies – Commissioner Burnett