

AGENDA

Elsinore-Murrieta-Anza Resource Conservation District

Regular Board Meeting

Thursday, February 11, 2016 – 4:00 p.m.

Truax Building

41923 Second Street, Fourth Floor

Temecula, CA 91590

ADDING URGENCY ITEMS TO THE AGENDA:

Items may be added to the Agenda in accordance with section 54954.2(b)(2) of the Government Code (Brown Act), upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the Elsinore-Anza-Murrieta Resource Conservation District after the agenda was posted.

I. PRELIMINARY FUNCTIONS

Call to Order – Pledge of Allegiance

Roll Call/Establish a Quorum

Welcome to New Board Member-Michael Newcomb

Approval of Agenda

Public Comment

Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the Elsinore-Anza-Murrieta Resource Conservation District. Please note that for items not listed on the agenda, the Brown Act imposes limitations on what the Board may do at this time. The Board may not take action on the item at this meeting. As to matters on the Agenda,

persons will be given an opportunity to address the Board when the matter is considered. If you wish to speak during public comment, please fill out a "Speaker Request Form" and give it to the Board Secretary. When the Board President calls your name, please immediately begin by giving your name and address for the record. Each speaker will be given three (3) minutes to address the Board.

II. CONSENT CALENDAR

Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board at one time without discussion. All items appearing on the Consent Calendar may be disposed of by a single motion. Items shall be removed from the Consent Calendar if any member of the Board of Directors, staff member, or interested person requests removal prior to a vote on a motion to approve the items. Such items shall be considered separately for action by the Board. by the Board.

1. Consider approval of Minutes of the Board of Directors Regular Meeting of December 10, 2015.
2. Consider approval for current and past Months Financials: One of the November 2015 Financials for account xxxx2042 (accidently left out of last meeting consent Calendar) in addition to December 2015 Financials and January 2016 Financials. Also to include new management reports from October 2015 to present.
 - a.)Completion of California Department of Food and Agriculture SWEEP contract with receipt of \$2,000.00 for meeting obligations.
3. Consider Approval for current bills and reimbursements
 - a) Bills to be paid or reimbursements
 1. Riverside Corona Resource Conservation District (RCRCD)- Payment for water Audits-\$21,465.00.00 for 2015-final quarter Water Audits-Two bills: November 4, 2015-\$10,360.00 and December 10, 2015-\$11,005.00. Credit- \$50.00 Total Due: \$21,365.00.
 2. SAWA-Payment for vegetation removal and Management at Bear Creek and Fairway Estates Association locations-\$10,753.20
 3. Re-issuance of check to Falcon Properties for August rent-\$818.00 for final payment. Check has not cleared bank and after contact with former Landlord, she cannot find that she deposited it. Agrees to pay stop-payment fee if necessary.
 4. Glennie's Office Products- Office Supplies-\$206.54
 5. Big Horse Feed-Reimbursement-Transcriptions-\$410.38
 6. Reimbursement –Carol Brady – Copies-\$37.45

7. Reimbursement- Randy Feeney-\$49.00 for Jumbla template for website
8. California Association of Resource Conservation Districts-South Coast Area Dues-\$200.00.
9. Nigro and Nigro-Billing from July for scanning services sent to Danny Martin-\$431.25-Sent 9/25/15
10. Nigro and Nigro-Billing for Annual Audit-\$3500.00

III. CORRESPONDENCE-Receive and File

Approve all Correspondence listed below as received

1. RCRCDD Irrigation Water Management Summary submitted by Kerwin Russell at December 10, 2015 meeting
2. E-mail from Nigro and Nigro requesting documentation for audit (available for review upon request)
3. Reminder letter to Linda Alexander of the Bear Creek Master Association for past due invoice.
4. Copies of RFP request for proposal and correspondence sent to the following individuals/entities requesting participation or interest in bidding on the Irrigation Water Audit Contracts dated December 17, 2015.
 - a. William Baker/William Baker & Associates
 - b. Shelli Lamb/RCRCDD
 - c. Alec Mayall/Profitable Crop Productions LLC
 - d. Eric Anderson/ Valley Soil Inc.
 - e. Scott Murray/Mission Resource Conservation District
5. Thank you letter to Ms. Vicki Urrunaga of Landmark Business Enterprises for providing pro bono bookkeeping services to the EMARCD in doing the basic bookkeeping for the District in "Quickbooks in the Cloud" and for obtaining a discounted monthly fee from Quickbooks.
6. Letter to Randy Feeney providing permission to allow ISC International to have complete access rights to the website and internet in case of an emergency.
7. Thank you letter to Peggy Bartels of the Army Corps of Engineers thanking her for her participation and presentation at our last meeting.
8. Letter to Greg Fankhanel of Van Lant and Fankhanel notifying him of the Quickbooks in the Cloud and the engagement of Landmark Business Enterprises for basic bookkeeping for the EMARCD.
9. Letter to former President Martin from Alfred Bonnett of the RCRCDD completing their arrangements with the EMARCD in regards to the Water Audit program.
10. Notice of Preparation of a focused Environmental Impact Report-City of Murrieta-Dated November 2, 2015.
11. Letter requesting past digital records from Teaman, Ramirez and Smith CPA's.
12. Response from Teaman, Ramirez and Smith CPA's providing digital records.
13. Engagement letter from Nigro and Nigro for Annual Audit-dated Nov. 18, 2015

14. Notice of Intent to apply Public Health Pesticides for Vector Control Purposes to Surface Waters and Waters of the U.S. Within Western Riverside County
15. USPS-Change of address notification
16. Administrative Salary and Benefits Survey for Special Districts –CSDA-To be completed by December 21, 2015-(Arrived late in mailbox-past due date)
17. Notice of Public Hearing on December 1, 2015-City of Lake Elsinore for Proposed 154,487 SF Walmart Super Center.
18. Union Bank – Change of address notification
19. Verizon final bill-Refund due to district –Total refund \$68.14-Has been requested and is being sent
20. Wells Fargo Online Account access information and acknowledgement.
21. Betty Yee-California State Controller- Notification that the Government Compensation-Missing the report regarding number of employees. Since we have none, the proper paperwork indicating such was sent and received.
22. City of Lake Elsinore-Notice of Availability/Notice of completion of a draft Environmental Impact Report-Dated 1/8/2016 – Project Title- The Nichols Canyon Mine located on 199 acres east of Interstate 15 and Nichols Road subject is in regards to mining activities.
23. Riverside County Flood Control-Notification to potentially affected governmental agencies regarding application of Aquatic Pesticides by Riverside County Flood Control.
24. SDRMA letter-Letter and Complimentary 2016 poster covering all state, federal laws for districts who have employees. Not applicable at present time to EMARCD.
25. California Special District Grants-Available grants for Special Districts forwarded by California Consulting
26. The 2015 Legislative Guide to California Elections Law is available at:
<https://www.lavote.net/Documents/legislative-guide-to-election-laws.pdf>

(Further information on correspondence available by request)

IV. GUEST SPEAKERS

1. Jeff Brandt-Department of Fish and Wildlife-Habitat Conservation-Introduction of Mr. Brandt and discussion of our Streambed Alteration Agreement

V. ACTION ITEMS/ DISCUSSION CALENDAR

1. Discussion and possible approval of EMARCD hosting the Spring Area meeting for the area RCD's and authorization to coordinate and move forward with arrangements if applicable.
2. Discussion and possible approval of vote for Area Chair for the Southern California area RCD's.

