

DRAFT MINUTES
Measure Q Expenditure Oversight Committee
December 14, 2016
Meeting 16-04



CALL MEETING TO ORDER / ROLL CALL

Chair Jeff Micko called the meeting of the Santa Clara County Open Space Authority (Authority) Measure Q Expenditure Oversight Committee (MQEOC) to order at the Administration Office, 6980 Santa Teresa Blvd. Suite 100, San Jose, California.

Committee Members Present

Chris Kangas, Susan Skorey, William Kirkpatrick, Frank Cancilla, Marilyn Rodgers, Jeff Micko, Hugh Graham

Staff Present

Lauren Monack, Director of Administration and Finance
Justina Tien, Accounting and Financial Analyst

ADOPTION OF AGENDA

Mr. Micko asked if there were any members of the public that wished to comment on the Agenda. There were none.

MOTION: Mr. Cancilla moved to approve the agenda. Ms. Rodgers seconded the motion. The motion passed unanimously. (Vote: 7-0-0. Ayes: Kangas, Skorey, Kirkpatrick, Cancilla, Rodgers, Micko, Graham. Noes: 0. Abstention: 0)

PUBLIC PRESENTATIONS

Mr. Micko asked if there were any Public Communications on any matter not on the Agenda. There were none.

WRITTEN COMMUNICATIONS

Mr. Micko asked if there were any Written Communications. There were none.

APPROVAL OF MINUTES

November 16, 2016

Mr. Micko asked if there were any members of the public that wished to comment on the November 16, 2016 Minutes. There were none.

MOTION: Mr. Cancilla moved to approve the November 16, 2016 minutes. Ms. Rodgers seconded the motion. The motion passed unanimously. (Vote: 7-0-0. Ayes: Kangas, Skorey, Kirkpatrick, Cancilla, Rodgers, Micko, Graham. Noes: 0. Abstention: 0)

NEW BUSINESS

1. Presentation of FY 2015/2016 Measure Q Status Report

Director of Administration and Finance Lauren Monack introduced the Item. She presented the Measure Q Status Report and provided a brief explanation of its

DRAFT Minutes
MQEOC
December 14, 2016

content. She explained that the Status Report was required by Measure Q to be completed by Staff and presented to the Authority Board prior to the end of each calendar year. She explained that the MQEOC could utilize the Status Report as a resource to complete their required Annual Measure Q Oversight Report.

Discussion ensued.

Ms. Skorey had questions about the Status Report which were addressed. She noted that there were several grammatical errors, misspellings, and inconsistent information. She also noted that there were sentences that were not complete or were confusing. Several Committee members asked questions about and further discussion took place regarding content of the Status Report. Staff took note and affirmed that the next Status Report would include expanded project descriptions and more time would be spent on editing and refining it.

Mr. Micko asked if there were any members of the public that wished to comment on the Item. There were none.

2. Discussion of Development of Measure Q Expenditure Oversight Committee Report

Ms. Monack introduced the Item and read the following into the record:

The purpose of the seven-member Measure Q Expenditure Oversight Committee is to provide independent and transparent oversight and reporting of Measure Q revenues, expenditures and project status. Their responsibilities are to:

1. Review the annual Independent Audit Report for Measure Q; and
2. Submit (their) recommendations and Oversight Report to the Authority Board of Directors.

As an independent committee, you are responsible for compiling, developing and delivering your Oversight Report to the Board. I should let you know that in your previous meetings, I have incorrectly informed you that Staff would be more involved with preparing your report and determining the schedule for delivery. The Authority's legal counsel has clarified for us that in order for the MQEOC to maintain its independent status and ensure the integrity of the report's content, Staff should remain separate from the report development and preparation process.

Tonight you'll be discussing and determining how you will develop and prepare your annual report to the Board as well as when you would like to deliver it. There is no policy mandating when the report is due. That is for the Committee to decide.

Ms. Skorey confirmed that the Committee would be preparing the report

DRAFT Minutes
MQEOC
December 14, 2016

themselves. Ms. Monack stated, yes, that was the case.

Ms. Monack continued:

Some considerations in preparing the report you may want to consider tonight:

1. How you will develop your report
2. What content you want to include in your report
3. Your report schedule – which needs to include holding a Public Hearing to review a draft of your report before it goes to the Board of Directors
4. When you would like to deliver your report to the Board

Ms. Monack informed the Committee that in preparation for this meeting she had done some research on annual oversight committee reports. She let them know that she found most reports contain similar information. She then passed around a sheet that included a list of common content areas that the Committee could consider for their Report. She said that none of the items on the list were required and were only provided as assistance in the report development process. She also distributed examples of four different oversight reports found online that were prepared by other oversight committees. She stated that again, these are only examples to assist the Committee. She then asked if there were any other questions.

The Committee began discussion of how to move forward.

Mr. Micko asked when it would be appropriate to question an expenditure. Mr. Kangas said it looked like there were two tests for the Oversight Committee to use: 1) the intent of the Measure; and 2) fiscal responsibility (i.e. the independent audit). Mr. Kangas asked the Committee if they saw anything that was a red flag. No member brought up a concern. Mr. Kangas continued to summarize what the Committee would do to provide their review and recommendation for their report. He suggested the Committee ask and answer the following questions in order to move forward:

1. Do you agree and affirm the information in the Independent Audit? The Committee agreed they did agree with and accept the audit report.
2. Do you agree and affirm the information provided in the Measure Q Status Report? The Committee agreed that the Status Report was complete.

Mr. Kangas asked if the Committee would want to use the outline of comment content areas as distributed by Staff in order to shape their report. The Committee agreed they did.

The Committee determined that they would create an ad hoc sub-committee to develop a draft report. Hugh Graham, Bill Kirkpatrick and Jeff Micko agreed to be on the sub-committee.

DRAFT Minutes
MQEOC
December 14, 2016

Mr. Micko asked if there were any members of the public that wished to comment on the Item. There were none.

MOTION: Mr. Kangas made a motion that Hugh Graham, Bill Kirkpatrick and Jeff Micko would form the oversight report sub-committee to develop a draft report. Marilyn Rodgers seconded the motion. The motion passed unanimously. (Vote: 7-0-0. Ayes: Kangas, Skorey, Kirkpatrick, Cancilla, Rodgers, Micko, Graham. Noes: 0. Abstention: 0)

The Committee determined crucial dates:

January 20, 2017 - complete the draft report and submit to Ms. Monack to include in the packet for discussion at the next MQEOC meeting

February 1, 2017 – 6pm – next meeting of the MQEOC to discuss and finalize the draft Annual Oversight Report

February 8, 2017 – complete final draft report and submit to Ms. Monack to include in the packet for the Public Hearing on the final draft report

February 15, 2017 – 6pm – Public Hearing of the MQEOC FY 2015/2016 Oversight Report

The MQEOC did not finalize the date of presentation of the Oversight Report to the Open Space Authority Board of Directors but is considering either February 23, 2017 or March 9, 2017.

Ms. Monack provided an update on the contract with the independent auditor. She let the Committee know that the contract for both agency audits would be renewed for a three year term. She asked if the Committee would agree with Staff releasing a Request for Proposal (RFP) that included the information they provided during their review of the current contract's RFP. The Committee agreed. Ms. Monack stated that the RFP for audit services would likely be posted in April and when the contract was awarded it would be for a three-year term.

Mr. Micko asked if there were any additional questions. There were none.

ADJOURNMENT

At 7:44, Mr. Micko adjourned the meeting.

Respectfully submitted by
Kellie Guerra, Clerk of the Board