



Midpeninsula Regional
Open Space District



**MEASURE AA BOND OVERSIGHT COMMITTEE OF THE
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT**

Administrative Office
5050 El Camino Real
Los Altos, CA 94022

Tuesday, February 13, 2024

DRAFT MINUTES

The Measure AA Bond Oversight Committee conducted this meeting in accordance with California Government Code section 54953.

ROLL CALL

Committee Chair Cilker called the meeting to order at 5:30 p.m.

Members present: Paul Betlem, Brian Cilker, Curtis Cole, Kit Gordon, Steven Permut, and Bruce Tolley

Members absent: David Emery

Staff present: General Manager Ana Ruiz, General Counsel Hilary Stevenson, Assistant General Manager Susanna Chan, Assistant General Manager Brian Malone, Chief Financial Officer/Director of Administrative Services Stefan Jaskulak, District Clerk Maria Soria, Executive Assistant/Deputy District Clerk Loana Lumina-Hsu, Budget & Finance Manager Rafaela Ocegüera, Management Analyst II Elissa Martinez, Management Analyst I Jordan McDaniel, Natural Resources Manager Kirk Lenington, Senior Resources Management Specialist Coty Sifuentes-Winter

Chair Cilker announced this meeting is being held in accordance with Government Code section 54953. The public has the opportunity to comment on the agenda, and the opportunity to listen to this meeting through the internet or via telephone. This information can be found on the meeting agenda, which was physically posted at the District's Administrative Office, and on the District website.

ORAL COMMUNICATIONS

Public comments opened at 5:32 p.m.

Deputy District Clerk Loana Lumina-Hsu reported there were no public speakers for this item.

Public comments closed at 5:32 p.m.

COMMITTEE BUSINESS

1. Approve January 16, 2024 Measure AA Bond Oversight Committee Minutes

Public comments opened at 5:33 p.m.

Ms. Lumina-Hsu reported there were no public speakers for this item.

Public comments closed at 5:33 p.m.

Motion: Committee Member Tolley moved, and Committee Member Gordon seconded the motion to approve the January 16, 2024 Measure AA Bond Oversight Committee minutes.

ROLL CALL VOTE: 6-0-0 (Committee Member Emery absent.)

Committee Item 2 was heard after Items 3 and 4.

2. Oral presentation from auditor Chavan and Associates regarding audit of Measure AA Expenses

Ms. Ocegüera introduced Chavan and Associates, LLP Partner Paul Pham to provide a brief overview of the audit process.

Mr. Pham outlined the process, procedures, and sampling method for the District's June 30, 2023 Measure AA Bond audit. He summarized the work completed during the audit process verifying the expenditures are related to the bond program and ensured the District is in compliance with the bond measure.

Committee Member Permut inquired if the District audit and Measure AA audits are complete.

Mr. Pham clarified the Measure AA audit is a fund that is included in the overall audit and that it is a component of the District audit as a whole. Furthermore, he declared that the audit contained no issues.

Committee Member Tolley inquired what was the percentage of the Measure AA transactions which were sampled.

Mr. Pham stated 90% of the transactions were sampled, and many of the items sampled were large dollar amounts, and included the Cloverdale land purchase.

Committee Member Tolley inquired about how bias is controlled or managed, and how risk is mitigated.

Mr. Pham reported the auditors follow California State Controller guidelines, each year there is a rotation between three partners for the roles of engagement partner and reviewing partner, the auditors review and refresh internal controls, and the auditors change the audit approach from year to year.

Committee Member Tolley asked what internal controls are in place.

Mr. Pham explained the District has internal control measures in place via policies and procedures and provided specific examples.

Committee Member Permut asked if it is staff responsibility to verify invoices and confirm work was completed.

Mr. Pham stated the auditors rely on staff's signatures on the invoices as is a verification of the work that was completed.

Public comments opened at 6:21 p.m.

Ms. Lumina-Hsu reported there were no public speakers for this item.

Public comments closed at 6:21 p.m.

No Committee action required.

3. Documentation Review of Selected Transactions for Verification of Measure AA Expenditures

Budget & Finance Manager Rafaela Ocegüera reported the committee was provided supporting documentation of the twenty sample expenditures that the committee selected at the January 16 meeting. Ms. Ocegüera stated that the Committee Members reviewed and submitted questions for additional information on the transactions, and staff responded via email. She reviewed the questions submitted by the Committee and staff's responses. The Committee Members requested and received additional clarification on the various expenditure transaction samples.

Public comments opened at 5:59 p.m.

Ms. Lumina-Hsu reported there were no public speakers for this item.

Public comments closed at 5:59 p.m.

No Committee action required.

4. Appointment of Bond Oversight Committee Ad Hoc Committee

Ms. Ocegüera stated a three-member ad hoc committee will need to be appointed to prepare a draft Measure AA Bond Oversight Committee Report that includes the Committee's opinion and

findings to submit to the Board of Directors. The draft report will be reviewed at the March 5, 2024 Committee meeting for edits and approval, and presented to the Board of Directors on March 27, 2024.

Committee Members Tolley, Cole and Gordon volunteered to participate in the ad hoc committee.

Public comments opened at 6:04 p.m.

Ms. Lumina-Hsu reported there were no public speakers for this item.

Public comments closed at 6:04 p.m.

Motion: Committee Member Permut moved, and Committee Member Tolley seconded the motion to appoint a three-member ad hoc subcommittee comprised of Committee Members Tolley, Cole, and Gordon to prepare a draft Measure AA Bond Oversight Committee Report for submittal to the Board of Directors.

ROLL CALL VOTE: 6-0-0 (Committee Member Emery absent.)

The ad hoc committee members agreed to meet on February 27, 2024 at 1:00 pm.

ADJOURNMENT

Committee Chair Cilker adjourned the meeting of the Measure AA Bond Oversight Committee at 6:22 p.m.

Loana Lumina-Hsu
Deputy District Clerk