3. Discussion and possible approval of extension of the Rancho California Water District Contract for the Agricultural Irrigation System Auditor Contract
4. Discussion, update and possible approval of company/organization to continue Water Audit program– Carol Lee Brady
 - a. Three submittals-William Baker and Associates; Profitable Crop Productions LLC, and Mission Resource Conservation District. Two Declines-Valley Soils and RCRCDC.
5. Discussion and possible approval of Memorandum of Understanding with contracted entity for Water Audits and authority for designated Board Member to negotiate and sign finalized document (if applicable.)-Melissa Cushman
6. Discussion to designate a Board member or Counsel to draft a letter and give authority to sign said letter advising LAFCO of Memorandum of Understanding with organization selected for Water Audits (if applicable)-Melissa Cushman/Rose Corona
7. Discussion and possible approval of appointing a point person for Water Audits to streamline coordination of water audits-Rose Corona
 - a) Discussion and possible approval of putting contact and initial Water Audit application on website to include discussion and approval to designate President and Water Coordinator authority to work with Rancho Water District to make guidelines for Water Audits and to approve information to be posted on both websites for Water Audit information with approval from Counsel.-Rose Corona
 - b) Discussion of working with Rancho Water to co-ordinate advertisement of water audits and potential appointment of person to spearhead coordination and content of advertisement.-Carol Lee Brady
1. Discussion and possible approval for extension of existing contract with Bear Creek Association for further vegetation removal. Also discussion and possible approval to give authority to Counsel to draft and extension of existing agreement and to appoint a Board Member to sign extension of contract in order to get work done prior to nesting season. (March 15). Also to include discussion of progress with HOAs for prior Fuel Maintenance work on the Bear Creek and Fairway Estates projects under the direction of the EMARCD-Progress and payments and site walk report-Rick Neugebauer/Hugh Wood
8. Discussion and possible approval of mitigation contact for EMARCD on website-Rose Corona
9. Discussion and possible approval to add additional board member to signing authority for checks and authority to remove Danny Martin from checking accounts.-Rose Corona
10. Discussion and update on TEAM RCD change and possible approval to allocate funds to obtain domain names while District waits for approval of TEAM RCD from State Board of Equalization. -Melissa Cushman
11. Discussion of Audit draft, findings and responses possible tentative approval and approval of authority for designated Board member to sign and finalize all final Annual Audit from Nigro and Nigro.

12. Discussion and possible vote to approve yearly payment of Quickbooks in the Cloud accounting to Landmark Business Services.
13. Discussion of contact from Gonzalez Environmental wanting mitigation monitoring for a client in Murrieta-Rick Neugebauer
14. Discussion of potential collaboration with High Schools and other volunteer opportunities for community service hours. Potential approval to appoint Board Member to create a program that involves the community youth, provides them with community volunteer hours and helps the District in meeting their projects and goals. Also potential approval of funds to be overseen by Temporary Acting President and allocated in order to get additional website changes to create template-Michael Newcomb

OLD BUSINESS

1. Update and Discussion of the Proposed Benton Channel Agreement and City of Murrieta Mitigations-Rick Neugebauer
2. Discussion and possible approval of creating policy for e-mail use-Carol Lee Brady
3. Discussion and possible approval of ad hoc committee to help with content for website. Also update on website and possible approval to allocate funds to obtain domain names while District waits for approval of TEAM RCD – Randy Feeney

VI. NEW BUSINESS

1. Reminder that all Form 700's must be submitted no later than April 1, 2016 to the Clerk of the Board. We are asking that all Board of Directors and Associate Directors bring originals to the February 11 meeting or get them to the Acting President as soon as possible if you did not bring them to the meeting. The clerk of the board needs original signatures so they will not accept copies. Please make copies for your own records. Information for Form 700's has been sent to all EMARCD e-mails however can also be accessed at:

www.Form700.gov.ca . or

[http://www.fppc.ca.gov/content/dam/fppc/NS-Documents/TAD/Form%20700/2015/Form 700 2015.2016.pdf](http://www.fppc.ca.gov/content/dam/fppc/NS-Documents/TAD/Form%20700/2015/Form%20700%202015.2016.pdf)

2. Reminder to all Board members and Associate Directors that starting with the next meeting (March 10, 2016), all packets and e-mails regarding EMARCD business will be forwarded to your EMARCD e-mail addresses. Packets will not be sent to multiple addresses which would include private e-mails. Please make sure that you have signed up and created a new password for your EMARCD e-

3. Discussion and possible approval for new location for records due to lease buy-out at present location-Starts March 1, 2016-Dave Kuhlman

VII. ORAL/WRITTEN REPORTS

- ## **VIII. FUTURE AGENDA ITEMS**

1. Discussion of Morgan Heights Agreement–CDFW Certification
2. Discussion and possible approval of creation of ad-hoc committee to create more specific board procedures and policies.
3. Discussion of new logos for TEAM RCD

IX. ADJOURNMENT

ADA COMPLIANCE STATEMENT:

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by §202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the District at least 48 hours before the meeting, if possible.

