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September 13, 2013

LAFCO of Santa Clara County
70 West Hedding Street
11th Floor, East Wing
San Jose, CA 95110

RE: South Santa Clara Valley Memorial District Update

Dear Honorable Chairperson Wasserman and Board Members:

This letter is intended to serve as an update on the actions of the South Santa Clara Valley Memorial District (the "District") since my prior correspondence to you dated June 4, 2013, and in response to the Board's request at its June 5, 2013 meeting.

The Board continues to address the issues outline in the Service Report. Of utmost importance is hiring an executive director. In July, the Board approved a Request for Proposal for Executive Director Services. The Board established an ad hoc committee to work with me to review the applications. The Board has received 6 applications for the position. The ad hoc committee will be making a recommendation to the Board on Monday, September 16, 2013. It is anticipated that an executive director will be hired in the next month. Once an executive director is hired, several of the items listed in the service report can be more easily addressed, most notably, a website. Currently, there is no one who can take on that task. It is also anticipated that the executive director will be the person most suited to make recommendations on bidding procedures, rate studies and structures for the hall and the use of reserve funds.

Since the June 5, 2013, LAFCO meeting, the Board has taken many of the actions requested in the LAFCO service report. In addition, on August 19, 2013, the Board adopted a workplan and a timeline for the remaining items in the report. A copy of that workplan with the corresponding dates is attached to this letter.

Any perceived conflicts of interest between the Board positions and the Bar Council have been eliminated. No Board members sit on the Bar Council. In addition, the Board established an ad hoc committee to work with me on the current leases for the hall at its August 19, 2013, meeting. We are currently reviewing the existing lease and plan to renegotiate the lease in the next few weeks.

Honorable Chairperson Wasserman and Board Members
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On the financial records issues, I have been in contact with Alan Minado from the County Controller's Office regarding the District's audit requirements. The District will be subject to annual audits.

In November 2013, two seats on the Board are up for election. There are currently four people running for those seats.

The Board is committed to addressing all of the issues outlined in the service report and to addressing the needs of the veterans in its jurisdiction. I am hopeful that this letter and the actions taken by the Board, thus far demonstrates those commitments. If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,



Kirsten M. Powell

KMP:sk
cc: Board Members
encl.

TABLE 1: RECOMMENDATIONS FOR THE SOUTH SANTA CLARA VALLEY MEMORIAL DISTRICT (SSCVMD)				
	FOR IMMEDIATE ACTION (Within 1 to 3 Months)		TO BE COMPLETED WITHIN 12 MONTHS	
	Action	Status	Action	Status
1. Operational Practices	a. Hire legal counsel to ensure legal requirements are met regarding operations accountability and board actions	Completed 4/17/13	k. Conduct a documentable bidding process for any future capital improvements through advertisements in printed press, online proposal search engines, and on District website	
	b. Conduct required ethics training	ongoing	l. Conduct rate study to ensure rates are appropriate	
	c. Conduct annual Brown Act training for Board Members	Completed 5/13/13	m. Establish similar rates for veterans and residents alike	
	d. Hire a general manager to implement improvements	Oct 2013		
	e. Edit and adopt appropriate bylaws based on guidance from legal counsel	Completed 5/13/13		
	f. Define in bylaws how Board President and Secretary are to be selected and the term of the appointment	Completed 5/13/13		
	g. Appoint both a board president and a secretary from among the Board members	Completed 5/13/13		
	h. Eliminate conflicts of interest between Board positions and Bar Council and Bingo Committee positions	Completed		
	i. Adopt a detailed budget before start of the fiscal year	2/15/13		
	j. Resume receiving rent from bar to limit liabilities	Nov 2013		

	FOR IMMEDIATE ACTION (Within 1 to 3 Months)		TO BE COMPLETED WITHIN 12 MONTHS	
	Action	Status	Action	Status
2. Website	a. Establish a website and publish Board's agendas and minutes, the annual financial transaction reports, and the annual operating budget	Need executive direction	c. Use website to conduct outreach to veterans, as well as residents of the District, regarding services and upcoming board vacancies	
	b. Include information on Board members and terms			
3. Financial Records & Audits	a. Work with County to conduct a forensic audit of District	Ongoing		
	b. Switch from 5-year audits to annual audits	Ongoing		
	c. Ensure consistency and clarity of financial documents	Completed		
	d. File a copy of annual budget with County Auditor, as legally required	Completed		
4. Elections	a. Ensure Board positions are properly filled through the election process or appointment by Board of Supervisors with clearly defined term expiration dates for each Board Member	Nov 2013	b. Make information available at other veteran service locations and related events regarding services and upcoming board vacancies	
5. Plans/ Programs/ Policies	a. Adopt a policy to designate the purpose of the reserve funds	Nov 2013	d. Adopt a multi-year capital improvement program	
	b. District and County should formalize in a set of policies the procedures for announcing Board openings, interviewing candidates, and appointing new Board members	election	e. Develop and implement plans to enhance utilization of memorial hall by veterans organizations	
	c. Adopt a records retention policy	9/16/13		