

**REGULAR BOARD MEETING**  
**Wednesday, July 14<sup>th</sup>, 2010**  
 7:00 p.m. at 6285 Hawk Ridge Place, San Miguel, CA.

**M I N U T E S**

**1. 7:00 PM OPEN SESSION / PLEDGE OF ALLEGIANCE /ROLL CALL**

Board Members Present: Mark Kenyon, Don Duke, Carol Noe, John Hunter  
 Public Present: Robert Schroth from Falcon, Daniel Palmer from Independence Ranch Rd, Jeremy Santoro from Lazy Hill.

**2. PUBLIC COMMENT**

Jeremy Santoro from Lazy Hill questioned the re-bid for the Special Meeting. Was under the impression that there was to be a re-bid for the scope of work to be presented at the Special Meeting which would of included base per Board discussion at Regular Meeting held on June 9<sup>th</sup> . . He was not notified of a re-bid for base if there was one.

**3. APPROVAL OF AGENDA FOR JULY**

Don Duke moved to approve, Carol Noe seconded the motion. Motion was approved.

**4. APPROVAL OF MINUTES FROM THE REGULAR MEETING OF JUNE 9, 2010 and APPROVAL OF MINUTES FROM SPECIAL MEETING OF JUNE 22, 2010.**

Don Duke moved to approve, Carol Noe seconded the motion. Motion was approved.

**5. CONSENT ITEMS –**

**A. Payables**

Don Duke moved to approve, Carol Noe seconded the motion. Warrant Register for July 2010 was approved.

3:15 PM  
 07/14/10  
 Accrual Basis

**Independence Ranch CSD**  
**Warrant Register**  
**July 14, 2010**

Date	Num	Name	Memo	Amount	Balance
<b>1000 - Cash Summary</b>					51,387.96
<b>1050 - Santa Lucia Bank</b>					51,387.96
7/14/2010	780	Shaylee Rabener	May & June 2010	-160.00	51,227.96
7/14/2010	781	SDRMA	Member #7003	-1,262.86	49,965.08
7/14/2010	782	John Eulberg SBS	June 2010	-500.00	49,465.08
7/14/2010	783	John Eulberg SBS	May 2010	-292.50	49,172.58
7/14/2010	784	John Eulberg SBS	Brown Act Seminar	-125.00	48,047.58
7/14/2010	785	County of San Luis Obispo	0.14% of \$147,063.67 per budget	-199.57	48,848.01
7/14/2010	786	Balanced Bookkeeping	May & June 2010	-150.00	48,698.01
7/14/2010	787	Silva Construction	Per Special Meeting 6/22/10	-2,900.00	45,798.01
Total 1050 - Santa Lucia Bank				-5,589.95	45,798.01
Total 1000 - Cash Summary				-5,589.95	45,798.01
<b>TOTAL</b>				<b>-5,589.95</b>	<b>45,798.01</b>

## B. Treasurer's Report

John Hunter moved to approve, and Don Duke seconded the motion. Reports for April & May were approved.

4:27 PM

07/15/10

Accrual Basis

### Independence Ranch CSD Warrant Register APRIL 2010

4:27 PM

07/15/10

Accrual Basis

Date	Num	Name	Memo	Amount	Balance
<b>1000 - Cash Summary</b>					33,885.78
<b>1050 - Santa Lucia Bank</b>					33,885.78
4/2/2010			Deposit	3,514.00	37,399.78
4/6/2010	772	Viborg Sand & Gravel		-2,707.69	34,692.09
4/12/2010	773	PG&E	1.62 balance 98.38 prepayment to acc...	-100.00	34,592.09
4/21/2010			Deposit	14,057.17	48,649.26
4/23/2010			Deposit	4,769.00	53,418.26
4/30/2010	774	Balanced Bookkeeping		-100.00	53,318.26
4/30/2010	775	Balanced Bookkeeping		-100.00	53,218.26
4/30/2010	776	Balanced Bookkeeping		-100.00	53,118.26
4/30/2010	777	Don Duke		-724.30	52,393.96
Total 1050 - Santa Lucia Bank				18,508.18	52,393.96
Total 1000 - Cash Summary				18,508.18	52,393.96
<b>TOTAL</b>				<b>18,508.18</b>	<b>52,393.96</b>

4:28 PM

07/15/10

Accrual Basis

### Independence Ranch CSD Warrant Register MAY 2010

4:28 PM

07/15/10

Accrual Basis

Date	Num	Name	Memo	Amount	Balance
<b>1000 - Cash Summary</b>					52,393.96
<b>1050 - Santa Lucia Bank</b>					52,393.96
5/11/2010			Deposit	502.00	52,895.96
5/25/2010	778	Gene Miller		-200.00	52,695.96
5/25/2010	779	Moss, Levy & Hartzheim	Audit	-1,900.00	50,795.96
Total 1050 - Santa Lucia Bank				-1,598.00	50,795.96
Total 1000 - Cash Summary				-1,598.00	50,795.96
<b>TOTAL</b>				<b>-1,598.00</b>	<b>50,795.96</b>

#### a. Consider EOY report subject to further audit

Would like to put off till next meeting per John Eulberg

#### b. New Checks

CSD is almost out of checks and upon re-ordering John Eulberg would like to change the check style and layout to Quick Books Intuit checks which would have more information pertaining to expenditure. Mark Kenyon moved to approve, Don Duke seconded the motion. Motion was approved to order new Quick Books checks.

#### c. Accounting Glitches

John Eulberg informed the Board that there was a residual with the county from time to time that had never been properly accounted for and resulting in interest income of \$8.00 for last year. This will be properly accounted for in the future. Also, all accounts will be given account numbers as required by the auditor.

