

REGULAR BOARD MEETING AGENDA
February 21, 2017 2:00 PM
Saddle Creek Lodge
1001 Saddle Creek Drive, Copperopolis, CA

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **PLEDGE OF ALLEGIANCE**
4. **CHANGES TO ORDER OF AGENDA**
5. **PUBLIC COMMENT** (Each speaker is limited to two (2) minutes)
Members of the public are appreciated for taking the time to attend this meeting and provide comments on matters of District business. Any member of the public may address the Board relating to any matter within the Board's jurisdiction. This need not be related to any item on the agenda; however, the Board cannot act on an item unless it was noticed on the agenda.
6. **CONSENT CALENDAR**
Consent Calendar items are considered routine and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the Board, Staff or a member of the Public requests specific items be set aside for separate discussion.
 - a. Review of monthly financial report and approval of bills and claims for the month of January 2017
 - b. Approval of the minutes of the Regular Board Meeting of January 17th, 2017 and the Special meeting of January 22, 2017.
7. **DISCUSSION AND ACTION ITEMS**
The Board of Directors intends to consider each of the following items and may take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action.
 - a. Discussion/action related to Measure A, related public outreach and town hall meetings
 - b. Adoption of a Resolution approving engagement of Larry Bain, CPA, An Accounting Corporation, for completion of the required annual audit for the Fiscal Years ending 2016, 2017 and 2018.
 - c. Review and discussion of draft Board bylaws which contain updated policies and procedures related to Board meetings, Board member compensation and Board member conduct
8. **STAFF AND DIRECTOR REPORTS:**
Brief reports may be provided by District staff and/or Board members as information on matters of general interest. No action will be taken by the Board during Reports, however items discussed may be recommended for discussion and action on a future meeting agenda.
9. **ADJOURNMENT**

Agenda Materials: May be viewed on the bulletin boards outside the Saddle Creek Pro Shop, on the Sports Club Bulletin Board and at the CSD Website on the Saturday proceeding each meeting date. Materials will also be available at the meeting.

Americans with Disabilities Act Compliance: If you require special assistance to participate in Board Meetings, please contact the CSD Clerk at (209) 785-0100. Advance notification will enable the District to make reasonable arrangements to insure accessibility.



Saddle Creek Community Services District

Treasurer's Report

January 31, 2017

Saddle Creek Comm Srvs District
Statement of Cash Flows

For the 1 Months Ending January 31, 2017

	Umpqua Bank Checking	Calaveras Co Fund 2188	Umpqua Bank CD #7405	Umpqua Bank CD #46165	Umpqua Bank CD #46207	Umpqua Bank CD #46249	Umpqua Bank CD #46124	YTD Total
OPERATING ACTIVITIES								
Net Income	(58,688)	-	-	6	6	3	3	(58,670)
Adjustments to reconcile Net Income to Net Cash provided by Operations:								-
2000 Accounts Payable	(5,318)							(5,318)
2040 CSDA Bank of the West MC	121							121
2100 Payroll Taxes Payable	306							306
2150 Accrued Payroll	699							699
Other Current Payables	132							132
Net cash provided by operating activities	(62,748)	-	-	6	6	3	3	(62,730)
Net cash increase for period	(62,748)	-	-	6	6	3	3	(62,730)
Cash at beginning of period (1/1/2017)	227,669	324,589	26,068	25,176	25,176	25,129	25,129	678,936
Cash at end of period	164,921	324,589	26,068	25,182	25,182	25,132	25,132	616,206

13-Feb-17

Prepared by: Dolores Baker

Saddle Creek Comm Srvs District

BALANCE SHEET

As of January 31, 2017

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Umpqua Bank Checking	164,921
1020 Cash - Fund 2188	324,589
1080 Umpqua Bank CD Accounts	126,697
Total Bank Accounts	\$616,206
Total Current Assets	\$616,206
Fixed Assets	
1500 Capital Assets	13,050,601
1600 Accumulated Depreciation	(818,135)
Total Fixed Assets	\$12,232,466
TOTAL ASSETS	\$12,848,672
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	27,132
Total Accounts Payable	\$27,132
Credit Cards	
2040 CSDA Bank of the West MC	2,019
Total Credit Cards	\$2,019
Other Current Liabilities	
2100 Payroll Taxes Payable	933
2110 Wage Garnishments Payable	(23)
2150 Accrued Payroll	9,554
2201 Sales Tax Adjustment	131
Board of Equalization Payable	17
Total Other Current Liabilities	\$10,611
Total Current Liabilities	\$39,762
Long-Term Liabilities	
2500 Lease Payable - John Deere	72,341
Total Long-Term Liabilities	\$72,341
Total Liabilities	\$112,103
Equity	
3800 Developer Capital Contributions	12,198,796
3900 Retained Earnings	596,443
Net Income	(58,670)
Total Equity	\$12,736,569
TOTAL LIABILITIES AND EQUITY	\$12,848,672

SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2017 MONTHLY BUDGET REPORT
January 2017

		<u>Current Year - 2017</u>			<u>Prior Year - 2016</u>		
		<u>(Approved)</u>	<u>(Expenditures)</u>	<u>(Expenditures)</u>	<u>(Adjusted)</u>	<u>(Expenditures)</u>	<u>(Expenditures)</u>
		<u>FY 2017</u>	<u>Month of</u>	<u>Year to Date</u>	<u>FY 2016</u>	<u>Month of</u>	<u>Year to Date -</u>
			<u>January</u>			<u>January</u>	<u>Prior Year</u>
EXPENDITURES							
SERVICES AND SUPPLIES							
<u>ADMINISTRATION</u>							
OE01	Audit Expense	\$ 7,500	\$ -	\$ -	\$ 7,500	\$ -	\$ -
OE02	Accounting & Bookkeeping	\$ 500	\$ 31	\$ 31	\$ 500	\$ 31	\$ 31
OE03	On-line Back-up/Notary Fees/Bonds	\$ 360	\$ -	\$ -	\$ 361	\$ 326	\$ 326
OE04	Legal Expenses	\$ 1,500	\$ -	\$ -	\$ 1,500	\$ -	\$ -
OE05	Management Fees	\$ 65,500	\$ 5,408	\$ 5,408	\$ 62,700	\$ 5,225	\$ 5,225
OE06	Insurance (Property Loss/Liability)	\$ 8,500	\$ -	\$ -	\$ 8,000	\$ -	\$ -
OE07	Miscellaneous/Contingency	\$ 2,000	\$ -	\$ -	\$ 2,000	\$ -	\$ -
OE08	Professional Development (Travel/Training)	\$ 8,500	\$ 857	\$ 857	\$ 6,000	\$ 1,843	\$ 1,843
OE09	Dues, Certifications & Subscriptions	\$ 4,500	\$ 1,784	\$ 1,784	\$ 4,000	\$ 1,598	\$ 1,598
OE10	Uniform Expenses	\$ 2,200	\$ 1,364	\$ 1,364	\$ 2,200	\$ -	\$ -
OE11	Electric Power/Water/Sewer	\$ 9,000	\$ (70)	\$ (70)	\$ 5,200	\$ 540	\$ 540
OE12	Telephone/Internet Service	\$ 6,100	\$ 274	\$ 274	\$ 5,200	\$ -	\$ -
OE14	Office Supplies/Postage	\$ 5,000	\$ 1,716	\$ 1,716	\$ 5,000	\$ 350	\$ 350
OE15	Office Equipment Repair/Replacement	\$ 5,000	\$ -	\$ -	\$ 3,000	\$ 548	\$ 548
OE31	Records Management Services	\$ 2,400	\$ -	\$ -	\$ 2,400	\$ -	\$ -
OE26	County Fees/LAFCO	\$ 6,500	\$ -	\$ -	\$ 6,500	\$ -	\$ -
OE30	Reimbursable Maint/Repair Expense	\$ 10,500	\$ 941	\$ 941	\$ 19,500	\$ -	\$ -
PE03-1	Payroll Taxes - Administration	\$ -	\$ 1,351	\$ 1,351	\$ -	\$ 1,569	\$ 1,569
PE06-1	Employee Wages - Administration	\$ -	\$ 14,186	\$ 14,186	\$ -	\$ 16,355	\$ 16,355
Total Administration		\$ 145,560	\$ 27,841	\$ 27,841	\$ 141,561	\$ 28,385	\$ 28,385
<u>COMMON AREAS</u>							
OE16	Gate Maintenance & Opener Purchase	\$ 4,000	\$ -	\$ -	\$ 4,000	\$ -	\$ -
OE18	Landscape Supplies & Repairs	\$ 22,110	\$ 2,238	\$ 2,238	\$ 21,000	\$ 8,045	\$ 8,045
OE19	Landscape Equipment Repair/Replacement	\$ 16,500	\$ 7,011	\$ 7,011	\$ 16,500	\$ 5,185	\$ 5,185
OE21	Landscape Equipment Gas & Oil	\$ 5,000	\$ 64	\$ 64	\$ 5,000	\$ 1,375	\$ 1,375
PE03 -2	Payroll Taxes - Common Areas	\$ -	\$ 980	\$ 980	\$ -	\$ 1,101	\$ 1,101
PE06 -2	Employee Wages - Common Areas	\$ -	\$ 10,101	\$ 10,101	\$ -	\$ 11,167	\$ 11,167
Total Common Areas		\$ 47,610	\$ 20,395	\$ 20,395	\$ 46,500	\$ 26,873	\$ 26,873
<u>FIRE PROTECTION</u>							
	Fire Protection Services & Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PE03-3	Payroll Taxes - Fire Protection	\$ -	\$ -	\$ -	\$ -	\$ 115	\$ 115
PE06-3	Employee Wages - Fire Protection	\$ -	\$ -	\$ -	\$ -	\$ 1,084	\$ 1,084
Total Fire Protection		\$ -	\$ -	\$ -	\$ -	\$ 1,199	\$ 1,199

SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2017 MONTHLY BUDGET REPORT
January 2017

		Current Year - 2017			Prior Year - 2016		
		(Approved)	(Expenditures)	(Expenditures)	(Adjusted)	(Expenditures)	(Expenditures)
		<u>FY 2017</u>	<u>Month of</u>	<u>Year to Date</u>	<u>FY 2016</u>	<u>Month of</u>	<u>Year to Date -</u>
			<u>January</u>			<u>January</u>	<u>Prior Year</u>
MOSQUITO ABATEMENT							
OE22-1	Mosquito Control Products	\$ 14,500	\$ 4,714	\$ 4,714	\$ 14,500	\$ -	\$ -
OE22-2	Mosquito Abatement Monitoring & Testing	\$ 3,000	\$ 460	\$ 460	\$ 3,000	\$ 99	\$ 99
OE22-3	Mosquito Abatement Vehicles Gas & Oil	\$ 11,000	\$ 1,103	\$ 1,103	\$ 11,000	\$ -	\$ -
OE22-4	Mosquito Abatement Equipment Maintenance	\$ 5,000	\$ 40	\$ 40	\$ 5,000	\$ 2,147	\$ 2,147
PE03-4	Payroll Taxes - Mosquito Abatement	\$ -	\$ 18	\$ 18	\$ -		
PE06-4	Employee Wages - Mosquito Abatement	\$ -	\$ 236	\$ 236	\$ -		
Total Mosquito Abatement		\$ 33,500	\$ 6,571	\$ 6,571	\$ 33,500	\$ 2,246	\$ 2,246
STREETS							
OE17	Streets & Main Gate Lighting Maint/Repair	\$ 13,500	\$ 1,758	\$ 1,758	\$ 13,500	\$ -	
PE03-5	Payroll Taxes - Streets	\$ -	\$ 66	\$ 66	\$ -	\$ 13	\$ 13
PE06 -5	Employee Wages - Streets	\$ -	\$ 730	\$ 730	\$ -	\$ 153	\$ 153
Total Streets		\$ 13,500	\$ 2,554	\$ 2,554	\$ 13,500	\$ 166	\$ 166
WETLANDS							
	Wetlands Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PE03-6	Employee Wages - Wetlands	\$ -	\$ -	\$ -	\$ -		
PE06-6	Payroll Taxes - Wetlands	\$ -	\$ -	\$ -	\$ -		
Total Wetlands		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL SERVICES & SUPPLIES		\$ 240,170	\$ 57,361	\$ 57,361	\$ 235,061	\$ 58,869	\$ 58,869
PERSONNEL COSTS							
PE01	Worker Compensation Insurance	\$ 20,300	\$ -	\$ -	\$ 16,035	\$ -	\$ -
PE02	Health Insurance**	\$ 57,550	\$ -	\$ -	\$ 60,145	\$ 5,410	\$ 5,410
PE03	Payroll Taxes	\$ 21,410	\$ 2,415	\$ 2,415	\$ 22,311	\$ 2,682	\$ 2,670
PE04	Processing Fees	\$ 1,400	\$ 113	\$ 113	\$ 1,400	\$ 115	\$ 115
PE05	Directors Stipend	\$ 6,000	\$ -	\$ -	\$ 6,000	\$ -	\$ -
PE06	Employee Wages	\$ 250,400	\$ 15,153	\$ 15,153	\$ 255,712	\$ 17,592	\$ 17,591
			\$ 17,681	\$ 17,681		\$ 25,799	\$ 25,786
Distributed to Service Areas			\$ (17,568)	\$ (17,568)		\$ (20,034)	\$ (20,021)
TOTAL UNDISTRIBUTED PERSONNEL COSTS		\$ 357,060	\$ 113	\$ 113	\$ 361,603	\$ 5,765	\$ 5,765
** SDRMA new system delayed billing - Dbl in Feb							
CAPITAL OUTLAY							
CO04	John Deer Roto Tiller (2017)	\$ 5,200					
CO04	Cart - Mosquito Abatement (2016)				\$ 17,107		
CO04	Vrisimo Flail Mower (2015)				\$ 2,150		
CO04	John Deere Tractor w/loader & Bucket (2016)				\$ 72,400		
TOTAL CAPITAL OUTLAY		\$ 5,200	\$ -	\$ -	\$ 91,657	\$ -	\$ -

SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2017 MONTHLY BUDGET REPORT
January 2017

