

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

Date/Time: February 9, 2012 - 3:00 p.m.

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

Board of Directors Present:

Matthew Philippe, Chairman (arrived later in meeting)
Penny Shubnell, Vice Chairman
Ken Nelsen, Secretary
Sherri Fairbanks
Jack Winsten

Crestline Sanitation District Employees Present:

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

Others Present:

Steven Kennedy, Legal Counsel, Brunick, McElhaney, Beckett & Kennedy
Phil Waller, CPA, R.A.M.S.
David Marion, Partner, Smith Marion & Co., LLC
Peter Wesch, Manager, Smith Marion & Co., LLC

Call to Order

The meeting was called to order at 3:04 p.m. by Vice Chairman Shubnell.

Approval of Agenda

Director Winsten made the motion to approve the Agenda. Director Fairbanks seconded. Vice Chairman Shubnell 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:

No Public Comments were made.

Consent Calendar

Director Winsten made a motion to approve the Consent Calendar. Secretary Nelsen seconded. Vice Chairman Shubnell called for a vote. The motion passed with a vote of 4-0.

Discussions:**Old Business**

There was no Old Business to discuss.

New Business**3. Discussion and Possible Action concerning Crest Forest Fire Protection District requesting a Fire District Ballot Measure Inserted in our Monthly Billing**

Secretary Nelsen excused himself from this subject discussion as he is a member of the Crest Forest Fire District Board at this time.

Patti Forsythe, Administrative Assistant and Division Chief John Garber of Crest Forest Fire Protection District (CFFPD) presented the Board with a sample of the Fire District Ballot Measure flyer they were requesting to be inserted in our Monthly Billing. CFFPD stated if additional funding was needed to send this flyer out they were not to proceed any further. Vice Chairman Shubnell conducted open discussion on the subject. Director Winsten made a motion to table this subject at this time and requested Legal Counsel, Steven Kennedy to contact the CFFPD's Legal Counsel to discuss the wording of the flyer and requested General Manager, Kathy Whalen to research any additional cost this would be to include the flyer with the monthly invoices. A Special Meeting of the Board will be held on February 23, 2012 to further discuss this subject. Vice Chairman Shubnell seconded. Chairman Philippe called for a vote. The motion passed with a vote of 3-0. Director Fairbanks abstained along with Secretary Nelsen as he excused himself at the beginning of the meeting discussion.

(Chairman Philippe joined the meeting and during this discussion.)

4. Discussion and Possible Action concerning the Annual Financial Audit for FY 2010/2011 resented by Smith Marion & Co., LLC

David Marion, Partner and Peter Wesch, Manager of Smith Marion & Co., LLC presented the Annual Financial Audit for FY 2010/2011 to the Board stating in all material aspects, the financial position of Crestline Sanitation District at June 30, 2011, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Chairman Philippe conducted open discussion on the subject. Vice Chairman Shubnell made a motion to accept the Annual Financial Audit for FY 2010/2011 presented by Smith Marion & Co., LLC with the revised term expirations for the Board of Directors. Director Winsten seconded. Chairman Philippe called for a vote. The motion passed with a vote of 5-0.

Reports

5. Monthly Financial Review – December 2011

Financial Consultant, Phil Waller of R.A.M.S. presented the Board with the December 2011 Financials. Chairman Philippe conducted open discussion on the subject. Vice Chairman made a motion to accept the Monthly Financials for December 2011. Director Fairbanks seconded. Chairman Philippe conducted open discussion on the subject. The motion passed with a vote of 5-0.

a. Financial Consultant Report

Financial Consultant, Phil Waller of R.A.M.S. and General Manager, Kathy Whalen recommended an amendment to the Board concerning the Maintenance Seasonal Workers. The Maintenance Seasonal Workers were misclassified as Professional Services-Operations and should be amended to Professional Maintenance Services – Maintenance Seasonal Workers.

6. Committee Reports

None reported.

7. General Manager Report

General Manager, Kathy Whalen reported the Manager's Status Report for February 9, 2012; copy of details was provided for all at the meeting. Chairman Philippe conducted open discussion on the subject.

8. Legal Counsel Report

Legal Counsel, Steven Kennedy had nothing further to report or comment.

Directors Comments

Director Winsten was happy to see everyone at the meeting today and thanked everyone for all their work.

Vice Chairman Shubnell was really glad to have the audit presented and is very proud of all the work everyone has done.

Chairman Philippe announced he attended a CSDA Webinar – Must Have Communications Protocols - Board and Staff and stated it was very well done and recommended their Webinars/Seminars as they are always presented well and informative.

Secretary Nelsen shared information with the Board about the Strategic Plan and Master Plan of Lake Arrowhead Community Services District (LACSD). He recommended Crestline Sanitation District only choose one or the other, as they are very expensive. General Manager, Kathy Whalen stated Crestline Sanitation District has a Master Plan that was done in 2001 by PBS & J.

Correspondence/Information

Reporting Secretary, Terri Elwess announced she will not be attendance at the next Regular Meeting on March 8, 2012.

Future Agenda Items

Chairman Philippe requested Discussion and Possible Action concerning a Strategic Plan for

Crestline Sanitation District added to the next Regular Meeting Agenda.

Adjournment

Vice Chairman Shubnell made a motion to adjourn. Director Fairbanks seconded. Chairman Philippe called for a vote. The Vote passed 5-0. Meeting adjourned at 4:40 p.m.

Matthew Philippe Date: 3-8-12
Matthew Philippe, Chairman

ATTEST:

Ken Nelsen Date: 3-8-12
Ken Nelsen, Secretary