



Midpeninsula Regional  
Open Space District

R-17-96  
Meeting 17-16  
July 12, 2017

## AGENDA ITEM 4

### AGENDA ITEM

Fiscal Year 2017-18 Annual Claims List

### GENERAL MANAGER'S RECOMMENDATION

Approve the Fiscal Year 2017-18 Annual Claims List, including debt service payments.

### SUMMARY

Pursuant to Board Policy 1.03, the Annual Claims list for Fiscal Year 2017-18 (FY2017-18) 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.

### 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). Subsequently, at the Regular Board Meeting on March 22, 2017, the Board authorized the release of claim payments over \$50,000, without holding for Board approval, but continue to provide the claims report to the Board for its review after payment. In light of this delegation of payment approval authority, 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 also minimizes late fees, finance charges, and urgent check requests.

#### Recusal Statements

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.

On September 1, 2016, Director Riffle disclosed to the Board a remote interest under Government Code 1091(a) as a salaried employee of the non-profit organization Peninsula Open Space Trust (POST). After consultation with the Fair Political Practices Commission and the District's General Counsel, it was determined that the employment relationship with POST is a categorized as a "remote interest" under Government Code section 1091, and that such remote

interest would not trigger the contracting ban under Government Code section 1090. To remain consistent with that law, however, Director Riffle needs to recuse himself from all Board agenda items that affect financial matters relating to POST and the District.

Debt Service Claims

The debt service claims listed below for FY2017-18 reflect payments required of the Midpeninsula Regional Open Space District to meet the outstanding District debt obligations for the current fiscal year:

<b>ANNUAL CLAIMS: DEBT SERVICE FISCAL YEAR 2017-2018</b>		
	<u>PRINCIPAL</u>	<u>INTEREST</u>
<b>NOTEHOLDER-LAND</b>		
Daloia	12,100.67	284.34
Hunt	-	75,000.00
<b>Subtotal-Notes</b>	<u><b>12,100.67</b></u>	<u><b>75,285.34</b></u>
<b>BONDS PAYABLE</b>		
2011 Bonds	150,000.00	2,275,375.00
2012 Refunding Notes	380,000.00	654,550.00
2015 Refunding Notes	735,000.00	1,086,550.00
2015 Measure AA GO Bonds	875,000.00	1,718,593.75
2016 Refunding Green Bonds	3,565,000.00	2,430,108.00
<b>Subtotal-Notes</b>	<u><b>5,705,000.00</b></u>	<u><b>5,929,251.75</b></u>
<b>TOTALS - NOTEHOLDERS &amp; BONDS</b>	<u><u><b>5,717,100.67</b></u></u>	<u><u><b>6,004,536.09</b></u></u>
<b>TOTAL DEBT SERVICE</b>	<b>11,721,636.76</b>	

Annual Claims

The annual claims listed below for FY2017-18 reflect payments in excess of the General Manager's authority:

<b>ANNUAL CLAIMS</b>	
<b>ITEM DESCRIPTION</b>	<b>AMOUNT</b>
Staff Salaries	\$16,425,516
Debt Service (includes note paying agent fees)	\$11,721,637
Group Insurance Premiums	\$3,042,145
Retirement Plans	\$2,036,472
State Mandated Insurance-Unemployment & Workers Comp.	\$512,155
Wellington Park Investors (AO Office Leases)	\$358,266
Utilities - Electricity/Gas/Propane/Telephone/Cellular Telephone	\$240,620

(PG&E***/Cal Water/Amerigas/Verizon***/AT&T***)	
Dispatch Services (City of Mountain View)	\$197,915
Property/Liability/Vehicle Insurance (CALJPIA)	\$171,447
Fuel - Valley Oil Company	<u>\$135,000</u>
TOTAL:	\$34,841,173

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

*Annual and Project-Specific Recusals: Director Riffle is recusing himself, as required by law, from voting on all payments to POST that are authorized by the Board via this annual and all future recurring claims reports, and will also do so on an individual basis for project-specific Board actions involving financial transactions with POST.*

**BOARD COMMITTEE REVIEW**

This item was not reviewed by a Board Committee; however, the Action Plan and Budget Committee reviewed the FY2017-18 District Budget in April/May.

**FISCAL IMPACT**

The listed Annual Claims have been included in the FY2017-18 District Budget, which was approved by the Board of Directors at the Regular Meeting of June 14, 2017 (R-17-89).

**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 FY2017-18

Responsible Manager:  
Stefan Jaskulak, Chief Financial Officer

Prepared by:  
Andrew Taylor, Finance Manager

**ATTACHMENT 1**

**DEBT SERVICE  
FISCAL YEAR 2017-2018**

Payable to	Close of Escrow	Original Note	Rate %	Term	Remaining Principal At June 30, 2017	Final Payment Due	FY 2017/2018 - Debt Service Payments		
							Total	Principal	Interest
Daloia	10/11/2002	240,000.00	6.25%	15 Years	12,100.67	10/10/2017	12,385.01	12,100.67	284.34
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>1,512,100.67</u>		<u>87,385.01</u>	<u>12,100.67</u>	<u>75,284.34</u>
2011 Bonds	05/05/2011	20,500,000.00	2% to 6%	30 years	1,080,000.00	09/01/2022	189,450.00	150,000.00	39,450.00
2012 Refunding Notes	02/02/2012	31,264,707.20	2% to 5%	30 years	34,699,659.90 *	09/01/2042	1,034,550.00	380,000.00	654,550.00
2015 Refunding Notes	01/22/2015	23,630,000.00	2% to 6%	19 years	22,550,000.00	09/01/2034	1,821,550.00	735,000.00	1,086,550.00
2015 Measure AA GOs	07/29/2015	45,000,000.00	1.5% to 5%	30 years	44,225,000.00	09/01/2045	2,593,593.75	875,000.00	1,718,593.75
2016 Refunding Green Bond	09/22/2016	<u>57,410,000.00</u>	3% to 5%	30 years	<u>57,410,000.00</u>	09/01/2038	<u>5,995,108.00</u>	<u>3,565,000.00</u>	<u>2,430,108.00</u>
		<u>177,804,707.20</u>			<u>159,964,659.90</u>		<u>11,634,251.75</u>	<u>5,705,000.00</u>	<u>5,929,251.75</u>
		<u><b>179,544,707.20</b></u>			<u><b>161,476,760.57</b></u>		<u><b>11,721,636.76</b></u>	<u><b>5,717,100.67</b></u>	<u><b>6,004,536.09</b></u>

\* Includes Accretions