	<u>Current Year - 2017</u>			<u>Prior Year - 2016</u>		
	<u>(Approved)</u> <u>FY 2017</u>	<u>(Expenditures)</u> <u>Month of</u> <u>January</u>	<u>(Expenditures)</u> <u>Year to Date</u>	<u>(Adjusted)</u> <u>FY 2016</u>	<u>(Expenditures)</u> <u>Month of</u> <u>January</u>	<u>(Expenditures)</u> <u>Year to Date -</u> <u>Prior Year</u>
STUDIES AND ASSESSMENTS						
Landscape Design	\$ 20,000			\$ 12,000		
Re-seeding and Irrigation Renovation	\$ 60,000					
Pavement Assessment	\$ -			\$ 15,000		
Financial Assessment	\$ 17,500			\$ 4,300		
TOTAL STUDIES & ASSESSMENTS	\$ 97,500			\$ 31,300		
DEBT SERVICE						
John Deere Financing	\$ 16,100	\$ 1,336	\$ 1,336	\$ 14,440		
TOTAL DEBT SERVICE	\$ 16,100	\$ 1,336	\$ 1,336	\$ 14,440	\$ -	\$ -
TOTAL EXPENSES	\$ 716,030	\$ 58,810	\$ 58,810	\$ 734,061	\$ 64,634	\$ 64,634
PAYMENTS AND ASSESSMENTS RECEIVED						
<u>Assessment Income</u>						
Payment No. 1: (40%) May 2017						
Payment No. 2: (5%) Aug 2017						
Payment No. 3: (55%) Feb 2018						
Total Assessment Income	\$ 601,900			\$ 590,142		\$ -
<u>Reimbursement Income</u>						
From: For:						
Castle & Various						
Toro Equ Gate Repairs						
Castle & Tractor/Equipment Repairs						
Total Reimbursement Income	\$ 10,500			\$ 19,500		\$ -
<u>Other Income</u>						
From: For:						
C&C Weed Abatement						
Lot Ownr Weed Abatement					50	\$ 50
Lot Ownr Gate Openers/Cards		\$ 9	\$ 9			
Umpqua CD Interest		\$ 19	\$ 19		19	\$ 19
C Co Interest Received						
Various Other Miscellaneous						
SDRMA 2016-17 PL Pro-rated		\$ 112	\$ 112			
Total Other Income	\$ 6,400	\$ 140	\$ 140	\$ 1,634	\$ 69	\$ 69
TOTAL PAYMENTS & ASSESSMENTS	\$ 618,800	\$ 140	\$ 140	\$ 611,276	\$ 69	\$ 69
Excess of Expenditures of Income				\$ (122,785)	\$ (64,565)	\$ (64,565)
<u>Other Financing Sources and Uses</u>						
John Deere Financing				\$ 72,157		
Net Income	\$ (97,230)	\$ (58,670)	\$ (58,670)	\$ (50,628)	\$ (64,565)	\$ (64,565)

Saddle Creek Comm Srvs District
CHECK DETAIL
January 2017

Date	Num	Name	Memo/Description	Amount
01/01/2017	2047	Ca. Special District		-1,622.00
01/01/2017	2048	Kampa Community Solutions, LLC	Management Fees	-5,407.88
01/05/2017	DD	BRADLEY D NICKELL	Pay Period: 12/16/2016-12/31/2016	-702.80
01/05/2017	DD	MICHELE L MENZIES	Pay Period: 12/16/2016-12/31/2016	-113.04
01/05/2017	2049	California State Disbursement Unit	Garnishments Payable	-118.50
01/05/2017	DD	DOLORES C BAKER	Pay Period: 12/16/2016-12/31/2016	-48.50
01/05/2017	DD	CODY L PONDER	Pay Period: 12/16/2016-12/31/2016	-945.59
01/05/2017	2058	HERNAN M HERNANDEZ	Pay Period: 12/16/2016-12/31/2016	-1,075.28
01/05/2017	P/R Fee	Intuit Full Service Payroll	Payroll Service Fee	-113.00
01/05/2017	DD	Ralph M. McGeorge	Pay Period: 12/16/2016-12/31/2016	-1,497.80
01/05/2017	DD	Gregory Hebard	Pay Period: 12/16/2016-12/31/2016	-2,199.24
01/11/2017		CA EDD	Tax Payment for Period: 01/04/2017-01/06/2017	-374.06
01/11/2017		IRS	Tax Payment for Period: 01/04/2017-01/06/2017	-2,457.34
01/17/2017	2061	Edward Jones	2016 IRA Contribution - Ralph McGeorge	-3,000.00
01/17/2017	2060	Capital Bank & Trust Co.	2016 IRA Contribution - Gregory Hebard	-3,500.00
01/17/2017	2064	Ralph McGeorge	Boot Reimbursement	-100.00
01/17/2017	2062	Calaveras First Company, Inc.	Budget Public Hearing Notice	-116.10
01/17/2017	2065	California Chamber of Commerce	Employer Notification	-161.83
01/17/2017	2067	VALLEY ENTRY SYSTEMS, INC.	4th Qtr Gate Maintenance Service	-325.00
01/17/2017	2063	Valley Farm Supply Stores, Inc.	Back Pack Blower	-547.75
01/17/2017	2068	Turf Star, Inc.	Landscape Maint. Equipment Repairs	-768.94
01/17/2017	2066	NBS	Special Tax Consultant	-5,133.92
01/17/2017	2069	Bank of the West	Credit Card Payment	-20,171.81
01/19/2017		CA EDD	Tax Payment for Period: 10/01/2016-12/31/2016	-230.56
01/20/2017	DD	MICHELE L MENZIES	Pay Period: 01/01/2017-01/15/2017	-56.51
01/20/2017	DD	Ralph M. McGeorge	Pay Period: 01/01/2017-01/15/2017	-1,539.48
01/20/2017	2070	California State Disbursement Unit	Disbursements Payable	-118.50
01/20/2017	DD	Gregory Hebard	Pay Period: 01/01/2017-01/15/2017	-2,255.15
01/20/2017	DD	DOLORES C BAKER	Pay Period: 01/01/2017-01/15/2017	-359.78
01/20/2017	DD	CODY L PONDER	Pay Period: 01/01/2017-01/15/2017	-571.90
01/20/2017	DD	BRADLEY D NICKELL	Pay Period: 01/01/2017-01/15/2017	-714.70
01/20/2017	2059	HERNAN M HERNANDEZ	Pay Period: 01/01/2017-01/15/2017	-924.33
01/25/2017		IRS	Tax Payment for Period: 01/18/2017-01/20/2017	-3,434.25
01/25/2017		CA EDD	Tax Payment for Period: 01/18/2017-01/20/2017	-426.47
				-\$ 61,132.01

REGULAR BOARD MEETING MINUTES

January 17th, 2017 2:00 PM
Saddle Creek Lodge
1001 Saddle Creek Drive, Copperopolis, CA

CALL TO ORDER

- The Saddle Creek Community Services District (CSD) Board of Directors held their monthly meeting on Tuesday January 17, 2017. President Hoffman called the meeting to order at 2:00pm in the Members lounge and led the Directors and staff in the Pledge of Allegiance.

ROLL CALL

- The Following Directors were present
 - President Larry Hoffman
 - Director Sue Russ
 - Director Darlene DiBaldo
 - Director Ken Albertson
- The Following Staff Members were present
 - General Manager Pete Kampa
 - Site Manager Greg Hebard
 - KCS Admin. Director Chalyse Behm

CHANGES TO ORDER OF AGENDA: None

PUBLIC COMMENT

Members of the public asked if there was a status on the storm drain issue and would like to find out if there is a diagnosis or timeline. Another member of the public asked about the algae in the water way and by the sports club/

CONSENT CALENDAR The following items were considered:

- a. Review of monthly financial report and approval of bills and claims for the month of December 2016.
- b. Approval of the minutes of the Regular Board Meeting of December 20th, 2016.

Motion to approve by Director Russ and second by Director DiBaldo. Motion passed unanimously. Director Golden absent.

