



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

Ron Mallett, Chair

Elaine Burnett, Vice Chair

Mike Meroney, Secretary

Meeting Minutes

February 7, 2008

4:00 p.m.

Attendance: Ron Mallett (Chair), Louvenia Tippins, John Palombi, Marcella Lowe, Nicole Lester, Mark Cowart, Pamela Korn, Randy Deen, Greg Anderson,

Excused: Mike Meroney, Elaine Burnett, Lou Myers,

Absent: Charles Curley, Charles Magee, John Jolly

The meeting convened at 4:13 p.m. without a quorum present.

Ethics Presentation

Carla Miller, Ethics Officer for the City of Jacksonville, made a presentation about ethics, the Government in the Sunshine law, Florida's public records law, and conflicts of interest. Ms. Miller began by drawing a distinction between "ethics" and "compliance with the law". Ethics is a mindset and a belief, not obedience to a rigid set of rules and regulations. Jacksonville is the only city in the U.S. (except perhaps New York City and Chicago) to have all of the components of a successful ethics program in place. Those components are: 1) an ethics code; 2) a full-time ethics officer; 3) and Inspector General; 4) hotline for whistleblowers to report potential problems; 5) system of internal controls; 6) an Ethics Commission; and 7) grand jury and criminal prosecutions for violations.

Ms. Miller stated that the 3 primary regulations that apply to the TRUE Commission, as an appointed, advisory-only body, are 1) the Government in the Sunshine law (open meetings); 2) the public records law; and 3) prohibition against conflicts of interest. All of the regulations can be simplified to a few basic rules of conduct: 1) don't destroy any written records of commission business – they're public records and must be preserved by staff; 2) never discuss current or potential TRUE Commission business outside of a previously noticed public meeting; 3) don't use intermediaries (i.e. staff or an attorney) or technology (i.e. telephone calls or e-mails) to circumvent the open meetings requirements; and 4) don't participate in any vote the outcome of which could possibly benefit you personally or a member of your family.

Ms. Miller believes that the work of the TRUE Commission could dovetail with the work of the Ethics Commission and the City's Inspector General in tackling problems of integrity and efficiency for the benefit of Jacksonville's citizens. In response to a question about how well the city's whistleblower hotline is working, Ms. Miller state that some good tips have been received and are being followed up the

Inspector General. There have been a few “crazy calls”, as might be expected, but one of the best outcomes might be the ability to identify management problems or internal dissension if a number of calls are received from the same office or division. That might indicate a need to discover what the “corporate culture” of that area is and why the employees seem disgruntled enough to call in complaints. National research has found that only about 1% of employees indicate they would be likely to call a hotline to report problems.

With regard to the City’s compliance with the sunshine and open records laws, Ms. Miller noted that the City Council has gone to great lengths to meet both the letter and the spirit of the laws. The City Council’s web page is a treasure trove of information in the form of meeting notices, agendas, and meeting minutes for both council and committee meetings and their agenda meetings, the lobbyist registry, and streaming video of meetings in progress.

Commissioner Lester arrived and completed a quorum.

Minutes

The minutes of the January 3, 2008 meeting were **approved as distributed**.

Copies of the TRUE Commission charter, by-laws and Policies and Procedures Manual were distributed to the members for discussion at a future meeting.

Committee Reports

Performance Committee – Commissioner Palombi reported that the committee had met to discuss how well (or not) the recommendations arising from its first two studies were being implemented. City Councilman Jack Webb’s Ad Hoc Committee on Budget Efficiencies met for the first time last week with the Council Auditor, Chief Administrative Officer, Inspector General, and others in attendance. Mr. Palombi has been invited to be a member of the committee to add the TRUE Commission’s perspective. The committee has just gotten started asking questions of the various City departments, and their first task will be to review departmental requests for restoration of the 2% “hold-back” of their budget imposed during the budget adoption process last fall.

