

Audit and Finance Committee Meeting Transcript – 6/25/2018

Title: ATXN 24/7 Recording

Channel: 6 - ATXN

Recorded On: 6/25/2018 6:00:00 AM

Original Air Date: 6/25/2018

Transcript Generated by SnapStream

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>> Pool: Good morning, everybody. I'm Leslie pool and I'll be chairing today. I need to wait for councilmember alter and mayor Adler to arrive so we'll have a quorum. I think we'll have some additional councilmembers come in and out to listen in and possibly have some questions on these audits today. We'll hang out until two more councilmembers arrive.

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>> Pool: Before we get started, I was noticing we have two people signed up on items on the agenda. Was there anybody else who wanted to speak? If so, you can sign up. We can take up to five speakers. And we have two. >> Pool: All right. We have a quorum. Good morning, everybody. I'm Leslie pool and I am today chairing the audit and finance committee. We are convening Monday, June 25, 2018. It is 10:08 A.M. We have a forum with mayor Adler and councilmember alter and councilmember Flannigan has joined us as a guest, so we have a quorum present. And I call this meeting to order. And I'll entertain a motion to approve the minutes of

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our last audit and finance committee meeting, which was may 23, 2018. Councilmember alter moves. Mayor seconds. All in favor? That is unanimous among the three of us. So citizens communication, I have two folks signed up. You each have two minutes. If you would like to come to the microphone and push the button. La Ta -- is it smagula? And we have a timer. It will bing when three things are up. Welcome, Ms. Magula, you are first. Thanks for being here today. >> And I have donated my time to late. >> Pool: Very good. All right. So then you won't speak. >> Correct. >> Pool: You have six minutes

then, ma'am. Thanks for being here. >> Thank you. Good morning. My name is late. I am here to speak to you about solving the issue of kennel breaks for dogs currently sheltered at the Austin animal center. We are requesting the audit and finance committee recommend funding for paid dog workers in the 2018-19 animal services budget using either the general fund or the donations fund. And also recommend a related performance measure that addresses average number of shelter dogs not getting at least one kennel break per day. One of the chief responsibilities of the municipal shelter is to provide basic care and safety for the animals in its charge. Every dog, every day needs water, food, exercise and a clean place to shelter. Before anything else, the city owes the animals this much. The taxpayers and public of Austin expect the shelter who provide this to the

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animals in its care. Walking dogs is a responsibility and the city cannot expect this to be met solely by volunteers. Austin's chief animal officer should ensure daily kennel breaks for all dogs at the center. It is a well established fact that walking shelter dogs and positive human interaction can prevent dogs' behavior from -- currently there are between 30 and 100 large dogs at Austin animal center that are not getting out of their kennels on a daily basis. For example, in May we've had days when as many as 60 large dogs were not given a kennel break. The numbers show that dogs are not getting out each day. The city must provide sufficient staff or rearrange staff responsibilities so that all dogs who can be walked are exercised each day. Exercising outside the kennel is not only a basic need the city should meet, but it also encourages bonding with people, reduces stress and bad behavior, and assists in making the animals ready to adopt. In addition to the large dog kennel break issue, there is also the issue of small dogs. The small dogs, which include dogs under 25 pounds and puppies, are housed in what is affectionately referred to as smallville. It is made up of stacked cages, 21 upper cages bureaucracy 28 inches square, and 15 lower cages the which are variable sizes and slight larger than the upper cage, all of which were designed originally for cats. The veterinary staff has recommended dogs five months of age and older in smallville be given a kennel break no less than three times throughout the day. The animal care staff member assigned to smallville each member is expected to clean every cage and walk every dog by 11:00 A.M. When the shelter opens to the public. Not only is this a daunting

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task, it is often an impossible one when smallville is full. Any relief given to the us today after that is solely the responsibility of volunteers. Unfortunately volunteer turnout is oftentimes low and it is not unusual for there to be days that the dogs in smallville are left in their cages for up to and even more than ten hours at a time. The best solution, of course, is to have more appropriate kennels for small dogs. In the meantime, using either the general fund or the donations fund to hire dog walkers would provide an interim solution for smallville and the large dogs. Proposals to use either the general fund or the donations fund to hire dog walkers have been presented to Austin animal center staff, to the

advisory commission and city council. In 2015 city council passed Austin city council resolution 2015-0521-24 directing the city manager to take immediate steps to increase opportunities to let dogs out of their kennels on a daily basis and provide a report with options for long-term solutions that would improve animal welfare through walking. As you can see this issue has been known for over three years yet it continues, unfortunately at the expense of the well-being of the dogs at the shelter. The solution we suggested in the past and are recommending again today, one, higher two full-time dog walkers to walk dogs as their sole responsibility at the shelter, and two, reinstate the requirement that each staff member walk one dog each day. Austin animal center is known as being the largest no-kill shelter in the United States. Our live outcome rate is unquestionably the -- among the highest in the nation. It is important that Austin animal center staff value not only live outcomes but quality of life in animals

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in their care. Again we ask that the chief animal service officer ensures that every available shelter dog gets a daily kennel break and we ask the audit and finance committee recommend to city council to include funding for paid dog walkers and a related performance measure in the 2018-19 animal services budget. Thank you. >> Pool: Thanks so much. Would you be able to send us an electronic copy of your comments? >> Yes, ma'am, I can. >> Pool: Okay, great. Thank you. All right, that's it for citizens communication unless somebody else came in. During those comments. All right. Thank you all. All right. We have four audits to look at today. I wanted to make sure that everybody is able to stay through to the end because if not I was going to make a proposal about how we handle the audits. Is everybody able to stay to the end? >> Until 11:00. >> Pool: Just an hour? You can stay for an hour? >> Alter: That's what I have on my calendar. >> Pool: I don't know if we can get through all of the audits in an hour. We can get started and work to that end, but if it looks like you are going to have to leave, maybe for those audits that haven't yet been accepted, we might want to take a vote if that would be something you would be willing to do so we can get those audits accepted and move on. >> Just to clarify there's three audits and one audit from the law department. Sorry, I'm losing my voice. >> Pool: Well, let's take the item from the law department first. This is the city attorney's report regarding enforcement of lobbyist regulations, item 6, chapter 4-8 of the city code, law department.