DISCUSSION AND ACTION ITEMS

- a. Adoption of a resolution approving a 2016 year end budget adjustment for the purchase of a replacement maintenance cart
 - Motion to adopt resolution with changes: “budget is hereby established” to “budget is hereby increased” by Director Russ and second by Director Albertson. Passed unanimously. Director Golden absent.
- b. Adoption of a resolution approving agreement with Castle & Cooke regarding the terms and conditions of entrance gate staffing
 - Motion to adopt resolution by Director Russ and second by Director Albertson. Passed unanimously. Director Golden absent
- c. Review of the 2017 Road Improvement and Operations Funding Measure informational presentation

Review only

- d. Discussion/Action regarding the waiver of Board member remuneration for attendance at the upcoming town hall meetings scheduled for the Road and Operations Funding Measure.

Motion to approve that the board does not receive payment for Town Hall Meetings, though they will still be considered meetings. Motion by Director Albertson, second by Director DiBaldo. Passed Unanimously, Director Golden absent

- e. Adoption of a resolution of appreciation for Owen Bramlett for his service on the Board of Directors

Motion to adopt resolution by Director DiBaldo and second by Director Albertson. Passed unanimously, Director Golden Absent

- f. Review and discussion of the first draft update of performance objectives for the General Manager

No action required

ADJOURNMENT

Having no further business, President Hoffman adjourned the meeting. CSD's next Board meeting date is a Special Town Hall meeting to be held January 22, 2017.

Saddle Creek Community Services District
1000 Saddle Creek Drive - Copperopolis, CA 95228
(209) 785-0100 – saddlecreekcsd.org

DIRECTORS
Larry Hoffman, President
Ken Alberton, Vice President
Darlene DeBaldo, Secretary
Sue Russ
Roger Golden

SPECIAL BOARD MEETING MINUTES
January 22nd, 2017 3:00 PM
Saddle Creek Lodge
Grandview Room
1001 Saddle Creek Drive, Copperopolis, CA

1. CALL TO ORDER

The Saddle Creek Community Services District (CSD) Board of Directors held a Special Town Hall Meeting on Sunday January 22, 2017. President Hoffman called the meeting to order at 3:00pm in the Grandview Room and led the Directors and staff in the Pledge of Allegiance.

Roll Call indicated the following Directors were present:

- President Larry Hoffman
- Director Sue Russ
- Director Darlene DiBaldo
- Director Roger Golden

2. PRESENTATION ONLY

General Manager Peter J. Kampa provided a presentation of Measure A and along with the Board, answered Public questions.

3. ADJOURNMENT

- The Meeting was adjourned by President Hoffman at 4:45pm

Agenda Materials: May be viewed on the bulletin boards outside the Saddle Creek Pro Shop, on the Sports Club Bulletin Board and at the CSD Website on the Saturday proceeding each meeting date. Materials will also be available at the meeting.

Americans with Disabilities Act Compliance: If you require special assistance to participate in Board Meetings, please contact the CSD Clerk at (209) 785-0100. Advance notification will enable the District to make reasonable arrangements to insure accessibility.

RESOLUTION NO. 2017-03

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT
APPROVING AGREEMENT WITH LARRY BAIN, CPA FOR AUDIT
SERVICES FOR THE FISCAL YEARS ENDING 2016, 2017 AND 2018**

WHEREAS, the District is required to conduct an annual independent audit of its financial statements;
and

WHEREAS, the District has received reasonably priced and comprehensive audit services in the
recent past from Larry Bain, CPA; and

WHEREAS, Larry Bain, CPA has submitted a proposal and engagement letter for consideration by this
Board, containing acceptable terms and conditions; and

WHEREAS, the District desires to engage the services of Larry Bain, CPA for the completion of the
required independent financial audit for the fiscal years ending 2016, 2017 and 2018.

NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE SADDLE
CREEK COMMUNITY SERVICES DISTRICT DOES HEREBY approve the attached Engagement
Agreement Dated February 15, 2017; which shall be effective immediately.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Saddle
Creek Community Services District on February 21, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

CERTIFICATE OF SECRETARY

I, Peter Kampa, the duly appointed and acting Secretary of the Board of Directors of the Saddle Creek Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Saddle Creek Community Services District, duly called and held on February 21, 2017.

DATED: _____.

LARRY BAIN, CPA

AN ACCOUNTING CORPORATION

2148 Frascati Drive, El Dorado Hills, CA 95762 / 916.601-8894

lbain@sbcglobal.net

February 15, 2017

Board of Directors
Saddle Creek Community Services District
Copperopolis, CA

We are pleased to confirm our understanding of the services we are to provide Saddle Creek Community Services District for the fiscal years ended December 31, 2016, 2017 and 2018. We will audit the governmental activities, each major fund, and the aggregate remaining fund information, which comprises the basic financial statements of Saddle Creek Community Services District as of and for the fiscal years ended December 31, 2016, 2017 and 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Saddle Creek Community Services District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Saddle Creek Community Services District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) General Fund Budget to Actual Schedules

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

- 1) Management letter covering observations made during the course of the audit

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Saddle Creek Community Services District's financial statements. Our report will be addressed to the governing board of Saddle Creek Community Services District's. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You agree to assume all management responsibilities for any nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the business-type activities of the Saddle Creek Community Services District and the respective changes in financial position and where applicable, cash flows, in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Saddle Creek Community Services District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The workpapers for this engagement are the property of Larry Bain, CPA and constitute confidential information. However, we may be requested to make certain workpapers available to regulatory agencies pursuant to authority given to it by law or regulations. If requested, access to such workpapers will be provided under the supervision of Larry Bain, CPA. Furthermore, upon request, we may provide photocopies of selected workpapers to the regulatory agency. The regulatory agency may intend, or decide; to distribute photocopies or information contained therein to others, including to governmental agencies.

We expect to begin our audits the third week of March for each year under engagement and to issue our reports no later than May for each year under engagement. Larry Bain is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$7,500 for each fiscal year under engagement. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 45 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket

costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Saddle Creek Community Services District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Larry Bain, CPA
An Accounting Corporation

RESPONSE:

This letter correctly sets forth the understanding of Saddle Creek Community Services District.

By: _____

Title: _____

Date: _____

Saddle Creek Community Services District

Regular Meeting of February 21, 2017

AGENDA SUPPORTING DATA

7. DISCUSSION AND ACTION ITEMS

- c. Review and discussion of draft Board bylaws which contain updated policies and procedures related to Board meetings, Board member compensation and Board member conduct.

Recommended Action

This item is for preliminary review only, with approval planned for the March 2017 Board meeting.

Background

The California Government Code requires that the District Board adopt bylaws governing its board functions, such as meetings, actions, brown act compliance, agenda preparation and other administrative matters. The District has not previously adopted a set of bylaws but has adopted some informal policies by motion and others simply by suggestion by Board members during meetings where the action was not contained on the agenda.

It is recommended that the Board consider a complete set of new bylaws, and when approved, the action will replace all existing policies previously adopted. A set of bylaws from a District that updates their bylaws annually is attached for consideration.

