

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

Date/Time: June 9, 2011 - 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
Ken Nelsen, Secretary
Sherri Fairbanks
Jack Winsten

Crestline Sanitation District Employees Present:

Kathy Whalen, General Manager
Terri Elwess, Recording Secretary

Others Present:

Steven Kennedy, Legal Counsel of Brunick, McElhaney & Beckett
Phil Waller, CPA, R.A.M.S.
Sunny Kim, Staff Accountant, R.A.M.S.

Call to Order

The meeting was called to order at 3:00 p.m. by Chairman Philippe.

Approval of Agenda

Vice Chairman Shubnell made a motion to approve the Agenda. Director Fairbanks seconded. Chairman Philippe called for a vote. The motion passed with a vote of 5-0.

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:

No public comments were made.

Consent Calendar

Chairman Philippe announced the Consent Calendar Meeting Minutes and Distribution List have incorrect dates. The approval of these items will be carried over and addressed at our next Regular Meeting on July 14, 2011.

Discussions:**Old Business****4. Discussion and Possible Action concerning Crestline Sanitation District Agreement with County of San Bernardino Assessors Office for Collection of Special Taxes, Fees, and Assessments**

Legal Counsel, Steven Kennedy reported to the Board the District has the ability to put Liens onto properties along with adding the collection of special taxes, fees, and assessments to the property tax rolls. Legal Counsel, Steven Kennedy recommended to the Board to give the General Manager, Kathy Whalen the ability with concurrence with Legal Counsel to finalize the agreement with the County of San Bernardino Assessors Office for Collection of Special Taxes, Fees, and Assessments.

Director Winsten made a motion to give the General Manager, Kathy Whalen the ability with concurrence with Legal Counsel to finalize the agreement with the County of San Bernardino Assessors Office for Collection of Special Taxes, Fees, and Assessments. Secretary Nelsen seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. The motion passed with a vote of 5-0.

5. Discussion and Possible Action concerning Crestline Sanitation District participating in a Forensic Audit with PPHCSD and Helendale

General Manager, Kathy Whalen contacted Kimberly Cox of Helendale and she stated she and her Board are interested in participating in a Forensic Audit. General Manager, Kathy Whalen also contacted Don Barnes of PPHCSD and left a message with him but has not heard a response back from him.

Secretary Nelsen made a motion to direct Legal Counsel, Steven Kennedy to draft a letter to PPHCSD and Helendale on their consensus to acquire a firm to proceed with Special Districts 2004-2010 Forensic Monetarily Audit. Vice Chairman Shubnell seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. The motion passed with a vote of 5-0.

(CPA, Phil Waller requested to present the Monthly Financial Review for May 2011 before presented the 2011/2012 Budget to the Board.)

Reports**8. Monthly Financial Review**

CPA, Phil Waller presented the Monthly Financial Review for May 2011 to the Board. Chairman Philippe conducted open discussion on the subject. Chairman Philippe requested

Financials be presented on a Quarterly basis from now on to the Board. Secretary Nelsen made a motion to approve the May 2011 Monthly Financials. Vice Chairman Shubnell seconded. Chairman Philippe called for a vote. The motion passed with a vote of 5-0.

Old Business (continued)

6. Discussion and Possible Action concerning the 2011/2012 Budget

CPA, Phil Waller presented the 2011/2012 Budget to the Board. Director Winsten made a motion to approve the 2011/2012 Budget. Vice Chairman Shubnell seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. The motion passed with a vote of 5-0.

New Business

7. Discussion and Possible Action concerning Position Equity Changes

General Manager, Kathy Whalen announced this was already discussed with the 2011/2012 Budget.

Reports (continued)

9. Committee Reports

a. Rules & Regulations Committee (ad hoc)

Secretary Nelsen reported the ad hoc committee and Operations Manager, Mark Pattison met on a conference call with Wyatt Troxel of IRM on 5/19/11 and discussed change of proposal and scope of work. A report should be received back mid July 2011 to report at our Regular Meeting in August 2011. General Manager, Kathy Whalen announced the State Regional Water Board will be attending our meeting on August 11, 2011 for a short presentation.

10. General Manager Report

General Manager, Kathy Whalen reported the Managers Status Report for June 9, 2011; copy of details was provided at meeting.

11. CPA Firm Report

CPA Phil Waller of R.A.M.S reported Data Streams responded to software concerns and has made changes. Mr. Waller would like to set up a date with the ad hoc Committee and staff to meet with a Quick Books consultant as he feels Data Streams is not able to report the Financials as needed.

Mr. Waller recommended management with his assistance send out RFP's to local CPA firms for an annual audit of the District.

12. Legal Counsel Report

Legal Counsel, Steven Kennedy reported he spoke with Special District's Manager, Jeff Rigney, who has agreed to set a date for the close out meeting.

Directors Comments

Chairman Philippe announced he attended a CSDA Webinar on Wednesday, May 18, 2011 on Finance Capital Improvements.

Correspondence/Information

None reported.

Closed Session

Public Employee Performance Evaluation
(Government Code Section 54957)

Title: General Manager

Announcement of Closed Session Actions


No reportable action taken.

Future Agenda Items

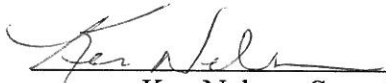
None Reported.

Adjournment

Secretary Nelsen made a motion to adjourn. Director Fairbanks seconded. Chairman Philippe called for a vote. The Vote passed 5-0. Meeting adjourned at 5:47 p.m.

 Date: 7/14/11
Matthew Philippe, Chairman

ATTEST:

 Date: 7-14-11
Ken Nelsen, Secretary