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>> Good morning, Lynn Carter, assistant city ten on item 6. This action is needed on your part. This is just the quarterly report from the law department. For June 25th, the number of registrants is about the same. There are no outstanding quarterly reports, no outstanding late fees. Client compensation has been reported by all lobbyists or at least none have indicated they are declining to report that. One anomaly this period is that we still have three that owe registration fees and the law department has sent out a notice of that as the city clerk's reminders have not been adhered to to date, but otherwise there are no enforcement actions. There appears to be decent compliance at this point. >> Pool: Okay. Any questions? Can you tell me how many lobbyists have registered in. >> There are 122, which is about

the same as last quarter. >> Pool: Can you tell me which lobbyists have not registered yet or paid their fees? The three that haven't paid their fees? >> I do not have the names in front of me. I do recall an Alfred Bingham, but the other two I do not recall. >> Pool: Okay. Let us know how that goes. It may be that they are not lobbyists anymore possibly. >> They each filed their quarterly reports. >> Pool: Okay. All right. Great. Thank you. Yes, councilmember alter. >> Alter: A quick question. On the compensation, can you give us a sense, are you actually taking in the amounts or magnitude? >> Really the -- the law department has no way to know whether the amounts are accurately reported or not, but there has not -- no longer been the situation where lobbyists said we

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decline to report compensation because we consider it confidential based on attorney and relying on a rule from the Texas disciplinary rules for attorneys. >> Alter: Can you give me the upper end of the compensation they are reporting for a quarterly period? >> I did not review that, but I can get back with you for that information. >> Alter: Thank you. >> Pool: Congratulate. Any other questions? Great. Thank you, Ms. Carter. Let's bring up the item number 3 and 4. The follow-up on the Austin police department handling of complaints and then 4 works the effectiveness of citizen police oversight audit. Whichever order you would like to bring those. >> We'll do the follow-up. It's very short and then the effectiveness of citizen oversight. The follow-up was conducted by our quality assurance coordinator and the leader jojo Cruz and jojo will be presenting this morning. >> Good morning, councilmembers, mayor. I'm jojo and I will presenting to you the results of the follow-up of audit recommendations for the APD handling of complaints audit report. We issued the audit report in September 2016 with 11 recommendations. Management agreed to implement our recommendations with exception of one regarding documenting the justification for discipline. We tested -- agreed to, we noted that the labor agreement negotiations this year affected the implementation of some of the recommendations. Overall six of the recommendations we tested have been fully implemented

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while four are still underway. Management has made significant progress, but the implementation will depend on the outcome of the labor agreement negotiations. For recommendation 10, which relates to addressing data reliability, the police department continues to work with city to make improvements to the internal affairs system of records. This concludes my presentation and we are happy to answer your questions. >> Pool: Great. Thanks so much. Questions? Councilmember alter. >> Alter: So number 7 was not agreed to by management so it wasn't tested, correct? >> Uh-huh. >> Alter: It's my understanding that this was all done originally under a prior chief? >> Yes, ma'am. >> Alter: Can you speak a little bit more to what number 7 was? >> Well, I believe management is here and they can probably answer that question better. >> Alter: Because what I was wondering was whether the new chief would be willing to take another look at that recommendation now that he is officially in place to determine whether that is something that might be of benefit. >> Pool: Let's go ahead and see if there is any other questions for

staff and then we'll have the management respond and go directly to your question. Mayor, did you have any questions you wanted to ask? Just the staff presentation to this point. Great. All right. >> Just to clarify real quick before we turn it over to APD, the original question was that the police chief implement a process to document justifications for discipline and how the police monitor are addressed. That was the original. >> Good morning.

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Chris MCI will vein, assistant chief for the Austin police department which includes the internal affairs division. When this original recommendation was reviewed, chief Acevedo, again, was leading the department at that time. He felt that the suspension memos, disciplinary memos that were issued at completion of a sustained complaint were sufficient in documenting the justification for said discipline. As far as the -- any controversy or disagreements between recommendations by the opm and management, he felt those were best handled in discussions, in meetings rather than actually having them documented. That being said, this has not been revivid with chief Manley since he has taken over the Austin police department. So I -- I know that he has reviewed this and has not put forth any recommendations other than what was already put forth, but if we need to revisit that with him, we certainly can. >> Alter: I'm not sure the appropriate procedure, but I would like to ask him to revisit that now that he's chief. >> Absolutely. >> Alter: And see if there's an appropriate way forward to implement that recommendation. >> Absolutely. >> Alter: Or if he concurs. >> Mayor Adler: Just to provide an additional perspective, when we were looking at the questions on oversight coming back to the council last December after the contract came forward, there were some folks in the community that wanted to prescribe the process for handling the suggestions that came and the responses coming from the department. And there was some question at the time as to whether or not that was an appropriate thing or an allowable thing

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or a correct thing and then whether that provision needed to go into the contract or didn't need to go into the contract. But it seemed to me that the issue that was -- that had arisen was that the public, even if there was informal conversation, the public wouldn't know. They would know about the recommendation that came from the -- from the commission, but they wouldn't know how it was resolved. So it looked like there was no response to the resolution. Even if there had been a response to the resolution. So one of the things that some of the council offices were discussing back in December had we moved forward with the contract was trying to institutionalize a process where if a suggestion was made, the police chief in responding to it could provide a report to the council even saying I've gotten this recommendation and I either said yes or I said no and this was the basis I said yes or no, and that was an oversight function that the council could do that in that instance might have obviated the need to have a contract change or procedure change. But certainly if it was something the chief did on his own and made public, there might not be even the need to have that regular reporting coming back

to the council. But my sense is that because there's not a way to do that loop without some kind of public response and disclosure, there's probably a direction that I would like to see and I think there are some other councilmembers that would like to see that too. >> Absolutely. And as you know, we're in contract negotiations currently so that will be something I'll brief the law department on as well as we sort of move forward to see where the appropriateness of that is once I gauge that question with chief Manley. >> Mayor Adler: My thought was -- and we had figured out we could do that outside of the contract negotiations. The council could just ask for a report, you know, from the manager.

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>> Right. >> Mayor Adler: Saying to the manager, hey, by the way, when you get recommendations from that task force, would you please report back to us what the recommendation was and what the response was. So my sense was we could just do that. >> Okay. >> Mayor Adler: It would be great if the chief just did that. >> I will have that discussion with chief Manley. >> Pool: Yeah, I think I would amplify that to say it would be really good. That way you can create a record so that three years down the road someone who wants to know what happened with that issue or that complaint, they could go back and read what the report said. It would be important for the council to know what kinds of complaints are coming forward and how they are being resolved. But there really is nothing to take the place of a written -- of a written record. And I'm glad to know that that was -- that that was the approach previously so that we can come in and indicate at least I feel strongly that we need to have -- I understand chief Acevedo preferring a face to face verbal discussion, but if you don't capture the essence of those discussions, it is as those have not happened with regard to anybody else knowing what they were because people have different interpretation of what was said. For clarity and frankly for official record keeping purposes I think it would be incumbent on us to capture that information. So going forward I join my colleagues in saying I think that would be an improvement that the police department could make and I also agree that I think they could do it without having specific direction by way of the city manager in form of a resolution to do it. That seems just good management practices. Councilmember alter. >> Alter: I would like to make a motion to approve the audit with instructions to request that chief Manley revisit item number 7 and

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either report back to audit and finance or to the council about how he might proceed to fulfill that recommendation. >> Pool: Mayor? >> Mayor Adler: Second. >> Pool: I think what I would like to say, instead of one of the other, send it to audit and finance and then it will also go to the council so that there's no question about that. All right. Is that okay? >> Alter: Sure. >> Pool: So we will vote on approving this follow-up audit with the amendment from councilmember alter saying that she would like to have a response on item 7 from chief Manley on implementing a process to document justifications to disciplining including how disagreements with the police monitor are addressed. All in favor? And that is unanimous. Thank you, gentlemen. >> Thank you. >> Pool: So that was number 3. And

we will now go to number 4, which is effectiveness of citizen police oversight audit that looked at whether the Austin police department implemented changes to policies and practices as recommended by the citizen review panel. >> This audit was managed by Patrick Johnson and Mary and Mary will be making the presentation. >> Good morning. Mary dory, here to present our audit affecting the citizen police oversight effectiveness. Okay. So a bit of background for folks who aren't familiar with the citizen review panel. The panel or crp was a citizen oversight group established through the city's labor groups with the Austin police association. The labor agreement allowed the crp to -- to offer nonbinding recommendations to the chief of police. Cases reviewed by the crp include complaint investigations, serious or