Next Meeting: March 10, 2016

CONSENT CALENDAR

MINUTES

MINUTES

EMARCD

Elsinore-Murrieta-Anza Resource Conservation District

Thursday, December 10, 2015 4:00 PM

Truax Building

41923 Second Street, Ste. 401

Temecula, Ca 92590

Call to Order-4:00 pm, meeting recorded by Carol Lee Brady

Flag Salute

Roll Call:

Directors: Rose Corona, Dave Kuhlman, Carol Lee Brady,

Absent: Director Vicki Long

Associate Directors: Rick Neugebauer, Dave McElroy-Present Randy Feeney-Absent

Deputy Counsel: Melissa Cushman-Riverside County Counsel-Present; County Counsel-Greg Priamos-Absent

Bob Hewitt-Absent

Guest Speakers- Kerwin Russell-Riverside Corona RCD; Peggy Bartels- Army Corps of Engineers, Vicki Urunnaga-Landmark Business Services

Public: None

MOTION TO APPROVE AGENDA- Motion made by Acting President Corona to approve agenda with following changes. Director Corona asked to have the California Association of Resource Conservation District south Coast Area Dues removed from the consent Calendar until she had time to review what exactly the District was getting for their monies. Director Brady asked for a correction in the minutes Dated October 8 on Page 10 of the minutes where Director Brady was credited with a quote when it should have been credited to Melissa Cushman. It was regarding the Country Club Villas. Director Brady made a motion to approve the agenda. Seconded by Director Kuhlman. No discussion. **Motion passed 3-0**

CONSENT CALENDAR: Acting President Corona asked for a motion to approve the consent calendar to include Correspondence. Counsel Melissa Cushman asked if anyone would like to pull an item from the consent calendar for consideration. No one had any further discussion or indicated they wanted to pull anything from the consent calendar. Motion made by Director Kuhlman to approve consent items. . Director Brady seconded. Call for vote. **Approved and passed 3-0.**

Director Long arrived – 4:12 pm

GUEST SPEAKERS:

The first speaker was Kerwin Russell of the Riverside-Corona RCD who came to discuss some of the recommendations on what they found doing the work of the water audits and some of the issues they came across. He also wished to inform the board about what could be improved and built upon moving forward.

Mr. Russell brought a hand out listing those items he felt needed improving now that they would be stepping aside in doing water audits due to the work load and lack of time available to do the District's audits in the future.

He explained that initially when the contract was signed it was originally agreed that it would be until the end of June of 2015. They already had done a number of participants in the program and they had initially intended to finish up the small amount of work the Rancho Water District needed to be done. However the contract was then extended after the June 30th deadline since the program was so successful. The contract was then extended to October and RCRCRD agreed to continue on until that time but requests were still coming in so it was extended until the end of December which RCRCRD also agreed to do. However, Mr. Russell said that the RCRCRD had not planned on committing so many resources for such a length of time so, although they agreed to finish up December, they contacted the former President Danny Martin to let him know that should Rancho wish to extend the contract yet again that the RCRCRD would not be able to continue and wanted to give the EMARCD enough time to find another source to work with for the audits.

Mr. Russell said that the RCRCRD would be providing the final report once the last of the audits for the month were completed. He indicated that most of the audits have been performed, mostly 50/50 between avocado groves and wineries. He indicated that what Rancho Water would do is give them a water budget, an equipment tick off sheet and a data collection form which was kind of confusing for the client. So what got provided to the client through RCRCRD was a report of around 8-10 pages that would tell the client specifically what they did, how they did it and what they found. The Water District would receive the in-depth form.

RCRCRD also did soil testing and provided that to the client so they could see what type of soil issues they were dealing with on their property. It was a complete package. He stated that when the audit started the RCWD had done all the vetting but as the contract kept getting extended the RCRCRD found itself doing a lot of the vetting and information gathering. There

seemed to be a communication breakdown between the RCRC, RCWD and the EMARCD which ultimately ended up with the RCRC putting in more time than they initially planned upon. Sometimes the owners or their representatives refused to sign the liability waiver to allow the water auditors to step on the property and argue they were never told so RCRC seemed to be caught in the middle. Mr. Russell recommends that the EMARCD or whoever they are working with needs to be more clear with the communication to and with the clients that are asking to have audits done and make sure that all the entities involved are well informed.

Mr. Russell stated that the clients are given instructions as to who to talk to and it appears that the solution would be for the EMARCD staff or appointed person to be the bridge between the RCWD and the auditors in order to make sure that the client is communicated with in an efficient way in order that they know what directions to follow and who to contact before the audit takes place, when it is taking place and what is the procedure following the audit in order for them to get the refunds from the Rancho Water District.

Mr. Russell said that another problem was that the client did not understand what the audit would cover. When asked how many acres they had, the auditors were looking for "planted" acres not necessarily total acres the owner had on the property. So often there was time wasted trying to determine accurate amount of acres. When the auditors were told they were doing an audit on 20 acres, sometimes they would go out and find that only 3 acres were planted so the time allotted was inaccurate and where the auditors had set aside a full day, they only needed a couple of hours. Those additional hours could have been spent doing other audits for similar sized properties but it would be too late to call someone to schedule another audit.

Mr. Russell indicated that there was also that it wasn't clear for the client exactly what the Water District would be paying for in terms of equipment. He said that a lot of participants thought that the Water District was going to pay for their new system rather than a retrofit or repair or upgrade of the existing system. The parameters were to address main lines and repairable equipment.

Another bullet point he expressed would need improvement is that a lot of groves and wineries are already deficit irrigating. They have already cut back the required 25% for last year. Therefore, there may not be any savings for the owner to be had. He mentioned that the winery people are a little more fortunate in that the vines are a little more xerophytic than avocados and many of the groves where the tops of the trees are dead. Many owners are just pulling the trees out of production. In many cases the owner is unable to cut back any more on their water usage. So the water auditors may do their report but Rancho may say that they can't or won't pay for new parts because there is no water savings on that particular piece of property.

Following is the transcript from this point in the meeting:

Kerwin: So the recommendation was then we will help them use the water they do apply better. We'll make sure every tree gets every little drop of that 2 acre feet that they use an acre so that none of it's wasted. No run off, no depercolation, no evaporation, nothing.

Everything gets used. That's the only way we can justify the cost in providing the rebate for them. Otherwise, there's not 4 or 5 acres there for them—acre feet of water to be had. Now some, there is. We've had some places where there's \$13,000.00 worth of water feet to save. And the owner likes that because that's money he doesn't have to spend.

And the Water District likes that because they can meet their state mandate objections. But that's kind of been a problem. There's been a few in the last two months that I'd say half of them, there's a quarter acre of water savings maybe if they really stretch it. And you're only talking a couple of thousand dollars. And then they want \$3,000.00 worth of rebate money. The district is actually—well, the money is not coming out of the district. It's money they got from that. But still, it's that trying to say we're saving this and providing that. So everything breaks even. And a lot of times, we're not seeing that.”

