

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

JANUARY 16, 2018

CALL TO ORDER AND FLAG SALUTE: President Bracher called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 pm., on Tuesday, January 16, 2018, at the regular meeting place of said Board at its office in Crestline, California.

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

Absent were Directors Robert Kinzel and Darel Davis.

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

Also present was Bruce Daniels and Auditor Scott Manno of Rogers, Anderson, Malody and Scott.

MINUTES OF PREVIOUS MEETING: On a motion by Director Stone and a second by Director Farrell, the Board that was present unanimously approved the minutes of the Adjourned Regular Meeting of December 5, 2017 as written.

CASH DISBURSEMENTS: The Board reviewed the cash disbursements for the month of December 2017. On a motion by Director Stone and a second by Director Farrell the Board that was present unanimously approved the cash disbursements for the month of December 2017.

PUBLIC COMMENTS: Mr. Bruce Daniels and Mr. Scott Manno introduced themselves to the Board.

PRESENTATION OF ANNUAL AUDIT REPORT FOR FISCAL YEAR 2016-17: The District's Auditor Scott Manno of Rogers, Anderson, Malody & Scott, LLP, Certified Public Accountants, presented the audit report for the fiscal year ending April 30, 2017. 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 13:1 as compared to 12:1 for the prior fiscal year. The auditor's minimum guideline for this ratio is 1.5:1.

The District had an Operating Loss of \$672,902. In the previous year, the District had an Operating Loss of \$639,151. Loss of revenue and an increase in administrative expenses were the main reasons for the change in operating loss.

Non-operating revenues from property taxes, availability assessments, interest and other income resulted in \$390,989 in non-operating income; a slight increase over the prior year.

Loss before contributions was \$281,913 (operating loss of \$672,902 plus non-operating income of \$390,989) for the current fiscal year. Loss before contributions of \$281,913 is added to the property contributions of \$7,674 for a change in new position for the current fiscal year of \$274,239.

There was general discussion regarding the audit. Auditor Manno recommended with the retirement of Karl Drew that the District consider annual accounting support. On a motion by Director Stone and a second by Director Farrell, the Board that was present unanimously accepted the 2016-17 Annual Audit Report as presented.

PRESENTATION BY BRUCE DANIELS ON THE ACTIVE TRANSPORTATION PROGRAM (ATP): Bruce Daniels made a presentation to the Board on his goal of building a world renowned trail system that enhances the outdoor recreation experience in the San Bernardino Mountains. There was general discussion regarding the project. The Board asked that this item be brought back next month for further discussion.

CONSIDER INFORMATION TECHNOLOGY SERVICES PROPOSAL BY CALIFORNIA COMPUTER OPTIONS: General Manager Clanin reviewed proposals from California Computer Options, Inland Empire IT Services and All Covered IT Services for ongoing Information Technology support. The lowest quote was for California Computer Options at \$895 monthly. Manager Clanin was able to re-negotiate the monthly price to \$605 per month for proactive IT support. Computer Options also provided a quote for the replacement of 10 aging personal computers and one Dell monitor.

On a motion by Director Stone and a second by Director Farrell the Board authorized Staff to approve the IT Support Contract with California Computer Options in the amount of \$604.78 monthly and to purchase 10 replacement Dell Personal Computers, 1 Dell 24" Monitor and associated peripheral equipment including system installation, setup and configuration from California Computer Options in the amount of \$17,325.59 on the following vote:

AYES: Directors Farrell, Stone and Bracher.

NOES: None.

ABSENT: Directors Kinzel and Davis.

ABSTAINED: None.

CONSIDER PAYMENT FOR LAKEVIEW DRIVE EASEMENT, APN #0338-252-27 TO CHARLES AND CATHERINE GIBBS: Manager Clanin reported an estimated savings of \$15,000 on the Lakeview Water Main Replacement Project. The savings was made possible by an easement provided to the District by Charles and Catherine Gibbs. On a

motion by Director Stone and a second by Director Farrell the Board present unanimously agreed to pay Charles and Catherine Gibbs \$7,500 in exchange for granting an easement to the District on 24099 Lakeview Drive, APN #0338-252-27.

ANNUAL REVIEW OF INVESTMENT POLICY: Manager Clanin explained that the Investment Policy is to be reviewed by the Board annually. Currently the District only invests in the State of California Local Agency Investment Fund (LAIF) which diversifies their investments. He recommended that no changes be made to the Investment Policy. On a motion by Director Stone and a second by Director Farrell, the Board who was present unanimously approved the Investment Policy with no change.

REPORT ON ACWA/JPIA FALL CONFERENCE, NOVEMBER 27 – DECEMBER 1, 2017, ANAHEIM, CA: Director Farrell and Manager Clanin provided written reports of their attendance of the ACWA/JPIA Fall Conferences the week of November 27-December 1, 2017. There was general discussion relating to their reports.

MANAGER'S REPORT: Manager Clanin reported that he is in the process of preparing letters to customers affected by the service relocations due to the Lakeview Main Relocation. There are a total of 16 services. Maps providing new meter locations will be sent with each letter.

Manager Clanin reported that the new Dell Server has been received and installed. Tyler Technologies will be able to install their software on the server soon.

The State of California Hazard Mitigation Office and the Federal Emergency Management Agency (FEMA) has reviewed the Hazard Mitigation Plan (HMP). District Staff is currently revising the HMP based on FEMA recommendations.

REQUEST FOR FUTURE AGENDA ITEMS: The Board would like to review the Districts Resolution regarding on-site plumbing in reference to the Lakeview Main Relocation.

As there was no further business to discuss, the meeting was adjourned at 05:47 pm. The next meeting is scheduled for Tuesday, February 20, 2018 at 3:00 pm.