



**2018 CHARTER REVIEW COMMISSION
MINUTES**

**REGULAR MEETING
MARCH 5, 2018**

The 2018 Charter Review Commission convened in a regular meeting on Monday, March 5, 2018, Austin City Hall, 301 W. 2nd Street, Austin, Texas.

Chair Palvino called the Commission Meeting to order at 6:33 p.m.

Commission Members in Attendance:

Commissioner Authur	Commissioner Borgelt
Commissioner Cotera	Commissioner Lewis
Chair Palvino	Commissioner Smith
Commissioner Ward	Vice-Chair Weigand

Commission Members absent:

Commissioner Hersh, Commissioner Musselman and Commissioner Martinez-Moncada

Staff in Attendance:

Jannette Goodall, City Clerk's Office
Myrna Rios, City Clerk's Office
Jerikay Gayle, Law Department
Lynn Carter, Law Department

1) CITIZEN COMMUNICATION: GENERAL (3 minutes to speak)

No speakers registered.

2) APPROVAL OF MINUTES

- a) Approval of minutes from February 26, 2018 meeting.
This item was postponed to March 12, 2018 without objection.

3) NEW BUSINESS

The Commission may discuss and take action on the following agenda items:

- a) Recommendation Council Budget and Efficiency Officer.
Presentation was made by Frank Rodriguez (see attachment). The item was approved as amended below on Commissioner Lewis's motion, Commissioner Cotera's second on a 7-0 vote. Commissioner Ward was off the dais.

On the proposition language to read "...(1) information with respect to the budget, appropriations, ...".

- d) Recommendation from the Petition Working Group on revisions to the petition process.
Commissioner Borgelt provided an update on the recommendation submitted by the Petition Working Group. (See attachment)

The following recommendations were made regarding Power of Recall requirements:

- **To revise the second sentence to state that “...and shall be treated as a ballot measure for campaign finance reporting requirements from the date such notice is filed.”**
- **To revise the first sentence to clarify that “The people of the city reserve the power to demand to recall any member ...”.**

A motion to adopt the proposed recommendation relating to the Power of Referendum was approved on Commissioner Borgelt’s motion, Commissioner Smith’s second on a 7-0 vote. Commissioner Ward was off the dais.

A motion to adopt the proposed recommendation relating to the Power of Recall with the recommendations listed above was approved on Commissioner Lewis’s motion, Vice-Chair Weigand’s second on an 8-0 vote.

- b) Recommendation on Charter provisions related to terms and appointments of Planning Commission Members.

Jannette Goodall, City Clerk’s Office and Jerikay Gayle, City Law Department provided a brief history of the issue and the staff recommendation for the planning commission appointments and terms to be determined by ordinance. (See attachment)

This item was postponed to a future meeting without objection.

- c) Recommendation from the City Auditor regarding staff of the Auditor’s Office being exempt from Municipal Civil Service.

Speakers were: Jason Hadavi, City Auditor’s Office and Carol Guthrie, AFSCME.

This item was postponed to the March 12, 2018 meeting without objection.

- e) Recommendation from the Campaign Finance and Ethics Working Group on an Independent Ethics Review Commission.

This item was postponed to the March 12, 2018 meeting without objection.

- f) Discussion on the impact of redistricting on the 2022 Election.

This item was postponed to March 12, 2018 without objection.

4) FUTURE MEETING DATES AND AGENDA ITEMS

The Commission may discuss and identify additional meeting dates and future agenda items, topics or presentations.

The following items were identified for the March 12, 2018 meeting.

- **Approval of minutes**
- **Recommendation from the Campaign Finance Work Group on the Independent Ethics Review Commission.**
- **Recommendation from the Campaign Finance Work Group on the Voucher Program**
- **Recommendation from the City Auditor regarding staff of the Auditor’s Office being exempt from Municipal Civil Service**

- **Discussion on the impact of redistricting on the 2022 Election**
- **Revenue Bonds**

Chair Palvino adjourned the meeting at 7:56 p.m. without objection.

PROPOSED CHAPTER 2.9. CITY BUDGET AND EFFICIENCY OFFICER

CHAPTER 2-9. - CITY BUDGET AND EFFICIENCY OFFICER.

§ 2-9-1 – MISSION AND PURPOSE

- (A) The City Council Budget and Efficiency Officer's mission is to produce independent analyses of budgetary and fiscal issues to support the Austin City Council's budget process by issuing reports and reviews of proposed and existing programs.
- (B) The purpose of the City Budget and Efficiency Office is:
- (1) to provide the City Council and citizens with an independent and credible assessment of the budget;
 - (2) to strengthen the budget process that improves transparency, accountability, and participation;
 - (3) to influence the allocation of public funds through the budget;
 - (4) to demystify the technical language of the budget and to open up the budget to public scrutiny.