End of transcript at this point in the meeting

In this way the Water District also meets their state mandate objectives.

The second to the last issue is that Mr. Russell felt there wasn't very clear guidelines from Rancho Water and there was a lack of communication. He also felt there was not a lot of communication when Danny Martin became President. Mr. Russell felt that there should be some kind of booklet that lays out what the expectations were and he is hoping going forward that there will be a discussion regarding who will be scheduling, contacting, verifying and being the point of contact for all entities.

Following is the transcript from this point in the meeting:

Vicki L: Remember, there weren't real specs to do the bid to begin with. We had problems with that.

Kerwin: Right. So then to me, it's a good program, and I've done it with dozens of other water districts. And when they really go for a [full bore like they were here, there's some adjustment that needs to be made. And I think that some of these ones we can—I can provide that in a report for you guys if you'd like that stating those things maybe going forward. And he'll get a copy of that. Or you can discuss those with him. Hey, here are our recommendations based upon what we've experienced.

Maybe now, you can take those back and talk to your board or talk to your department and say now, going forward, we're going to write this little, quick management for dummies and provide that to you and say here's what you need to follow. Here's how we'd like you go do it. And it's like, okay, that's clearly defined, so whoever you guys get going forward, you can hand that to them and say here's what they expect. Base your work off of that.

Carol: I have a question.

Rose: Chair recognizes Carol Lee Brady.

Carol: Thank you. Did the original proposal that was sent to you, was that initiated by Rancho, or was it initiated –

Kerwin: They sent it out to anybody who is qualified to apply for the work.

Carol: So –

Vicki L: But let me clarify. This is Vicki. We sort of instigated it from EMA.

Carol: So we really initiated it, but it was put forth by Rancho because that's the way it's always happened. So okay, so my next question is, this is still Carol Lee, if the scope of work is updated to correct the actual items that are –

Kerwin: It wasn't that they were incorrect. It was that they weren't clear.

Carol: Okay.

Kerwin: They didn't clarify –

Carol: So if, in the next proposal, next RFP, everything is more clarified, and the actual scope of work is identified with the bullet points and everything, would your organization still be interested in participating in submitting a proposal?

Kerwin: We're open to partnering with any conservation district, any agency. Right now, we are slammed as far as time, and that's kind of why I wanted to give you an opportunity to consider using another person or entity or somebody that would be able to keep this going for you. That's why I'm here tonight is to kind of say we're trying to close out our time commitment with this. Not that we don't want to, it's just I don't think we would be able to meet the demand that they're talking about. And I don't want to get to the point where we can't do that. I don't want you to say oh, we hired you guys, and now you can't do it. So I'm letting you know right now that, at this point in time, we won't have the time."

Carol: And who is your point of contact at Rancho Water?

Kerwin: Justin Haessley.

Carol: Okay. And he's aware of all of these additional –

Kerwin: We notified him a few months ago that we were going to try to cut back our commitment and time. And we had presented that to Danny. I don't know if he expressed that to you guys or not.

Rose: Let me interrupt for just a second. This is Rose Corona. Danny had sent out your email to all of the board. So they were well aware of it, and to Justin at that point. We were aware of it that you were going to be coming in. So we're at this point right now.

Kerwin: Okay. And then the last thing was the participants weren't really clear on that. And I think part of it was is they don't realize that the way the Water District had set it up that they wanted to have everything done in a 60 day period. So they needed a pre-evaluation. They wanted the equipment bought and installed. And then a post evaluation within a 60 day period.

Rose: The Water District wanted that?

Kerwin: The Water District. When you read their condition, not the proposal that we did with you guys, not that one, what the land owners have to go through, their requirements to get the money for the rebate program, it's a 60 day window. Now, I don't think they're enforcing that. But when you read that, you're going, wait a second, I've got to get EMA out there to do the evaluations. So they call Monday and say can you get out here Tuesday? No, I can't. I'm booked. I can't get out there for two weeks. And that's usually - we've had a two to three week waiting period. So there's almost one month already.

Then we get out, do the evaluation. That takes a day. And then I don't go back that day and do the report. We either have two evaluations that day, or we have two or three that week. And then Thursday and Friday, we try to get those reports generated. And that takes a day. So you're talking three day period just to get the data entered and everything. And then you get that mailed off to the owner. And he's supposed to go to the Water District and say here's my pre-evaluation. I'm qualified. This is what they say I need to have done. I'm going to go buy it. And Justin or the Water District will say that's fine.

They go buy the parts. They get it installed. And then they have to call us again and have us come out to do a post evaluation to make sure all the parts come in and everything is the way it's supposed to be. And then they have to submit that to the water district to get their money back. And they want this all within a 60 day period. And so when you have dozens of calls, there's no way we can get most of those days in a 60 day period. So like I said, I don't think they're enforcing that saying you didn't get it done in 60 days, so you don't get your money. I'm just saying that's what it says on the form that the owner fills out.

So when they go to call us, and they say wait a minute, I've got to get this done, it's like then they tell you we've got a two week waiting period just to get out there.

Rose: The chair recognizes Rick Neugebauer.

Rick: And I think the other bit of this is most of anybody that has 5 acres or more has somebody managing their grove or vineyard. So then, it's behooved on the management company to get the information or the report, set a material list together, get it together, can

they schedule it even in the next 30 days? Is it harvest time? Is it—what time of year—I mean, there are a whole lot of other things that come into it. So maybe we go back to Rancho and say let's look at this 60 day thing because it really, if we look at doing the evaluation, look at what has to be done, and implementing, and then getting the report back, 60 days really isn't enough time.

Rose: This is Rose Corona. I would say also that a lot of these points that you have brought up, Kerwin, will also be written in that agreement with Rancho going forward. So a lot of the communication breakdown that happens that ends up putting you or whoever is going to be doing the work in such a difficult position when you go out there that those be clarified well in advance. And we really appreciate this work. The chair recognizes Vicki.

Vicki L: Do you have any idea, Kerwin, how many are anticipated for next year, evaluations?

Kerwin: No. From what I can tell, it's—well, we do it first come, first serve. So whoever calls us, we try to get to them as soon as we can. If they can't meet the date, then we'll schedule another date and put another person in place. So sometimes, people get bumped up. It just depends on we have cancellations all the time. But going from the way it is now, they only have a certain amount of money. This isn't going to go on forever. The impression I get is that, for sure, next year, at least through June, maybe the end of December. So anybody that took that over or did that, it's not a job by any means.