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critical incidents such as officer involved shootings. Due to time constraints I won't going into the details, but it's here as a reference. Our scope for this audit conferred recommendations issued by the crp while the city's most recent labor agreement was active. So approximately October 2013 through December 2017. Shortly after the labor agreement expired in December 2017, the interim city manager suspended the crp from murder operation, so it's currently -- further operation. So it's currently not operating. In our scope period we found 28 memos written by the crp which contained a total of 54 different recommendation. In a summary of these recommendations can be found in appendix a of the report. They found ten written responses from the police department. All written responses were issued lie former chief of police art Acevedo. We're not certain wee found all the memos. Two findings. The first citizen oversight did not create substantive change within Austin police department. APD changed policies or administered discipline in response to 15% of 1 recommendation. APD's current practices complied with 54% of recommendations, however, APD asserted most of the case APD procedures already matched recommendation so no change would have needed to take place or APD would have changed procedures unrelated to the recommendation. We identified five causes in APD practices which I'm about to talk about. The city policy prevented the crp from communicating directly with chief of police. We say city policies because the labor agreement does not go into detail on how this communication should occur. There's a lot going on with this photographic. One, the crp did not see a final memo before it was

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sent to the chief of police. The crp was not included. The crp did not formally receive a responses issued by the police department. The lack of direct communications conflicts with the labor agreement which states the 2, will issue recommendations to the chief of police. It also means the crp did not know when or if the chief received their memo or when or if the chief responded to a memo. Multiple panelists compared this communications process to a black hole. Additionally the process creates a risk that other parties could edit memos without the crp approving changes. We also found the city did not establish clear responsibility for maintaining records. Neither APD nor the office of police monitor had a complete

library of all crp memos. This means that APD may not have received all the memos. Additionally, there is at least one memo that no one has a copy of. We identified the memo because it was referenced in other communications, but no one was able to provide a copy of the memo itself. Next we found that there were general lengthy gaps between the time the incident occurred and when APD presented the case to the crp. On average over a year elapsed between when an incident occurred and the date the crp issued a memo. This affects the timeliness of all recommendation, but also particular discipline recommendations as the chief can generally only issue discipline within 180 days of an incident. Our fourth cause for finding one is that unemployment information was made available to the crp and that some information was not available to them during their meetings. The labor agreement does allow panelists to review the full case file at the police monitor's office. Multiple panelists say they were unable to take advantage due to hours, location and other responsibilities. Instead panelists often relied on information supplied at the meetings of the crp. All of the panelists reported during meetings video files of incidents were sometimes missing and

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sometimes if video files were available, they could not always be accessed during the presentations due to technical glitches. All panelists also reported APD sometimes could not address all of their questions because the original investigating officer was not always the person presenting the case. The lack of complete information may have affected the crp's ability to understand the incidents and issue effective recommendation. Our final cause for finding one is the fact the chief of police was not required to acknowledge or respond to crp recommendation. The crp issued a written response to 31% of recommendations. For the other 69%, the crp received no formal response from the department. As a result they did not know if the recommendations were implemented or relevant to department operations. We did see clusters of repeated recommendations. For example, up to four requests for APD to interview all key witnesses. Based on our conversations with APD, a timely response from the chief of police would have -- to issue the same recommendation multiple times. They could have changed the recommendation to get at the heart of what they were disagreeing with. Our second find is short in comparison. We found that the information created by the crp was not fully protected or retained. In short, the city did not provide crp members with training regarding records retention or public information requests and the city did not provide them with city email accounts. As a result, crp members used personal and work email accounts to conduct crp business. We confirmed with panelists there are still crp records on some of their E mate -- email accounts. Our normal process of audits is issue recommendations to departments regarding findings. We're in a unique situation as the city is currently negotiating a new labor agreement likely to affect future oversight processes. We issued several helmet education to the city manager to be either as part

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of negotiations or other oversight goals. The city agreed. That concludes our presentation and we're happy to answer questions. >> Pool: Questions? Councilmember alter. >> Alter: So on finding 1 where APD asserts its current procedures comply with 54% of the crp's recommendations, is there a list of the 54% where they do agree that I can find somewhere? >> Sure. So if you look at the appendix in the report, we go into detail as to whether or not APD concurred or not for the recommendation. And so it's the second column from the right, it's titled summary and APD response to last changes, and we'll note either not applicable in some rare instances or APD concurred, APD changed its practices or APD believes current practices conform to the recommendation. >> Alter: Even though it says no written response, APD believes it's already doing that in over 50% of these cases. >> Yes. So we again found the formal written responses issued in this case all by former chief of police art Acevedo, but we also met with APD and discussed their currently practices and whether anything had changed in response to the recommendations. >> Alter: There was no written response, but then there was a conversation and this chart lays that out. >> Yes. >> Alter: So from this chart we can see what the 46% were they disagreed with as we mark that out. >> Yes. >> Alter: Thank you. >> Pool: I'm looking at the chart with all the various crp memos and everything, and I'm looking at just one caught my eye.

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It's number 13, and so it was something from back in -- looks like the crp memo was 13, a date was 15, officer-involved shooting, then summary of recommendation issued by crp. The involved officer should undergo training on how to interact with the mentally ill population and how to approach a situation while waiting for swat. And it says the chief provided written response but disagreed with the recommendation and so there was no implementation. Do we know what that was about? This is one of the items we're currently talking about now which is training for how to deal with swat situations and also our residents who may have mental illness issues. >> I don't know that we have specifics about each memo, but it's certainly information we could get to you. Also just to note for the future, we're currently working on an audit of the specific issue so separate from the work on oversight, we're looking at police response to people with mental health issues. Just to be aware. >> Pool: Is it fair to say three years or two and a half years on from when this type of -- when this memo was issued back in August of '15 that we have sort of a different approach to people in our community who may be interacting with officers and they have mental illness issues? >> I that I that question is for management, but one of the issues or areas we're looking at in our audit of how APD responds to folks with specialized concerns including folks with mental health issues is the training that APD provides to its officers. >> Pool: Yeah, okay. We'll look for that information when it comes forward. Mayor, did you have anything? >> Mayor Adler: Just want to in this context go back to the point I made earlier. It's the same issue again where there is activity coming from the citizens commission, it goes to the city, our public safety

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folks, and then we just don't complete the loop. So part of the issues that we had back in November and December was because we weren't completing the loop. And in the absence of completing that loop, we're going to get all kinds of recommendations from the community on how to -- how to fix that or do that. And then I would hope that we would be proactive in figuring out the best way for us to be able to do that so that we can -- so that we can respond to that -- that concern. >> That actually is I think directly addressed in our third recommendation where we say one of the things we could do is really to have a citizen oversight process in place is to produce the memos written by the citizen review panel and any responses by the police department so those can be vetted by making sure the stuff is appropriate but then going ahead and be proactive about putting them out rather than the process in place under the old panel. >> Mayor Adler: There could be regular reporting to council that says, just by the way, over the last 60 days, these were the recommendations, these were the responses. Just something to eliminate that issue and there are lots of ways to do that so I appreciate you finding that. >> Pool: Yeah, and I just agree with everything everybody is saying, if we are going to have a strong and professional effort to monitor police activities in ways that the community can see what the concerns are and also to learn from situations, then we need to make sure that we have clear-cut communications policies and procedures and this would include filing and retention policies and archiving and places people can access easily, public facing, which I think you all are talking about.

