

Clearwater, Florida, February 23, 2004

A meeting of the Pinellas County Charter Review Commission (CRC) (as created by Chapter 80-590, Laws of Florida) was held in Conference Room 211, Swisher Building, 509 East Avenue South, Clearwater at 5:06 P.M. on this date with the following members in attendance:

Robert C. Decker, Chairman
Louis Kwall, Vice-Chairman
Jim Sebesta, State Senator
Everett S. Rice, Sheriff
Susan Latvala, County Commissioner
John Bryan, City of St. Petersburg Councilmember
E. D. Armstrong, III
Roy Harrell
George Jirotko
Mayme Hodges
Elizabeth Mannion
Roger Wilson

Absent:

Ricardo Davis

Also Present:

Karleen F. De Blaker, Clerk of the Circuit Court
Claretha N. Harris, Chief Deputy Director, Finance Division
Myriam Irizarry, Chief Deputy Director, Court and Operational Services
Division
Robert W. Melton, Chief Deputy Director, Internal Audit Division
Susan H. Churuti, County Attorney
James L. Bennett, Chief Assistant County Attorney
Stephen M. Spratt, County Administrator
D. Gay Lancaster, Chief Assistant County Administrator
Elithia V. Stanfield, Assistant County Administrator
Mark Woodard, Assistant County Administrator
Chris Staubus, Assistant Director, Utilities
Kurt Spitzer, KS&A
Other interested individuals
Caroline J. Jones, Board Reporter

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AGENDA

1. Call to Order
2. Approval of Minutes
3. Public Comment
4. Further Discussion of Issues for Consideration by CRC
5. Discussion of Audit, Accounting and Financial Systems
6. Other Business
7. Adjourn

CALL TO ORDER

Chairman Decker called the meeting to order at 5:06 P.M.

MINUTES OF MEETING OF FEBRUARY 9, 2004 – APPROVED

Commissioner Latvala moved, seconded by Ms. Hodges and carried, that the minutes of the regular meeting of February 9, 2004 be approved.

PUBLIC COMMENT – NONE

No one appeared in response to the Chairman's call for persons wishing to be heard.

DEADLINE OF MAY 24, 2004 - APPROVED FOR ACCEPTANCE OF NEW CRC ISSUES; MAJORITY VOTE PLUS ONE REQUIRED AFTER DEADLINE

Chairman Decker offered an April 12, 2004 deadline for consideration as the cut-off date for any new issues to be brought before the Commission for its deliberation; whereupon, input from the members included:

Senator Sebesta suggested widespread advertising of deadline if approved.

Councilmember Bryan expressed preference for a majority vote.

Mr. Armstrong suggested May 24 as an appropriate deadline.

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Following further discussion, Councilmember Bryan moved, seconded by Commissioner Latvala, that the May 24, 2004 deadline for acceptance of additional issues be approved with the stipulation that any other issues brought before the Commission after said date require a majority plus one vote. Upon call for the vote, the motion carried unanimously.

Referring to a draft timeline enumerating the issues scheduled for review by the Commission; a copy of which has been filed and made a part of the record, Chairman Decker conducted a survey of the members with regard to additional matters or concerns that they wish to include at this time; whereupon, discussion ensued with Mr. Harrell requesting that discussion on retaining a forum where both city and county representatives are able to convene be addressed.

DISCUSSION OF AUDIT, ACCOUNTING AND FINANCIAL SYSTEMS

Mr. Spitzer provided background information with regard to the responsibility for audit, accounting and finance functions being moved from the Clerk of the Circuit Court; and indicated that the duties of the constitutional officers are mandated by general law; and that the Home Rule Charter does afford adjustment of those positions and duties.

Clerk De Blaker presented an account of her 23-year tenure as Clerk of the Circuit Court and an overview of the duties and responsibilities associated with the constitutional office, a copy of which has been filed and made a part of the record. She noted the importance of an elected official's role with regard to "checks and balances"; that audits are conducted annually by an external auditor; and that the primary function of the Finance Division is to ensure that all expenditures constitute a public purpose; whereupon, she introduced Chief Deputy Directors Clareth N. Harris, Myriam Irizarry, and Robert Melton.

