



Midpeninsula Regional
Open Space District

R-16-83
Meeting 16-18
August 10, 2016

AGENDA ITEM 4

AGENDA ITEM

Fiscal Year 2016-17 Annual Claims List

GENERAL MANAGER'S RECOMMENDATION

Approve the Fiscal Year 2016-17 Annual Claims List, including debt service payments.

SUMMARY

Pursuant to Board Policy 1.03, the Annual Claims list for Fiscal Year 2016-17 (FY2016-17) is hereby submitted to the Board of Directors (Board) for review and approval so that salaries and benefits, debt service, and recurring expenses may be paid in a timely and efficient manner. At the Regular Board Meeting on December 16, 2015, the Board authorized the General Manager or designee to approve payment of claims up to \$50,000 (R-15-163) to increase operational efficiencies, subject to Board ratification at the Board's next regularly scheduled meeting. As part of this report and to be aligned with the Board-approved authority bestowed to the General Manager, the Controller recommends that Annual Claims Lists include only claims that exceed \$50,000, as presented in this document.

DISCUSSION

The Annual Claims list provided as part of this report includes claims that exceed \$50,000. On December 16, 2015, the Board authorized the General Manager or designee to approve the payment of claims up to \$50,000, subject to Board ratification at the next Regular Board meeting (R-15-163). In light of this delegation of payment approval authority and the post facto ratification by the Board, it is redundant to list claims that are less than \$50,000 on the Annual Claims List. Approval of the proposed Annual Claims would authorize the accounting office to pay salaries and benefits, debt service, and recurring services in a timely and efficient manner. This item would minimize the occurrence of late fees, finance charges, and urgent check requests.

Recusal Statement

Included as part of the Annual Claims on page 2 of this report is a recusal statement that is read by the presiding Board President for Director Hanko on her economic conflict of interests in AT&T, Verizon, and PG&E claims. The purpose of this annual recusal statement is to enable Director Hanko to meet her conflict of interest recusal responsibilities at one annual meeting rather than being required to repeat the same recusal statement at each regular Board meeting when claims are presented on the Consent Calendar. If approved, recusals on AT&T, Verizon, and PG&E claims by Director Hanko will not need to be made at each regular Board meeting.

Debt Service Claims

The debt service claims listed below for FY2016-17 reflect payments required of the Midpeninsula Regional Open Space District to meet the outstanding District debt obligations for the current fiscal year:

**ANNUAL CLAIMS:
DEBT SERVICE
FISCAL YEAR 2016-2017**

	<u>PRINCIPAL</u>	<u>INTEREST</u>
NOTEHOLDER-LAND		
Daloia	23,105.24	1,665.84
Hunt	-	75,000.00
Subtotal-Notes	<u>23,105.24</u>	<u>76,665.84</u>
BONDS PAYABLE		
2007 Bonds - Series A	3,235,000.00	2,275,375.00
2011 Bonds	120,000.00	1,075,775.00
2012 Refunding	365,000.00	667,625.00
2015 Refunding	675,000.00	1,111,375.00
2015 GO Bonds Series A&B	775,000.00	1,732,062.50
Subtotal-Notes	<u>5,170,000.00</u>	<u>6,862,212.50</u>
TOTALS - NOTEHOLDERS & BONDS	<u>5,193,105.24</u>	<u>6,938,878.34</u>
TOTAL DEBT SERVICE	12,131,983.58	

** The total debt service includes interest to be paid directly out of bond premium proceeds held by the trustee.

Annual Claims

The annual claims listed below for FY2016-17 reflect payments in excess of the General Manager's authority:

ANNUAL CLAIMS	
ITEM DESCRIPTION	AMOUNT
Staff Salaries	\$15,114,572
Debt Service (includes note paying agent fees)	\$12,144,984
Retirement Plans	\$2,146,077
Group Insurance Premiums	\$2,421,482
State Mandated Insurance-Unemployment & Workers Comp.	\$487,307
Wellington Park Investors (AO Office Lease)	\$316,623
Property/Liability/Vehicle Insurance (CALJPIA)	\$304,470

Utilities - Electricity/Gas/Propane/Telephone/Cellular Telephone (PG&E***/Cal Water/Amerigas/Verizon***/AT&T***)	\$190,310
Dispatch Services (City of Mountain View)	\$166,913
Fuel - Valley Oil Company	<u>\$135,000</u>
TOTAL:	\$33,427,738

****Annual Recusal Statement: Director Hanko is voluntarily recusing herself from voting on all claims for AT&T, Verizon, and PG&E.*

BOARD COMMITTEE REVIEW

This item was not reviewed by a Board Committee; however, the Action Plan and Budget Committee reviewed the FY2016-17 District Budget in April.

FISCAL IMPACT

The listed Annual Claims have been included in the FY2016-17 District Budget, which was approved by the Board of Directors at the Regular Meeting of June 22, 2016 (R-16-71).

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. No additional notice is required.

CEQA COMPLIANCE

Approval of the Annual Claims is not considered a project under the California Environmental Quality Act (CEQA) and no environmental review is required.

NEXT STEPS

With Board approval, staff will proceed with preparing open purchase orders for the listed vendors and pay invoices upon receipt.

Attachments:

1. Detailed List of Debt Service Obligations FY2016-17

Responsible Manager:
Stefan Jaskulak, Chief Financial Officer

Prepared by:
Nicole Gonzales, Budget Analyst II and Andrew Taylor, Senior Accountant

ATTACHMENT 1

**DEBT SERVICE
FISCAL YEAR 2016-2017**

Payable to	Close of Escrow	Original Note	Rate %	Term	Remaining Principal At June 30, 2015	Final Payment Due	FY 2016/2017 - Debt Service Payments		
							Total	Principal	Interest
Daloia	10/11/2002	240,000.00	6.25%	15 Years	56,921.77	10/10/2017	24,771.08	23,105.24	1,665.84
Hunt	04/15/2003	<u>1,500,000.00</u>	5.50%	10 years	<u>1,500,000.00</u>	04/01/2023	<u>75,000.00</u>	<u>0.00</u>	<u>75,000.00</u>
		<u>1,740,000.00</u>			<u>1,556,921.77</u>		<u>99,771.08</u>	<u>23,105.24</u>	<u>76,665.84</u>
2007 Bonds Series A	12/15/2006	52,415,000.00	4% to 5%	20 years	47,300,000.00	09/01/2027	5,510,375.00	3,235,000.00	2,275,375.00
2011 Bonds	05/05/2011	20,500,000.00	2% to 6%	30 years	20,385,000.00	09/01/2041	1,195,775.00	120,000.00	1,075,775.00
2012 Refunding Notes	02/02/2012	31,264,707.20	2% to 5%	30 years	33,229,501.25 *	09/01/2041	1,032,625.00	365,000.00	667,625.00
2015 Refunding Notes	01/22/2015	23,630,000.00	2% to 6%	19 years	23,630,000.00	09/01/2034	1,786,375.00	675,000.00	1,111,375.00
2015 Measure AA GOs	7/29/2015	<u>45,000,000.00</u>	1.5% to 5%	30 years	<u>0.00</u>	09/01/2045	<u>2,507,062.50</u>	<u>775,000.00</u>	<u>1,732,062.50</u>
		<u>172,809,707.20</u>			<u>124,544,501.25</u>		<u>12,032,212.50</u>	<u>5,170,000.00</u>	<u>6,862,212.50</u>
		<u>174,549,707.20</u>			<u>126,101,423.02</u>		<u>12,131,983.58</u>	<u>5,193,105.24</u>	<u>6,938,878.34</u>

* Includes Accretions