

Bond Oversight Committee Meeting Minutes

July 17, 2014



Pleasant Hill
Recreation & Park District

People, Parks, and Programs Since 1951

The July 17, 2014 Bond Oversight Committee Meeting of the Pleasant Hill Recreation & Park District (PHR&PD) was called to order by Committee Chair Norman Vanhole at 6:02 p.m. in the Conference Room at the Administration Office.

PLEDGE OF ALLEGIANCE

Committee Chair Norm Vanhole led the Pledge of Allegiance.

ROLL CALL

MEMBERS PRESENT: Gorham, Hagopian, Hirst, Jeffrey, Simons, Vanhole

ABSENT: Vardas

STAFF & BOARD PRESENT: Blair

PUBLIC COMMENT

There was no public comment.

REVIEW AND APPROVE MINUTES OF MARCH 20, 2014 MEETING (ACTION)

Upon motion by Jeffrey/Hagopian, the Committee approved the minutes of March 20, 2014.

REVIEW AND APPROVE SEMI-ANNUAL REPORT AS OF JUNE 30, 2014 (ACTION)

Upon motion by Hagopian/Gorham, the Committee approved the Semi-Annual Report as of June 30, 2014.

REVIEW 1ST DRAFT OUTLINE AND PLAN FOR PREPARATION OF FINAL BOC REPORT

Chair Vanhole opened this item for discussion. Member Simons referred members to the 1st draft of the Final BOC report. Member Simons indicated her original intent was to present the members with an outline of what would be in the Final BOC Report as discussed at the last BOC meeting. However, due to additional time she had on Tuesday she decided to write out the first draft report for review by the members at this meeting. Member Simons stated the goal was to prepare a report that addressed the bond requirements stated in the actual Measure E Voter Information Pamphlet and to summarize the bond financial information by project and revenue source totals. Member Simons explained her goal was not to restate detail information already included in the last BOC Semi-Annual Report as of June 30, 2014. Member Simons further stated she thought the District Board and the public would prefer a Final Report prepared as an "Executive Summary" in a simple and summarized format that is easy to understand.

Member Simons said she appreciated the report content ideas proposed by Chair Vanhole and Wendy Lack at the last BOC meeting. These ideas were very helpful in the preparation of the Final BOC Report. Simons stated she summarized a brief history of the Measure E bonds to include statements on the total bond cost including interest, the maximum annual tax rate and the BOC review of the independent District audits each year on Measure E bond funds.

After a brief discussion, it was the consensus of the Committee to list the BOC members by name only at the end of the Final BOC Report without respective qualifications to keep the overall report simple and not lengthy.

Member Jeffrey asked, if there are additional expenses that come in after what was reported in the last Semi-Annual Report as of June 30, 2014, would there be a language stating the cost changes in the Final BOC Report. Member Simons responded affirmatively that any significant cost changes would be specified in the Final BOC Report. She also reminded him there was a statement made in the summary section of the last Semi-Annual Report as of June 30, 2014 that indicated there may be a few minor invoices, such as legal review, that have not been received by the District as of June 30, 2014.

Accounting Supervisor Blair informed the Committee of his proposal to the General Manager to close out the Measure E capital project fund since all facilities have been built and all bond proceeds have been spent. Blair further stated all costs that come in now would be the responsibility of the District so there is no need to continue to charge the expenses to a bond fund that would be paid by District funds as a reimbursement. The Committee supported his recommendation to close out the Measure E capital bond fund at the end of the FY 2013-2014 so it would be clean and not require any further oversight by the BOC in FY 2014-2015.

Member Simons proposed some minor wording changes on page 2 of the Final BOC Report and Member Jeffrey suggested a change to the sixth paragraph to include an explanation that the permit fee is paid to governmental and utility agencies for design review and utility connection fees. Member Simons also suggested a comment be made at the end of the report that noted further detail about Measure E expenses can be found in the last Semi-Annual Report as of June 30, 2014 on the website.

