

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF  
DIRECTORS OF CRESTLINE VILLAGE WATER DISTRICT**

**NOVEMBER 26, 2019**

CALL TO ORDER AND FLAG SALUTE: President Bracher-Griffin called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 pm., on Tuesday, November 26, 2019, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President Connie Bracher-Griffin, Directors Steven Farrell, Kenneth Stone, and Robert Kinzel.

Staff members present were General Manager Alan E. Clanin, Attorney Ronald Van Blarcom, Field Supervisor Steve Wood and Office Manager Larrie Davis.

Absent was Director Leslie Brister.

Also present were Karl Drew, Colina Drew, Bill Mellinger, Gaston Maya and Derek Leistra.

MINUTES OF PREVIOUS MEETING: On a motion by Director Stone and a second by Director Kinzel, the Board that was present unanimously approved the minutes of the Regular Meeting of October 22, 2019 as corrected to list Director Bracher as Director Griffin throughout and to correct the spelling of recuse on page 2 of 3.

CASH DISBURSEMENTS: The Board reviewed the cash disbursements for the month of October 2019. On a motion by Director Stone and a second by Director Kinzel the cash disbursements for the month of October 2019 were unanimously approved by those Directors present.

PUBLIC COMMENTS: None.

SPECIAL RECOGNITION OF KARL B DREW, FORMER GENERAL MANAGER: General Manager Clanin shared former General Manager Karl B. Drews employment experience with the District. Board President Bracher-Griffin presented Mr. Drew with a framed presentation Resolution No. 456 for Special Recognition, which was adopted at the October Board Meeting.

CONSIDER REQUEST FROM ROTARY CLUB OF CRESTLINE-LAKE GREGORY: Rotary Club of Crestline-Lake Gregory is working with Rim of the World Unified School District to provide drinking water to as many classrooms as possible at Valley of Enchantment Elementary School. The portable bungalow style classrooms are located away from the main school structure and lack any drinking water sources.

Club President Gaston Maya is requesting the District sponsor the purchase of a Drinking Fountain/Water Bottle Filling Station. This is a “no touch”, ADA accessible unit that would allow students to fill their personal water bottles with metered District

supplied water prior to class. The cost for one unit is \$1,433.07. Following general discussion, it was determined by the Board that the drinking/bottle filling station serves a public benefit and enhances public health. On a motion by Director Kinzel and second by Director Farrell the Board present unanimously approved the purchase of one Elkay EZH2O Bottle Filling Station for a cost of \$1,433.07 to be donated to Valley of Enchantment Elementary School.

The Board took a short break for refreshments in celebration of Karl Drew at 3:20pm. District staff were present to congratulate him. The Board meeting resumed at 3:30pm.

PRESENTATION OF ANNUAL AUDIT REPORT, FISCAL YEAR 2018-19: The District's Auditor Scott Manno of Rogers, Anderson, Malody & Scott, LLP, Certified Public Accountants (RAMS), presented the audit report for the fiscal year ending April 30, 2019. The audit report includes an opinion that the financial statements present fairly, in all material respects, the financial position and cash flows of the District.

Auditor Manno explained the purpose of the annual audit and the role of the auditor with both the Board and the District staff. Currently the District has no debt other than current payables and is operating on a pay as you go basis. Auditor Manno reviewed and discussed the various financial statements, schedules and notes in the audit report with the Board.

The ratio of current assets to current liabilities is 12:1 as compared to 11:1 for the prior fiscal year. The auditor's minimum guideline for this ratio is 1.5:1. The District had an Operating Loss of \$779,083. In the previous year, the District had an Operating Loss of \$846,680. Increases in water sales and service revenues resulting from increased demand were offset by increases in transmission and distribution costs along with increased costs for purchased water resulting in a decrease in net operating loss of \$67,597.

Non-operating revenues from property taxes, availability assessments, interest and other income resulted in \$411,042 in non-operating income.

Loss before contributions was \$368,041 (operating loss of \$779,083 plus non-operating income of \$411,042) for the current fiscal year. Loss before contributions of \$368,041 is added to the capital contributions of \$25,327 for a change in net position (decrease) for the current fiscal year of \$342,714.

There was general discussion regarding the audit. The consultant work performed by Nathan Statham made the audit process less stressful on Staff and provided minimal documentation requests and reviews by RAMS. On a motion by Director Farrell and a second by Director Kinzel, the Board that was present unanimously accepted the 2018-19 Annual Audit Report as presented.

REVIEW AGREEMENT WITH RONALD VAN BLARCOM FOR GENERAL COUNSEL:

The Board reviewed the current agreement with Attorney Ronald Van Blarcom for general counsel services. The agreement is for a prepaid retainer of \$2,000 per month for up to 10 hours of provided service, plus a rate of \$250 for every hour in excess of

the 10 hours per month. The agreement has worked well for everyone. On a motion by Director Farrell and a second by Director Kinzel, the Board present unanimously approved the continuance of the agreement with Attorney Van Blarcom for an additional year

REPORT FROM WATER RATES AD-HOC COMMITTEE MEETING: Director Farrell reported on the water rate Ad-Hoc Committee Meeting held November 18, 2019. The committee is looking at both the monthly service charge and the consumption rate. The cost per service needs to increase \$50 per month to provide a breakeven point. The committee will also look at changing the current tier structure.

REPORT ON ANNEXATION OF VALLEY VIEW PARK MUTUAL WATER COMPANY: Staff has been occasionally accompanying Valley View staff to gain knowledge of their distribution system and future upgrades that may be required. Manager Clanin is currently researching the potential cost of annexation and the Local Agency Formation Commission process.

CONSIDER NOMINATION FOR ASSOCIATION OF SAN BERNARDINO COUNTY SPECIAL DISTRICTS DIRECTOR: The Board discussed the open position for a Director of the Association of San Bernardino County Special Districts and the potential financial impact to the District. No action was taken.

CONSIDER CANCELLING THE DECEMBER 17, 2019 BOARD MEETING: There was general discussion regarding the date of the December Board Meeting. On a motion by Director Stone and second by Director Farrell the Board present unanimously approved the cancellation of the December 17, 2019 Board Meeting.

MANAGER'S REPORT/PROJECT UPDATE: Manager Clanin is continuing to research a reasonable for the removal of gross alphas from the water at the Electra Well site.

DIRECTOR'S REPORTS: Director Farrell informed the Board of a free LAFCO seminar, "Understanding Pensions and OPEB" on December 12, 2019. Office Manager Davis announced she has registered to attend. Director Kinzel is also interested in attending.

Director Bracher-Griffin updated the Board on the sale of Acorn Bookkeeping to H&R Block. The sale is not yet completed but scheduled for December 5, 2019.

As there was no further business to discuss, the meeting was adjourned at 05:00 pm.

The next meeting has been adjourned to Tuesday, January 21, 2020 at 3:00 pm.