

SUMMERLAND SANITARY DISTRICT

2435 Wallace Avenue
Regular Board Meeting
Thursday January 14, 2016 at 5:00 p.m.

MEETING MINUTES

THE MEETING WAS CALLED TO ORDER AT 5:06 P.M. BY TEMPORARY CHAIR JOLENE COLOMY.

I. ORGANIZATIONAL MEETING

See attached minutes of the Organizational Meeting

II. PLEDGE OF ALLEGIANCE

See Organizational Meeting

III. APPROVAL OF THE AGENDA

Director Tucker moved to approve the agenda. The motion was seconded by Director J. Franklin and passed with five ayes.

IV. APPROVAL OF THE MINUTES OF THE REGULAR BOARD MEETING OF DECEMBER 10, 2015

Director Tucker moved to approve the minutes of the regular meeting of December 10, 2015. The motion was seconded by Director Novis and passed with five ayes.

V. APPROVAL OF THE MONTHLY BILLS FOR DECEMBER 2015, INCLUDING PAYROLL AND PETTY CASH

General Manager Sullivan answered and clarified questions the Board asked about payment of the bills. Director J. Franklin moved to approve the bills for December 2015, including payroll and petty cash, totaling \$53,148. The motion was seconded by Director Tucker and passed with five ayes.

VI. PUBLIC COMMENT

None

VII. COMMITTEE REPORTS

A. Finance Committee Report

The committee did not meet.

B. Administration, Operations & Personnel (AOP) Committee Report

The committee did not meet.

VIII. OLD BUSINESS

A. Verano Del Mar, LLC

Verano Del Mar, LLC requested that the annual sewer service charge for the restaurant be reduced. The Board received additional information from Verano Del Mar, LLC. After a short discussion it was concluded that unfortunately more information was needed from Verano Del Mar, LLC. General Manager Sullivan will personally contact the property owner to gather more information. Director J. Franklin moved to table the item to the next regular board meeting. The motion was seconded by Director Tucker and passed with five ayes.

IX. NEW BUSINESS

A. District Long-Term Liabilities

General Manager Sullivan discussed his findings for recording long-term liabilities in the District's financial system (FIN). The balance sheet dated 12/31/2015 was handed out to all Directors. The District liabilities: Casmalia, OPEB and Pension Liabilities are shown under the header Liabilities, Equity & Other Credit Liabilities. General Manager Sullivan suggested booking liabilities for Casmalia and OPEB under Equity in a separate category. By doing so, the liabilities will be taken out of the Fund Balance - Residual. This reporting will give more transparency of the District's financial situation. General Manager Sullivan gave this advice after consulting with Nicolas Noker, Auditor at Santa Barbara County and Tracey Solomon; CPA at Bartlett, Pringle & Wolf. Director Franklin said that it would have been beneficial to have two balance sheets: one for the current situation and one for the proposed situation. For the next meeting General Manager Sullivan will present the proposed new equity line items, and the item will be placed on the agenda with a request for Board approval.

Casmalia liability was discussed. Staff had been trying to contact the law firm that represents the District to receive more information. Board directed staff to not contact the law firm at this time.

B. Financial Report FY2015-16- 2nd Quarter

The Board reviewed the financial report. There were no questions.

IX OPERATIONS FACILITY AND COLLECTION REPORT

The General Manager provided explanation to the written report on operations, facility and collection maintenance. General Manager informed the Board about a clogged storm drain that flooded the District's workshop and staff lounge area. The County of Santa Barbara and Caltrans were notified immediately. The storm drain has been unclogged.

Several homeowners have been notified for additional charges after discovery of a second dwelling unit. The Board requested procedural information for adding additional second dwelling unit charges.

A meeting is called for by LAFCO for the Santa Barbara County Independent District Selection Committee. The meeting is held this Monday, January 25th, at 5:00 pm in Buellton. The purpose of the meeting is to (a) Select a Regular Special District member of the Commission for a term of office from March 2, 2016 to March 1, 2020. General Manager Sullivan asked Director Novis if he is planning on attending. Director Novis was not sure yet but will inform the General Manager of his plans as soon as possible.

X ITEMS FOR FUTURE CONSIDERATION BY THE BOARD

- Verano Del Mar, LLC request for annual sewer fee reduction
- District long-term liabilities
- Election process of officers
- Procedure for adding sewer service charges to a parcel
- Next Board meeting date: February 11, 2016

XI ADJOURNMENT

The meeting was adjourned at 6:07 pm.

Respectfully submitted:

Betty Franklin
Board Secretary

Date: _____

Minutes prepared by M. Souza