



# CALIFORNIA STATE TREASURER JOHN CHIANG

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## MINUTES

### TASK FORCE ON BOND ACCOUNTABILITY

Friday, June 26, 2015, 9:30 am

San Francisco Employees' Retirement System, 6<sup>th</sup> Floor Board Room  
1145 Market Street, San Francisco, CA 94103

#### ITEM 1: CALL TO ORDER AND ROLL CALL

Co-Chair Fred Keeley called the meeting to order at 9:33am.

#### Present:

##### TASK FORCE MEMBERS:

James (Jim) Bemis, *Principal*

Robert Campbell, *Auditor-Controller*

Andrew Finlayson, *Bureau Chief*

Blake Fowler, *Director*

William Holder, *Dean*

Nadia Sesay, *Director*

Robert Whalen, *Mayor*

Jay Goldstone, *Co-Chair*

Fred Keeley, *Co-Chair*

##### EXECUTIVE STAFF:

Mark Campbell, *CDIAC Executive Director*

Robert Hedrick, *STO Senior Attorney*

#### ITEM 2: OPENING REMARKS FROM CHAIRS (INFORMATION ITEM)

Co-Chair Keeley provided opening remarks to the third meeting of the Task Force on Bond Accountability. He shared that the Task Force will finish the expanding universe phase of the work which is gathering information, becoming informed, and being advised. At the end the meeting the Task Force will move into the contracting universe phase which will take a couple months and a couple more public hearings.

**ITEM 3: APPROVAL OF TASK FORCE MEETING  
MINUTES, MAY 21, 2015 (ACTION ITEM)**

Co-Chair Keeley entertained a motion to adopt the May 21, 2015 Task Force meeting minutes.

Robert Whalen made a motion to accept the May 21, 2015 Task Force meeting minutes followed by a second from Co-Chair Goldstone.

Co-Chair Keeley asked for changes to the minutes. Hearing none, he motioned to approve the minutes as submitted and called for a roll call vote. The secretary called a vote: All members present were in favor. None were opposed. The motion passes and so ordered.

**APPROVAL OF MAY 21, 2015 MINUTES**

	AYE	NAY	ABSENT
Jim Bemis	X		
Robert Campbell	X		
Carrie Corder			X
Andrew Finlayson	X		
Blake Fowler	X		
William Holder	X		
Ana Matosantos			X
Jenny Salkeld			X
Nadia Sesay	X		
Robert Whalen	X		
Jay Goldstone	X		
Fred Keeley	X		

**ITEM 4: SPEAKER PRESENTATIONS (INFORMATION ITEM)**

Co-Chair Keeley expressed the Task Force's gratitude to those presenting to the Task Force.

The Task Force heard from five speakers, including:

Joan DiMarco, *Managing Director, PFM Asset Management LLC*

Rudy Nothenberg, *San Francisco Municipal Transportation Authority*

Rebecca Rhine, *San Francisco Citizens' General Obligation Bond Oversight Committee*

Michael Turnipseed, *President, California League of Bond Oversight Committees*

Erika Alvord, *Director, KPMG LLP*

After each presentation, Task Force members were given the opportunity to ask questions of the speakers. Materials provided to the Task Force are also available on the State Treasurer's website at [www.treasurer.ca.gov/tfba/index.asp](http://www.treasurer.ca.gov/tfba/index.asp).

#### ITEM 5: STAFF PRESENTATION (INFORMATION ITEM)

Mark Campbell presented a summary of the efforts to date by reviewing the scope of work, focusing on the evaluation of identified practices, and considering strategies to increase transparency and oversight of the administration of bond proceeds.

#### ITEM 6: TASK FORCE MEMBER OPEN DISCUSSION (INFORMATION ITEM)

Co-Chair Keeley encouraged Task Force members to provide direction to Mr. Campbell and his staff in regards to drafting a final report and recommendations.

Co-Chairs and members discussed the structure of the material and recommended the following format to staff:

- Present the findings;
- Provide the recommendations; and
- Put the longer guidelines into an appendix.

Members concluded that staff would be provided ample time before the next meeting to produce a draft report that can then be reviewed by the Task Force members.

To meet the requirements of the Bagley-Keene Act, Co-Chair Keeley asked legal counsel, Mr. Hedrick, to share any constraints the Task Force must recognize when reviewing drafts and providing feedback. Mr. Hedrick discussed concerns about serial meetings. He encouraged members to refrain from engaging in a discourse amongst themselves. Additionally, he went on to caution the Task Force about the use of the “reply all” button, and advised that emails be sent individually rather than to a group.

#### ITEM 7 -8: PUBLIC COMMENT, CLOSING COMMENTS AND ADJOURNMENT (INFORMATION ITEM)

Co-Chair Keeley asked for any additional directions, comments or input from the Task Force and opened the floor for public comment. Seeing and hearing none, the meeting was adjourned by Co-Chair Keeley at 2:17pm.