



SFMTA BOND OVERSIGHT COMMITTEE (BOC)

MINUTES—November 6, 2013 at 2:00 p.m.

1 South Van Ness Avenue, 7th Floor, Noe Valley Conference Room #7075

1. Call to Order and Roll Call:

Committee members:

Rudy Nothenberg - Chairman
Dan Murphy – Vice Chairman
Leona Bridges - (present at 2:17 pm)
Jose Cisneros – (Excused absence)
Emilio Cruz - (present at 2:04 pm)
Steve Ferrario
Nadia Sesay

Others in Attendance:

Anthony Ababon – Office of Public Finance
Lisa Avis - KPMG
Mark Blake – Deputy City Attorney
Sonali Bose – SFMTA, Chief Financial Officer
Matt Brill – SFMTA, Principal Analyst for Capital Financial Planning & Analysis
Lucien Burgert – SFMTA, Capital Controls Manager
Cindy Gumpal, SFMTA, BOC Secretary
Vince Harris – SFMTA, Director of Capital Programs and Construction
Amit Kothari – SFMTA, Deputy Director of Sustainable Streets
Vincent McCarley – Backstrom McCarley Berry & Co., LLC
Tess Navarro – SFMTA Controller
Monique Webster – SFMTA, Manager of Capital Finance

2. Public Comment:

There was no member of the public in attendance for public comment.

3. (A.) Approval of Minutes from August 28, 2013 SFMTA BOC meeting:

Mr. Blake suggested that meeting minutes reflect adjournment time.

On motion to approve the minutes of August 28, 2013: Approved

(*NOTE: A copy of audio recordings of the meetings are on file with the Secretary of the SFMTA Bond Oversight Committee and can be made available upon request. Please contact Cindy Gumpal at 415-701-5233 for information.)

(B). Bylaws

Bylaws revised to reflect inclusion of oversight of all debt issued by SFMTA, not just revenue bonds.

Mr. Ferrario, seconded by Vice Chair Murphy, moved to approve the amended Bylaws.

4. Discussion of first BOC Annual Report due by January 31, 2014

Ms. Avis was asked to discuss KPMG's Agreed-Upon Procedures if the BOC Board decided to include an auditor review of bond related transactions in the Annual Report.

Vice Chair Murphy, seconded by Ms. Sesay, moved to request that the auditors examine sample transactions related to the revenue bond program for the previous fiscal year and that their final report be attached to the BOC Annual Report that is due by January 31, 2014.

BOC members discussed the period the Annual Report should cover in particular, whether the period should be a calendar year or a fiscal year. The BOC members agreed that the report will cover activities through end of the fiscal year. Vice Chair Murphy suggested he work with the City Attorney draft a bylaw amendment to clarify that the Annual Reports will cover the prior fiscal year.

Ms. Bose will provide a draft of the Annual Report to BOC members by the end of November 2013. Ms. Avis will provide the audit report by the end of December 2013 (this timeline is now mid-January 2014).

5. Review Project Reporting Information and Delivery Schedule for Series 2012B Bonds (Attachment B)

Ms. Webster provided information about overall expenditures to date, the status of the Systemwide Transit Access and Reliability projects and responded to questions raised throughout the discussion. Ms. Webster also mentioned that two columns were included in the Quarterly Project Status Report to reflect specifically what portion of the project is from bond funds and how much of the bond funds are expended as requested during the last BOC meeting on August 28, 2013.

a. Transit Projects:

Mr. Harris provided a summary report on the status of Transit Projects and noted that all projects are on schedule with no budget or timeline issues.

b. Parking Garage Projects:

Mr. Kothari provided a summary report of the status of parking garage projects and indicated that DPW had completed its initial analysis of the projects required in each garage and responded to questions raised throughout the discussion.

Ms. Sesay requested additional details about the list of parking projects by garage and timeline for completion for the projects.

6. Discussion of Upcoming Revenue Bond Sale

Ms. Bose provided information about the upcoming bond financing and responded to questions. Ms. Bose agreed to provide an update on the results of the bond sales at the next BOC regular meeting.

7. Discussion of Draft Commercial Paper Policy and Procedure

Mr. Brill, Ms. Bose, Mr. Ababon, Ms. Sesay, and Mr. McCarley provided members with information about the SFMTA's commercial paper program and responded to questions.

BOC members requested a draft report which would allow them to review both the projects funded by Commercial Paper Notes as well as the costs to the SFMTA of the Commercial paper program.

8. Discussion of Next BOC meeting:

BOC members tentatively agreed to meet on January 15, 2014 at 2 p.m. to discuss the Annual Report. [The January 15th date was subsequently moved to January 22, 2014 after the meeting].

9. Adjournment.

The meeting adjourned at 3:54 pm.