



Midpeninsula Regional  
Open Space District

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MEASURE AA

2014 OPEN SPACE BOND

## MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

### MEASURE AA BOND OVERSIGHT COMMITTEE

Administrative Office  
330 Distel Circle  
Los Altos, CA 94022

**Tuesday, January 31, 2017**

### **DRAFT MINUTES**

#### **ROLL CALL**

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

Members present Paul Betlem, Carla Dorow, Elizabeth Eischen, Denise Gilbert, Bruce Tolley, and Tom Scannell

Members absent: Jo Zientek

Staff present: General Manager Steve Abbors, Chief Financial Officer/ Director of Administrative Services Stefan Jaskulak, Assistant General Counsel Hilary Stevenson, District Clerk/Assistant to the General Manager Jennifer Woodworth

#### **ORAL COMMUNICATIONS**

No speakers present.

#### **ADOPTION OF AGENDA**

**Motion:** Committee member Scannell moved, and Committee member Gilbert seconded the motion to adopt the agenda.

**VOTE:** 6-0-0 (Committee member Zientek absent)

#### **COMMITTEE BUSINESS**

##### **1. Approve January 17, 2016 Measure AA Bond Oversight Committee Minutes**

Public comments opened at 5:34 p.m.

No speakers.

Public comments closed at 5:34 p.m.

**Motion:** Committee member Dorow moved, and Committee member Gilbert seconded the motion to approve the January 17, 2016 Measure AA Bond Oversight Committee minutes

**VOTE: 6-0-0** (Committee member Zientek absent)

## **2. Discuss Annual Accountability Report**

Committee members requested clarification regarding the various Measure AA portfolios.

Chief Financial Officer/Director of Administrative Services Stefan Jaskulak providing clarifying information regarding portfolio information contained in the Annual Accountability Report, including project applicability to Measure AA and confirmation of various projects to be capital improvements.

Committee member Scannell requested information used by District staff to confirm funds are spent for Measure AA projects.

Mr. Jaskulak provided an overview of the process including creation of a purchase order to use Measure AA funds and project manager confirmation that the work completed supports Measure AA projects.

## **3. Approval of Agreed-Upon Procedures for the Review of Measure AA Expenditures**

Mr. Jaskulak reviewed the proposed sample selection of expenditures for the Committee to review and the types of documents that would be provided as backup information for the expenditures.

Sheldon Chavan of Chavan and Associates, the District's outside auditor, provided a summary of the work completed during the audit process, including ensuring the District's expenditures were correctly charged to the District's budget funds such as debt, capital improvements, and general funds. Additionally, the auditors tested approximately 70% of Measure AA expenditures with a focus on bond compliance to ensure expenditures were allowed by the Measure AA bond language. The auditor issued their opinion letter stating there were no issues of noncompliance.

Committee member Dorow spoke regarding the staff suggested samples explaining they include a high percentage of the funds spent to date.

Public comments opened at 6:42 p.m.

No speakers.

Public comments closed at 6:42 p.m.

**Motion:** Committee member Gilbert moved, and Committee member Dorow seconded the motion to approve the procedures and sampling size as outlined in the staff report.

**VOTE: 6-0-0**

**4. Review Transaction Reports and Select Samples**

Mr. Jaskulak described the various transaction lists provided by staff as part of the Committee's packet information.

Mr. Tolley requested additional information regarding the Committee's role.

Mr. Scannell expressed his opinion that the Committee can largely rely on the auditor's report and verify a sampling of expenditures.

Mr. Tolley expressed his opinion that it may be of interest to select smaller value expenditures as well.

The Committee selected the five land purchase samples and five samples from additional expenditures. The Committee also requested documentation supporting three accounting journal entries in addition to the agreed upon sample selections.

Public comments opened at 7:02 p.m.

No speakers.

Public comments closed at 7:02 p.m.

**Motion:** Committee member Scannell moved, and Committee member Eischen seconded the motion to select sample expenditures from these reports based on the Agreed-Upon Procedures.

**VOTE: 6-0-0**

The Committee suggested the members could divide the sample documentation to be reviewed by individual Committee members with each transaction being reviewed by two randomly assigned Committee members. The Committee directed the District Clerk to assign at random review of the supporting documentation to the Committee members, so each item has two Committee members reviewing it. All Committee members will report out on their items at the February 21, 2017 Committee meeting.

District Clerk Jennifer Woodworth agreed to assign at random the review of the selected sample transactions and will provide the documentation to Committee members in advance of the February 21, 2017 Committee meeting. She will also send documentation for all samples to the full Committee to ensure they all have the same materials in advance of the meeting.

**5. Review of Timeline and Future Meetings**

Mr. Jaskulak reviewed the Committee meetings currently scheduled and the Committee actions planned for those meetings.

The Committee selected February 21 and March 14 for its upcoming meetings. The March 14, 2017 meeting will begin at 6:00 PM.

**ADJOURNMENT**

Chair Betlem adjourned the meeting of the Measure AA Bond Oversight Committee at 7:27 p.m.

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Jennifer Woodworth, MMC  
District Clerk