**SADDLE CREEK COMMUNITY SERVICES DISTRICT
RESOLUTION NO.**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SADDLE CREEK COMMUNITY SERVICES DISTRICT
ADOPTING AMENDED BOARD BY-LAWS AND POLICIES**

WHEREAS, the Board of Directors of Saddle Creek Community Services District (District) is committed to providing excellence in legislative leadership; and

WHEREAS, the District is a member of the Special District Risk Management Authority (SDRMA); and

WHEREAS, SDRMA has adopted a Credit Incentive Program whereby the District may receive a credit on insurance premiums for the annual review of Board Policies and Procedures (Board By-Laws and Policies); and

WHEREAS, Section 16 of the Board By-Laws and Policies provides for the annual review of the Board By-Laws and Policies by District Legal Counsel; and

WHEREAS, Government Code §§ 61045 and 61047 requires the Board of Directors to adopt:

- A Rules or By-laws governing its proceedings;
- B Administrative Policies;
- C Director Compensation Policies; and
- D Director Reimbursement Policies; and

WHEREAS, Government Code Section § 54954.3(b) provides in relevant part:

"The legislative body of a local agency may adopt reasonable regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker;" and

WHEREAS, on _____, the District conducted a public hearing and considered public comment regarding the adoption of the revised Board By-Laws and Policies.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board Of Directors of the Saddle Creek Community Services District, as follows:

1. The Saddle Creek Community Services District Board By-Laws and Policies attached hereto as Exhibit "A" are hereby approved and adopted.
2. All prior District Board By-Laws and Policies, Resolutions and Policies of the District that are inconsistent with the Board By-Laws and Polices attached hereto as Exhibit "A" are hereby repealed.

**SADDLE CREEK COMMUNITY SERVICES
RESOLUTION NO. 2016-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SADDLE CREEK COMMUNITY SERVICES DISTRICT
ADOPTING BOARD BY-LAWS AND POLICIES**

Upon motion of Director XXXXXX, seconded by XXXXXX, on the following roll call vote, to wit:

**AYES:
NOES:
ABSENT:
ABSTAIN:**

the foregoing resolution is hereby passed and adopted this ____ day of ____ 2017.

ATTEST:

APPROVED:

DRAFT

SADDLE CREEK COMMUNITY SERVICES
DISTRICT BOARD OF DIRECTOR
BOARD BY-LAWS AND POLICIES
EXHIBIT "A"

1. OFFICERS OF THE BOARD OF DIRECTORS

- 1.1 The officers of the Board of Directors are President and Vice President.
- 1.2 The President of the Board of Directors shall serve as chairperson at all Board meetings. He/She shall have the same rights as the other Directors of the Board in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions.
- 1.3 In the absence of the President, the Vice President of the Board of Directors shall serve as chairperson over all meetings of the Board. If the President and Vice President of the Board are both absent, the remaining Directors present shall select one of themselves to act as chairperson of the meeting.
- 1.4 The President and Vice President of the Board shall be elected annually at the last meeting of each calendar year.
- 1.5 The term of office for the President and Vice President of the Board is XXXXXXX and shall commence on January 1 of the year immediately following their election.

2. MEETINGS

- 2.1 Subject to holiday and scheduling conflicts, regular meetings of the Board of Directors shall commence at 2:00 p.m. on the third Thursday of each calendar month in the Lodge at Saddle Creek Resort located at 1001 Saddle Creek Drive, Copperopolis, CA. The Board of Directors reserves the right to cancel and/or designate other dates, places, and times for Director Meetings due to scheduling conflicts and holidays.
- 2.2 Special Meetings.

Special meetings may be called by the President or three (3) Directors with a minimum of twenty-four (24) hours public notice. Special meeting agenda shall be prepared and distributed pursuant to the procedures of the Brown Act by the General Manager in consultation with the President or, in his or her absence, the Vice President or those Directors calling the meeting.
- 2.3 Directors shall attend all regular and special meetings of the Board unless there is good cause for absence.
- 2.4 No action or discussion may be taken on an item not on the posted agenda; provided, however, matters deemed to be emergencies or of an urgent nature may be added to the agenda under the procedures of the Brown Act. Pursuant to the Brown Act:

SADDLE CREEK COMMUNITY SERVICES
DISTRICT BOARD OF DIRECTOR
BOARD BY-LAWS AND POLICIES
EXHIBIT "A"

- (a) Directors may, on their own initiative or in response to public questions, ask questions for clarification, provide references to staff or other resources for factual information, or request staff to report back at a subsequent meeting;
 - (b) The Board may take action to direct the General Manager to place a matter on a future agenda;
 - (c) Directors may make brief announcements or make a brief report on his/her own activities under the Director Comment portion of the Agenda.
- 2.5 The President, or in his/her absence the Vice President, shall be the presiding officer at District Board meetings. He/She shall conduct all meetings in a manner consistent with the policies of the District. He/She shall determine the order in which agenda items shall be considered for discussion and/or actions taken by the Board. He/She shall vote on all questions, and on roll call votes his/her name shall be called last.
- 2.6 Three (3) Directors of the Board shall constitute a quorum for the transaction of District business. When a quorum is lacking for a regular, adjourned, or special meeting, the President, Vice President, or any Director shall adjourn such meeting; or, if no Director is present, the District Secretary shall adjourn the meeting.
- 2.7 Except as otherwise specifically provided by law, a majority vote of the total membership of the Board of Directors is required for the Board of Directors to take action.
- 2.8 A roll call vote shall be taken upon the passage of all ordinances and resolutions, and shall be entered in the minutes of the Board, showing those Directors voting aye, those voting no, those temporarily absent because of a conflict of interest, and absent. A roll call vote shall be taken and recorded on any motion not passed unanimously by the Board. Silence shall be recorded as an affirmative vote.
- 2.9 Any member of the public may address the Board relating to any matter within the Board's jurisdiction during the PUBLIC COMMENT portion of the Meeting Agenda. This need not be related to any item on the agenda; however, the Board cannot act on an item unless it was noticed on the agenda. Public comments are limited to two minutes per speaker (Government Code Section § 54954.3(b)). The speaker shall identify itself by stating his/her name and general place of residence;
- 2.10 Any person attending a meeting of the Board of Directors may record the proceedings with an audio or video tape recorder or a still or motion picture camera in the absence of a reasonable finding that the recording cannot continue without disruptive noise, illumination, or obstruction of view that constitutes or would constitute a disruption of the proceedings.

SADDLE CREEK COMMUNITY SERVICES
DISTRICT BOARD OF DIRECTOR
BOARD BY-LAWS AND POLICIES
EXHIBIT "A"

- 2.11 All recording devices, including but not limited to audio recorders, video recorders, still and/or motion picture cameras shall remain stationary and shall be located and operated in plain public view and from behind the public speaker's podium. The President retains the discretion to alter these guidelines, including the authority to require that all video or audio recorders, still and/or motion picture cameras be located in the back of the room.

3. AGENDAS

- 3.1. The General Manager, in cooperation with the Board President, shall prepare the agenda for each regular and special meeting of the Board of Directors. Any Director may call the General Manager and request an item to be placed on the regular meeting agenda no later than 4:30 p.m. twelve calendar days prior to the meeting date. Such a request must be also submitted in writing either at the time of communication with the General Manager or delivered to the office within the next working day.
- 3.2 The following applies to reconsideration of prior Board actions.
- (a) After the passage of 9 months from the effective date of the motion, resolution, or ordinance, the matter may be placed on the agenda pursuant to Section 3.1, above, or other provisions of the Brown Act.
 - (b) Prior to the passage of 9 months, any member of the Board of Directors or the General Manager may request the Board of Directors, by motion, to agree to reconsider a prior Board action at a subsequent meeting of the Board.
 - (c) The President of the Board of Directors, upon a determination that there is a need to take immediate action, may place an item on the agenda for reconsideration.
- 3.3 Comments on agenda items should be held until the appropriate item is called.
- 3.4 Those items on the District Agenda which are considered to be of a routine and non-controversial nature are placed on the "Consent Agenda". These items shall be approved, adopted, and accepted, etc. by one motion of the Board of Directors; for example, approval of Minutes, approval of Warrants, various Resolutions accepting developer improvements, minor budgetary items, status reports, and routine District operations.
- (a) Directors may request that any item listed under "Consent Agenda" be removed from the "Consent Agenda", and the Board will then take action separately on that item. Members of the public will be given an opportunity to comment on the "Consent Agenda"; however, only a member of the Board of Directors can remove an item from the "Consent Agenda". Items which are removed ("pulled") by Directors of the Board for discussion will typically be heard after other "Consent Agenda" items are approved unless the President chooses an earlier or later time.