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>> Mayor Adler: And my understanding is none of those things would necessarily require any meet and confer agreements, it's just not part of that, it's something that can operate outside of that system. >> Pool: That's a good strong communications policy, operational and public access that could be done, even mayor, by the police chief under his own -- under his own initiative. Thank you. Is there any department management response to this particular audit? Okay. Are there any more questions for staff? >> Alter: I'm not sure if this is a question for staff or management. In here, on like 28 and 29, those are situations where the review board is recommending that APD should identify more effective means of deescalating situations or review a way to apply measured use of force based on the situation. Here it indicates that APD disagreed with the recommendation. It's my understanding we've just recently changed that policy so I don't know if that -- what that was in response to, if that was not at the time of this or the accumulation of these? I mean, how are we factoring that in overtime? I know at that point in time they didn't, but as these requests accumulate and where we had perhaps not the most effective responses, we did have a change in policy. How is this audit keeping that in mind? >> Patrick Johnson, assistant city auditor. I think for those two, those were ones where the chief did respond at the time and disagreed with the recommendation. I don't recall, but it's in the vein of APD thinks that they are doing enough in that regard and so I think

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disagreed. And in this instance, I think when we looked at it, certainly that was addressed and the deescalation policy was recently put in place. I think our discussions were that wasn't put in place as a result of these recommendations. So those fall in I think some where -- where the outcome alliance with what the crp represented. It wasn't as a result of what they recommended. >> Alter: >> I would add the cases where we have a response from the chief are often different because you will see him stating I disagrees with the recommendation, which is why I will say APD disagreed in those cases. We did go back with APD and sent them our list of recommendation and asked them to provide responses. Where we did have written responses for the chief already in place, we said you already have response from the chief, that's sufficient for that, which makes sense with the chief of police responding. In other cases in which we don't have a written response, we have some information about what they are doing in the current practice. >> Alter: I still think that, you know, if you start to accumulate requests for deescalation policy and you get a deescalation policy, which I think was an important step forward under then interim chief Manley, that it is confusing to say it has nothing to do with the citizen review panel's repeated requests for that. I think that the citizen review panel could be more effective. If you look over time to the degree these were under a prior chief and we have a new chief who is approaching things with respect to the community in a different way, that that accumulated process is potentially more

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effective, but it may be that it is dependent on who is occupying the role and their relationships with the community and the times that we're in in terms of how we're viewing the importance of that -- those efforts. So I just wanted to highlight that. >> Pool: All right. Any other questions for our staff or audit staff? I'll call up the -- >> Mayor Adler: On this item, this was -- and I know you gave us a memo about this and I just wanted to touch base on it. I get a lot of information when I open up the media in the morning, but I'm not used to opening it up and finding about -- hearing about reports I haven't seen yet. And I think that there are two audit reports on today that may have been one of them where I was reading about it before I had seen the report. Can you talk about how that happens and what our policy is and that kind of stuff? >> Sure. I would say, I mean I have a policy for my office that we don't release any information until the -- everything is considered an audit working paper is a specific exception under state law until the report posts. It is interesting we post a draft report, I mean we post that as backup to this meeting. From my office we don't release anything until -- it's usually a couple of days, couple of business days before the audit and finance meeting. Once we've incorporated management's response and had conversations about the content of the report, and then we'll post it as backup and that's usually when we release it. We will with council offices answer questions and do provide briefings in advance on the topics and on the kind of summary findings, but it's not something from my office's perspective we would not release anything until it posts publicly. >> Mayor Adler: When I was reading about these two reports in the media, had

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you published those in backups and I had missed them? >> No. >> Mayor Adler: They weren't made public, but they appeared in the media. >> That is correct. >> Mayor Adler: So I just point that out as a concern. I think we need to find out how that happens. And see if there are -- I don't know if there's an audit of the auditor's office or if there's -- I don't know if there's a better procedure or something that we can use to help ensure that the councilmembers see these things before they are made -- I found myself in the awkward position of being asked questions about an audit that I hadn't seen yet. So -- but yet my constituents had seen it or seen reports on it, and it was -- it was awkward. >> Certainly. And I think one thing that we'll do internally is you may have noticed we have just a draft stamp on here, we'll improve our watermarking to make sure it's really clear these documents are confidential until further notice. I think we used to have more language along those lines, and then also, you know, we could reiterate our process internally on [inaudible] >> Mayor Adler: Something so that we're not in this position again. >> Certainly. Chair. >> Pool: Councilmember Flannigan. >> Flannigan: On that point, it's my understanding we're all very concerned about transparency and we want to make sure the public has access to all of the documents and the information and the process we follow to make policy, but it's my understanding that audit working papers are -- there's a special carveout in public information for audit working papers. Is there a reason for that? >> I believe the -- under state law basically they say that final audit reports are

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a public document, but drafts are not. And I think some of that is the process that we go through of sharing our results. So if you found maybe an early work paper, an early draft, it may not have all the information that we get as we vet that with management and talk through. Maybe there's something we missed or additional information that we're given. I think the concept at least, I believe that passed in 2003 at the state level, and the concept there was to make sure that what was being posted was really a final document and not the one still being invented. >> Flannigan: That's important. We want to make sure the public is getting accurate information, certainly accurate audits, there's so much value in the trust relationship we have with the auditor's office, we want to make sure there's not a process that's being followed that is somehow harming that reputation. Thank you. >> Pool: Great. And I can't let this go without noticing that we are also talking about this particular topic in the construct of trying to make sure that communications within the police department are transparent and reproducible and archived and retained, so communications is always going to be a work in progress and we always need to improve. There are plenty of situations where the press gets information before council gets it, and very often even staff has it, and when council asks for it we don't get it. And so this is a constant tension, probably, among all layers. And so I guess improvements in all areas would probably be a good thing, including if council is asking for information from staff, that we also get it when we ask for it. All right. Is there anything else for staff on this particular audit before I bring up the department to respond? All right. Thank you to the auditors. Gentlemen, do you want to

