

**AUDIT AND FINANCE COMMITTEE MEETING MINUTES – WEDNESDAY, April 17, 2019**



THE AUSTIN CITY COUNCIL **AUDIT AND FINANCE COMMITTEE** CONVENED IN A REGULAR MEETING ON Wednesday, April 17, 2019 AT 9:42 AM, AUSTIN CITY HALL, 301 W. 2<sup>nd</sup> STREET, AUSTIN, TEXAS.

**Council Member Alter called the meeting to order at 9:42 AM. In attendance were Council Member Pool and Council Member Tovo. Mayor Adler, and Council Member Flannigan were absent.**

**Agenda Item #3:** The Pension Actuarial Audits of the City's Three Retirement Systems (Austin Fire Fighters Relief and Retirement Fund, Austin Police Retirement System, and City of Austin Employee's Retirement System) by Bolton Partners. (Financial Service Department) Sponsors: Council Member Alison Alter, and Council Member Leslie Pool

***Belinda Weaver, Interim City Treasurer, Jim McPhillips, and Jim Ritchie, actuaries with Bolton Partners, presented a final audit report for Pension Actuarial Audits of the City's Three Retirement Systems. Pattie Featherston, Executive Director of Austin Police Retirement System, Bill Stefka, Austin Fire Fighters Relive and Retirement Fund Administrator, and Christopher Hanson, Executive Director of the City of Austin Retirement System, answered questions from the Committee members.***

**Agenda Item #1:** Approve the minutes of the Audit and Finance Committee meeting of February 27, 2019.

***The approval of the minutes of the February 27<sup>th</sup>, 2019 Audit and Finance Committee meeting was postponed on Council Member Pool's motion, Council Member Tovo's second, on a 3-0 vote. Council Member Flannigan and Mayor Adler were off the dais.***

**Agenda Item #2:** Speakers signed up prior to the meeting being called to order will each be allowed three minutes to address their concerns regarding items not posted on the agenda.

***No Speakers.***

**Agenda Item #4:** The Fiscal Year 2018 Comprehensive Annual Financial Report and Fiscal Year 2018 Single Audit Report by Deloitte & Touche LLP, the City's external auditor. (Financial Services Department) Sponsors: Council Member Alison Alter, and Council Member Leslie Pool

***Kim Euresti, Deputy Controller, Tracey Cooley and Jane Chen, Deloitte, presented the Fiscal Year 2018 Comprehensive Annual Financial Report and Fiscal Year 2018 Single Audit Report and answered questions from the Committee members. Both audits were accepted on Council Member Tovo's motion, Council Member Pool's second, on a 3-0 vote. Mayor Adler and Council Member Flannigan were off the dais.***

**Agenda Item #5:** Possible action on recommendations for appointments to the Municipal Civil Service Commission. (Human Resource Department and City Clerks Office)  
Sponsors: Council Member Alison Alter, and Council Member Leslie Pool

THE CITY OF AUSTIN IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE MODIFICATIONS AND EQUAL ACCESS TO COMMUNICATIONS WILL BE PROVIDED UPON REQUEST. FOR ASSISTANCE, PLEASE CALL (512) 974-2805 OR RELAY TEXAS #711.

***Sylba Everett, Municipal Civil Service Administrator, and Stephanie Hall, City Clerk's Office, presented on the process for recruitment, appointment, re-appointment of the Municipal Civil Service Commission. A motion to direct staff to automatically go to a 30-day open call solicitation whenever a position becomes open, City Clerk's staff to review applications and screen for the minimal qualifications for the Audit and Finance Committee then select individuals for interviews (this time in May with a direction to expand the length of the meeting by 30 minutes) and conduct the interviews in a special called meeting (to be set in advance in early June), passed on Council Member Pool's motion, Council Member Tovo's second on a 3-0 vote. Mayor Adler and Council Member Flannigan were off the dais.***

**Agenda Item #5:** Capital Project Delivery Audit Update (Public Works/Capital Contracting Office).  
Sponsors: Council Member Alison Alter, and Council Member Leslie Pool

***Jorge Morales, Assistant Director of Public Works over Capital Contracting, and Cynthia Gonzales, Deputy Officer of the Capital Contracting Office, presented updates. Presenters and Richard Mendoza, Director of Public Works, answered questions from the Committee members.***

**Agenda Item #7:** Results of ongoing follow-up audit for fiscal years 2012-2017 (City Auditor's Office)  
Sponsors: Council Member Alison Alter, and Council Member Leslie Pool

***Olga Ovcharenko, Quality Assurance Coordinator, presented the follow-up result and answered the questions from the Committee members.***

**Agenda Item #8:** Proposed amendments to the City Auditor's Fiscal Year 2019 Audit Plan (City Auditor's Office). Sponsors: Council Member Alison Alter, and Council Member Leslie Pool

***A motion to postpone the audit plan discussion at the request of the City Auditor passed on Council Member Tovo's motion, Council Member Pool's second, on a 3-0. Mayor Adler and Council Member Flannigan were off the dais.***

**Agenda Item #9:** City Auditor's Integrity Unit Fiscal Year 2019 Update (City Auditor's Office)  
Sponsors: Council Member Alison Alter, and Council Member Leslie Pool

***Brian Molloy, Chief of Investigations, presented an update and answered questions from the Committee members.***

**Agenda Item #10:** Identify items to discuss at future meetings.

***Council Member Alter requested the following:***

- ***an update on the 2017 Harassment, Discrimination, and Retaliation audit recommendations from management in a couple of months;***
- ***a deferred maintenance spending update from Financial Services in May;***
- ***an update on the overall capital program, excluding enterprise funds, in June; and***
- ***the annual pensions report in June.***

**Council Member Tovo requested that staff review the meeting calendar to ensure that the Audit and Finance Committee meeting not be on the same day as the Austin Energy Committee meeting.**

**Adjourn: Council Member Alter adjourned the meeting without objections at 11:15 AM.**

**The minutes were approved on the 29th day of May 2019 on Council Member Flannigan's motion, Mayor Adler's second on a 3-0 vote. Council Member Tovo and Council Member Pool were off the dais.**