



# Phelan Piñon Hills Community Services District

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**PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT  
SPECIAL REGULAR BOARD MEETING  
March 23, 2011 – 6:00 p.m.  
Phelan Community Center  
4128 Warbler Road, Phelan, CA 92371**

## MINUTES

**Board Members Present:** Joe Fahrlander, President  
Mark Roberts, Vice President  
Al Morrissette, Director  
Charlie Johnson, Director  
Ken Anderson, Director

**Board Member Absent:** None

**Staff Present:** Don Bartz, General Manager  
Debbie Bishop, Board Secretary

**1. Call to Order**

President Fahrlander called the meeting to order at approximately 6:12 p.m. and the Pledge of Allegiance was conducted.

**2. Roll Call**

All Board Members were present except.

**3. Public Comment**

None

**Report of any Reportable Actions from the Closed Session**

The Board has approved the amended changes to the previously approved Woods Class Settlement for the Antelope Valley Water Adjudication.

**4. Fiscal Framework Workshop**

**3. PPHCSD Reserve Policy**

Ms. Lowrance provided the Board some jump off points for the Board to use to determine the Reserves.

Vice President Roberts noted Olivenhain Municipal Water District is using a minimum of three months with a not to exceed of six months.

A discussion took place regarding a two year budget. Ms. Lowrance stated that the District may be obligated to bring the Budget to the Board Annually for a Budget Hearing.

Director Anderson stated it would be prudent to get a presentation on how Districts come up with their policies.

Ms. Lowrance explained the Districts current policy allows for the funds in one reserve fund to be used to cover the reserves in another reserve fund.

A lengthy discussion took place regarding the Districts rates/rate increases and CIP Projects and how they intertie with the reserves.

Director Johnson noted the funds the District has received from property taxes have been going down. He feels it is not good for the District to rely on those funds to replenish Water Operations.

The Board agreed to amend the 2010-2011 Reserve Policy as adjusted for this year for the next Board Meeting for approval. The Board agreed to bring the Reserve Policy back on the table for review for the future budget.

Ms. Lowrance stated one thing that needs to be put on the CIPs for next year is a rate study.

Ms. Lowrance explained the Board will need to discuss at the next Board Meeting any budget assumptions for a rate increase, if any, expenditure increases and whether or not there will be salary increases.

Ms. Lowrance asked the Board for direction on the sample policies she provided the Board to use as a guideline to bring back to the Board. She asked them to contact her with their likes and/or dislikes.

Director Anderson suggested a matrix be sent to the Board Members so they can figure out what they feel the reserves should be and turn it in to Ms. Lowrance so they can be compared for the next workshop.

The Board Agreed to have the next workshop on Tuesday, April 12, 2011 at 5:30 p.m. immediately following the Finance Committee Meeting.

5. **Adjourn**

With no further business, the meeting was adjourned at 8:03 p.m.

Board approved the above Minutes on April 6, 2011:

_____	_____
Joe Fahrlander, President	Date
_____	_____
Debbie Bishop, Board Secretary	Date