SADDLE CREEK COMMUNITY SERVICES
BOARD OF DIRECTOR
BOARD BY-LAWS AND POLICIES
EXHIBIT "A"

- (b) A Director may ask questions on any item on the "Consent Agenda". When a Director has a minor question for clarification concerning a consent item which will not involve extended discussion, the item may be discussed for clarification and the questions will be addressed along with the rest of the "Consent Agenda". Directors are encouraged to seek clarifications prior to the meeting if possible.
- (c) When a Director wishes to consider/"pull" an item simply to register a dissenting vote, an abstention or conflict of interest, the Director shall inform the presiding officer that he/she wishes to register a dissenting vote, an abstention or conflict of interest, on a particular item without discussion. The item will be handled along with the rest of the Consent Agenda, and the District Secretary shall register a "no" vote, an abstention or conflict of interest, in the minutes on the item identified by the Director.

4. PREPARATION OF MINUTES AND MAINTENANCE OF RECORDINGS

- 4.1 The minutes of the Board shall be kept by the District Clerk and shall be neatly produced and kept in a file for that purpose, with a record of each particular type of business transacted set off in paragraphs with proper subheads.
- 4.2 The minutes of the Board of Directors shall record the aye and no votes taken by the members of the Board of Directors for the passage or denial of all ordinances, resolutions, or motions.
- 4.3 The District Clerk shall be required to make a record only of such business as was actually considered by a vote of the Board and shall not be required to record any remarks of Directors or any other person.
- 4.4 Any Director may request for inclusion into the minutes brief comments pertinent to an agenda item, only at the meeting in which the item is discussed.

SADDLE CREEK COMMUNITY SERVICES
DISTRICT BOARD OF DIRECTOR
BOARD BY-LAWS AND POLICIES
EXHIBIT "A"

- 4.5 Whenever the Board acts in a quasi-judicial proceeding such as in assessment matters, the District Secretary shall compile a summary of the testimony of the witnesses.
- 4.6 Any recording of a District meeting made for whatever purpose at the direction of the District shall be subject to inspection pursuant to the California Public Records Act. Consistent with Government Code Section 54953.5(b), the District will maintain the recordings for a 30-day period after the recording. During the 30-day period, the District will provide, without charge, the necessary equipment for inspection of said recordings at the District Office during regular business hours. In addition to the 30-day requirement, the District will maintain the recordings- in accordance with its current Records Retention Policy

5. DIRECTORS

- 5.1 Directors shall prepare themselves to discuss agenda items at meetings of the Board of Directors. Directors are encouraged to seek clarification prior to the meeting, if possible.
- 5.2 Members of the Board of Directors shall exercise their independent judgment on behalf of the interest of the entire District, including the residents, property owners and the public as a whole.
- 5.3 Information may be requested from staff before meetings, within such limitations as required by the Brown Act. Information that is requested shall be distributed through the General Manager, and all Directors will receive a copy of all information being distributed.
- 5.4 Directors shall at all times conduct themselves with courtesy to each other, to staff and to members of the audience present at Board meetings.
- 5.5 Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disrespectful to others.
- 5.6 Pursuant to §54952.2 of the Brown Act:
 - (a) Except during an open and public meeting, a majority of the Board of Directors shall not use a series of communications of any kind, directly or thru intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter of the District.

SADDLE CREEK COMMUNITY SERVICES
DISTRICT BOARD OF DIRECTOR
BOARD BY-LAWS AND POLICIES
EXHIBIT "A"

- (b) Subsection (a) above shall not be construed as preventing District management staff from engaging in separate conversations or communications with members of the District Board of Directors in order to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of the District, provided that District Staff does not communicate to members of the Board of Directors the comments or positions of any other member or members of the Board of Directors.

- 5.7 Directors shall not be prohibited by action of the Board of Directors from citing his or her District affiliation or title in any endorsement or publication, so long as no misrepresentation is made, or implied, about the District's position on an issue.

6. AUTHORITY OF DIRECTORS

- 6.1 The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, a Director has no individual authority. As individuals, Directors may not commit the District to any policy, act, or expenditure.
- 6.2 Directors do not represent any fractional segment of the District but are, rather, a part of the body which represents and acts for the District as a whole.
- 6.3 The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District.

7. AUTHORITY OF THE GENERAL MANAGER

Pursuant to Government Code §61051, the General Manager shall be responsible for the following:

- 7.1. The implementation of the policies established by the Board of Directors for the operation of the District;
- 7.2 The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employee relations system established by the Board of Directors;
- 7.3 The supervision of the District's facilities and services;
- 7.4 The supervision of the District's finances.

SADDLE CREEK COMMUNITY SERVICES
DISTRICT BOARD OF DIRECTOR
BOARD BY-LAWS AND POLICIES
EXHIBIT "A"

8. DIRECTOR GUIDELINES

- 8.1 Directors, by making a request to the General Manager, shall have access to information relative to the operation of the District, including but not limited to statistical information, information serving as the basis for certain actions of Staff, justification for Staff recommendations, etc. If the General Manager cannot timely provide the requested information by reason of information deficiency, or major interruption in work schedules, workloads, and priorities, then the General Manager shall inform the individual Director why the information is not or cannot be made available.
- 8.2 In handling complaints from residents or property owners within the District, or other members of the public, Directors are encouraged to listen carefully to the concerns, but the complaint should be referred to the General Manager for processing and the District's response, if any.
- 8.3 Directors, when seeking clarification of policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, should refer said concerns directly to the General Manager.
- 8.4 When approached by District personnel concerning a specific District policy, Directors should direct inquiries to the General Manager. The chain of command should be followed. If a Director concludes that a personnel issue is not being adequately addressed in this manner, he/she should refer it to the Board's personnel committee for further consideration, in accordance with District Personnel Policy.
- 8.5 Directors and General Manager should develop a working relationship so that current issues, concerns, and District projects can be discussed comfortably and openly.
- 8.6 When responding to constituent requests and concerns, Directors should respond to individuals in a positive manner and route their questions to the General Manager, or in his/her absence, to the Site Manager.
- 8.7 Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

9. DIRECTOR COMPENSATION

- 9.1 Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular adjourned or special meeting of the Board of Directors attended by him/her.

- 9.2 In no event shall Director compensation exceed \$100 per day.
- 9.3 Director compensation shall not exceed six hundred dollars (\$600) in any one calendar month.

