



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

Dr. Keshan Hargrove, Chair

## TRUE COMMISSION PRELIMINARY MEETING MINUTES

*(Note: these minutes are not official until reviewed and  
Approved by the commission at a future meeting)*

**June 5, 2025**

**4:00 p.m.**

**Lynwood Roberts Room, 1st floor, City Hall**

**Attendance:** Dr. Keshan Hargrove (Chair), Charles Barr (Vice Chair) Commissioners: Stephanie Oglesby (arrival 4:15 PM), Kevin Luhrs, Velma Rounselle (arrival 4:10 PM), Andrea Letizia (arrival 4:06 PM), Ramon Day (arrival 4:18 PM)

**Excused:** Commissioners: Anthony Zoubini, Kim Pryor, Bruce Tyson, Chris McHugh, Daniel Henry, Alexander Hoffman

**Also:** Nayeli Jimenez– City Council Research; Tommy Carter – Council Auditor’s Office, David Johnston– Inspector General Office

Chair Hargrove convened the meeting at 4:00 p.m. and the attendees introduced themselves for the record.

### Approval of minutes

The minutes of the May 8, 2025 commission meeting were approved unanimously as distributed.

### Public Comment

None

### Council Auditor’s Report

Tommy Carter, Council Auditor’s Office reported that the Council Auditor’s Office released Report #890, covering the nine months ending March 31, 2025. JEA is projected to exceed its appropriation authority in the Electric System due to rising fuel costs, prompting a proposed \$28 million appropriation amendment. JEA still anticipates a \$3.6 million surplus. JPA is projecting a \$37.4 million surplus with no issues, and JTA a \$2.3 million surplus, though it will exceed appropriation authority by \$2.4 million, to be covered by grant funds. The City’s General Fund shows a \$22.3 million positive variance, attributed to savings in healthcare costs, debt service, and increased revenues from utility and property taxes. Negative variances were reported in state shared revenues and interest earnings. Expenditure variances include \$9.8 million in debt service savings and \$47.7 million in internal services, particularly fuel and technology. JSO shows a \$7.3 million positive variance; Solid Waste reports a \$3.4 million surplus. City venues have a \$45.8 million negative cash balance due to an accounting error, though funds are available in the correct account. The City’s audit is still pending.

Commissioner Charles Barr inquired about the timing of future budget-related discussions. Mr. Carter responded that it would be up to the Chair's discretion whether to present reports without a formal meeting. He added that the budget cycle would begin in approximately 10 to 15 days, which would pause regular audits.

Audit Committee

None

Legislative Tracking Committee

None

Chair's Comments

None

Old Business

None

New Business

Inspector General David Johnston provided an update on current audits and initiatives. He noted that while investigations remain confidential, several audits are underway. His office is currently reviewing the City's tuition reimbursement policies. A prior audit of the City's program found no fraud, but identified areas for improvement related to documentation, reimbursement timeliness, and the tracking of repayment obligations when employees leave within one year of receiving benefits. The program had been tracked using a shared, unprotected Excel spreadsheet, which posed control risks. Recommendations were made, and a follow-up audit is planned for later this year.

Mr. Johnston stated that a similar review of JTA's tuition assistance program is in the early stages, with completion anticipated before the end of the fiscal year. His office is also auditing the Technology Solutions Department's tracking of devices and asset decommissioning, as well as the timeliness of high-priority responses by Animal Care and Protective Services (ACPS). The ACPS audit focuses on dispatch and case resolution for urgent cases. A prior audit by the Council Auditor's Office had reviewed ACPS's cash handling procedures, so the IG's office did not duplicate that review. He also discussed a data analysis his office conducted on City-issued P-card usage. Three years of transactions were analyzed using a City-approved vendor. Some personal charges were identified, mostly tied to user error such as linking a City card to a personal Uber account. All were reimbursed prior to the audit's review. He emphasized this demonstrated a risk of accidental misuse and highlighted a new software tool under consideration by the Mayor's Office that can analyze P-card transactions in near real time, including itemized receipts for vendors such as Amazon.

Chair Hargrove asked about any IG involvement with the reported gun registry issue. Mr. Johnston responded that his office was not involved, as no complaint had been filed with them and the matter was referred directly to the State Attorney's Office as a criminal investigation. The IG's office does not pursue criminal cases but will assist if asked.

Commissioner Luhrs asked for clarification on the tuition reimbursement audit findings. Mr. Johnston reiterated that documentation issues and process delays were identified, though all reimbursements appeared legitimate. He noted that the lack of controls, such as unsecured spreadsheets, represented a risk that was flagged for improvement.

Mr. Luhrs also asked whether policies exist to prevent the use of personal accounts for services like Uber or Amazon. Mr. Johnston explained that there is a policy in place for Amazon, but was unsure about Uber. He said he would follow up and possibly recommend establishing such a policy.

Commissioner Letiza asked about controls over the Excel tracking files. Mr. Johnston confirmed the files were not password-protected and were stored on a shared drive accessible to Employee Services staff. His office recommended either using built-in protections or transitioning to a case management system, acknowledging that budget constraints may limit options. Mr. Johnston concluded by noting that his office follows the City's fiscal year in developing its audit plan and may add additional audits throughout the year as needed. He also reiterated their focus on public outreach to encourage reporting and build awareness of the Inspector General's role.

Chair Hargrove opened the floor for suggestions on individuals or groups the Commission may wish to invite to future meetings, noting that there will be no meeting in July. Commissioners discussed inviting representatives from JSO, including possibly the Sheriff, to address various topics. The Commission considered extending an invitation to the Sheriff for the August meeting, while remaining flexible based on scheduling availability. There was also discussion about inviting Council Member Gay to provide insight on a previously discussed ordinance 2024-729. Several commissioners recalled opposition from the Associated Builders and Contractors (ABC) and expressed interest in hearing Council Member Gay's perspective and the ordinance's impact, especially if cost savings have been realized. Further conversation focused on the relocation of the Sulzbacher Center and the jail. Commissioners questioned who is funding these relocations and whether the Jacksonville Jaguars had any influence over the projects. It was noted that the Sulzbacher move is likely due to facility limitations, not team-related pressures, and that jail relocation stems from structural issues. Commissioners expressed a desire for more transparency regarding the financial and policy rationale behind these projects. The Commission discussed the Downtown Investment Authority (DIA) CEO search and the timeline for board approval. Commissioners indicated interest in inviting the new CEO in the fall and obtaining more details on the candidates' qualifications. There was also a brief discussion about whether the DIA's return on investment (ROI) calculations for development projects, such as the stadium redevelopment, were consistent and methodologically sound. Concerns were raised over the variability in ROI figures presented in different public forums, and questions were raised about whether methodologies such as net present value were used.

Commissioner Day mentioned plans to update a staffing report on JSO, noting he expects the current staffing situation to be more deficient than in prior years. He emphasized that despite recent improvements in pay and benefits, the city still struggles to retain officers. He also suggested that future TRUE Commission efforts could include reviewing variance reports comparing departmental budgets to expenditures and highlighted that some of this data is available in the quarterly reports released by the Council Auditor's Office.

#### Next meetings

Audit Committee – at the call of the Chair as needed when new audits/reports are released

Legislative Tracking Committee – at the call of the Chair as needed

Full commission – August 7, 2025

The meeting was adjourned at 5:11 PM

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Posted 06/10/2025 5:00 PM