



Midpeninsula Regional
Open Space District



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

Tuesday, February 28, 2023

REVISED DRAFT MINUTES

The Bond Oversight Committee conducted this meeting in accordance with California Government Code section 54953(e) and Midpeninsula Regional Open Space District Resolution 21-33.

ROLL CALL

Committee Chair Cilker called the meeting to order at 5:31 p.m.

Members present: Paul Betlem, Brian Cilker, Curtis Cole, David Emery, Kit Gordon, and Bruce Tolley

Members absent: Steven Permut

Staff present: General Manger Ana Ruiz, General Counsel Hilary Stevenson, Chief Financial Officer/Director of Administrative Services Stefan Jaskulak, Assistant General Manager Brian Malone, Assistant General Manager Susanna Chan, Finance Manager Andrew Taylor, District Clerk Maria Soria, Acting Deputy District Clerk Loana Lumina-Hsu, Senior Capital Project Manager Scott Reeves

Chair Cilker announced this meeting is being held in accordance with Government Code section 54953(e) and Midpeninsula Regional Open Space District Resolution 21-33, allowing Committee members to participate remotely. The District has done its best to conduct a meeting where everyone has an opportunity to listen to the meeting and to provide comment. 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. General Counsel Hilary Stevenson described the process and protocols for the meeting.

ORAL COMMUNICATIONS

Public comments opened at 5:34 p.m.

Acting Deputy District Clerk Loana Lumina-Hsu reported no oral comments were submitted for this item and noted that a written comment was submitted to the Committee.

Chief Financial Officer/Director of Administrative Services Stefan Jaskulak stated the person who submitted the written comment had previously submitted the same comment to the Board of Directors, staff response was shared with the Committee. Mr. Jaskulak briefly explained the response and progress of trail development within the District.

Public comments closed at 5:38 p.m.

ADOPTION OF AGENDA

Motion: Committee member Tolley moved, and Committee member Emery seconded the motion to adopt the agenda.

ROLL CALL VOTE: 6-0-0 (Committee member Permut absent.)

COMMITTEE BUSINESS

1. Approve January 17, 2023 Measure AA Bond Oversight Committee Minutes

Motion: Committee member Gordon moved, and Committee member Tolley seconded the motion to approve the revised January 17, 2023 Measure AA Bond Oversight Committee minutes.

ROLL CALL VOTE 6-0-0 (Committee member ~~Tomlinson~~ Permut -absent.)

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

Finance Manager Andrew Taylor introduced the District's external auditor Paul Pham from Chavan & Associates to provide a brief overview of the audit process.

Mr. Pham from Chavan & Associates LLP outlined the process, procedures and sampling method for the District's June 30, 2022 Measure AA Bond audit. Mr. Pham 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.

Mr. Pham reported that the audit sampled disbursements and made sure expenditures related to Measure AA were allowable under the bond measure.

Committee member Betlem asked for clarification on the quoted numbers for expenditures for the fiscal year.

Mr. Pham clarified the fiscal year expenditures, ending fund balance, bonds, and expenditures.

Mr. Pham reported the audit found no deficiencies in internal controls over financial reporting and the test disclosed no instances of non-compliance.

Committee member Tolley inquired what percentage of Bond expenditures was sampled, and noted in previous years the Committee received the Schedule of Program Expenditures - MAA Bond Program from Chavan and Associates but it was not provided this year.

Mr. Pham stated he would attain the information and forward it to Mr. Taylor to forward to Committee members.

Mr. Taylor stated the Financial Statements including the Schedule was approved by the Board of Directors on February 22, 2023 and clarified that the unaudited number in the Schedule is the audited number.

Mr. Pham confirmed Bond funds were properly recorded with Measure AA.

Mr. Taylor stated a copy of the complete audited statements will be sent to the Committee.

Public comments opened at 5:49 p.m.

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

Public comments closed at 5:49 p.m.

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

Mr. Jaskulak reported staff provided supporting documentation of the sample expenditures selected by the committee at the prior meeting. Committee members submitted questions for additional information on the transactions they reviewed, and staff responded via email. Mr. Jaskulak 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.

Committee member Tolley asked the Committee members for process feedback.

Committee member Emery requested the Committee review of the cover sheet next year and confirm the information.

Committee member Betlem requested the Fiscal Year timing to be included on the cover sheet.

Public comments opened at 6:11 p.m.

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

Public comments closed at 6:11 p.m.

4. Appointment of Bond Oversight Committee Ad Hoc Committee

Mr. Jaskulak 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 14, 2023 Committee meeting for edits and approval and presented to the Board of Directors in April.

Committee members Emery, Tolley, and Betlem volunteered to participate in the ad hoc committee.

Public comments opened at 6:19 p.m.

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

Public comments closed at 6:19 p.m.

Motion: Committee member Cole moved, and Committee member Gordon seconded the motion to appoint a three-member ad hoc subcommittee comprised of Committee members Betlem, Emery, and Tolley 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 Permut absent.)

ADJOURNMENT

Committee Chair Cilker adjourned the meeting of the Measure AA Bond Oversight Committee at 6:21 p.m.

Loana Lumina-Hsu
Acting Deputy District Clerk