## 6. DISCUSSION ITEMS

### A. Santa Lucia Bank

#### a. New signature cards. Authorization to release information to John Eulberg

John Eulberg notified the Board that Mark Kenyon and George Tracy are the only two authorized to sign. Since all board members: Mark Kenyon, George Tracy, Don Duke, Carol Noe and John Hunter should be authorized signatories, all Board Members filled out new customer information sheets which were sealed in an envelope and handed to John Eulberg to give to the bank. All board members are required to stop by the bank and sign new signature cards. John Eulberg requested authorization from the board to move funds between savings and checking as necessary specifically excluding all other funds transfers. Carol Noe

grant authorization to John Eulberg as stated above.

**b. Log-in information**

Not at this time per John Eulberg

**c. Establish Savings sub-account**

John Eulberg presented the idea to open a savings account for the County to initially deposit into. Money would then be transferred into the checking account as necessary to pay expenditures. Money that sat in savings account would then accrue interest. This savings account is to use the same signature card as checking account #002 507064. Carol Noe moved to approve and Don Duke seconded motion. Motion was approved to open Savings Account.

**B. Audit Status**

**a. Letter of engagement**

John Eulberg presented two letters of engagement for two auditors who will perform audits for the IRCSD for the years of 07-08, 08-09, and 09-10. The first was Moss & Levy who would perform 07-08 and 08-09 for the price of \$5,250.00. The second was Bob Crosby who would perform all three audits for \$6,000.00. Mark Kenyon moved to approve, Don Duke seconded the motion. Motion was approved to use Bob Crosby to perform the audits for years of 07-08, 08-09, and 09-10.

**b. Assembly of information**

John Eulberg informed the Board that an annual audit is not necessarily required. By a unanimous vote we could then we could petition the county to allow us to have a two year or five year audit since IRCSD is not a large scale CSD and would benefit financially from the extended period. The Board can address this once it has completed all audits to date.

**C. Budget for 2010/2011**

John Hunter moved to approve new budget and Don Duke seconded the motion. The motion was approved to adopt new budget. Please see attached.

**D. Election**

**a. Discussion of alternatives**

John Eulberg notified Board that all Board Members terms were on November 2, 2010. Mark Kenyon and Don Duke have terms of four years. All other Board Members have a term of two years.

**b. Election Resolution required by the County**

Mark Kenyon moved to approve and Don Duke seconded the motion. Motion was approved to adopt the new resolution number 100714/1.IRCSD requesting consolidation of their biennial election with the November 2, 2010 consolidated general election. Please see attached

**E. Road Projects**

**a. Status of Current Road Conditions**

Drainage and culverts need repair.

**b. Future Road Repair**

Board would like to start looking into chip sealing roads and are currently in the process of getting prices.

**c. Road Maintenance Plan for 2010**

Don Duke spoke with Farm Supply and they recommended using Milestone and spraying in March. Board will look into getting MSDS for the product.

**ii. Ditches**

Need proper drainage.

**iii. Culverts**

Board will be sending out a letter to home owners regarding the cleaning out of culverts.

**7. DIRECTOR / MANAGER COMMENTS**

John Eulberg asked the Board to authorize the expense cost for a CSD Conference on September 21<sup>st</sup>, 2010. The conference would include seminars for new revenue options and trade shows. Banks will be exhibiting for possible lending for CSD. Don Duke moved to approve and Mark Kenyon seconded the motion. Motion was approved to authorize the \$250.00 expense for John Eulberg to attend the CSD Conference in Newport Beach on September 21<sup>st</sup>, 2010.

**8. ADJOURNMENT**

Don Duke motioned to adjourn. Mark Kenyon seconded the motion. Motion to adjourn was approved. Meeting adjourned at 9:00 P.M. Next scheduled meeting will be held on August 11th, 2010 at 7:00 P.M. at 6285 Hawk Ridge Place, San Miguel, CA.

**BUDGET**

1:26 PM  
07/16/10  
Cash Basis

Independence Ranch CSD  
**Profit & Loss Budget Overview**  
July 2010 through June 2011

	<u>Jul '10 - Jun 11</u>
<b>Income</b>	
4000 - Income Summary	
4010 - Road Assessment Fees	62,500.00
4050 - Interest Income	408.00
<b>Total 4000 - Income Summary</b>	<u>62,908.00</u>
<b>Total Income</b>	62,908.00
<b>Expense</b>	
5000 - Fees and Dues	
5001 - LAFCO Fees	200.00
5005 - CSDA Dues	490.00
5010 - Election Costs	400.00
5020 - Community Services District	300.00
<b>Total 5000 - Fees and Dues</b>	<u>1,390.00</u>
5100 - General Overhead Expenses	
5130 - Trade Shows and Seminars	400.00
5105 - General Mgr./Sec/Treas.	7,200.00
5110 - Insurance	1,240.00
5120 - Office Supplies	300.00
<b>Total 5100 - General Overhead Expenses</b>	<u>9,140.00</u>
5200 - Operating Expenses/Road Work	
5210 - Road Work, Materials & Services	38,750.00
5215 - Road Signs/Material	309.00
<b>Total 5200 - Operating Expenses/Road Work</b>	<u>39,059.00</u>
5300 - Miscellaneous Uncategorized	925.00
5400 - Professional Fees	
5405 - Accounting	6,000.00
<b>Total 5400 - Professional Fees</b>	<u>6,000.00</u>
5500 - Utilities	144.00
<b>Total Expense</b>	<u>56,658.00</u>
<b>Net Income</b>	<u><u>6,250.00</u></u>