



BOARD OF DIRECTOR'S MEETING
ESPARTO COMMUNITY SERVICES DISTRICT
ESPARTO, CA

REGULAR MEETING
OCTOBER 3, 2012
MINUTES

(1) **CALL TO ORDER**

Chair Melissa Jordan called the meeting to order at 7:21 pm.

(2) **PLEDGE OF ALLEGIANCE**

All residents and members in attendance recited the pledge

(3) **ROLL CALL**

Present:

- Directors: Melissa Jordan, Steve Knightley, Colleen Fescenmeyer
- District Counsel: Not Present
- General Manager: Mel Smith
- Board Clerk: Mel Smith

Absent:

- Anna Girk
- Trish Roath – Chair Melissa Jordan indicated her absence would be explained in a few moments.

Public: Public present

(4) **APPROVAL OF AGENDA**

Chair Melissa Jordan entertained a motion to approve the agenda.

Motion by: Director Colleen Fescenmeyer to approve the agenda

Second by: Director Steve Knightley

Discussion: Chair Melissa Jordan stated, we had a few other things that were going to be on the agenda that didn't get on the agenda, the list of things that we had, standing versus ad hoc, metered rates, General Manager asked, 'what was the first item?' Chair Melissa Jordan re stated standing versus

ad hoc, metered rates, USDA, a line item of the USDA balance added to fiscal report, let see um, I had asked we talk about our holiday party and Director Roath asked to talk about job descriptions and we did remove, these are line items that we had asked, the LAFCO will be in the managers' report and we were going to have a small discussion on the Solar Bee at this meeting, so just want to make sure those items get on the next agenda.

Vote: Ayes: 3 No: 0 Abstain: 0 Motion: Passed

(5) PUBLIC COMMENTS

Chair Melissa Jordan opened public comments – no public present

(6) CORRESPONDENCE

- a) Letter of resignation from Director Trish Roath - Chair Melissa Jordan stated, its with regret we acknowledge the letter submitted by Director Roath who is relinquishing her seat on the Board and I think at this time we would ask Mel to initiate the procedures for opening the Board seat at our next meeting, commencing with our next meeting and send out proper notification. Chair Melissa Jordan stated, I think we probably should ask you to craft a letter thanking her for her services. Any other ideas?

- b) RCAC Training Catalog – Chair Melissa Jordan asked, Mel, on the RCAC upcoming training, some of these just say on line, are they free? General Manager indicated he believed the flyer indicated they were free. Question if the General Manager was keeping track of the different seminars that are needed, he indicated yes. Additional question and discussion on requirements needed to keep Board members up to date followed.

(7) APPROVAL OF MINUTES

September 5, 2012

Chair Melissa Jordan entertained a motion to approve the minutes

Motion by: Director Steve Knightley to approve the minutes

Second by: Director Colleen Fescenmeyer

Discussion: Chair Melissa Jordan requested the following corrections to the minutes:

Item 8 Claims Fund Regular Monthly, we have discussion about the Pitney Bowes entry, but there is nothing mentioned about Steve questioning why the street lighting was so expensive and it was because we have been behind on payments and Trish also complimented the district on late fees for getting them caught up.

Item 10, second paragraph, strike the word “can’t”, change the 10:00 pm to 9:00 pm.

Item 11, last paragraph, I asked the Board members if they would review the information provided to them and review the District Policy Manual as far as committees go. General Manager asked “what item are you on? Chair Melissa Jordan indicated that was item 11, last paragraph, Director Colleen Fescenmeyer questioned, so you want to scratch the individual information and add review policy manual.

Chair Melissa Jordan responded, No, Mel did provide us information that was in our packets, I had asked Board members to do homework on ad hoc versus standing committees and to review the District Policy Manual to make sure that we had all read what our district said about committees.

General Manager asked, so you want the exact language in that. Chair Melissa Jordan responded, well of course, I think it’s important, especially if I am being quoted, I want it to be accurate.

Item 12, The Year End Budget Update – It was not mentioned that there was a \$92,000 reserve and I think that it’s important to reflect that the district is on sound financial footing and that we have done, we’ve been very accountable to our community.