10. DIRECTOR REIMBURSEMENT

- 10.1 Subject to the following rules and budgetary limitations, each Director is entitled to reimbursement for their actual and necessary expenses (including the cost of programs and seminars), for his/her attendance at programs, conferences, and seminars that are related to District functions and/or Director development.
- (a) It is the policy of the District to exercise prudence with respect to hotel/motel accommodations. It is also the policy of the District for Directors and staff to stay at the main hotel/motel location of a conference, seminar, or class to gain maximum participation and advantage of interaction with others whenever possible.
- If lodging is in connection with a conference or organized education activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of the Board of Directors at the time of booking. If the group rate is not available, the Director shall use lodging that is comparable with the group rate. Personal phone calls, room service, and other discretionary expenditures are not reimbursable.
- (b) Members of the Board of Directors shall use government and group rates offered by a provider of transportation for travel when available. Directors, using his/her private vehicle on District business, shall be compensated at the prevailing IRS per diem mileage rate.
- (c) Any Director traveling on District business shall receive in addition to transportation and lodging expenses, a per diem allowance to cover ordinary expenses such as meals, refreshments, and tips. The per diem shall include \$10.00 for breakfast, \$15.00 for lunch and \$30.00 for dinner, for a daily total of \$55.00.
- (d) All travel and other expenses for District business, conferences, or seminars outside of the State of California shall require separate Board authorization, with specific accountability as to how the District shall benefit by such expenditure.
- 10.2 All expenses that do not fall within the reimbursement policy set forth in 10.1, above, shall be approved by the Board of Directors, at a public meeting, before the expense is incurred.
- 10.3 Board members shall submit an expense report on the District form within thirty (30) calendar days after incurring the expense. The expense report shall be accompanied by receipts documenting each expense. Expense reports for mileage, as referenced in Section 10.1(b), shall be submitted no later than the end of each quarter (March, June, September, and December).
- 10.4 Members of the Board of Directors shall provide brief reports on the program, conferences, and seminars attended at the expense of the District at the next regular meeting of the Board of Directors.

11. TRAINING

- 11.1 Ethics Training

- (a) Pursuant to sections 53234 et seq. of the Government Code, all Directors and designated District personnel shall receive at least 2 hours of ethics training every two years.
- (b) Each newly elected Board Member and designated District personnel shall receive ethics training no later than one year from the first day of service with the District and thereafter shall receive ethics training at least once every two years.

11.2 Harassment Prevention Training

Board members, the General Manager, and supervisors that are designated in the Districts conflict of interest code, shall receive harassment prevention training in accordance with the law.

12. COMMITTEES

12.1 Ad Hoc Committees

The Board President shall appoint such ad hoc committees as may be deemed necessary or advisable by himself/herself and/or the Board. The duties of the ad hoc committees shall be outlined at the time of appointment, and the committee shall be considered dissolved when its final report has been made.

12.2 Standing Committees

- (a) The Board may create standing committees at its discretion. The Board President shall propose and the Board of Directors shall approve standing committee membership.
- (b) Standing committees shall be advisory committees to the Board of Directors and shall not commit the District to any policy, act or expenditure. Each standing committee may consider District-related issues, on a continuing basis, assigned to it by the Board of Directors. Members of the standing committees shall be appointed by the Board of Directors.
- (c) All standing committee meetings shall be conducted as public meetings in accordance with the Brown Act and Sections 2, 3 and 4 of these By-Laws. Summary notes for each meeting of each committee shall be forwarded to the Board of Directors as a public record.

13. CORRESPONDENCE DISTRIBUTION POLICY

Time permitting, the following letters and other documents shall be accumulated and delivered to the Board of Directors on Monday of each week and/or with agenda packet.

- 13.1 All letters approved by the Board of Directors and/or signed by the President on behalf of the District, and
- 13.2 All letters and other documents received by the District that are of District- wide concern, as determined by District staff.

14. CONFLICTS AND RELATED POLICY

State laws are in place which attempt to eliminate any action by a Director or the District which may reflect a conflict of interest. The purpose of such laws and regulations is to insure that all actions are taken in the public interest. Laws which regulate conflicts are very complicated. The following provides a brief policy summary of various conflict related laws. Directors are encouraged to consult with District Legal Counsel and/or the FPPC at 1-800-ASK-FPPC (1-800- 275-3772), prior to the day of the meeting, if they have questions about a particular agenda item.

14.1 Conflict of Interest

Each Director is encouraged to review the District Conflict Code on an annual basis. The general rule is that an official may not participate in the making of a governmental decision if it is: reasonably foreseeable that the decision will have a material financial effect on the official or a member of his or her immediate family or on an economic interest of the official, and the effect is distinguishable from the effect on the public generally. FPPC regulations related to interests in real property provide that, if the real property in which the Director has an interest is located within 500 feet of the boundaries of the property affected by a decision, that interest is now deemed to be directly involved in the decision.

14.2 Interest in Contracts, Government Code Section 1090

The prohibitions of Government Code Section 1090 provide that the Board of Directors may not contract with any business in which another Director has a financial interest.

14.3 Incompatible Office, Government Code Section 1099

The basic rule is that public policy requires that when the duties of two offices are repugnant or overlap so that their exercise may require contradictory or inconsistent action, to the detriment to the other public interest, their discharge by one person is incompatible with that interest. When a Director is sworn in for such a second office, he/she is simultaneously terminated from holding the first office.

15. CONTINUING EDUCATION

Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve District operation. Subject to budgetary constraints, there is no limit to the number of Directors attending a particular conference or seminar when it is apparent that their attendance is beneficial to the District.

16. BOARD BY-LAWS REVIEW POLICY

Subject to 3.1 the Board By-Laws and Policies shall be reviewed annually at the regular meeting in February. The review shall be provided by District Counsel and ratified by Board action.

17. RESTRICTIONS ON BY-LAWS

The rules contained herein shall govern the Board in all cases to which they are applicable, and in which they are not inconsistent with State or Federal laws.

A Letter to the Saddle Creek Community Services District Board and General Manager:

I am a 17 year resident in the Saddle Creek Community and have watched the many evolutions and changes that have taken place over the years. I know operation and maintenance of the community have been a challenge to the Community Services Board over the years. I would like to take this opportunity to thank you for your commitment and service. Since I have become more and more concerned in recent years about the condition of the roads, landscaping, and other issues I have recently made it my goal to become better informed about the role of CSD, Castle and Cook, and Architectural Design Committee in the mitigation of these issues. I have always tried to do my part as a resident and voter in making Saddle Creek Resort the desirable place to live that it was when I elected to make it my home.

I am writing this letter because I would like to address a number of these issues directly to the board. I believe I can contribute some valid solution-oriented thinking to the process. Some of the items are small in comparison to the larger issues that require additional funding such as roads and landscaping, but are also easily within the current budget. Others items are intended for consideration for future budgeting.

1. Entrance to the Saddle Creek community:

- a. Truck entrance sign has been in disrepair for several years. This is an immediate item that affects the aesthetics of the community for which I have obtained a quote from the Sign Shop in Copperopolis - \$110.00
- b. Christmas lights at the gate house - We are now entering the second month of the New Year and the gate house holiday lights have been on 24/7 since before Christmas. The solution is to immediately take down these lights and in the future follow the lead of the community HOAs which require that holiday lights be taken down no more than two weeks after the holidays.
- c. Street light pole on island immediately outside of the entry gate - Pole is so faded that it looks "tagged". I have obtained a quote from Kelly Moore for a DTM acrylic enamel commercial semi-gloss paint at a cost of \$55.00/gallon. The pole will require approximately 1 quart of paint. This same paint could be used on the Main Gate which is also due for painting soon.
- d. Colored flags – Six flags outside of the gate and the additional three in front of the Sales Office. These flags, and the Saddle Creek flag as well, have been deteriorating over the past 3 months and are now faded and in shreds. The purpose of these flags is, I believe, to raise attention to the area in a positive and welcoming way. They currently give an extremely unfavorable impression that says "Look how poorly we take care of our facilities." These flags should be replaced immediately and a second set should be kept in stock at all times to avoid the currently unacceptable situation. CSD Maintenance and Sales Office personnel should work together to be more diligent in observing and maintaining all of the flags.
- e. Landscaping outside of the gate - I know that we have legal issues here regarding when and where we will be able to put grass or other vegetation in the future. But the Gate House and landscaping just outside the gate serve as the "front door" to the community. As such it is the first thing that people see when they enter and depicts our community as a whole. This should be a priority budget item regardless of the limitations we will have to work within so that the initial presentation of the Golf Resort and Community is aesthetically pleasing to the resident and guest.
- f. Signage throughout the community: Directional, sales, and construction signage is regulated per the CC&Rs so that it will be both effective and aesthetically pleasing. The "Exit" sign at the corner of Saddle Creek and Oak Creek roads is neither. It should be service oriented and inform the visitor as much as possible, utilizing the Saddle Creek logo branding. A sign that reads "To Lodge and Main Gate" will be more effective, service-oriented, and aesthetic. Again, such signs will be of very minimal expense and can be done locally. Quoted at \$35.00 per sign.

