

**Crestline Sanitation District
Special Board of Directors Meeting
P. O. Box 3395
Crestline, CA 92325-3395
(909) 338-1751**

Date/Time: June 4, 2012 - 3:00 p.m.

**Place: Crestline Sanitation District Office
24516 Lake Drive
Crestline, CA 92325**

Board of Directors Present:

Matthew Philippe, Chairman
Penny Shubnell, Vice Chairman (arrived late)
Ken Nelsen, Secretary
Sherri Fairbanks, Director
Jack Winsten, Director

Crestline Sanitation District Employees Present:

Kathy Whalen, General Manager
Mark Pattison, Operations Manager
Terri Elwess, Board of Directors Recording Secretary

Others Present:

Phil Waller, Financial Consultant, R.A.M.S.
Steven Kennedy, Legal Counsel, Brunick, McElhaney, Beckett & Kennedy (arrived late)

Call to Order

The meeting was called to order at 3:03 p.m. by Chairman Philippe.

Approval of Agenda

Director Fairbanks made the motion to approve the Agenda. Director Winsten seconded. Chairman Philippe called for a vote. The motion passed with a vote of 4-0.

Public Comment

Comments made by members of the public are representative of their views and opinions only. Claims and assertions made during Public Comment are accepted without regard to accuracy and are accepted in accordance with Public Comment rules as outlined in state law. Statements made by the public during Crestline Sanitation District Board of Directors meetings do not necessarily reflect the views or opinions of individual Board of Directors or the council as a whole.

Public Comments:

There were no Public Comments.

(Vice Chairman Shubnell arrived at the meeting during this time)

Budget Workshop

A fourth draft of the Fiscal Year 2012/2013 Budget for Crestline Sanitation District was presented to the Board from General Manager, Kathy Whalen and Financial Consultant, Phil Waller of RAMS. Chairman Philippe conducted open discussion on the subject.

New Business

(Chairman Philippe requested to address New Business - Wage Scales at this time before continuing with the Budget Workshop.)

(Legal Counsel, Steven Kennedy arrived during this discussion time.)

2. Discussion and Possible Action concerning Wage Scales

General Manager, Kathy Whalen presented the Board with an Interoffice Memo addressed to the Board of Directors with the subject of Salary & Benefit Adjustments & Recommendations and One (1) Position Change. Copies of the Interoffice Memo were distributed to all present at the meeting. Chairman Philippe conducted open discussion on the subject.

Director Winsten made a motion to separate the items addressed in the Interoffice Memo received into three (3) separate items: The Benefit Adjustment – Employer Offset 7% Recommendation, Salary Adjustment Recommendation, and One (1) Position Change. He added to the motion to address the first item, Benefit Adjustment – Employer Offset 7%; that they retain the 7% for the employees. Director Fairbanks seconded. Chairman Philippe conducted further open discussion on the subject. Chairman Philippe called for a vote. The motion passed with a vote of 5-0.

The second item to be discussed was Salary Adjustments & Recommendations. Chairman Philippe conducted open discussion on the subject. The Board directed General Manager Whalen to give a proposed 5% increase to the employees that are 10% or more under the utility average to see what this will look on the Budget. The Board also requested this procedure be done with the employees that are 15% or more under the utility average. These reports are to be brought back to the Board at the next Regular Board meeting on June 14, 2012.

The Board requested the Budget be revised with a 5% salary increase across the Board and be brought back to the next meeting for budgetary purposes for possibly being able to approve the Budget at the next Regular Board meeting on June 14, 2012.

The third item to be discussed was the recommendation to reclassify the Fiscal Assistant Position to Administrative Supervisor. Chairman Philippe conducted open discussion on the subject. Since this affects the District's Organizational Chart, the Board directed General Manager Whalen to bring back a job description to the Board for authorization at the next Regular Board meeting on June 14, 2012.

1. Discussion and Possible Action concerning the Reserve Policy

Financial Advisor, Phil Waller of R.A.M.S. presented the Board with his recommendation for the Reserve Policy at 22.75%; a needed Reserve amount of 25% was presented to the Board also. The

current Reserve Policy for the District is at 20%. Chairman Philippe conducted open discussion on the subject. Director Winsten made a motion to adopt the Reserve Policy at 25% as specified on page 22 of 4th Draft Budget, with possible showing a negative in assets for FYE 2012-2013. Secretary Nelsen seconded. Chairman Philippe conducted further discussion on the subject. Chairman Philippe called for a vote. The motion passed with a vote of 4 to 1. Vice Chairman Shubnell opposed.

3. Discussion and Possible Action concerning Meeting Dates for Strategic Plan Workshops

The Board discussed meeting dates for the Strategic Plan Workshops. The dates decided upon were as follows:

August 22nd & August 23rd – 1:00 – 5:00 p.m.

August 29th & August 30th – 1:00 – 5:00 p.m.

September 5th & September 6th – 1:00 – 5:00 p.m.

These meeting dates will be forwarded to Principal, Peter Lewis of the Lewis Group for the purpose of planning the Workshops. These Workshops will be open sessions and a Special Agenda will be posted for the Workshops.

Closed Session

Public Employee Performance Evaluation

(Government Code Section 54957)

Title: General Manager

(Vice Chairman Shubnell left the meeting during this time.)

Announcement of Closed Session Actions

Chairman Philippe announced that no actions were taken during the Closed Session.

Directors Comments

Chairman Philippe announced the ad hoc Personnel Committee met with General Manager Whalen and Legal Counsel, Steven Kennedy on the new Personnel Manual. Changes are being made and a revised copy should be ready for the Board soon for review.

Secretary Nelsen reported that he and Director Winsten attended the Vendor Fair for the Association of the San Bernardino County Special Districts. During a presentation by First District Supervisor Mitzelfelt, they learned there are concerns with several small districts in his area that are receiving a downturn of revenues due to the economy. Also announced at the Fair was an announcement was made as to the new Chairperson for LAFCO is Kimberly Cox.

Director Winsten recommended to the Board that a disclaimer notice be put into the Budget stating that even though the Financial Advisor has recommended a rate increase, the Board has decided not to raise the rates at this time. The Board directed General Manager Whalen to have this disclaimer added to the Budget.

Correspondence/Information

Recording Secretary, Terri Elwess announced she will not be at the next Regular Board Meeting on

June 14, 2012.

Future Agenda Items

Wage Scales

Reclassifying Admin Position

Closed Session for Public Employee Performance Evaluation – General Manager


Budget

Adjournment

Chairman Philippe called for a vote to adjourn. The Vote passed with a vote of 4-0. Meeting adjourned at 5:55 p.m.

 Date: 6/14/12
Matthew Philippe, Chairman

ATTEST:

 Date: 6-14-12
Ken Nelsen, Secretary