The General Manager stated, there is going to be lots and lots of stuff that are not in the minutes. If we go back to transcribing the minutes verbatim they will turn into 20 pages.

Chair Melissa Jordan responded, well, there is five plus paragraphs in that section and I think acknowledging that we have a \$92,000 reserve from our conservation action, that is as important as saying that I think you are doing a great job, which I do.

And the last is Item 15, the third line, it says 'the engineer', I don't think we should recognize 'the engineer', this is the web record for the district. Chair Melissa Jordan stated and those would be my corrections.

Chair Melissa Jordan called for a motion to approve the minutes with corrections.

Amendment to minutes accepted by Director Steve Knightley and Director Colleen Fescenmeyer.

Vote: Ayes: 3 No: 0 Abstain: 0 Motion: Passed

(8) CLAIMS: FUND 466-0 REGULAR MONTHLY

Chair Melissa Jordan entertained a motion to approve the claims.

Motion by: Director Steve Knightley to approve the claims

Second by: Chair Melissa Jordan

Discussion: Questions addressed on specific invoices and bids, request for an explanation on the numerous PG&E bills. The General Manager stated a previous large balance with PG&E that is being paid down. It was suggest by Chair Melissa Jordan this be looked into. General Manager indicated, currently reconciling the 469 account and still have the 470, 471 and 472 to do.

Vote: Ayes: 3 No: 0 Abstain: 0 Motion: Passed

(9) AMENDED BUDGET 2012-2013 BY COST CENTERS

General Manager presented information. Received a request from Mark Krummenacker, county auditor, to separate the budget by cost centers. The budget amounts remain the same, except for the amendments we did by resolution to the Capital Asset Fund at a prior meeting, but are now divided by cost centers. Questions followed on the new budget format, differences, appearance and general budget entry items. Chair Melissa Jordan indicated a resolution would be necessary to make any changes to the budget and asked the General Manager to bring back at our next meeting a resolution acknowledging the amendment to the budget to conform with generally acceptable accounting principles.

(10) REVIEW PROPOSALS AND SELECT A CPA FIRM TO CONDUCT THE REQUIRED THIRD PARTY ANNUAL AUDIT ON THE FINANCIAL CONDITION OF ESPARTO COMMUNITY SERVICES DISTRICT

General Manager indicated he had put out an RFP to four CPA's that do third party government audits. Bid period ended two weeks ago. Two bids have been received. General Manager explained the process he used for selecting CPA's to receive the RFP's. Considerable discussion followed on past experiences and the process of obtaining bids. General Manager indicated he would like to establish a pattern of doing this type of audit every two years. Director Steve Knightley asked the General Manager to check on the requirement of taking the lowest bid and to see if the RFP period can be extended. General Manager stated he talked to the USDA last week and informed them that we are out for RFP and we are going to give the contract to a company at our next meeting, also we are doing a two year audit and will forward the results upon receipt. Item to be brought back at the next meeting for action.

(11) DISCUSSION REGARDING THE DIFFERENCES BETWEEN A STANDING COMMITTEE AND AN AD HOC COMMITTEE

Chair Melissa Jordan stated she spent many, many hours on line researching this, my bottom line conclusion which I was willing to see something tangible telling me anything different, Standing Committee's say nothing about staff cannot participate, everything I read said staff is encouraged to participate. Director Steve Knightley indicated he saw nothing in District Policy stating staff could not participate. Chair Melissa Jordan stated she researched everywhere, most of the language in the, it's the delegation given to the Standing Committee and ours is very well crafted that the Standing Committee bring the information back to the board to make a determination. As long as we follow it and it's clearly spelled out as far as the Brown Act in our policy, I think I'm very comfortable with our policy. General Manager referenced this could mean two more meetings per month. Suggestions on how to fit these meetings into the existing meeting schedule. After discussion it was decided to try a morning meeting, no more than one hour per month. General Manager questioned when they would like this to begin and he would get the proper notice posted for the public.

9:07 pm – Chair Melissa Jordan called a 10 minute break

9:17 pm – Chair Melissa Jordan called the meeting back to order

(12) METERED RATE WORKSHOP
No audio

Meeting adjourned at 10:00 pm.

Melissa Jordan - Chair of the Board

Date_____

Mel Smith - Board Clerk

Date_____