



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

Marc Hassan, Chair

## MEMORANDUM

**DATE:** June 28, 2017

**TO:** Dr. Cheryl L. Brown  
Director/Council Secretary

**FROM:** Jeff Clements, Chief  
City Council Research Division

**RE:** TRUE COMMISSION ANNUAL REPORT FOR 2016-17

### Membership

18 members: 6 members appointed by the Council President; 6 members appointed by the Mayor; 1 member appointed by each of the 6 CPACs. Appointees of the Council President and Mayor shall be residents of the City with an interest in city finance planning and budgeting and knowledge or expertise in financial management or accounting. Members appointed by the CPACs shall be residents of the City interested in public finance issues and actively involved in the community. As of June 2017 the commission's membership stands at 10 filled seats, with six of those members continuing to serve beyond the end of their expired terms. One mayoral seat is filled with a member serving beyond the expiration of his term (not eligible for reappointment) and five mayoral seats are vacant. Three Council President seats are filled, with two members serving beyond the expiration of their terms (both eligible for reappointment) and three Council President seats are vacant. Five of the six CPAC seats are filled, with a resolution pending for the appointment of the sixth seat. Three of the six are serving beyond the expiration of their terms (all three eligible for reappointment, although one has announced his intention to decline reappointment).

### Meetings

The TRUE Commission meets on a monthly basis. The commission met monthly from July 2016 through May 2017, with the September and October 2016 meetings cancelled due to tropical storm emergency declarations and the June 2017 meeting cancelled due to lack of a quorum. That meeting was subsequently held later in June, and the July 2017 meeting was cancelled in keeping with the City Council's summer hiatus. Two of the 9-11 active members of the commission throughout the year suffered serious health problems during the year, which prevented their attendance at numerous meetings and contributed to the quorum problem in June 2017.

### Standing Committees

The TRUE Commission currently has three standing committees: Legislative Tracking, Audit, and Internal Operations. The Legislative Tracking Committee meets on a monthly or sometimes bi-weekly basis to review new legislation introduced by the City Council for fiscal or operational impacts and makes recommendations to the full commission of potential recommendations to be made to the City Council

and Mayor. The Audit Committee meets monthly to review audits/reports issued by the Council Auditor's Office and makes recommendations to the full commission of potential recommendations to be made to the City Council and Mayor. The Internal Operations Committee was formed during the 2016-17 year and has met on an occasional basis to review the commission's legislative authorization, policies, procedures and by-laws and to suggest ways to improve the commission's focus and effectiveness.

#### Sampling of topics discussed and recommendations made in 2016-2017

##### Audit Reviews

The TRUE Commission reviewed a total of 23 Council Auditor audits/reports during the year, made 2 recommendations to the City Council and referred one audit to the City Ethics Officer and the Inspector General's Office with a recommendation that they determine whether there were any potential ethical or legal considerations involved in certain employee conduct identified in the audit. The commission is considering whether its Audit Committee might have a useful role to play in supporting the outstanding work of the Council Auditor's Office by offering its services to follow up on the implementation of the recommendations made in the audits on a timelier basis than is now possible given the Auditor's Office's workload. The TRUE Commission believes that some of the Auditor's recommendations, especially in areas where serious deficiencies are noted in policy or practice and where there is a substantial risk of financial impropriety or other malfeasance, need to be followed up to ensure implementation in less than the typical 12 to 18 month time period in which the Auditor's Office reviews compliance. The TRUE Commission could revisit the Auditor's work more quickly to ensure that auditees are in fact implementing changes they have agreed to make in a timely manner to reduce the identified risks.

##### Legislative Reviews

The Legislative Tracking Committee was not as active as usual in 2016-17 due to the retirement from the committee of several long-serving members who had been the mainstay of the Legislative Tracking Committee. Under new leadership the committee spent several of its own meetings and engaged in discussion with the full commission about the appropriate role of the TRUE Commission in legislative review and recommendations. The committee is currently engaged in a process of developing a methodology for determining what legislative items fall within the commission's purview, which of those items merit review, and how information about pending bills can best be transmitted to the CPACs whose areas might be directly impacted by the legislation for the general public's benefit. The TRUE Commission reviewed several dozen pending ordinances without making any recommendations for action to the City Council.

##### Other Topics Addressed

- Mayor's Chief of Staff Kerri Stewart attended a TRUE Commission meeting and gave a very thorough presentation on Mayor Curry's proposal to seek extension of the Better Jacksonville Plan local option sales tax for the purpose of applying the proceeds to amortization of the City's unfunded accrued pension liabilities. The TRUE Commission spent several years in intensive examination of Police and Fire Pension Fund and issued several reports to the Council over those years highlighting issues the commission felt were important to a fair and complete resolution of the many pension-related issues.
- The Chair of the TRUE Commission serves as a member of the Inspector General Retention and Selection Committee, and as such, Chairman Marc Hassan or his delegate attended numerous meetings of the committee as it advertised for and selected a new Inspector General for the City.

- The commission watched with interest and several members provided input as the City Council's Rules Committee considered amendments to or a possible sunset of the commission's legislative authorization in Ordinance Code Chapter 57 via Ordinance 2017-300. The commission understands the concerns expressed some of the commission's activities by some council members during that process and is taking those issues into consideration as part of the self-examination process being undertaken by the Internal Operations Committee.
- The TRUE Commission met jointly with the Jacksonville Ethics Commission to discuss areas of mutual interest and potential avenues for cooperative efforts.