**Taxation, Revenue, and Utilization**

**of Expenditures (TRUE) Commission**

**Daniel Henry, Chair**

**TRUE COMMISSION**

**Preliminary Meeting Minutes**

*The minutes of this meeting are preliminary until reviewed and*

*approved by the TRUE Commission at a future meeting.*

**March 5, 2020**

**4:00 p.m.**

**City Council Conference Room A**

**Suite 425, City Hall**

**Attendance:** Commissioners Daniel Henry, John Roberts, Mark Merritt, Keshan Chamblis

**Excused:** Commissioner Greg Rachal

**Also**: Jeff Clements – Council Research Division; Tommy Carter – Council Auditor’s Office;

See sign-in sheet for additional attendees.

The meeting was convened at 4:05 p.m. and the members introduced themselves for the record.

Approval of Minutes

The minutes of the January 9, 2020 meeting were **approved unanimously as distributed**.

Public Comment

Bruce Tyson, SW CPAC nominee, explained his interest in serving on the commission. Velma Rounsville, CPAC nominee, expressed her pleasure at joining the commission very shortly; her appointment is pending.

Auditor’s Report

Tommy Carter of the Auditor’s Office reported that four reports had been released since the last commission meeting:

* #830 Council Auditor’s Office Annual Report for FY18-19
* #770B Jacksonville Fire and Rescue Department Payroll Audit 2nd Follow-up
* #831 Quarterly Budget Summary for the 3 months ending December 31, 2019
* #796A Visit Jacksonville Audit Follow-up

All will be discussed at the March 12 Audit Committee meeting. Mr. Carter also distributed copies of the Council Auditor’s Office annual report (#830) and the quarterly budget summary (#828). After some discussion, the March 12th Audit Committee meeting was moved to March 19th at 3:30 p.m. following the Legislative Tracking Committee meeting. In response to a question from Chairman Henry about whether the Auditor’s Office tracks similar findings from audit to audit and examines trends, Mr. Carter said they did not. Mr. Henry suggested the methodology used by the Inspector General’s Office which reports findings from all audits/investigations in a consolidated report that makes spotting trends easier.

In response to a question from Chairman Henry, Mr. Carter reported that of the $40 million in Hurricane Matthew expenses submitted for reimbursement, $28 million that has been certified by FEMA has been paid to date. For Hurricane Irma, $73.1 million in expenses has been submitted, $45 million has been certified by FEMA, but only a small amount has actually been reimbursed to date.

In response to a question from Commissioner Roberts about whether the Auditor’s Office has audited the Office of Economic Development, Mr. Carter said that several audits have been performed over the years, although he did not know if any were particularly geared toward evaluating the performance of the companies given the incentive packages.

Commissioner Merritt questioned the expenditure figure for the Office of General Counsel shown on the quarterly budget summary for the last quarter; it appears that the budgeted expenditures are drastically reduced from the previous year ($2,912,542 budgeted in FY18-19, only $169,843 in FY19-20), which is so low that it might be a typographical or other type of reporting error. Mr. Clements described the JEA’s hiring of outside counsel in connection with the now-discontinued privatization exploration process. Commissioners asked several questions about JEA finances and the replacement of the board of directors. All board members have submitted their resignations to the Mayor, but four members have agreed to stay on to constitute a quorum and be able to take action if needed until the new members are approved by City Council and seated.

Committee Reports

Audit Committee – Commissioner Merritt reported that the committee had not met in the last month, but would be meeting on March 19th.

Legislative Tracking Committee

Commissioner Roberts reported that the committee met at 3:00 p.m. and looked at a few of the new introduction bills :

2020-187: Office of Economic Development support to the Springfield Lofts project in the form of a $1 million REV grant, a $1 million project completion grant, and a $1 million project loan.

2020-148: an ordinance approving a land swap with developer Chase Properties of a City-owned 2.3-acre parcel on San Jose Boulevard for a privately-owned 52 acre parcel adjacent to the Goodby’s Creek Preserve.

Chair’s Comment

Chairman Henry reported that he had met with the Southeast CPAC last week and talked about the TRUE Commission’s history, mission and current membership. He talked about the work the commission has done over the past few years and answered questions about who would be good candidates for membership on the commission. He offered to do the presentation for other CPACs. Mr. Henry will send his PowerPoint presentation to staff to circulate to the commission members.

