Council Audit and Finance Committee Special Called Meeting
Wednesday, June 27, 2012

MINUTES

THE *AUSTIN CITY COUNCIL AUDIT AND FINANCE COMMITTEE* CONVENED ON
TUESDAY, JUNE 27, 2012 AT 10:00 A.M. IN THE BOARDS AND COMMISSIONS ROOM,
FIRST FLOOR, ROOM 1101, CITY HALL, 301 W. 2nd STREET.

The meeting was called to order at 10:06 a.m. by Chair Sheryl Cole. In attendance were Council Member Laura Morrison, Council Member Bill Spelman, and Council Member Kathie Tovo.

Agenda Item #1:   Citizen Communication

   There were no citizens signed up to speak at this meeting.

Note: Item 4 was taken prior to Items 2 and 3.

Agenda Item #2:   Approval of the May 23, 2012 minutes

   The minutes of the May 23, 2012 meeting of the Audit & Finance Committee were approved on Council Member Spelman's motion, seconded by council Mayor Pro Tem Cole, with a 4-0 vote.

Agenda Item #3:   Presentation and acceptance of the ARAMARK Financial Statement
                         Reporting Audit (City Auditor's Office)

   Walt Persons, Assistant City Auditor, presented the results of the audit, which was led by Neha Sharma, the Auditor-In-Charge (AIC) over the project.

   Mark Tester, Director – Austin Convention Center Department (ACCD); Dan McColgan, Controller for the Sports Entertainment Division of ARAMARK; and Dave Stagliano, Partner - Meyer Hoffman McCann (MHM), and other representatives from MHM, the public accounting firm hired by ACCD to perform audits of ARAMARK's financial statements for the years 2006 through 2010, explained the work that MHM auditors performed as part of their audit, as well as background on ARAMARK's operations and financials.

   Council Members had several questions for Mr. Persons, as well as of Mr. Tester, Mr. McColgan, and Mr. Stagliano.

   *Action Item: Council Members requested that Mr. Tester provide them with
               information showing where the City's access to supporting
               documentation for ARAMARK and their sub-vendors is specified in the
               proposed new contract.*

   The report was accepted on Council Member Morrison's motion, which was seconded by Council Member Spelman, and a 4-0 vote.

Agenda Item #4:   Presentation on the City of Austin, AISD, Travis County, Austin Community College, and Central Health Collaboration on Tax, Debt, Bond, and other Joint Fiscal Matters (Financial & Administrative Services Department)

Ed Van Eenoo, the City's Budget Officer, along with Nicole Conley-Abram, the Chief Financial Officer (CFO) for the Austin Independent School District (AISD); John Stephens, the CFO for the Travis Central Health District (TCHD); Trish Young, the TCHD President and CEO; Leroy Nellis, Budget Director for Travis County; and, Neal Vickers, Associate Vice President – Finance & Budget for Austin Community College (ACC), presented financial updates for each taxing entity.

Action Item: Council Member Morrison asked for a comparison of to see how Austin's roll-back tax rate tax burden compares to other cities. Mr. Van Eenoo stated that he would prepare a comparison of the tax burden for major Texas cities.

Agenda Item #5:   Presentation on the June 2012 Update on FSD Purchasing Action Plan for Performance Audit of Citywide Contract Management AU10113 (Financial & Administrative Services Department)

Greg Canally, Deputy Chief Financial Officer, and Byron Johnson, the City's Purchasing Officer, presented an update on City-wide contract management improvements.

Council Members had several questions for Mr. Canally and Mr. Johnson.

Agenda Item #6:   Presentation and acceptance of the Austin Water Utility Water Loss Follow-Up Audit (City Auditor's Office)

Walt Persons, Assistant City Auditor, presented the results of the audit, which was led by Kathie Harrison, the Auditor-In-Charge (AIC) over the project.

Council Members had several questions for Greg Mezsaros, the Austin Water Utility's Director.

The report was accepted on Council Member Tovo's motion, which was seconded by Council Member Morrison, and a 4-0 vote.

The meeting was adjourned at 12:20 p.m. by Mayor Pro Tem Cole without objection.