- g. Fire hydrants and utility boxes – These are in need of paint and are at differing levels of need due to the different times of installation. This will never be done by the Fire Department, PGE, Caltel, or CCWD. This can be accomplished using the same type of long lasting paint as the light poles and entry gate.
- h. There are more than 50 street light poles in the community that are in need of paint. This could be done at a cost of \$1000.00 in 2017. Additionally, it could be included in the budget to be done at least every 10 years so that they don't deteriorate to the present condition. As noted above we are only looking at 1 quart of paint per pole at \$55.00/gallon to maintain these light poles.

2. Construction Sites:

- a. I have enclosed pictures of some of the sites which are in violation of rules established by the ADC concerning weekly site clean-up, port-a-potty placement and screening, along with posting of rules.
- b. Rules state per the ADC and CC&R that a home shall be completed within 18 months. There are multiple homes in the community that are well past this time and are still nowhere near completion.
- c. I have heard multiple complaints concerning the home on Oak Creek Drive that has "No Trespassing" signs posted and unfinished materials sitting at the driveway street entrance. These are areas where the ADC and CSD need to enforce the rules that are in place.

3. Street Trees:

- a. Trimming - It was not communicated to me until recently that maintenance of the street trees are the responsibility of the owner. If I had known this I would have been trimming my trees years ago. I believe the vast majority of homeowners are unaware of this policy. However, since these trees are meant to be uniform throughout the community and were planted without homeowner consultation, I believe it should be a CSD responsibility to maintain them. An expectation for each homeowner to maintain their trees will result in inconsistencies. CSD funds should be budgeted for this maintenance and taxes levied as needed for a program in which an arborist recommends and trims trees in different neighborhoods on a rotating annual basis. This would guarantee the best possible uniformity and care of the trees in the community. I am willing to do the research on this as directed by the CSD as a consideration for future budgeting.
- b. Future trees in the community - If the CSD will ultimately be responsible for all street trees, I would like to recommend implementation of a program whereby the CSD would have input on the type and location of trees planted by Castle and Cooke for the future success and maintenance of the trees. For example the London Sycamores on Saddle Creek Drive were a poor choice for the area - they are susceptible to disease, are messy, and planted in locations that will disrupt the sidewalks and streets in the future.

4. Maintenance Personnel: The Maintenance operations are the most observable arm of the CSD to the residents and visitors to this community. I have spoken with many residents who share my feeling that it is important that maintenance personnel be aware of the impression their activities have on the public. Some, but not all, employees often do not appear to work efficiently or productively. We have observed workers –
- a. standing at a jobsite using their phones for long periods of time
 - b. sitting on buckets pulling weeds and taking all day to do a small area
 - c. taking three weeks to prep soil for new seed in a small patch of lawn
 - d. a maintenance employee dressed in full rain gear in the pouring rain walking down the street with a power trimmer trimming one or two low hanging branches per street tree. This is not only unproductive but unsafe.

- e. workers using blowers for hours to blow a few leaves on what must be “leaf blowing day” long after the leaves are gone and again in the pouring rain.

This is busy work and a waste of budgeted funds. Their time could be much better spent on some of the aforementioned maintenance needs. The pace and attention of some employees is often unacceptable and not of a standard expected in this community. Whether they want it or not the Maintenance department serves as the community’s most accessible ambassador to the CSD, and creates an intended or unintended perspective as to the effectiveness of this elected board. I believe that the solution to this is that the Supervisor make himself aware of the perspective of the resident and visitor and hold himself accountable. His job is to then hold the employees accountable to a productive and efficient use of their time and educate them to the fact that when they are doing their work they are a representative of the CSD and effectively employed by the homeowners whose taxes pay their wages. Every car that drives by and every resident, or indeed visitor, who passes these employees while they are on the job is forming an impression. Even one person can put the crew and team in a bad light. The relationship and rapport between CSD maintenance and homeowners is important and should be a priority in the everyday awareness of the Supervisors and their personnel.

In closing I would like to say that I believe that if we expect Castle and Cooke to begin to move forward and do what we expect of them – build new homes and advance this area within a set timeline - we need to lead by example. The CSD, ADC, SC Golf Club and Castle and Cooke need to work harder and better in collaboration to achieve the goals of this community - making it appear to be the wonderful place to live and play that we all know it can be. There have been many instances in the past where there has been such collaboration and cooperation to a positive end.

We would like to extend our appreciation to the CSD for their hard work in getting the gate issue resolved with Castle and Cook. We now have a truly gated community which is a huge step forward. We would also like to thank the members of the CSD board for their commitment to continually work toward resolution of our road repairs and post-drought landscape repairs. I am willing to do any research that is needed regarding such things as an arborist, signage quotes, and any other items identified. I will also be making it a priority to discuss with my neighbors the importance of the pending ballot measure in May.

Thank you,
Paul Filson and Terri Gray

Cc:
Larry Hoffman – President
Skymoose@caltel.com
Ken Albertson – Vice President
kalbertson@ptsmail.com
Darlene Debaldo – Secretary
dargogolf@gmail.com
Roger Golden – Director
4cornerspd@sbcglobal.net
GM/Treasurer – Peter Kampa
pkampa@kampacs.com
Linda Stefanick – Sales Manager Castle and Cooke
saddlecreeksales@castlecook.com

PHOTOS:

FLAGS:



GATE HOUSE HOLIDAY LIGHTING:



LIGHT POLES:

CURRENT:



PROPOSED:



SIGNS:



UTILITY BOXES:



FIRE HYDRANTS:



CONSTRUCTION SITES:



OAK CREEK DRIVEWAY:



APPROPRIATELY MAINTAINED CONSTRUCTION SITE:



STREET TREES ON HAWKRIDGE:



Saddle Creek Community Services District

Regular Meeting of February 21, 2017

AGENDA SUPPORTING DATA

8. STAFF AND DIRECTOR REPORTS

General Manager's Report

Please note that since our Reports section of the agenda is listed generically with no information about the potential various topics of discussion, pursuant to the Brown Act reports are typically received and filed only. There can be no discussion back and forth regarding the content of any report not separately agendaized with a description.

Normally your General Manager's report is done verbally, but I felt it important to provide the Board (and public) with a copy of correspondence received from a community resident. This letter is provided to determine if the Board would like any of the items raised as separate future agenda items, or if you would like staff to deal with the concerns and recommendations raised.

As your General Manager I have reviewed the letter and discussed its content with Greg and Ralph of our staff. The letter does not raise any policy matters for consideration by the Board, therefore we recommend that staff meet with the resident, and review his ideas and concerns.