

**MINUTES**  
Citizens' General Obligation Bond Oversight Committee  
July 24, 2003  
Room 416, City Hall  
San Francisco, CA 94102

**1. Call to Order and Roll Call**

Chair Yockey called the meeting to order at 9:35 AM. Mr. Yockey noted that there was a quorum. Mr. Cunnie, Ms. Singer, and Mr. Micheau were absent.

**2. Discussion and Possible Action to Approve Minutes**

The minutes of the May 22, 2003 meeting were adopted without exceptions.

Ms. Jodi Darby, Controller's Office, informed the Committee that the September meeting mentioned in the minutes will be held on the 25<sup>th</sup> of the month at 1:00 PM.

There was no public comment on this item.

**3. Discussion and Possible Action Regarding Staff Reports and Correspondence to and from Administering Departments Relating to the Status of Remaining Bond Proceeds**

Ms. Darby noted that an updated spreadsheet on GO bonds has been provided to the Committee today. Ms. Darby and Karen Ribble of the Mayor's Office of Public Finance summarized the responses received from departments to the inquiry by the Committee regarding their old bonds:

1986 Fire Protection Systems Improvement Bond and 1992 Fire Department Facilities Project: There has been no response from the department. Ms. Ribble will provide an update in the next meeting.

1987 Police Department Facility Improvement Bonds: This has been resolved and closed with money in the account applied to debt service. The amount was \$7,085.

1987 Recreation & Parks Facilities Bond: Response received and provided to the Committee.

1987 Public (Mental) Health Facilities Improvement Bonds: No response received from the department. Ms. Ribble will provide an update in the next meeting.

1988 Public School Facilities Improvement: No response from the department. There has been no information from the District for some time according to the staff who prepared the spreadsheet.

1988 Library Facilities Project: Response received and distributed to the Committee.

1990 Correctional Facilities Improvement: Additional response received from the Sheriff's department. The account is now closed.

1992 Golden Gate Park Improvements: Response received. Funds will be used on projects.

Chair Yockey commented that the response from the departments has been less than satisfactory. Vice Chair Jue asked how the Committee could get better response from departments. It was suggested that the Committee make recommendation that departments should have better control to track bonds, and ask them for standardized reporting.

There was no public comment.

#### **4. Discussion of Possible Action Regarding Letter to Departments Regarding Certification of Use of Funds**

Chair Yockey noted that this item was proposed by Mr. Micheau. Due to Mr. Micheau's absence, discussion on this item was postponed until the next Committee meeting.

#### **5. Presentation and Possible Action from the Recreation & Parks Department Regarding Their General Obligation Bond Funded Projects**

#### **6. Presentation and Possible Action from the Recreation & Parks Department Regarding the 1997 Zoo Facilities Improvement Bonds.**

Mr. Yockey asked that items 5 and 6 be combined together since they are both to be presented by Mr. Gary Hoy, Capital Program Manager, Recreation & Parks Department.

Mr. Hoy presented information and status on the Recreation & Parks Department bond programs for the General Obligation Bond Funded Projects: 1987 Recreation and Park Facilities Bonds, the 1992 Golden Gate Park Improvement Bonds, and the 2000 Neighborhood Recreation and Park Facilities Improvement Bonds. Mr. Hoy answered questions from Committee members.

Mr. Hoy made a brief presentation on the 1997 Zoo Facilities Bond Project. Mr. Yockey inquired if Mr. Hoy had a Gantt chart on the project. Mr. Hoy stated that he does not, because an outside consultant is managing the project. Mr. Yockey asked Deputy City Attorney Michael Martin if the Committee could ask the consultant to make a presentation. Mr. Martin responded in the affirmative. Mr. Yockey asked staff to follow up with the Department and have them send information on this project to the Committee.

In response to the inquiry from the Chair, Mr. Hoy said that they do have Gantt charts for each specific project separately but not for every program. Mr. Yockey said that the Committee is looking for a chart showing the original budget, whether we are within the budget; where we are in terms of timelines; and whether we are within the timelines. Mr. Yockey said that Mr. Hoy has 440 projects at 230 sites, and what he is looking for, as a member of this Committee, is to feel comfortable that there is sufficient management oversight; that these projects are progressing on time and within budget; and that there are sufficient controls to see that the City does not spend money illegally. Mr. Yockey asked if there was a management control system in the Department. Mr. Hoy said that he is working with the Controller's Office to come up with such a system. However, at the present time no department in the City has such a system available. He added that they have a database now on their projects, and they can extract many different reports from it. The Committee can access information on projects from their website.

Mr. Yockey asked the Controller, Mr. Harrington, if he knew of such a project management system in the City. Mr. Harrington said that he has not seen a good project management system anywhere.

The Committee discussed with Mr. Hoy the various ways and formats to present the project information to the Committee in a global way. Mr. Wunderman suggested that since at present there is no standardized system in the City to ensure bond funds are appropriated and utilized in an efficient manner, the Committee could pick several projects from each department for review. The Committee would then be able to answer questions on these selected projects. Mr. Yockey said that what Mr. Wunderman had outlined could be one way to proceed. He added that after the Committee has had presentations from other departments, we could decide what to do in the coming year.

There was no public comment on this item.

## **7. Discussion and Possible Action Regarding Agenda Items for Next Meetings**

At the request of the Chair, Controller Harrington briefly described the ballot measure coming up in the November ballot. The measure calls for a Charter amendment designating the Controller as the City Services Auditor. Mr. Harrington said that the proponents have proposed another oversight Committee, and this Committee has been selected to serve because it represents the Mayor, the Board, and it has the financial expertise. In addition to its current responsibilities, this Committee will serve as the Citizens' Audit Review Board and will have the following additional responsibilities:

- Review Controller's service standards and benchmarks to ensure accuracy and usefulness
- Review audits to ensure they meet the requirements set forth
- Participate in expanded whistleblower complaints program
- Where the Committee deems appropriate, hold public hearings on audits.

Vice Chair Jue asked for the Committee's concurrence for her to go to departments and observe the activities and report back to the Committee her findings. In response to the inquiry from Mr. Hentz, Deputy City Attorney Martin stated that it was appropriate for Committee members to visit departments on an individual basis, as long as there was not a majority at one time. Mr. Yockey encouraged members to feel free to contact staff to arrange for meetings with departments.

Following further discussion, the Committee agreed to the following agenda items for the September 25 meeting:

*Presentations by: the School District and the Community College District*

*Discussion on the Committee's annual report*

*Discussion on the potential impact of the Ballot measure on the Committee*

*Report by staff on the responses from departments about the unexpended funds on their old bonds.*

Mr. Yockey asked staff to follow up with the Recreation and Parks Department to obtain the information regarding the 1997 Zoo Facilities Improvement Bond for a possible presentation in the January 2004 Committee meeting.

Mr. Yockey asked staff to also obtain response in writing from the Recreation and Parks Department to the questions asked by the Committee today for a potential discussion next year.

There being no further business, the meeting adjourned at 11:37 AM.