Member Jeffrey handed out the draft pie charts he prepared on each project that included the Teen Center, Senior Center, Community Center and Pleasant Oaks Park. Member Jeffrey explained each project page included a picture of each facility, an expense pie-chart and a list of major expenses with a total cost line. Member Gorham proposed a column reflecting percentages of total cost be listed next to the major expense column. Member Hirst suggested the pie charts be inserted into a PDF file when all the information and formatting is complete.

Member Hirst asked if the draft BOC report could be approved in concept. Member Simons responded "yes" because her intent of preparing the Final Report for review at this meeting so there would be no need for another meeting. In summary, Member Simons proposed an "Executive Committee" be established to include members of the Communication and Audit Subcommittees. This Executive Committee would be responsible for preparing the minutes for the July 17, 2014, the review of the Independent Audit of the District Measure E Funds as of June 30, 2014 and completion of the Final BOC Report. Chair Vanhole asked if the Final Report could be completed and published now but it was the consensus of the Committee the Final BOC Report should not be issued until the Independent Audit of the District Measure E Funds as of June 30, 2014 is complete and reviewed by the BOC. The members did not want to reissue the final report again with an addendum if by chance the financial information is different from what the BOC had reported in the original Final BOC Report.

Chair Vanhole asked for a status of the furniture and equipment fundraising efforts related to the Measure E projects and Accounting Supervisor Blair responded this effort continues to be an on-going process. It was the consensus of the members the fundraising efforts had been successful to meet the current project needs since all facilities were operational and serving the

public. Member Gorham suggested the BOC not use the District letterhead for the Final BOC Report so it would reinforce to the public the BOC was separate from the District.

Member Hirst made a motion to accept the draft Final BOC Report with the changes proposed and approved by the members, to establish an Executive Committee that includes the Audit and Communication Subcommittee members to complete the Final BOC Report and to issue the Final Report upon completion of the Independent Audit Review of the District Measure E funds as of June 30, 2014. The motion was seconded by Member Gorham and approved by the Committee.

SUBCOMMITTEE REPORTS

Chair Vanhole opened this item for discussion. Member Simons informed the Committee she had reviewed the BOC website to ensure all reports such as BOC meeting agendas, meeting minutes and both quarterly and semi-annual reports had been placed on the website correctly. There were some minor mistakes that were corrected immediately by Accounting Supervisor Blair and his staff upon notification the same day.

Member Simons proposed deleting "quarterly" from the #5 Listed Responsibilities for the District BOC; so the public would not be confused by the BOC quarterly reporting during the first year and semi-annual reporting by the BOC thereafter of Measure E expenses. Simons further stated the actual Bond Measure E Ballot language only required an annual report to the voters regarding the review of the Independent Audit of Measure E revenues and expenditures.

Chair Vanhole requested Accounting Supervisor Blair to schedule the presentation of the BOC Semi-Annual Report as of June 30, 2014 to the District Board for the first meeting in September since he would be on vacation during August.

Chair Vanhole thanked everyone for their hard work and dedication to the BOC team. He indicated it was a pleasure to work with everyone. Member Jeffrey commented how helpful Vice Chair Vardas programming skills had been with the review of all Measure E expenses. Member Jeffrey further commented Vice Chair Vardas had prepared a software program that extracted financial information from the District general ledger and inserted this information into an Excel spreadsheet. This program saved many hours but it also was not an easy process to complete each quarter. Accounting Supervisor Blair indicated he would not be surprised if the District Board invited the BOC members to a future Board meeting to thank them for their services. Member Simons thanked Accounting Supervisor Blair for his professional support and responsiveness to the BOC.

OLD BUSINESS

There was no "old business" discussion by the Committee under this topic.

NEW BUSINESS

There was no "new business" discussion by the Committee under this topic.

ADJOURNMENT

Committee Chair Vanhole adjourned the meeting at 6:56 p.m.

Marie Simons, Committee Secretary