

**GREENHORN CREEK COMMUNITY SERVICES DISTRICT
MINUTES OF THE BOARD OF DIRECTORS
January 15, 2009**

A meeting of the Board of Directors of the Greenhorn Creek Community Services District was held on January 15, 2009, at the Greenhorn fire station. Persons in attendance included:

Board Members: Susan Lake, Candy Miller, Roy Mills, Brian Morris
District Staff and Volunteers: Roy Carter, Susan Scarlett, Carl McDonald

1. Approval of Minutes

Upon a motion made by Candy Miller, seconded by Roy Mills, and unanimously approved, the minutes from the meeting of December 18, 2008, were approved with one correction.

2. Public Comment Opportunity

There was no public comment.

3. Finance Report

Susan Scarlett presented the financial report. As of January 14, Water Department revenue was \$101,995 and expenditures were \$83,047. Fire Department revenue was \$14,653 and expenditures were \$14,135. Each Road Association account contained \$20,000, and no road expenditures had yet to be recorded. Cash on hand was \$310,250. Upon a motion made by Candy Miller, seconded by Roy Mills, and unanimously approved, the finance report was accepted.

Bob Johnson, CPA, presented the District's audit for 2007-08, which concluded that the District's financial statements present fairly the financial position of the enterprise activities and the governmental activities of the District, as well as the changes in financial position and cash flow for the year. Mr. Johnson's Report on Accounting Controls and Procedures presented four recommendations to improve the District's financial controls:

1. Establish a capitalization policy with a dollar amount for items to be recorded as capital assets and provide for the annual inspection and safeguarding of fixed assets.
2. Have the General Manager initial all invoices before payment.
3. Have the Board of Directors pass a formal motion each month to accept the financial report.

4. Create a form to record any donation to the District to better track capital equipment and donation income.

To give the Board members an opportunity to fully review Mr. Johnson's report, the Board agreed to consider accepting the report at its February meeting. Susan Scarlett noted that the District had already addressed recommendations #2 and #3, and it was the consensus of the Board to place policies on the agenda to address recommendations #1 and #4.

In concluding his report, Mr. Johnson noted that wise special districts establish a rate structure that allows them to maintain an adequate reserve fund.

4. Road Maintenance

Susan Scarlett reported that the Unit 2 board of directors had approved the Road Maintenance Agreement and that \$20,000 from each Road Association had been deposited with the District.

Roy Carter reported that ice was a problem in Unit 2 and that he was looking for a contractor to possibly sand the roads.

5. Water System Report

Mr. Carter reported that Plumas County Environmental Health had requested an annual chlorination report and that he was preparing the report for submission in March.

As a result of one leak on Greenhorn Road, a precautionary boil water advisory was issued due to a pressure loss in the water system. The District's lab is analyzing sample, and the boil water advisory will be lifted if the test samples are clean.

USDA had reviewed the engineering agreement with Shaw Engineering for water system work and questioned why the engineering fees had increased from the budget in the preliminary engineering report. USDA is awaiting a response from Shaw Engineering. A surveyor has been hired to begin research and paperwork for site improvements, although field work will have to wait because of the amount of snow.

As a result of installing a new water tank, an amendment will be needed for the District's Domestic Water Supply Permit. Once the final plans are received from Shaw Engineering, Mr. Carter will submit them to Plumas County Environmental Health before going out to bid.

6. Fire Department Report


Carl McDonald reported that the Fire Department responded to three calls in the past month. The Fire Academy will be running on Saturdays in April and May, and all volunteers are required to attend to be able to be qualified for fire fighting. Graeagle Fire Department will be offering a first responder course at \$255 per person, but it is likely that no one from Greenhorn will participate due to the cost. A less expensive course will be provided in Quincy next year.

The Board discussed protecting the fire hazard sign during winter. Upon a motion made by Candy Miller, seconded by Roy Mills, and unanimously approved, the Board approved covering the sign with black plastic rather than fabricating a more durable covering.

7. Adjournment

The meeting adjourned at 8:59 p.m. The next meeting is scheduled for Thursday, February 19, at 7:00 p.m.

I, Brian L. Morris, Secretary of the Board of Directors, certify that the foregoing minutes of the Greenhorn Creek Community Services District Board of Directors are correct as recorded.



Brian L. Morris, Secretary