§ 2-9-2 - APPOINTMENT.

- (A) The office of the city budget and efficiency officer (CBEO) is created under Section XXX (of Article XXX of the Charter. A majority of the council shall appoint a city budget and efficiency officer in accordance with the procedure established in Section 2-9-3 (*Selection Process*).
- (B) The council may not appoint a city council budget and efficiency officer who:
- (1) has served as the City's mayor, a council member, or city manager within five years before the date of the appointment; or
 - (2) is related, by affinity or consanguinity within the second degree, to the mayor, a council member, or the city manager.
- (C) The council shall provide the city council budget and efficiency officer with a discrete budget sufficient to perform the auditor's responsibilities and duties under this chapter.
- (1) The appropriations available to pay for the expenses of the city council budget and efficiency office during each fiscal year shall not be less than twenty percent of the appropriations available to pay for the expenses of the City Manager's Financial Services Budget office.
- (D) A majority vote of the members of the council is required to remove the city council budget and efficiency officer as provided by Section XXX (*City Council Budget and Efficiency Officer*) of Article XXX (Finance) of the City Charter.

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§ 2-9-3 - SELECTION PROCESS; CITY COUNCIL BUDGET AND EFFICIENCY OFFICER.

- (A) The council shall appoint a nominating committee to recommend candidates for city budget and efficiency officer. The committee shall consist of five members, including:
 - (1) three council members appointed by the council from the Council Audit/Finance Committee;
 - (2) the city auditor; and,
 - (3) the city's chief financial officer.
- (B) Not later than the 15th day after its members are appointed, the nominating committee shall hold its first meeting to consider applicants for the city council budget and efficiency officer. The committee shall select a chair and vice chair by majority vote.
- (C) Not later than the 90th day after its first meeting, the nominating committee shall recommend to the council three candidates selected by a majority of the committee members.
- (D) Not later than the 15th day after the council receives the nominating committee's recommendation, the council shall select a city council budget and efficiency officer from the recommended candidates.
- (E) If the city council budget and efficiency officer position is vacated, the city council budget and efficiency officer's first assistant shall serve as acting city budget and efficiency during the vacancy.

§ 2-9-4 - QUALIFICATIONS FOR CITY BUDGET AND EFFICIENCY OFFICER.

The city budget and efficiency officer must:

- (1) be knowledgeable in fiscal and budget analysis, public administration, and municipal finance and fiscal practices;
- (2) have a graduate degree in finance, economics, public administration, business or another relevant field.

§ 2-9-5 - POWERS AND DUTIES.

- (A) The city budget and efficiency officer shall conduct a budget and financial analysis of the City Manager's proposed budget.
- (B) The city budget and efficiency officer shall communicate directly with the council audit committee and the council, attend council audit and finance committee meetings, and regularly meet with council.
- (C) The city budget and efficiency officer shall prepare an annual budget options report of potential cost savings reforms and efficiencies.

PROPOSED CHAPTER 2.9. CITY BUDGET AND EFFICIENCY OFFICER

- (D) The city budget and efficiency officer may conduct a budget review of a current City function, program, service, or policy to determine if they are effective in achieving its stated or intended result or benefit.
- (E) The city budget and efficiency officer shall appoint such personnel and procure the services of experts and consultants within the appropriations available therefor, as may be necessary for the officer to carry out the duties and functions assigned.
- (F) The city budget and efficiency officer shall be authorized to secure such information, data, estimates, and statistics from city departments as the officer determines to be necessary for the performance of the functions and duties of the office, and such departments shall provide such information to the extent that it is available.
- (G) The city budget and efficiency officer shall from time to time publish reports as may be appropriate to enhance official and public understanding of the budgetary process and of the budget documents published by the City Manager and Council. The reports will include information, data, and analysis that enhance official and public understanding of matter relating to city revenues, expenditures, financial management practices and policies and related matters.

§ 2-9-6 - EMPLOYEES.

- (A) Except the council budget and efficiency officer and an assistant otherwise designated by the council budget and efficiency officer, an appointee or employee of the office is in the City's classified personnel service.
- (B) The council budget and efficiency officer has the authority to appoint, employ, and terminate an assistant or other personnel as necessary to operate the council budget and efficiency officer's office, independently of the direction of the city manager subject to the budget approval process and personnel policy established by the council for each City department.
- (C) The city manager or council may not direct the council budget and efficiency officer to appoint, employ, or terminate an assistant city council budget and efficiency officer or other office personnel, subject to the City's personnel rules and regulations.

§ 2-9-7 - ANNUAL WORK PLAN.

