

**FRAZIER PARK PUBLIC UTILITY DISTRICT**  
**4020 Park Drive, P.O. Box 1525, Frazier Park, Ca. 93225**  
**SPECIAL MEETING**  
**MINUTES FOR THURSDAY, JULY 06, 2017**  
**6:00 PM**  
Gipson/Kelling 5/0/0  
Minutes Approved on August 10, 2017

**1. Call to Order: 6:00pm.**

**a. Pledge to the Flag.**

**b. Roll Call of Directors:** Gipson, Kelling, and Schoenberg - Director Garcia absent.  
Director Neyman present as the chairperson.  
Also present: Jonnie Allison, Tiffany Matte, and Linda Sheldon.

**2. Discussion/Review/Vote on Draft of 2016 Audited Financial Statements.**

The Board and staff reviewed the audit page by page and noted their questions and concerns as follows:

- Pg. 3 - A sentence to indicate that the 34.2% increase in operating revenue was due to the District receiving grant funding.
- Pg. 9 - The Inventory, Material and Supplies asset had no change to the dollar amount between 2015 and 2016.
- Pg. 12 - The Change in Operating Assets and Liabilities summary indicated no change to the Inventory, Material and Supplies in 2016.
- Pg. 14 - Should be changed to read "... it is the District's practice to first expend unrestricted resources, subsequently utilizing restricted resources as needed."
- Pg. 15 - The \$750 figure for outstanding balances; where did it come from and is it still accurate?
- Pg. 23 - There is a \$0 amount in the column under JPIA coverage for Public Official Bonds.

Final approval of the audit will carry over to the Regular Meeting on July 13th.

**3. Discussion/Vote on Resolution FP-20170706-01 - Resolution to Open a Planning Fund Account with California Bank & Trust.**

The Board read the Resolution out loud and noted that two new accounts will be added. One is for the Planning Phase of annexation, the other for an Emergency Reserve, per the Rural Community Assistance Corporation (RCAC) Water Rate Study prepared for the FPPUD. The Pipeline/System Reserve account was renamed to Capital Replacement Reserve.

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**Motion: Move to take a 10 minute break at 7:34pm.**  
**Kelling/Gipson 4/0/0, Motion Passed - Director Garcia absent.**

- **Director Garcia arrived during the break.**

**Return from Break: 7:43pm.**

The Board also addressed rotating positions per Resolution #500. Director Brahma Neyman will continue his second term as President until December 2017. Director Terry Kelling accepted the position of Vice President, and will now be included as a signer on District accounts. Director Gerald Garcia agreed to become a Member at Large.

**Motion: Move that we approve Resolution #FP-20170706-01 In the Matter of: FPPUD financial accounts held at California Bank and Trust - Board positions, account signers, box access and account designations.**  
**Schoenberg/Kelling 5/0/0, Motion Passed.**

**4. Discussion/Vote on LAFCo Indemnification Agreement.**

A copy of the LAFCo Indemnification Agreement was given to FPPUD attorney Ernest Conant. He verified it was a standard agreement and is okay for the Board to sign.

**Motion: Move in light of the recommendation from our council Ernest Conant, that we approve and sign the indemnification contract.**  
**Schoenberg/Garcia 5/0/0, Motion Passed.**

**5. Discussion About Special Meeting Regarding SGMA, GSA, and GSP Scheduled for July 20, 2017:**

- **Topics to Be Discussed.**
- **Specific Questions.**

The Board discussed topics and questions for the Department of Water Resources conference call scheduled for a Special Meeting on July 20th.

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6. Discussion/Vote on Future Agenda Items.

Regular Meeting July 13, 2017.

Special Meeting July 20, 2017.

Regular Planning Meeting July 27, 2017.

7. Adjournment.

**Motion: Move that we adjourn.**

**Gipson/Kelling 5/0/0, Motion Passed.**

**Meeting Adjourned: 8:14pm.**

At every special meeting, the legislative body shall provide the public with an opportunity to address the body on any item described in the notice before or during consideration of the item. (Brown Act Code Sec 54954.3(a)).

  
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Tiffany Matte, Clerk of the Board

  
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Attest: Rebecca Gipson, Secretary

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