A lot of our stuff is small, \$10,000.00 or \$15,000.00 a year kind of thing. And you can't employ a person full time for that kind of money. So it has to be somebody who can work part time or do whatever. Or like us, we fit it into what we already do. But I would say you might get another \$25,000.00 or \$30,000.00 next year is probably what—this year was a lot because they were really in a flurry of activity to get the money spent. But when it's gone, it's gone. And they may renew that. The job keeps going, and people are interested. But we have a lot of people that aren't. It's like no, I don't need that. I can take care of myself.

So it's just people that want to have the retrofits on the older groves. And I would say that's probably what you're looking at next year is another two dozen sites. And they could be anything. So again, I appreciate the opportunity. The district really, this is the first time we've had an opportunity to work with you guys on something of this level. And I know Vicky took the time to kind of get you guys down there and get things going. And we appreciate the time she spent on that. But if you have difficulty finding somebody, or things aren't working out, you can always notify the district manager of that.

And it just depends on our workload. But right now, I don't want to short change you and say yeah, we'll do it, and then not be able to. So we're really slammed right now with the drought, and that's mainly the reason that we're here tonight is to let you know and give you an opportunity. Now, like I said, I don't know what the Water District has planned if they're going to get things closed up by June because that was what they were supposed to do when

they first contracted the district is we want to get this done, and we want to get this money spent by June. And we said, "That's great, we can do that."

But then it just kept going and going and going. I guess they found money because of the situation with the drought being the way it is. But if it starts raining, and it really starts coming down, that may be cut back. I don't know.

Rose: We appreciate you coming in and giving us this information and giving us some heads up and some warning. And I will call Justin at the Rancho California Water District and see what's what so we can report on that at the next meeting. And if it's just information, I'll make sure that it gets out to the board just so we have a starting point, and we can discuss it at the next meeting.

Kerwin: And feel free to call us if you have questions or if you have things going forward that you would like us to assist with or whatever. We can always take a look at that and see if we can help.

Rose: Thank you, Kerwin. Thank you for your time."

END OF TRANSCRIPT AT THIS POINT IN THE MEETING.

Mr. Russell then submitted final billing to the board for payment to the RCRCO one of which had not been received.

GUEST SPEAKER-VICKI URINAGGA-LANDMARK BUSINESS SERVICES

Ms. Urinagga came to speak on QuickBooks in the Cloud an accounting software program that might help the Board work their accounting needs work more efficiently. The Board had asked in the past for a more detailed explanation of how this particular software works and how it could be of benefit to them. Ms. Urinagga brought a hand-out so the Board and others could follow along as to an understanding of the information.

Ms. Urinagga pointed out that by applying some of today's technology in accounting anyone authorized on the Board and the CPA could have access to the accounts and the Cloud if given appropriate permissions for access. Those individuals or accountants that have permissions can access the accounts from anywhere they may be rather than having to be in an official office or have IT people to maintain computers. According to Ms. Urinagga the Cloud works so you can access it at any time on any day. It is limited by country but the US is obviously on of them. Also the Cloud solution keeps their software updated continually so there is no need to constantly be upgrading continuously as upgrades by Quickbooks is made. They do this automatically. Reporting and status of your accounts is at your fingertips.

The software can be accessed on and iPhone, iPad and are Mac and PC friendly. And Androids. It is completely compatible across all platforms.

It supports multiusers and has wonderful support and tutorials for all users. The software is put out by Intuit who is a very stable vendor and has the same security and protocols that banks and brokerage houses use. The books are backed up by Safety Net which is a very hard hitting security package.

The software is great in manageability. It is focused at financial responsibility for any organization. It follows all the FAAP accounting standards which means generally accepted accounting practices. If the entire board is given access, they will all have a transparent view of where things are and how things look. All packages target making it easier to have traceability for every transaction. It provides the ability to internally and be externally audited quite easily. However if you are externally audited, you already have known and have kind of taken care of things in advance. According to Ms. Urinnaga it is a more supported effort in audits because the auditors know the tool as well.

Director Long wanted to know if an outside auditor was working on the books, if the Board would give the auditor a password or what the process would be in place. Would there be a timeframe or time limit to the auditors? Ms. Urinnaga explained that auditors cannot access all of the time. She suggested that the Board can handle this one of two different ways. One is to ask the auditors to supply a specific list of what they want and the board can provide that list outside of the tool. Then if they need to go further the board can sit with the auditors, put in their own code (not sign in in the presence of the auditor) and walk them through what they need or you can give them a temporary password. Best practice is to only answer those questions asked by the auditor. However if it is a full-fledged audit the Board may want to go with a temporary password that the Board controls.

All current key report access, profit and loss sometimes call income statements, balance sheet are all the standard types of reports provided if needed. The Board can also get customized invoices. Quickbooks in the Cloud provides affordability for the Board and Ms. Urinnaga stated that she was here not only to explain the software but to present the proposal that Landmark Business Enterprises had submitted to allow a flow through of wholesale pricing and a commitment to do the basic bookkeeping pro bono since there was so little activity on the accounts.

Following is the transcript from this portion of the meeting:

And that takes us to the last slide, really, which is affordability and the reason I'm here, which is a proposal that was given to you all that says Landmark Business Enterprises will allow a flow through or instance of this and give you wholesale pricing for the availability of it, which is \$19.99 a month. There's been a commitment that that's a superfluous type of rate, so it won't change. And then the retail on that same type of access would be about \$27.99 a month. So the first affordability issue is you're getting the wholesale price. The second one is taking care of your actual bookkeeping.

Not your CPA work but your bookkeeping, would be pro bono for you. And the reason for that is this is integrated with your banks. Everything is downloaded in. And a lot of other things are more easily managed. It takes minutes. We don't normally bill for under an hour. And this would be a bill for maybe, if we ran into problems, 10 or 15 minutes, so pro bono makes sense in this case. If you should grow by 100 factor, we would have to talk. But that would be a good thing to grow, I suppose. So the limitations are this work is being done remote. And the bank is integrated with this.

There are several integrations available with the product, Pay Pal is another. And if any of you have seen the little Square cards where you just scan the credit cards that is integratable as well. The limitation is the work will be done remotely. The integration will be in place. And so any special meeting or any other type of thing would have to be kind of a one off thing. And that would mean, perhaps, depending on where it was and the timing, a trip charge and \$35.00 an hour. So that's the issue on money.

Rose: The chair recognizes Vicki Long.

Vicki L: I have one question for you, and I hate to wait until the end because then –

Vicky U: We're at the end.