The commission’s annual report is due in June, so he encouraged the members to start thinking about what needs to go in that report to highlight the commission’s activities.

Mr. Clements reported that no response has been received to the commission’s letter to the Mayor’s Office requesting information about the Mayor’s intent to appoint members to the commission. Commissioner Chambliss suggested that Chairman Henry arrange a meeting with someone in the Mayor’s Office to discuss their intentions. Mr. Henry agreed to do that. Commissioner Merritt suggested that the City Council could amend the commission’s authorizing legislation to change the composition of the TRUE Commission and eliminate mayoral appointees if the Mayor has no intention of appointing any members. Commissioner Roberts suggested that research be done on mayoral vacancies on other boards and commissions to see if the TRUE Commission’s experience is part of a larger trend regarding vacant mayoral appointments. Mr. Clements said the Council Research Division will scan its database for vacant appointments and the appointing authorities. Mr. Clements will provide contact information for Dr. Johnny Gaffney, the Mayor’s boards and commissions liaison, to Chairman Henry to arrange a meeting.

Old Business

Evaluation of the City’s performance on Qualified Targeted Industry incentives in comparison with other similar Florida counties:

Commissioner Roberts said the state has a very thorough database on QTI incentives from which he drew his information for the draft report he distributed for consideration. The data shows that Jacksonville performs very well in comparison with other Florida counties in the QTI program and recommends that the City annually benchmark itself against other similar counties to measure its performance. Mr. Roberts also advocated for wide-ranging comparison of Jacksonville to other Florida governments on a variety of performance measures

**Motion** (Roberts): approve the draft OED performance report on QTI incentive use as distributed – **approved unanimously**.

Commissioner Merritt said he will finish the final revisions to the by-laws document and send it in to staff for distribution to the membership.

New Business

Commissioner Roberts distributed an Estimate of Future JEA Electrical Demand draft report he had compiled in response to what he saw as a lack of fundamental information informing the JEA privatization debate regarding JEA’s projected future electric sales. He utilized electricity consumption projections from federal agencies and multiplied them by population projections for the city to project demand through the year 2050. In response to a question from Mr. Henry, Jeff Clements explained the plan for the Future of JEA Workshops, which intend to hold one or two more meetings to get some basic background information on trends in the utility industry nationally and on JEA in particular.

Mr. Roberts explained the methodology of his report, combining population growth projections for the city with national per capita energy consumption projects to develop an electric use projection. Chairman Henry asked for a copy of the JEA Investigatory Special Committee’s future electric sales projections.

Chairman Henry asked staff to invite Ken Lathrop, Chief of the Information Technology Division, to the commission’s April meeting to discuss implementation of the1Cloud enterprise resource management system, particularly its use for the upcoming budget season. Commissioner Merritt is particularly interested in the degree of public access to live, searchable data rather than simply huge PDF files.

Commissioner Roberts said he would like to hear from the Jacksonville Port Authority about whether they think Jacksonville will be a major player in the international shipping business into the future and how they envision that happening. He questions why they would think that Jacksonville would be a major port and beat out others on the east coast to attract particularly the Asian container trade.

Mr. Roberts also said wants to learn about how much of the Jacksonville Aviation Authority’s general aviation capacity is actually being used and what their plans are for runway expansions at the various airports. He believes the long-running argument over potential Craig Field runway extension is heated but generally conducted on a fact-free basis. Bruce Tyson, a TRUE Commission nominee and a member of the Cecil Field Advisory Board, said that airport is being heavily developed with new facilities and company expansions, and the Spaceport effort is finally beginning to gain traction. Mr. Tyson offered to invite the Cecil Field operations manager to a future meeting. Staff was instructed to contact the JAA and ask for a representative to come to a future meeting and discuss general aviation capacity system-wide. Commissioner Roberts will develop a list of questions to pose.

Next meeting

Full commission - April 2 at 4:00 p.m.; Legislative Tracking and Audit Committees on March 19th at 3:00 and 3:30 p.m., respectively.

The meeting was adjourned at 5:19 p.m.

Jeff Clements, City Council Research Division

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Posted 3.11.20 5:30 p.m.