- (A) Not later than the 30th day before the beginning of a calendar year, the city council budget and efficiency officer shall submit an annual work plan to the council for review and comment through the council audit and finance committee.
- (B) An annual work plan under this section shall identify the scope of the budget review that the council budget and efficiency officer intends to conduct, including:
 - (1) the department, organization, service, program, function, and policy to be reviewed; and
 - (2) each potential budget and fiscal objective to be addressed.

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- (C) If the council budget and efficiency officer notifies the council audit and finance committee and obtains comments from the committee, an annual work plan may be amended by the city council budget and efficiency officer. The council budget and efficiency officer may request an amendment independently, or at the request of the council audit and finance committee.

§ 2-9-8 - REPORT PREPARATION AND RELEASE.

- (A) The city council budget and efficiency officer shall prepare a draft report for each budget review and deliver the report to the city council.
- (B) The city council or delegate this to the City Council budget and efficiency officer and will send the report to the city manager and request written comment on the reported budget review findings and a written response to each recommendation on or before a date agreed to by the city manager and the council budget and efficiency officer.

§ 2-9-10 - PEER REVIEW.

- (A) The council budget and efficiency officer is subject to peer review not less than once every three years by a professional, non-partisan, objective person or group, that includes budget and fiscal expertise or other professional with appropriate government municipal finance and budget expertise and experience.
- (B) Peer review shall determine budget efficiencies achieved through the work of the council budget and efficiency officer
- (C) After the council audit and finance committee has reviewed and approved the written peer review report, the committee shall provide a copy of the written peer review report to each member of the council.
- (D) The city council budget and efficiency officer shall pay the cost of the peer review, including reasonable travel and living expenses, from the council budget and efficiency officer budget.

ARTICLE IV. - INITIATIVE, REFERENDUM, AND RECALL.

§ 2. - POWER OF REFERENDUM.

The people reserve the power to approve or reject at the polls any legislation enacted by the council which is subject to the initiative process under this Charter, except an ordinance which is enacted for the immediate preservation of the public peace, health or safety, which contains a statement of its urgency, and which is adopted by the favorable votes of eight (8) or more of the councilmembers. Within 180 days of passage of an ordinance upon third reading, a petition signed by qualified voters of the city equal in number to the number of signatures required by state law to initiate an amendment to this Charter may be filed with the city clerk requesting that any such ordinance be submitted to a vote of the people for repeal or approval. A notice of intent to circulate such a petition shall be filed with the city clerk prior to doing so.

§ 6. - POWER OF RECALL.

The people of the city reserve the power to recall any member of the council and may exercise such power by filing with the city clerk a petition, signed by qualified voters of the territory from which the council member is elected equal in number to at least 20 percent of the qualified voters of the territory from which the council member is elected, or 10% citywide for the mayor, demanding the removal of a mayor or council member. A notice of intent to circulate such a petition shall be filed with the city clerk prior to doing so, and shall be treated as a ballot measure from the date such notice is filed. The petition shall be signed and verified in the manner required for an initiative petition, shall contain one of the following grounds for which the removal is sought: incompetency (gross ignorance of official duties, gross carelessness in the discharge of official duties, or inability or unfitness to promptly and properly discharge official duties because

of a serious mental or physical defect that did not exist at the time of election); official misconduct (intentional unlawful behavior relating to official duties including an intentional or corrupt failure, refusal, or neglect of an officer to perform a duty imposed on the officer by law); habitual intoxication; or conviction for any felony or misdemeanor involving official misconduct. One of the signers of each petition paper shall make an affidavit that the statements therein made are true.

Staff Recommendation Regarding Article X, Section 2 (Planning Commission)

Recommendation: Planning Commission appointments and terms to be determined by ordinance.

Proposed Charter Revision:

Article X § 2. - THE PLANNING COMMISSION — ORGANIZATION.

There shall be established a planning commission which shall consist of citizens of the City of Austin who must be registered voters in the city and must have resided within the city for one year next preceding their appointment. The planning commission shall have a number of members equal to the number of members on the council plus two (2) additional members, a minimum of two-thirds of the members who shall be lay members not directly or indirectly connected with real estate and land development. The city manager, the chairperson of the zoning board of adjustment, the director of public works and the president of the board of trustees of the Austin Independent School District shall serve as ex officio members. The members of said commission shall be appointed by the council for a term of up to two (2) years, with the timing and manner of appointment determined by ordinance [~~five (5) members to be appointed in every odd-numbered year and four (4) members in every even-numbered year~~]. The commission shall elect a chairperson from among its membership and shall meet not less than once each month. Vacancies in an unexpired term shall be filled by the council for the remainder of the term.