Vicki L: Well, almost. The bookkeeping that you would provide would be? What would it be? Bank balances?

Vicky U: So that's on your proposal, which is on the last page here, as it goes into quite a bit of detail about it.

Vicki L: Well, should I just wait until you're finished?

Vicky U: Well, I'm not going to go into the –

Vicki L: Okay.

Vicky U: I'm really at the end. So if you want to look at the detail of that. It's really maintaining the normal things you would do to maintain a balanced set of books, taking care to review the transactions coming in and making sure they're categorized accurately and making sure that any special set ups that perhaps the organization wishes to do, chart of accounts with some special types of accounts for certain items that you want to control what's coming in, going out, and a subset that type of item.

Rick N: Income items, expense items related to cost accounting and those types of things.

Vicky U: Exactly. And then making sure each month is closed out solidly so that, at any point in time, you know exactly where you are from year to date point. And generally speaking, perhaps, helping somebody to understand a particular thing. Is that helping you?

Vicki L: Yes, that explains it if I jumped ahead a little bit longer. I did look at this, but not quick enough, so I'm sorry. I asked you what was already here.

Vicky U: Well, and I'm not sure you've seen it before, so it might be –

Rose: Thank you, Vicky, for your wonderful presentation.

Vicky U: Oh, you're very welcome."

END OF TRANSCRIPT AT THIS PORTION OF THE MEETING

GUEST SPEAKER – PEGGY BARTELS – ARMY CORPS OF ENGINEERS

BEGIN TRANSCRIPT FROM PEGGY BARTELS PRESENTATION:

worked with them for about six years. I have several handouts here. I'm mostly here to answer questions that you may have about what our work is and what we do. The Army Corp is an unusual agency. It's a federal agency. It was one of the first environmental agencies started back in 1899 where you had to have a permit in order to dredge or fill waters that were associated with the US. And the basic reason for this was to protect military bases and ports upstream. So they wanted to be very careful to protect those to ensure the defense of America for any attacks.

So that's how we basically got started. Most of those were in what they called Section 10 waters, so they were along the oceans and then larger rivers. We expanded in 1974 and 1978 with the Clean Water Act. And that brought in Section 404 permits whereby the same thing occurred if you had any kind of fill, whether you're filling in a stream, whether it be ephemeral, intermittent, or perennial, you had to apply for a permit on the federal level. And also that includes doing excavation, which is also known as dredging on the coast excavation inland.

And then the third realm that we look at is the Section 403, which is, basically, marine waters and putting in dikes and dams and different kinds of piers and those kinds of things. So those are our three areas. We're very narrow in our jurisdiction. So anytime you have any kind of a dredge or fill or excavation in a stream that has what they call an ordinary high water mark, you, as a private citizen or public agency, need a permit from us. And there are also other levels of permits that are needed, too. And that deals with both the city, county, and state.

Now, on the federal level, we have different kinds of – we have other requirements, including anytime you have a permit with us, you need to have a Section 52 for the Endangered Species Act. We have to do consultation. So we have to look to see are there any endangered species or critical habitat in the area that you're going to be working. Then the other permit that we have is a cultural permit, which deals with a National Historic Preservation Act, and we have to look to see are there any buildings that may be historical? Are there any Indian artifacts that we may need to look at? So those two consulting I guess you would call permits but consultations also have to occur anytime you get our permit.

The third piece is if you're out in the waters of the US out in the marine area, then you have to get a National Marine Ordinance – I'm sorry. I don't usually forget. It's to protect marine animals. So you can't hurt the whales and the turtles and the dolphins and all that. So we're very limited, very small area. We don't look at, for example, if a developer comes in, and he's going to build 100 houses on the site, we're only looking at the very small area that he or she is going to fill in that stream, whether it be ephemeral, whether water runs sometimes, or whether water is running all the time. So that's our very small area.

However, when the developer goes into that site to fill, they have to always do mitigation. There are no exceptions. There are two kinds of – there's a short – so they have to select a mitigation site. They have several different options. They can go to an approved mitigation bank. They can go to an approved in lieu fee.. They can have an onsite mitigation area, or an offsite mitigation area. And they have to do this. There are no exceptions. There are short term – so when they go into these meetings the mitigation, they have to improve that area. They have to plant. They have to make sure that it's going to be a wetland.

They have to make sure it's going to be a stream and function properly. They have five years in which to do that. Then they're approved to do that. Now, with our new mitigation rule, which is actually not new anymore, it's since 2008, so it's about eight years old, we're still working into this, they have to have a long term management plan, or they have to have financial provisions for long term management. And Vicky and I have been working on French Valley. And so it's very important to have an agency or an organization, I should say, to follow up on those long term plans.

And it's very important that those long term plans are fully funded. And we, as an agency, look at those. But we're very dependent on the organization to ensure that they have covered all of their bases for financial support to be in perpetuity or forever. And generally, for us, there are two basic requirements. One is that there's a removal of noxious weeds and invasive weeds. And generally, it's done twice a year. And then there's also a requirement for removal of garbage. We may have requirements for fencing, not always, and signage. But those all have to be fully funded. They're called PAR's is one of the common terminologies, and they're very difficult.

So they're very difficult to write up and fully fund and get the developer to say yes and get us on board. So that's a lot of where we've been working with Vicky. She does a good job. And we've been trying to get these guys to give us money.

[Crosstalk]

Vicky L: It's the Benton Channel, and I think that Rick now, you might be wanting to work with Peggy on that?

Rick: Yeah, I'd like to see where you're at, how far you've come with the developer and –

Peggy: They submitted their PAR to you guys, so we're just waiting for you guys to say yes, it's okay.

Rick: And I think the latest conversation is that it's not okay.

Peggy: Okay.

Rick: And we want to do some further research on that specific one relative to the amount of runoff and the area of runoff based on what has already been created as habitat. And we don't think that those dollar amounts and the perpetuity are in sync. So we'll do a little more work. And I think, the first of the year, we'll set up a meeting with flood control. And then I'd like to get copies of their WQMP and their BMP's and see what their objectives are in that and maybe get a copy of their hydrology study.

Peggy: Okay.

Rick: And I know I don't have those yet. That was kind of – Danny was leaving, and those are the pieces that I need to get from the developer so we could make a little better assessment of our long term needs.

Peggy: Yeah. Those are really, really difficult to make a determination on. It's very, very difficult to do that. And there are not a lot of examples of organizations that have been able to stay solvent and move forward on this, especially in this area. We have multiple needs for an organization to come in and do these kinds of things because it's not common. And a lot of them are cut off about the Temecula level. And they go down to Lake Elsinore, and then miss Murrieta and miss Temecula and miss Wildomar because they're mostly in the San Jacinto area where there's been more of a development of that kind.

