

SAN MIGUEL COMMUNITY SERVICES DISTRICT
 BOARD OF DIRECTORS
 MARCH 13, 2019 Special Meeting Minutes
 MEETING HELD AT DISTRICT OFFICES
 1150 MISSION STREET
 SAN MIGUEL, CA 93451

- I. Meeting Called to Order by President Green – 6:30 p.m.
- II. Pledge of Allegiance led by Director Green.
- III. **Roll Call:** Directors Present: Green, Parent, Kalvans @ 6:33pm, Sangster, and Palafox
 Directors Absent: None
 District Staff in attendance: Interim General Manager Rob Roberson, Board Clerk Tamara Parent, Director of Utilities Kelly Dodds, Bookkeeper Paola Freeman, and District General Counsel Seikaly
 District Staff Absent: District Engineer Dr. Blaine Reely
- IV. **Adoption of Regular Meeting Agenda:**
 Motion by Director Sangster to approve agenda.
 Seconded by Director Palafox. Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT.
- V. **ADJOURN TO CLOSED SESSION:**
 Closed Session convened at 6:35 p.m.
 - A. **CLOSED SESSION AGENDA:** None
- VI. **Call to Order for Regular Board Meeting/Report out of Closed Session:** None
- VII. **Public Comment and Communications for matters not on the Agenda:** Michelle Hido, San Miguel Resident voiced that she would be recording the meeting.
- VIII. **Special Presentations/Public Hearings/Other:** None
- IX. **STAFF & COMMITTEE REPORTS:** None
- X. **CONSENT ITEMS:** None
- XI. **BOARD ACTION ITEMS:**
 - 1. **Review and discuss approving Resolution 2019-09 reviewing and filing of the FY 2017-18 financial audit report by Moss Levy Hartzheim.**

Item was presented by Interim General Manager Rob Roberson explaining that Alex Hom from Moss, Levy, Hartzheim was in attendance to answer any questions. Alex Hom, Auditor from Moss, Levy Hartzheim explained that the FY2017-18 Financial Audit was being presented to the Board of Director to accept and file. Mr. Hom explained that he has finished the Audit and that he was able give the District an “unmodified clean opinion”. Mr. Hom voiced that he feels that the unmodified clean opinion for the District was because of all the work that the CPA had done in regard to cleaning up the accounts and the accounting controls that have been put in place.

Board Comment: Director Parent asked Mr. Hom, if the controls that have been put into place from the last audit has helped and if they are working. Mr. Parent also asked if there was a good accounting of the District’s restricted funds? Alex voiced that he feels that the controls put into place have been working and that the Audit shows the restricted fund amounts.

Director Sangster asked, under the “Accumulated Depreciation” section is that assets outside real property? Mr. Hom voiced that yes, like buildings and equipment.

Director Sangster asked how that is being calculated? Mr. Hom explained by IRS guidelines and tracked on spreadsheet and is a straight-line age.

Director Green asked how accumulated depreciation effects the District? Auditor Alex Hom explained that when you look at depreciation it will affect the value of the assets.

Director Kalvans asked if Mr. Hom firm worked with other District, San Miguel size and how San Miguel Community Services District debt percentage compares with another District he has worked with. Mr. Hom explained that the District is right on par for our debt.

Director Green asked about wages, and Mr. Hom explained that he would not know that.

Director Sangster asked about the debt for liabilities for retirement? Mr. Hom explained that the District liabilities are low, because the District doesn’t have very many employees.

Director Parent asked if the District has had anyone retired from San Miguel CSD? It was explained that, yes one employee.

Director Kalvans asked what the ideal percentage of debt to asset that the District should have? Auditor explained that it should be at least one to one, basically whatever the district can achieve.

Director Sangster asked about schedule of revenue and expenditures, the third column fire fund page (page 3 of 3) fund balance and asked if these are the correct numbers for the fund to date. Mr. Hom explained that it is the cash, receivables and each fund has the same information.

Public Comment: None

Motion by Director Sangster to approving Resolution 2019-09 accepting of the FY 2017-18 financial audit report by Moss Levy Hartzheim

Seconded by Director Kalvans. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

2. Review and Approve the fireworks fees, sales duration and use of “Safe and Sane” Fireworks for the 2019 calendar year and adopt RESOLUTION 2019-08.

Item was presented by Fire Chief/interim General Manager Rob Roberson. Mr. Roberson explained that the document has been reviewed and explained that the Resolution has been consolidated into one document.

Board Comment: Director Green asked if the staff had found out when the last ordinance was adopted and if the resolution has the correct dates? Mr. Young explained that yes and explained that the ordinance works with the California Fire Code.

Director Kalvans asked when the Document would be ready for the non-profits to pick-up paperwork/application? It was explained that it should be ready by Monday. Discussion ensued about application period.

Motion by Director Sangster to approve Resolution 2019-08 for the fireworks fees, sales duration and use of “Safe and Sane” Fireworks for the 2019 calendar year.

Seconded by Director Parent. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT

3. Review and Discuss changes recommended by the Ad-Hoc Personnel Committee of the District Personnel Guidelines & Policy Manual, previously adopted by the Board September 15, 2016 and hear any Board recommendations.

Item Presented by Counsel Seikaly. Counsel Seikaly explained that she would be sharing her screen with the Board for review and changes to the Personnel document if needed. President Green voiced that he would be taking public comment at the end of the review. Counsel Seikaly informed the Board of Directors that they would be going by chapter and asked for any comments.

Board Comment: Discussion ensued between each board member and general counsel regarding each chapter. Interim General Manager and Director of Utilities made comments when necessary. District General Counsel made changes through out document and read aloud any changes made. Any changes made during this meeting were made to memorialize the current District practices. No negotiable items, such as benefits, were considered or changed.

Public Comment: None

Information Item only

4. Adopt revisions to the District Personnel Guidelines and Policy Manual Resolution 2019-12; Previously Adopted by the Board in Resolution 2016-30

Item presented by District General Counsel voicing that the Board of Directors could go two ways. Continue the item to next meeting or approve with changes as revised.

Discussion ensued between board and counsel reviewing and changing as they went through each chapter of the policy.

Counsel Seikaly informed the Board that she would need to rework the document and send out for final review to the Directors.

Board Comment: Director Sangster asked about timeline for Counsel to review the changes made that need to be made. Counsel explained that they should have it soon.

Public Comment: None

Motion by Director Sangster to continue item four to consent agenda for March 28th Regular Board Meeting, and to dissolve the Ad-Hoc Personnel Committee.

Seconded by Director Parent. Motion fails by Vote of 0 AYES and 5 NOES and 0 ABSENT.

Motion by Director Green to approve Resolution 2019-12 with Revisions from District Counsel to the Personnel Policy and bring Resolution to dissolve Ad- Hoc Personnel Committee to next regular meeting.

Seconded by Director Kalvans. Motion Passes by Vote of 5 AYES and 0 NOES and 0 ABSENT.

XII. BOARD COMMENT: Director Sangster asked to get an updated phone list

XIII. ADJOURNMENT TO NEXT MEETING March 28, 2019: 10:25 P.M.