

**SUNSET HEIGHTS CSD MEETING MINUTES**

July 31, 2020

Meeting Called to Order at 1:10 pm

1. **Roll Call Present:** Ron, Hub, Vanessa **Absent:** Steve
2. **Approve 5/08/2020 Meeting Minutes** Ron motions/Hub seconds/unanimous vote
3. **Public Present:** Chuck Lowery, Mary Louise Nixon
4. **Discuss Proposal to Reduce Emergency Reserve Funds**
  - Ron proposes reducing the emergency reserve funds from \$20,000 to \$10,000 because this would be in accordance with the LAFCO MSR and at the advice of Cathy Castillo who stated that \$20,000 is excessive. \$20,000 was the reserve balance in previous years because the SHCSD was also responsible for its water system and it was continued after water was discontinued because the funds were earning interest. This is no longer the case. Other CSDs recommend a reserve to cover 3 month's expenses. \$10,000 would cover 1 year for SHCSD.
  - The amount above \$10,000 will move over the Road Projects Fund.
  - Hub motions/Vanessa seconds/ unanimous vote
5. **Discuss upcoming Bi-annual Financial Review and Assign to a Board Member**
  - Assigned to Vanessa
  - Ron discussed the email from Melissa of Cathy Castillo's office requesting documents for the Bi-annual Financial Review. Ron approved Vanessa's answers on the office's requested questionnaire. Mary Louise stated that Cathy will always recommend some form of improvement.
  - Vanessa is prepared to deliver the Financial Review documents as soon as the July 31, 2020 bank statement is prepared.
6. **Discuss upcoming Annual Certification of Direct Assessment and Assign to a Board Member**
  - Assigned to Vanessa
  - Vanessa signed Annual Certification of Direct Assessment forms for Mary Louise. Vanessa will follow up to ensure Mary Louise meets the August 10, 2020 deadline.
7. **Discuss County, State and Federal Reports**
  - Unpaid Assessments Report: From Mary Louise to the County on August 10, 2020
  - Financial Audit: From Mary Louise to the County every other summer
  - Payroll Report: From Mary Louise to State on April 30, 2020
  - Special Districts Financial Report: From Mary Louise to State on January 31, 2021
  - Form 700: From each board member to County (date specified on form)
8. **Lessons Learned on Marc Drive Overlay**
  - Hub: The heat made the work more difficult. Ron stated we are glad our work was scheduled for June instead of July or August.
  - Ron: A board member must be present to oversee contracted work. A board member must know the terms of the contract to ensure that no addition work is performed at an additional charge afterwards and that all agreed upon work is completed correctly.
  - Hub: You can give all the notice of construction in the world and someone will still schedule something that day.
9. **Lessons Learned for FY2020-21 invoicing**
  - Check consistency of due date between statement and accompanying letter. Mary Louise passed out example of statement and Financial Statement for year ending June 30, 2020 and 2019.
  - Mary Louise will adjust due date on next year's statement to read August 31 instead of August 3.
10. **Discuss how to Ensure Public Transparency on Documentation.**
  - Draft documents not yet approved by the board at a meeting are marked DRAFT – date updated
  - Draft documents increase sequentially alphabetically once presented at a meeting: REV A – date approved
  - Draft documents may be changed between meetings with date of change marked: REV A – date updated
  - Final documents increase sequentially numerically once presented at a meeting: Rev 0 – date approved
  - Changes to final documents require board approval.

**11. Discuss tree removal in SHCSD by PG&E**

- PG&E wants to remove any tree interfering with power lines in addition to all Grey Pines, Black Oaks, and Incense Cedar trees due to fire susceptibility in past wildfires.
- Markings of dots or ribbons signify different PG&E contractors.

**12. Discuss Ron and Steve's Departure as Board Members**

- Ron will continue beginning today as President in name only until his term ends on 11/30/2021. He will be available for advice beyond that. If need be, Ron will continue on as a director.
- Steve will remain on the board until his house sells or his term ends 11/30/2021; whichever comes first.
- Hub will attempt to recruit new board members in the meantime.
- Ron suggested David Honnold or Kevin Koch for board members, walking the neighborhood on a daily basis to get to know the neighbors, check for culverts to be cleared, overhanging branches and checking the mailbox.
- Mary Louise suggested that Ron and Hub design a 5-year repair plan. Ron declined because road repairs are done based on present road conditions. It's not possible to predict repairs.

**13. Adjournment** at 3:00pm