Rick: I think there's a way to fund it. And I think there's long term for that also. So I have a couple of ideas that I think that we can look at and sit down with the developers and say, okay, here's the impact, and here's what we think the cost should be. I'll give you my card before we leave tonight, and then we can get together.

Peggy: Okay. That sounds good. Does anybody have any questions for me?

Dave K. It seems pretty difficult to get everybody in agreement. Why do you think that is?

Rose: That was Dave Kuhlman.

Peggy: Because the regulations are not clear, and there are interpretations. And that's just how all regulations are. They don't say here's the ordinary high water mark. And here's where the core jurisdiction is. Sometimes, you're up the bank, sometimes, you're just in the –

Rick: Ten feet at the bottom of the creek.

Peggy: Yeah. The flat part of the creek, sometimes, you're up to the top and over the top. And it depends. And that is not clear. I brought this book. I don't know if you guys have a library, but

you're welcome to that if you want it. It gives you a little bit of an idea. But just to figure out where things are if you just go through it.

Dave K: And you also made kind of a reference to our topography in our area is not necessarily having that much potential.

Peggy: Well—

Dave K: Compared to San Jacinto and some other areas.

Peggy: We actually probably have more potential down here in Santa Margarita area. It's lower impact. The number of projects in the area within core jurisdiction are less than in the other areas. And ours is such a specialized area that they only allow, per permit, it's the lowest in the nation that we allow.

Dave K: Right.

Peggy: And we make individuals go to a larger evaluation, a more intensive, comprehensive evaluation if it's over one-tenth of an acre. Most places in the US don't care. They have a lot more water than we do. But ours, based on a study that was done in the 1990's by Eric Stein, he said this is a very unusual situation. It's one of the least impacted watersheds in Southern California. So it's a very special one. We have nominations for wild and scenic river downstream here in the Santa Margarita stretch right after you get out of the confluence of Temecula Creek and Murrieta. So that's actually under BLM evaluation for it being wild and scenic.

So we have some real special things. And we're one of the few areas in Santa Margarita that has southern salmon still present.

Dave K: And where would those be?

Peggy: They're further down, not in the Murrieta and Temecula area, but down. See, I think they found one maybe about ten years ago, which is very good, I think it was about six miles up. So it's not really quite here.

Rick: Promotion side in Camp Pendleton.

Peggy: Yeah. Up through Camp Pendleton, a little bit past Camp Pendleton. And there are very few instructions. It's like we don't really have any major dams. We have a few levies and levies that have been cut off so that like Lake Skinner and some of those are cut off there at Warm Springs Creek. But it's pretty special because most of the rest of them, San Luis Rey is dammed.. San Diego is dammed and has been for some time.

Dave K: There are lots of lakes down there.

Peggy: Yeah. And Tijuana is dammed, and those are all different, so the water doesn't run quite as much. Now, Temecula Creek is dammed. But that's a confluence into the Santa Margarita.

Rick: And then you take the head waters of the Santa Margarita, I mean, clear back up into San Diego County. So it's a very unique watershed area.

Dave K: So if I'm understanding, it wasn't that there's lack of potential, just less potential for projects due to the sensitivity.

Peggy: Yeah. And all the agencies are on board with maintaining that. So we have more restrictions in terms of what we allow compared to others.

Dave K: Very good. That's a good summation of it.

Vicky L: Can I just clarify something just so you're all kind of on that Benton Channel. One of the things that is impacting the Benton Channel is additional water to that channel after it's already been mitigated. And we have that \$75,000.00 endowment to keep the weeds down and maintain that and do our reporting every year on it. So this development is upstream. And it is going to add, because of the houses coming in, it's going to add to our mitigation. So that's what Peggy and I have been working on with the developer.

And they came up with the weed, and we discussed this a couple of months ago, with the weed abatement that they would do because one of my biggest concerns and Peggy's concerns is we don't have a lot of weed management right now. And Kerwin came out to look at it with me. He does weed management all the time. And we're concerned about new seed bank coming in and then having a lot of work to do with that small endowment and not being able to do it.

Dave K: Yeah, I mean, Rick did a good job of immortalizing our conversation from the last meeting. They have some concerns about water volume, and that's not a great subject for discussion. I mean, I would like to keep things moving.

Rick: I'm good on my end.

Rose: And Peggy, do we have a contact for you? I mean, I know Vicky does.

Vicky L: But if she could leave cards, that's good.

Rose: If you could leave cards for us, that would be great.

Peggy: I do not have cards, I'm sorry.

Rose: Okay. How do we contact you?

Rick: I'll give you my card, and then you can send me an email or something.

Rose: There you go, that would be perfect.

Vicky L: Or I can send an email out to everybody, too, if you'd like, okay?

Dave K: In terms of keeping things moving, not particular meant for the agenda, I meant for the project. So if we could collect the information and have a discussion, and we want to give you what you need so that the project can proceed.

Rose: Correct, so we don't stall out.

Vicky L: Well, my suggestion is is maybe, Rick, you get a hold for the next EMA meeting, try to set up that meeting with the developer.

Rick: That's my plan.

Vicky L: And then we would have something because they gave us their plan, and then I brought it to the board. And then the board wanted a further look at it. So that's where we are right now. And so if you can maybe bring us maybe information that would be great.

Rose: Okay. So Rick is going to put together further information. He's going to give you, Peggy, his card, which we can then – and then Vicky will forward your information to all of us so we have it. Thank you very much. Many of you feel that you want to leave, feel free to. Don't feel tied to our wonderful meeting here. Thank you so much for your time. We really appreciate it.

END TRANSCRIPT AT THIS PORTION OF THE MEETING.

