



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

Tony Bates, Chair

Meeting Minutes
March 17, 2004
4:00 p.m.

Attendance: Tony Bates (Chair), Dick Berry, Marcella Lowe, Randall Deen, Lee Martin, Charles Curley, John Palombi, Tom Crabtree

Excused: Larry Jaffe

Guests: Richard Wallace and Pam Markham - Council Auditor's office; Mark Roeser and Louvenia Tippins - TRUE Commission nominees

The meeting convened at 4:08 p.m.

Minutes

The minutes of the February 17, 2004 meeting were previously distributed.

-The minutes were **approved as distributed**.

Committee Chairs' Reports

Audit #541 – Jacksonville Children's Commission: in the absence of Commissioner Wolfson the item was deferred to the next meeting.

Audit #585 – Shands Jacksonville Indigent Care: in the absence of Commissioner Wolfson the item was deferred to the next meeting.

CityLink Committee – in the absence of Commissioner Davis a draft resolution expressing the TRUE Commission's support for the Neighborhoods Department's proposed CityLink training program for City line department managers was distributed for action at the April meeting.

Performance Measurement Committee – Commissioner Deen reported that the committee had met on March 5th with City Budget Officer Frank Castriotta, John Kabat of the Quality Office, and City Councilman Kevin Hyde to discuss the city's performance measurement and reporting practices. In brief, the committee found that the City does a great deal of measurement, but the data gathered does not appear to be easily comprehensible to the general public or even to City leaders. There is a great deal of input and output measurement, but no ties to financial analysis or benchmarking to other jurisdictions. Most reporting appears to be done on the "honor system", with no independent verification by the Budget or Quality offices that the measures reported were in fact achieved. The City's financial software package needs considerable upgrading, and some of that effort is in process. The committee will meet again, and all commissioners will be notified.

Policies and Procedures Committee – Commissioner Martin reported that the committee will meet on March 19th at 9:30 a.m. in City Council Conference Room B and interested members are invited to attend.

Audit #583 – Property Appraiser's Office Audit – in the absence of Commissioner Burnett the item was deferred until next month. Council Auditor Richard Wallace noted that the new Property Appraiser, Jim Overton, agreed with the findings of the audit and was in the process of closing out the office's bank account and transferring all funds to the County Treasurer. Commissioner Palombi stated that the scope of the audit was very narrow, and that there

were many other aspects of the Property Appraiser's operations that remained to be the subject of future audits. Commissioner Crabtree hoped that future work would look at the office's policies regarding greenbelt classifications, and Commissioner Lowe hoped that bluebelt policies would be examined as well. Commissioner Bates noted that state law requires property appraisers to reappraise each property in the county every three years, but Jacksonville does not meet that requirement, reappraising only about 25% of all properties each year.

Cash Management Committee – Commissioner Lowe reported that the committee is awaiting responses to several questions posed to various people at the first meeting before scheduling a second meeting. Commissioner Berry asked if the City's cash handling policies applied to other entities that collect cash on behalf of the City, such as SMG's operation of the Sports Complex parking lots or the private operation of the Trail Ridge Landfill?

Emergency evictions procedures – the item was deferred. Chairman Bates stated that the committee will meet with Derek Igou, the Chief of the Property Safety Division.

Audit #580 – First Coast Black Business Investment Corporation – Commissioner Berry reported that he had spoken with Councilwoman Faye Rustin, Chair of the Council Audit Committee, and understood that she had met with Council President Daniels, Councilman Fullwood and representatives of First Coast BBIC to discuss what action to take next. Mr. Berry understood that legislation was being introduced to release to First Coast BBIC the \$300,000 public service grant now being held by the City, after which First Coast BBIC will no longer request City funding through the Public Service Grant program. Pam Markham noted that Councilwoman Copeland's Audit Subcommittee on Public Service Grants had met once and was planning on making substantial changes to the PSG process, including requiring both financial and programmatic audits of PSG recipients. Chairman Bates indicated that he would talk to Councilwoman Rustin about how TRUE could be involved in the resolution of this audit.

Auditor's Report – Richard Wallace noted the upcoming release of audits of the Fleet Management Division and the JEA pipe-bursting project. In answer to a commissioner's question he explained that the Police and Fire Pension is actuarially funded at only a 64% rate (down from 75% funded last year). The recent change to allow simultaneous receipt of both a cost-of-living adjustment (COLA) and the health insurance supplement by Police and Fire Pension retirees added \$1.8 million in additional cost to fully fund the pension this year. The proposed swap of dollars from the Police and Fire base pension fund to the enhanced benefit fund will ultimately affect the City's contribution requirement to keep the pension actuarially sound. Commissioner Deen cautioned that pension fund deficits can have an adverse affect on a jurisdiction's bond ratings if bond insurers are uncomfortable with the amount of potential liability.

Chairman's Report – Chairman Bates stated that he had asked Commissioner Palombi to chair a committee on audit policy/priority to examine how priorities are set to ensure that functions/entities that need to be audited first are done first. Numerous agencies spend City dollars that may or may not be accountable to anyone currently. Which agencies have internal auditors and which don't? How carefully are City dollars being monitored in all these agencies?

Commissioners Deen and Martin questioned whether this committee would be duplicative of the work of the existing Policies and Procedures Committee, and wondered whether the commission was becoming stretched too thin with too many committees in operation at once. Commissioner Berry noted that the commission doesn't have a formal policy about how committees are formed and chairs assigned, and Commissioner Deen expressed the feeling that the full commission ought to vote on the creation of new committees. Commissioner Lowe felt it would be preferable to allow a number of the existing committees to complete their work before establishing a new committee.

Commissioner Palombi moved (second Berry) that the commission establish a committee on audit process and policy.

-The motion **failed** by a vote of 4-4.

Commissioner Berry requested that copies of the Council Auditor's Proposed Audit Plan for 2004 be provided to all commissioners for their information.

Commissioner Crabtree expressed the desire to have a written policies and procedures manual to distribute to new commissioners like himself to allow them to familiarize themselves with the work and procedures of the commission so that they can more fully participate at the outset without having to learn "on the job".

Commissioner Lowe moved (second Martin) that the commission establish a policy of having each commissioner introduce himself or herself at the beginning of every meeting and give a few comments on their background so that those in attendance will understand who the commissioners are.

-The motion **failed** by a vote of 2-6.

Commissioner Lowe moved (second Deen) that staff circulate copies of the resumés of all commissioners to the membership.

-The motion was **approved unanimously**.

Next meeting

The commission's next meeting will be on Tuesday, April 20th at 4:00 p.m.

There being no further business, the meeting was adjourned at 5:45 p.m.

Items pending further follow-up

CityLink Committee – Commissioner Davis Children's Commission audit – Commissioner Wolfson

Government in the Sunshine Law briefing – Chairman Bates Prohibition against use of courtesy parking passes in garages – staff

Performance Measurement Committee – Commissioner Glassman

First Coast Black Business Investment Corporation audit – Chairman Bates

Policy and Procedure Committee – Commissioner Martin Cash Management Committee – Commissioner Lowe

Shands Jacksonville Indigent Care audit – Commissioner Wolfson

Property Appraiser's Office audit – Commissioner Burnett First Coast No More Homeless Pets –

Spay/Neuter Jax audit City Emergency Eviction Procedures – Commissioner Burnett Auditor's Proposed Audit Plan for 2004 circulation – staff Commissioner resumé circulation - staff