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come up and give the police department response? >> I believe it will be from Rhianna, assistant city manager over this. Certainly the police monitor at the police department, labor relations and the law department were all involved, but since we made our -- ray is making a response. >> Good morning, mayor, councilmembers. Repair Arellano, commenting on the reports from the auditor's office. Again appreciating very much the information that's been presented and how we might improve upon not only the procedures that were in place in the past, but really a knew day looking forward -- new day looking forward in what we've heard from council and the interest about citizens oversight, accountability of the police department and how we might do that better in a way that could be a model for other communities in the future. As you well know, we are newly appointed police monitor is here with me today, is embarked in a process to look at what is the best way to move forward in terms of having citizen oversight not only within the office of the police monitor, but potentially having a separate body in order to help accomplish the goals of accountability and transparency about what happens in temperatures of procedures within the -- terms of procedures within the police department. So there are some pieces that are dependent on local government 143 and the need for labor negotiations and coming to an agreement, as well as administrative pieces we can put in place and make sure the pieces we're responsible for as management are followed and adhered to. So we look forward to going through this process that embarking upon in terms of identifying what is the best

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framework and process for citizen oversight, and then melding the administrative procedures so that we can accomplish and address these issues that have been identified in the auditor's report. With that I'm happy to answer any questions. >> Pool: Thank you, Mr. Arellano. Questions? Mayor? Councilmember alter? Mr. Flannigan, did you have any questions on this one? All right. Okay. You heard the comments that we made to our audit staff about -- about communications and clarifying actions and retention and archiving and so forth, so I think we all look forward to seeing some improvements under the new chief and going forward. >> Certainly. And so do I. >> Pool: Great. All right. Is there anything else on this audit that anybody would like to ask or offer? If not, I'll entertain a motion to approve or accept. Mayor moves that we accept this audit. Councilmember alter seconds. All in favor? That is unanimous on the panel. Thank you all very much for this work. >> Thank you. >> Pool: I think we have -- let's see, the the visit Austin audit, item number 5, and we've already done 6, so other than identifying items for future meetings, this will be the last one. That clock up there is not correct. Let's see. I guess it's like four hours off. [Laughter] All right, so this is item 5, visit Austin contract audit, which looked at the contract with visit Austin and whether it was administered and monitored by the city to ensure compliance and how the city's governance and oversight of visit Austin compares to peer cities. I'll note that this audit arose from a special request that I had submitted with one our councilmember, and I can't remember -- was it councilmember kitchen and I had submitted this last fall, in order to look at

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governance and oversight and I think based on what auditor stokes said last week there was a lot of additional interest in this item so it was kicked into a full-scale audit. Is that right? >> Yeah, just to clarify, the timing was such that we were developing our audit plan when we received the request. And part of the request was looking at peer cities with other parts like an audit topic so we included that in our contract initiative for this year's plan. >> Pool: Great. Welcome. >> We have [inaudible] Sharma and Matt cliff was the lead. >> Thank you, committee members, Matt Clifton with office of city awedder presenting our contract audit of visit Austin. The Austin city council established assistive technology Austin, formerly known as the Austin convention and visitors bureau, as a nonprofit organization in 1996. The most recent contract with visit Austin came in effect in 2016 and will expire in 20 21. The Austin convention center administers the contract on behalf of the city. The budget for the contract is approved by council annually. For fiscal year 2018, council approved almost \$15 million for this contract. We we didn't not find significant compliance issues. Our testing shows visit Austin used city money for the established contract purposes and is in compliance with financial reporting requirements. Visit Austin keeps city money in a separate account from private funds as required by the contract. However, the convention center could enhance current practices for administers and monitoring the visit Austin contract. Based on our review we identified the issues included in the next slide. We found that there was a lack of coordination amongst the Austin consequence staff members responsible for

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administration and monitoring of the visit Austin contract. Property tax, staff processing invoices do not verify with compliance staff that visit Austin has turned into deliverables on time. We noted that the compliance staff collecting deliverables from visit Austin do not verify them for accuracy and only log receipt of them. Also, the convention center did not ensure that performance measures required by the contract to be in monthly reports were actually reported. We noted that there were six measures required by the contract which were missing perfect the monthly industry report. However, these missing measures were reported in other documents, including the annual marketing plan and the quarterly board of directors meetings. In addition, some performance measures specified by the contract may no longer be relevant and this is due to changes and the tourism industry since the contract was drafted. These measures include dollar impact of media and online package development. In addition, we noted that the contract requires visit Austin to retain supporting documentation for invoices to the city. The contract does not require -- the contract does require visit Austin to retain supporting documentation for invoices to the city. And the city can ask for additional information related to the invoices at any time. Based on supporting documentation for a sample of transactions from two monthly invoices our review indicated that these charges were reasonable related to achieving the scope of the work in the contract. Our second finding is that Austin's oversight and relationship with visit Austin is generally similar to how peer cities operate their own visitors bureaus and this table contains more detail. We compared Austin with peer

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cities and found that all peer cities operate a convention center as a city department and all peer cities contract with the visitors bureau. All peer cities have city representatives on the board of directors for their visitors do you remember row. June 14, the city of Austin city council approved a tourism commission. Phoenix and Nashville have a tourism or convention related commission. The appendix contains additional information about Phoenix and Nashville's commissions including their function and their membership composition. We recommended the convention center take steps to strengthen contract administration and monitoring practices. Management agrees with our recommendation. At this time we're happy to answer any questions that you have. >> Pool: Great. Thanks so much. Colleagues, what questions do you have? Mayor? >> Mayor Adler: So I guess the -- high level, in looking at, I guess the client in this is the convention center department of city. Is that correct? >> That's correct, the audittee was the convention center. >> Mayor Adler: Okay. But as part and parcel you're also looking then at the contract they have with visit Austin? >> That's correct. Yes. >> Mayor Adler: So it's within that scope. And you found that visit Austin, there were no significant -- that it was compliant. >> Yes, correct. >> Mayor Adler: So it was a favorable audit of that contract? >> Yes. We found compliance with the contract and pointed out some improvements in the way that the convention center administers and monitors the contract. >> Mayor Adler: Okay. And you used the word "Enhancement." I hadn't seen that before. We've seen a lot of audits where we're finding deficiencies or contract provisions not being met and those are helpful to see. When you see the word "Enhance" does that mean

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things could be done better even though the contract doesn't call for them to be done that way? >> So what we're saying is the Austin convention center's current brises for administering and monitoring the contract could be enhanced. We learned that prior to the beginning of our audit they had already taken the initiative to start rolling out some contract administration practices, and so we're saying that this particular contract would be well served by those. And so their oversight over this contract could be enhanced by incorporating some of these things they had already started doing with other agreements that they administer. >> Mayor Adler: But they had already started doing those other things? >> Correct, yes. >> Mayor Adler: Okay. So one of the things that -- I'll go back real briefly to the conversation we had before about the fact that somehow or another a draft of this report got out before it was produced, and it goes to Mr. Flannigan's question, there was an item in the media that I was asked questions about that -- where it was suggested that visit Austin didn't have financial policies to establish criteria for which expenses are charged to the city as opposed to private funding sources. So it was reported into the media and I got asked questions, and I can't find that in the report. >> That is correct. So the preliminary briefing document had a bullet in there to that effect. I think one line that said there were these financial policies. As we looked at it -- this was a unique circumstance in that the audit committee

meeting got moved up and our exit conference with the convention center kind of considering their input got moved out, and so the combination really didn't help on this audit. So there's a lot that happens behind the scenes, as I said earlier, but in this case the public versus