Mr. Spratt stated that the Commission has been asked to consider vesting audit authority with the Board of County Commissioners (BCC) and not an appointed official; and indicated that there are two questions before the Commission for its deliberation:

1. Who should have the responsibility of the audit function?
2. Where should the financial accounting responsibilities reside?

He explained that productivity, efficiency, and maximizing resources are issues which need to be considered with regard to the financial responsibilities; that vesting the County Commission with an audit function does not mean eliminating the Clerk's auditing power; that there has been no coordination between the Clerk's audit and performance

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reviews performed by the Office of the County Administrator; and that the establishment of a County Commission auditor would eliminate duplicative efforts and provide the Commission with audit jurisdiction.

Responding to comments by Mr. Spratt and to Mr. Spitzer's memorandum of February 16, 2004, Clerk De Blaker indicated her concurrence with payroll transactions being processed with one type of system although her budget does not allow the purchase of a new computer system; that under Florida Statute 125 the BCC has the right to investigate and request reports of any department; and that the definition of the Clerk's auditing responsibility does not exclude performance audits. Responding to queries by Messrs. Armstrong and Kwall, she indicated that her office performs a pre-audit function wherein expenditures are reviewed for accuracy and public purpose validity before payment; and that the function should remain under the purview of an elected official who only answers to the citizenry. In response to query by Mr. Kwall as to the Clerk's staff currently performing the financial functions, Mr. Spratt indicated that a transfer of capability may be necessary; and that there may be opportunity to economize since there is a duplicity of services performed.

Following discussion and in response to query by Mr. Harrell, Mr. Melton provided examples where problematic financial and performance practices had been identified through the "checks and balances" scenario. Responding to Mr. Harrell's request to identify "gray" areas, Mr. Spratt noted a situation wherein the Clerk had refused to pay an invoice unless deemed a public-purpose expenditure by BCC resolution; and that the role of the Clerk's audit and its relationship to performance in departments under the BCC merits clarification.

Responding to additional queries and comments by Commission members, Mr. Spratt indicated that Clerks in other jurisdictions have deputized an individual to function in the role of a disbursement officer with the Clerk retaining the ability to verify that the pre-audit function is performed adequately; that if a separate audit function is established, the individual should report to the County Commission; and that his staff had been aware of the situation in the Building Department as reported by Mr. Melton, and was in the process of addressing it before the audit was conducted.

Following further discussion and input by the Clerk and Mr. Spratt, Chairman Decker opened the meeting to internal discussion and reaffirmed that there were no citizens to be heard.

Responding to query by Mr. Wilson, Attorney Churuti advised that the current CRC meetings are noticed through the County's Communications Department; that the County does not use the newspaper of general circulation for all its advertising; and that the CRC

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may direct staff on that decision; and in response to query by the Chairman, indicated that based on member input at the first meeting, advertisement in the newspaper will commence when specific ballot questions have been established in order to alert the public; and that public hearings will be held throughout the County to receive public input.

Councilmember Bryan concluded that if the computer systems were compatible many of the issues would be eliminated; and suggested that the BCC could employ an auditor to look at business from an operational standpoint.

Mr. Harrell indicated that the CRC should assess the issues in a broader scope, taking into consideration their vision for the County in ten to 15 years; whereupon, Mr. Kwall countered that the purpose of the Commission is to deliberate over the issues presented, attempt to resolve many of them, and compress the information in a context the public will readily understand; and that long-term visioning should be left to the BCC.

In response to comments by Messrs. Harrell and Kwall, Commissioner Latvala articulated that she believes the purpose of the CRC is to ensure County government operates in the most efficient and effective manner to assure that the best level of service is provided to its citizens.

OTHER BUSINESS

Attorney Churuti referred to two constitutional limitations relevant to the Board of County Commissioners, and advised that the BCC is constitutionally prohibited from hiring its own internal auditors and from conducting audits of the constitutional officers; whereupon, she provided history and background information with regard to former Charter Review Amendments that had failed on the ballot in Pinellas County.

ADJOURNMENT

There being no further business to become before the Commission, Chairman Decker adjourned the meeting at 7:02 P.M.