

# **Pleasant Hill Recreation & Park District Citizens Bond Oversight Committee Measure E**

## **First Quarterly Report of 2010**

### **I. Introduction:**

This is the first quarterly report of the Bond Oversight Committee for Measure E. This report is prepared to summarize the work of the Committee and its review of the District's bond construction expenditures received at the Committee's August 5, 2010 meeting.

### **II. History and overview of the Bond Oversight Committee:**

The District placed a bond measure on the ballot in August 2009 for the residents of the District to consider funding for a new Senior Center, Teen Center, Community Center, Pleasant Oaks Park upgrades, and additional restrooms at Pleasant Hill Park, Rodgers-Smith Park, and Brookwood Park. Measure E passed by a 75.7% vote. The total Bond amount was not to exceed twenty-eight million dollars (\$28,000,000). It was stated in the Measure that an independent community oversight committee would be appointed by the District Board to monitor expenditures. At the March 29, 2010 meeting, Board Chair Sherry Sterrett welcomed and thanked the newly appointed members of the Bond Oversight Committee for their commitment to serve on this committee.

### **III. Committee Membership:**

The Bond Oversight Committee is made up of the following: Steve Ganguet, Lisa Hagopian, Harold Jeffrey, Lily Ng, Marie Simons, Norman Vanhole and Leo Vardas. At a District Board meeting Chair Sherry Sterrett stated, "we have a very nice blend of ages, abilities, and genders; the kind of people to keep a good eye on us. All members showed a real understanding of what the job will be."

### **IV. Duties of the Committee:**

#### **Roles and Responsibilities for the District Bond Oversight Committee**

1. Review the Capital Improvement Budget Expenditure Plan for the Measure E projects beginning in the fiscal year of 2009/2010 through the end of construction of all the projects.
2. Monitor all plans and expenditures to ensure the funds are spent in accordance with Measure E.
3. Review construction expenditures to ascertain whether the construction expenditures are consistent with the budget.
4. Review any major changes in costs previously approved by the District.
5. Report to the voters and the people of the District quarterly regarding the revenues and expenditures of Measure E funds.
6. Review an annual Measure E financial report to ensure the funds are spent in accordance with Measure E.

### **V. Bond Oversight Committee Activities:**

The Bond Oversight Committee met twice on March 29, 2010 and on August 5, 2010. At the March 29th meeting of the Bond Oversight Committee, an overview of Committee rules, policies and procedures were adopted by the committee members. In addition,

officers of the Committee were selected with Vanhole serving as Chair, Vardas as Vice-Chair and Simons as Secretary.

District General Manager, Bob Berggren, requested Craig Hill, District's Financial Adviser, to give a brief overview of the role of the Bond Oversight Committee. The primary responsibility for the Committee will be to ensure bond proceeds are spent in accordance with Measure E as approved by the voters. General Manager Berggren introduced the Manager of the Bond Projects, Ron Johnson, who described his experience serving on the Walnut Creek School District Citizens Bond Oversight Committee. The role of that committee was to review the project schedules, the budget estimates and actual expenses. Accounting Supervisor Blair gave an overview of various financial reports included in the Committee Members agenda packets. Although the Bond Oversight Committee had limited time to go over the presentations, reports and information received, the Committee was quite pleased with the effort of all involved in the design, construction and accounting effort of the various projects.

At the August 5th meeting, the Bond Oversight Committee received the Program Master CPM Schedule, Master Program Budget and Capital Expenditures Funded by Measure E master sheets with invoice summaries attached. The information received was detailed and professionally prepared. The Bond Oversight Committee questioned the 1.2 million dollar variance listed on the Master Program Budget. The General Manager stated, some of the money will come from the program contingency fund and other contingencies built into each project budget. The Bond Oversight Committee will continue to watch the costs of any other "wish list items" the District Board may study and how they impact the Program Budget. The Bond Oversight Committee was also very pleased there had been considerable improvement made in moving the various projects through the review process by the City of Pleasant Hill Commissions and Departments within the City.

The Bond Oversight Committee formed two sub committees; the Audit subcommittee that consist of members Vardas and Jeffrey to review budgets and invoices including other financial items. The second is a Communication subcommittee that includes members Ng, Simons and Vanhole to come up with the various reporting formats for reporting findings to the District Board and the Community. Once the construction contracts of the Bond Projects are awarded there may be a third subcommittee formed: a Construction Subcommittee to monitor the construction schedules, progress, etc.

The next meeting of the Bond Oversight Committee was set for December 9, 2010.

**VI. Summary:**

The Bond Oversight Committee will continue to meet and review the Measure E bond project expenditures and appreciates the opportunity to advise the District Board and Community about the progress made towards appropriate use of Measure E general obligation bonds.

**Submitted by:**

The Pleasant Hill Recreation & Park Citizens Bond Oversight Committee