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private funds as we were looking at that there was not a requirement in the contract that there be financial policies on how those are allocated. And then in addition in our conversations with convention center staff it was our understanding that those -- there may be some overlap but those funds do present the annual budget which does lay out how funds will be expended, whether that's public funds or private funds. Between those two things we considered that feedback and made an adjustment to the report, which ultimately adjusts the highlights or the high-level document. >> Mayor Adler: Okay. Again, that just goes to Mr. Flannigan's point, in the draft there was a suggestion of something that warranted taking a look at but in the final draft when it came out the document that usually is the one that's made available, both to council and to the public, publicly, it was removed. >> That's true. And, yes, I think it does reinforce that point. I would also say this was a very unique situation in that we hadn't -- we -- our time line was compressed such that we hadn't vetted the report and had our conversations with the department before we prepared that highlights document. >> Mayor Adler: Okay. When you looked at the comparison of what we're doing, oversight versus -- and we passed an oversight deal last week that we're populating with commissions. Is the scope of the oversight the same? >> And you're referring to the peer cities? >> Mayor Adler: Mm-hmm. >> Oversight? Yes. Essentially. So all peer cities operate convention centers as city departments. All peer cities have a contract with an organization that's the visitors burg row, and so Austin is not unique in that regard. >> Mayor Adler: To have oversight? >> Correct. >> Mayor Adler: My question is what about the scope of the oversight? Is the scope the same as the

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scope of the oversight that we approved as a council last week? >> Specific to Phoenix and Nashville -- >> So in terms of Phoenix and Nashville, which are the cities that do have tourism commissions, in the appendix to the report we include sort of a sample of meeting agenda items. Now the Austin tourism commission has just been established so at this point we're not exactly sure who would be on that commission or what would be discussed at meetings. As you can see in Phoenix and Nashville there are reports to this commission from the convention and visitors bureau on their financial activities and also their performance. >> Mayor Adler: There was -- in the ordinance we passed last week there was a description of the scope of the commission. And I just didn't know if you had looked at the scope, the things that the commission was charged with looking at in comparison to what the commissions in those peer cities were charged with looking at. You may not have looked at it. >> We didn't look at it in extreme detail, mayor, but, again, in the appendix on the second line -- or second row, rather, there's a function for the commissions in each city. You can see there at a high level what -- in the ordinances

establishing the commissions, what their purpose, what their scope is intended to be. >> It's page 13. >> Page 13 of the report. >> Mayor Adler: Okay. >> It does seem like as we talked about this, it does seem like the scope in Phoenix is a little more narrow, whereas the scope in Nashville seems comparable to what council was talking about on the 14th. >> Mayor Adler: Great. Thank you. Thank you, chair. >> Pool: I think to that point, you know, we are looking for some specific -- we are looking specific Austin directed Austin centric uses for our convention and visitors and tourism activities in Austin, and I don't know that we would necessarily want to adopt or use as

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strict guidelines what cities in other states are doing because we have specific needs and a unique situation here in Austin. I see the Phoenix membership competition has eight members from hotels in different council districts. Currently, for example, the visit Austin board is made up primarily of hoteliers and I think what we're trying to do is break away from only hearing in large part from people who run the hotels. There's so much more in Austin that we're trying to promote and expand to be inclusive of, and that is beyond members from hotels or convention and visitors bureau or chambers of commerce, which I think that's in Nashville. Then also we passed the tourism commission so you probably wouldn't have had that input in order to review it or line it up with what Nashville and Phoenix may have been doing. Is that correct? >> So the ordinance from council came rather late in our project, and so we weren't able to take the language from the ordinance and go back and kind of compare with the peer cities. >> Pool: Right. I did appreciate you putting that footnote in, the asterisk. That's great. Very timely. [Laughter] Councilmember alter, did you have any questions you wanted to ask? >> Alter: I did. So I was not approached by the media and was not aware of -- I didn't catch that change between the draft that I saw in what was presented in the thing that I saw did not say "Draft" on it, so can you say again the reason why that was removed and how that's being addressed? So that it's not an issue. >> I think there were a couple issues. One was that we were auditing compliance with the contract and there's nothing to that effect in the contract. I think there may have been some discussions separate

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from the contract about that last year. But then also the -- so I think one of the things was that it's not really a contract compliance issue in the scope of our contract compliance work. And then the other thing was we felt like there were some controls that we hadn't considered, while it wasn't directly a financial policy, there was some other things in place that -- where visit Austin kind of spells out how they're going to spend the funds provided. >> Alter: And where is that? >> Well, I think one, the criteria that -- the hotel occupancy tax criteria is kind of step one, step two is the way they do their budgeting for expenditures. >> Alter: Okay. Another part of the audit does look at the city representation on the visitors board. Glancing over the recommendations that doesn't seem like that was addressed. I think, you know, this presents that's important only as an oversight and control over visit Austin but my experience over the last year or so is that the city council also has a lot to learn from how the tourism

industry functions and there may be value of having someone from the city council on the visit Austin board so that information is conveyed in the other direction as well so that we have a better sense of the challenges and the opportunities that visit Austin is dealing with and the convention center is dealing with. So I would at the appropriate time like to hear from staff about how that might work and what that might look like. I think some of the challenges we're having is a lack of communication and a lack of understanding of how things work on the ground and that doesn't mean having five councilmembers on the board. It may be just one. But if we can figure out a mechanism that might be useful, I would like to see that.

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So I'd like to hear -- I guess it would be from the convention center or from visit Austin. I'm not sure how that would work in this context since visit Austin is the contractee. Who would be the appropriate person to speak to that? >> I would say I believe the convention center is probably the appropriate party to speak to that. You don't see a recommendation to that effect here because while we provided the peer city information it's ultimately kind of up to the council what the commission looks like and what any other oversight looks like. I don't know if the convention center wants to speak to that now. >> Mark Washington, assistant stealth, joined with mark tester, director of the convention center. We have heard some of the discussion from the dais previously about engagement with visit Austin. I think we've had several conversations with Mr. Nunen and at some of the other board meetings. It is my understanding that visit Austin is open to that dialogue and concept of having council engagement as part of the board. >> Alter: So may I ask what the process would be moving forward, if we wanted to do that? >> Sure. It's -- the board has governance procedures in their bylaws in terms of how to allow new members on the board. I'm not as familiar -- I'm generally familiar but I think Mr. Tester or Mr. Nunen may be able to share more. >> I think if council had a recommendation of what -- what the recommendation would look like for the board I think that would -- what the board would want to hear. If it was one or two or

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three. And I think they would certainly want to look at that. >> Alter: Can you speak to what the commitment of being on the board involves? >> The board of directors meet quarterly, and the executive committee meets I think every other month. >> Alter: How long are the meetings? >> One -- hour and a half two, hours. But board lunch meeting. >> Alter: Okay. Thank you. >> Mayor Adler: I noticed that some of the board -- >> Pool: Mayor. >> Mayor Adler: -- Have council representation. Some of them have city representation. We obviously already have city representation. I think the two of you serve on that board. >> That's correct. >> Mayor Adler: But I concur with my colleague. I think it would be helpful from an understanding and education purpose to have -- if we could as a group have a couple representatives from the council to be there and to see and to learn. So I'd support that too. >> Certainly. Mark is on the board and I'm both on the board and on the executive committee. >> Pool:

Great. Yeah. I -- going back to what councilmember alter was saying previous to the mayor's statements, I actually -- I had no idea that -- I didn't read what you had read, that this was in the press. I had read the bit on the police monitor. I didn't see anything in the press about visit Austin. So that's news to me as well. I'm looking at staff's finding number 1, where the high-level summary is you do not find significant compliance issues but then you go down at the bottom, the second and third bullets of the four, convention center contract clients staff do not verify the accuracy of the deliverables

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they collect and the convention center did not ensure that visit Austin complied with contract terms to report some performance measures. And I think that just as a regular citizen in the city we would be concerned to find out that the contract monitoring, which we've been dealing with among various different city departments, has not been up to the standards that we expect. And so I guess I would say I don't necessarily agree with your high-level assessment that there are no significant compliance issues because I think that if our contract compliance staff are not verifying the accuracy of the deliverables but they are going ahead and paying for them that would be of significant concern. So is there someone who could speak to that? Thank you. >> I think there are people to speak to that but I will say what we intend in the findings and as you look at the details there, you know, in some of our audits -- and we've had recent contract monitoring audits, we say they could be doing better monitoring and we found significant issues when we went on-site to do the monitoring ourselves or to do the audit work to determine whether or not the contract terms were complied with. In this case we're saying kind of the opposite or something maybe related, which is we saw that maybe the monitoring wasn't taking place but when we went on-site and did our testing to see do the expenditures comply with the contract terms, we felt that those -- that the contractor, visit Austin in this case, complied with the contract despite the back of monitoring by the convention center. So that's kind of the message. We may need to expand that language to make that clear. >> Pool: I think that would be really helpful because it doesn't - - just reading this and for the public's information, they won't understand that. >> Certainly. >> Pool: Did you want to comment? >> Yes, Carla Stefan, cfo of the convention center. I was going to add in several conversations with the auditors over the course of this audit, certainly

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there were monitoring activities going on that weren't documented. In the eyes of the auditor if they're not documented they basically don't happen. Certainly the response from the convention center is the focus on documenting what we are doing because there were certainly lots of eyes on this contract and daily interaction with our partners at visit Austin. So the monitoring in a lot of aspects is happening. It's just not being documented and that's certainly what we're going to focus on, as well as reviewing the monitoring activities to see where we need to enhance those. >> Pool: I wasn't quite done, but go ahead, Mr. Flannigan. >> Flannigan: Thank you. >> Pool: Councilmember Flannigan. >> Flannigan: So I did get contacted by the media about the early release of the draft two-page document. The article that came

out has quotes from me and councilmember pool, so I don't know if those quotes were from a prior meeting or where those quotes came from. I'm reading the article now from the monitor on Wednesday the 20th. It was a surprise to me and it's awkward getting a call from the media asking you about a thing and the person point media has to send it to you in order for you to comment on it. I am frustrated about that. But I do want to just thank the visitors bureau and the convention center and auditors office. We see a lot of audits that come out that as the mayor said cite a lot of opportunities for improvement but always couched in the terms of things that have failed to happen that were required. In this case I think this is more process improvement than it is failure to fulfill a contract and I think you guys have done a very good job in sometimes very difficult circumstances. I'm -- I have renewed faith

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in the work you all are doing and I think as a hotel taxes increase over time, I am confident that y'all are able to expend those dollars in a very thoughtful and transparent way as we've seen through this audit. The oversight board thing is interesting because, you know, I often struggle whether or not we should cite cities from out of the state as a comparison. It's always a weird back and forth because our regulatory environment is very different. We're seeing that with just about everything. But I don't think there was any city -- any peer city in Texas, certainly not of the one cited, that had a tourism commission. So there's a lot of things Austin will be the first at, and it's never stopped us before. So we'll see how the tourism commission convenes. Hopefully it will convene quickly. >> Pool: Okay. Anything else? Go ahead. >> Alter: So just -- I want to understand better what the procedure would be if we did want to have council representation on visit Austin's board. Visit Austin is not directly ours so it's not like we can just pass a resolution saying that. It seems like we almost need to be invited by visit Austin and I don't know what the numbers would be because you wouldn't want to have so much city representation that you were skewing the votes in ways that -- I mean, if you put five councilmembers on it would be kind of ridiculous. So it would be helpful to have a little information on the process and the numbers that are there right now. >> Okay. We can share the current board structure. I know that the bylaws would probably need to be altered a little bit. Would you like the bureau to come back, visit Austin to come back with a recommendation or are you

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seeking to provide a recommendation, I guess? >> Alter: I would be -- I mean, we need to have information to be able to even make a recommendation. So I would be comfortable with them making a first pass suggestion of how it could be incorporated so that it would be a productive inclusion on their board. I don't think it would be any more than three and three may be too many and one may be too few, but I don't know -- more than that that's sort of off the top of my head and without the context of how many people are on their board and how their board is composed other than the two of you it's hard off the cuff to suggest what would be appropriate and productive. I know that there's definitely a lack of knowledge on council of -- to how certain things work, and I think that that conduit of

information back and that greater understanding that would come from understanding the challenges that visit Austin and that part of our business community is facing would be useful for us. And council and that may be more usefully done by more than one councilmember. But too many would, I think, be inappropriate. >> Okay. >> Councilmember, mark Washington. There are a couple of paths. Visit Austin is here to speak to those. I think one is just a general member, where any interested member of the community could apply for board consideration and the board would vote on their application, and then there's the other process of actually revising the blahs, bylaws, which the board of directors would have to do to identify board membership by certain affiliation, which in this case would be council affiliation, both subject to board approval. I think Ms. Hart is here, if the council -- if the committee would like anymore information beyond that, but

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that's generally the two processes that I'm aware of. >> Pool: I guess what I'd say is part of the -- my interest in having council representation on the visit Austin board, which is what we're talking about, right? And how many members are on the board? Is it 30 some? Yeah. And they are primarily drawn from -- >> There's a diverse, there's a diverse group, but there is a percentage that have to come from -- I think 50% from the tourist industry so it wouldn't just be hotels. It could be bus companies, providers anywhere in the industry. >> Pool: That was set by the bylaws that were crafted? >> I believe so, yes. >> Pool: My concern and I'll continue to work on it with my colleagues, I think we're trying to open up access and understanding and oversight and transparency to the visit Austin contract, and if -- and the inner workings because of the large amounts of money, millions of dollars that flow through that contract, we have not exercised very robust oversight in previous years, and that's changing and a lot of things are changing with the 10-1 council so sometimes it's a little comfortable for all of us from time to time but the fact is this particular contract is kind of a closed system. I find it hard -- I have had a hard time finding the page where the 30-odd members of the board are located. You can do it. It is there online but it takes some doing to find it. It doesn't say when the meetings are and it would concern me that the approval for even councilmembers to be on the board would have to come from the contractor itself. And I don't -- I haven't worked through in my mind what that looks like or doesn't look like. I haven't gotten there yet. The bylaws was something I was hoping we would also have a look-see at for visit Austin. Also opening up for general people from the community also with the approval of