Fair Taxation Committee – Commissioner Korn noted that copies of the committee’s report had been distributed to all members and briefly reviewed the findings. The committee concluded that Jacksonville’s citizens appear to be fairly taxed when compared with the citizens of Florida’s other large cities and counties and with the citizens of the largest cities in each of the other fifty states. The committee felt that many of the city’s revenue sources are strictly controlled by the state (real and personal property taxes, sales tax, etc.), and therefore the best area for additional research may be in the area of city fees, some of which may not have been adjusted in many years. **By consensus the commission approved the committee report as distributed.**

Effectiveness Committee – In the absence of Commissioner Burnett the report was deferred.

Auditor’s Report

Kirk Sherman reported that 2 new audits were released in January:

- #643 – Court Costs
- #644 – Overtime Costs

Report #643 is an annual exercise that reviews the City’s cost for supporting the state court system with buildings, telecommunications, computers, etc.; in short, everything except personnel costs.

Audit #644 found that the City's payroll system is very complicated, with many, many pay rates, pay differentials, and many other variables. The City depends *heavily* on overtime in several departments, especially the Corrections Division of the Sheriff's Office and in the Fire and Rescue Department. These are driven by a combination of mandated minimum staffing levels and a lack of sufficient personnel to cover all the mandated positions all the time without utilizing overtime. City expenditures on overtime exceeded the overtime budget by 13% in the year studied. Chairman Mallett announced that he would be appointing a committee to review the overtime audit.

Mr. Sherman also mentioned the first meeting of the Ad Hoc Committee on Budget Efficiencies last week, and noted that they will be examining all General Fund functions except for law enforcement and fire and rescue. Questionnaires to each of the other departments about their operations have been distributed for about 2 months, and departmental reviews will start with the Public Works and Recreation and Community Services Departments.

Old Business

Commissioner Lowe expressed her belief that the commission should not have voted to recommend revisions to the commission's charter to reduce the size of the commission by eliminating the 6 CPAC-appointed positions without the matter having been noticed in advance and made a formal agenda item so that all commissioners would have had fair notice and been ready to discuss the issue. She adamantly opposes eliminating the CPAC appointees and reducing CPAC representation to 2 positions out of 12. She feels the 6 CPAC areas are all very different in character and have different problems and perspectives that deserve full representation on the commission through CPAC-appointed members.

Commissioner Korn noted that the commission's by-laws provide that amendments to the by-laws require a 2/3 vote after being published at the meeting prior to the vote. Discussion ensued about the difference between amending the by-laws and amending the City Ordinance Code chapter that stands as the commission's charter. Staff noted that the commission's by-laws are a combination of language taken directly from the Ordinance Code, which cannot be amended except by the City Council, and additional policies and procedures adopted by the commission itself. The commission expressed a need to clarify the issue of Ordinance Code versus by-laws amendments, perhaps via a legal opinion from the General Counsel's Office. The Chairman stated that potential amendment of the Ordinance Code to eliminate the 6 CPAC appointees will be put on hold until further clarification can be obtained.

Chair's Comments

Chairman Mallett appointed a Nominating Committee of Commissioners Anderson (Chair), Lester and Lowe to develop a slate of officers for next year.

Commissioner Comments

None

Public Comments

Tony Bates, a former member and chair of the TRUE Commission, addressed the issues of commission composition and attendance. His belief is that the TRUE Commission's occasional problems with attendance and quorum are a management problem, not a structural one. He and other chairs have devoted considerable time and effort when necessary to contact and prod members to better attendance and, when that has been insufficient, have used the existing ordinance provisions to have the commission declare those seats to be vacant and to ask the appointing authorities for replacement appointees. Mr. Bates feels that the CPAC representatives are vital in representing the diversity of the city on the commission.

Joe Andrews expressed his interest in becoming a member of the commission and tackling the interesting issues that TRUE considers. He is a retired Air Force veteran who spent many years in the construction management field, and is interested in the philosophical issues of government operations.

Next meeting

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

There being no further business, the meeting was adjourned at 5:43 p.m.