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the sitting board also sounds like a perpetuation of what in my -- what I am calling a closed system. It's directed at conventions, people coming in from out of town as opposed to people who live here in Austin. I've said these things publicly many times. That what we're trying to do is shift the focus, and I think some of the changes at the convention center and visit Austin marketing plan is to look at what makes Austin unique. Not -- not -- so it's the small things. It's more granular details because we have a lot of people who come into town and go to the convention center but don't really filter into the

community or find of the special places. They pretty much stay in that part of downtown. We're looking to try to advance and promote all the other things that make Austin Austin because you could take that convention center and generally put it in any other city. If people come in from around the country or around the world but don't go much further than just that building then we really haven't promoted tourism. We've brought people in for a convention but we haven't done much more advancing what the unique culture is in Austin. And so that -- for me that's what I'm looking to do with the very important work that the convention center with the hotel occupancy tax, again, hundreds of millions of dollars over time, and the visit Austin marketing. I want people to know what's special about Austin and I feel like we continue to miss that mark. -- That is my hope and my impetus behind trying to dig into how the convention center operates and its marketing wing, visit Austin. I realize that we probably have all kind of gone a little bit away from what this audit was about. But I felt it was really important to kind of make that point, because if we -- excuse me. If we are going to expand who is -- or change who is on a board of directors,

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then I think we need to be thinking in terms of what are we looking for for our directors? Are they folks who are happy to put heads in beds? Or are they happy to be advancing rude mechanicals or the Zach Scott theater, for example? Mayor? >> Mayor Adler: I was going to say, I appreciate the resolution that you did at the beginning of this to take a look at what peer cities do, and we often do that to try and see what practices are in other places. Certainly we're not bound by those. So when you look at the other cities, they all have city representation, which we already have, but it also looked like several of them had city councilmembers serving on the board so that seems to be a practice that other cities do that makes sense here in part from the education standpoint. I'm also happy, you know, that we've done a tourist commission because I think that a lot of the things that my colleague just mentioned are real important things for that commission to be taking a look at. How do we promote the kind of things that tourists might not be seeing now that we want to be able to promote in our city, in part to strengthen those things to see if we can get some income streams associated with those. Visit Austin in particular though has a really specific function. Visit Austin is who we pay money to in order to drive convention attendance and to put heads in beds. So that we generate the hundreds of millions of dollars in hotel taxes that we use to spend on cultural arts in our city, that we use to spend for historic preservation in our city, and that generates -- it's the third largest industry employer in our city. So it's hugely important for the economy in generating the taxes that ultimately we use to put clinics in the city and parks in the city.

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So I want to make sure that however we do this, that while we learn, we're not doing anything that -- that would have a impact on such a huge part of our economy and such a huge driver. So I agree with everything that you said. I think for me that's going to be more the focus of the commission to do its

work because it has a broad scope to do that. The visit Austin whose job it is to attract conventions and to put heads in beds is a really specific function but I think it would be really helpful to have some councilmembers -- you know, a couple councilmembers on that to be able to see that, to see how that slice of what we do in the city works. Because right now it's just -- it's generating us -- what we do, all of our cultural arts on the back of that work. Now as we get to 15% we're going to be doing a lot of historic preservation in the city on the back of that work so we need to make sure that that works. The last thing I would say as a postscript because I am concerned that some of these draft reports came out and now we see that the draft report was actually different than the final report, but there's media reports now that go back to the draft so that element now will live forever just because it's been reported that way. If you could -- and I like your idea of stamping the reports "Confidential," not to be emailed or shared, anything else that you can think of. You sent us I think a very good memo on kind of the general policy for what you're doing. If you could also let us know on what affirmative steps you think would be appropriate for your office to take to help ensure that documents are not released before they should be released, what affirmatively

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your office could do, that would be really helpful. Thank you. >> I can do that. One other thing you mentioned best practices. I think what we provide in the report is a high-level summary of our peer city research but certainly things like, you know, the number of councilmembers, number of members of the board, the number of city council or city management representatives on that board that's detailed information that we can provide if that's of interest in trying to -- >> Mayor Adler: I would like to see that. If you could share with visit Austin, what their board looks at. I concur my colleagues as well if you could initiative that because it really is a bylaw change so it seems that's an appropriate conversation for you to have at your board, going back with the expressed interest of the audit and finance committee to maybe have a couple members over there and then to come back to us, that would be great. >> We will do that. >> Mayor Adler: Thank you. >> Pool: All right. Anything else? Councilmember alter. >> Alter: I would just like to say as part of that I would be imagining that you would be figuring -- we would be figuring out the number, two or three, councilmembers that would serve and the choice of councilmember would be up to council, as to who would serve, it would be a determination by you how to figure that out in your bylaws and it could be on an interim basis until the bylaw process was figured out, if you had open spaces those could be for councilmembers and we figure out who we would want and you nominate the person in sort of the short run. It could being be handled that way to have the same effect with a longer run solution that was more formal. I wanted to make a motion. >> Pool: All right. >> Alter: I motion to approve the audit and provide the direction to the staff to work with visit Austin to come back to audit and finance with a proposal and relevant information such as Ms. Stokes just mentioned about how many are serving and how they're serving on other cities' boards. >> Pool: Great. So councilmember alter makes a motion to accept the audit

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and then the additional things she said. Mayor, do you want to second that? It's seconded it all right. Any other comments? Mr. Flannigan. >> Flannigan: Thank you, chair. I did not find it difficult to find the board of directors. In fact when you Google visit Austin board it's the very first link, lists all the members and meeting times. Incredibly transparent, in the first link in a box when you Google that. I have less agreement with the thing that you laid out that the mayor seemed to agree with. I don't think that we can create the tourism industry we wish we had. We want a tourism industry that's going to increase our sales tax revenues. We want to have a tourism industry that helps fund through economic activity the types of things that we're trying to accomplish in this city. In large part it's part of the waller creek project and having development downtown and that type of thing. So I want to just make sure that that perspective is also known by the staff, that we want to make sure that the choices we're making with the use of the hotel occupancy tax are doing the thing we need it to do in terms of increasing the type of economic activity that helps fund the general fund and all of the other activities that we're doing. Thank you. >> Pool: All in favor of the motion from councilmember alter? And that is unanimous on the dais. All right. Do we have any items for the next meeting? >> Alter: I just want to flag that we will need to resolve my appointment to the abundance and finance now that Ms. Troxclair is more more or less back. I'm going to look into little bit before tomorrow's work session, but I hope that my colleagues will support that moving forward. >> Pool: I think there was supposed to be some larger effort that was going to happen at the end of the month, but I guess we'll have to follow that up. All right. There being no other business, we are adjourned,

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and it is 1:37 A.M. Thanks everyone. >> Alter: 11:00. [Adjourned] [Adjourned] Adjourned] [Adjourned] . [Adjourned] [Adjourned]