IV. ACTION ITEMS/DISCUSSION CALENDAR

1. DISCUSSION AND UPDATE AND POSSIBLE APPROVAL, ADDING TAMARISK APPROVAL TO ANNUAL PLAN 2015-16

Discussion to add Tamarisk removal to the Annual 2015-16 plan plus approving the 2015-2016 Annual Plan was brought forward. Director Long made a motion to approve the updated 2015/2016 Annual Work Plan. Director Brady seconded the motion. Call for discussion. No discussion. Call for vote. **Motion passed 4-0**

2. DISCUSSION OF E-MAILS AND POSSIBLE APPROVAL TO USE GOOGLE VOICE OR SIMILAR SERVICE FOR VOICEMAIL

Director Corona brought forward that the use of Google Voice or similar had been discussed but not been voted upon in the last meeting. Director Kuhlman made a motion to move the telephone service to Google Voice and its features. Seconded by Director Brady. Call for discussion. No discussion. Call for vote. **Motion passed 4-0**

2a. DISCUSSION OF CREATING POLICY FOR E-MAIL USE-Carol Brady

Director Brady spoke about the importance of the Board to have a standard policy and procedure related to the use of email with some guidelines for the use of our e-mails. She offered to put those guidelines together. Director Long wanted to know how the Brown Act might affect some of the correspondence and it was agreed that Deputy Counsel Cushman would work with Director Brady in advising a basic policy that adheres to state and federal statutes as it applies to the Brown Act. Director Kuhlman wanted to make sure that the Board during this discussion separated the policy procedures from the Direction of communication and where and who the e-mails go to. The board decided that once a policy was made, they could continue at the next meeting to direct communication to the appropriate person once that is decided. As a result of this discussion, Item 2(b) will be postponed until the next meeting.

3. DISCUSSION AND POSSIBLE APPROVAL TO CANCEL JANUARY MEETING

Although the former President made a statement that the Board goes dark in January, there was no official vote to do so. After a brief discussion which included the fact that the Temporary Acting President would not be present, the new appointment to the Board may at that time not yet be appointed and the Director Kuhlman may also not be available which may result in the lack of a quorum, Director Corona asked for a motion to cancel the January meeting. It was discussed that if there was an absolute emergency a Special Meeting could be called. Director Corona asked for a motion and Director Long made a motion to cancel the meeting, and Director Brady seconded the motion. Call for further discussion. No discussion. Call for vote. **Motion passed 4-0**

4. DISCUSSION AND POSSIBLE APPROVAL OF PROPOSAL FOR QUICKBOOKS IN THE CLOUD AND ACCOUNTING SERVICES FROM LANDMARK BUSINESS ENTERPRISES- CAROL BRADY

Director Brady brought forth that she was pleased with the presentation and felt the benefits were great for the EMARCD. She asked if anyone else had any issues or questions. Director Corona also acknowledged that the system seemed easy and that it also provided a way to invoice clients in a professional manner. Director Kuhlman added that reconciliations would also be included. Director Corona asked Counsel Cushman if in the future would it be necessary to copy the actual bank statements to include in the packet or would a summary be sufficient. Counsel Cushman noted that generally it wasn't necessary as long as there is something that memorializes what needs to be disclosed. With no further discussion, Director Brady made a motion to approve the proposal from Landmark Business Enterprises and Director Kuhlman seconded the motion. Call for further discussion. No discussion. Call for a vote. **Motion passed 4-0**

Director Kuhlman also asked to have a letter sent out to Ms. Urinnaga to acknowledge the contract and to thank her for offering to do the work pro bono for the District.

5. DISCUSSION AND POSSIBLE APPROVAL OF REQUESTS FOR PROPOSALS FROM RCD'S FOR FUTURE WATER AUDITS-Rick Neugebauer

Following is the transcript from this portion of the meeting:

Begin Transcript:

Rick: Yeah. There are other entities that do water audits, too, that we would probably want to go out to. And there's a number of commercial landscape entities that are very efficient in that process. So I think getting two or three proposals is not out of line on what the scope of work is from the district. And so that's a project.

Kerwin: Can I speak to that?

Rose: Yes, absolutely, Kerwin.

Kerwin: We're the only district that has a lab. So there's no other – well, Mission does have a water management lab. But there are a couple of private businesses that do that as well.

Rick: Soil and Plant Lab.

Kerwin: Soil and Plant Lab does that, Valley Soil, Eric Anderson. They do that. These people are out of Lancaster or some place, but it's pretty far to drive down here.

Rick: And mostly, you can send it in the mail anyway. You can do your samples and map where you got them from.

Vicki L: One thing I want to let you guys know, Melissa, you might want to look at this before we get too far into this, there's a new bill, SB239 that's going to come into effect at the beginning of the year. And it's about RCD's and contracting services and things.

Melissa C: I'll take a look at that.

Vicki L: And if it involves Lafco, if it's another RCD.

Rose: Thank you, Vicki. All right. So any other discussion about this?

Dave M: Dave McElroy, only quickly just to clarify. The money in this program, Rancho Water has the money.

Rose: Um-hmm.

Dave M: And they are looking for a service. If we provide that service, then we're taking bids on service for that service as kind of a third—three tiers down the line because we're not doing it physically ourselves.

Rose: No, we weren't before. They were, Rancho and Corona.

Dave M: Right. And Rancho, is Rancho sending out RFP's for that service?

Rose: I don't know, but I will find out because—

Kerwin: I'll speak to that, too.

Rose: Okay. The chair recognizes Kerwin.

Kerwin: What happened was the district, your district, got awarded the RFP that they sent out already. So they're not particular on changing you guys to have somebody else do it. How you provide that service to them doesn't matter. You have to meet the requirement. You have to have a licensed or certified auditor or conservation manager with the irrigation association. So you have to have that requirement. You have to have somebody that has an experience in conducting audits and somebody that either has extensive work experience or a degree in the field.

So those are the three things that you have to have. So you just can't say I'll go take a look at sprinkler heads.. There has to be a process. They don't care just as long as you meet those requirements so that, if they ask you who did this after we're not doing it, they won't see our name on it. They won't see Riverside or whoever else was on there. They're going to ask was this person certified. So that's what you're going to have to have in your request is are you a certified auditor or manager? Do you have a degree or extensive experience in the field? And have you conducted these in the past?

They'll have the certification but don't conduct the audits because they like to have it for their business. It looks good. But they don't conduct the audit, and you come out and say, hey, I want to have you do this, and they're going to go like wow, I have to call somebody in to do that because I haven't done that before.

Dave M: But as far as being able to, in the RFP that we send out, it's pretty stable in that, if we select somebody, we won't get kicked out by Rancho Water.

Kerwin: Right. Because right now, you have the agreement with Rancho. You're already in. So if you go and say Riverside Corona is not helping us right now, they might help us in the future, but right now, I've got to have somebody come out and do this, they won't go, oh, well, you don't even have to really say anything. You just have to make sure that you got—I mean, you're going to have to tell Justin you're going to change. Obviously, the names are going to be

different. The contacts are going to be different. But they're going to need to meet those criteria because that's all they care about is that those criteria are met.

Rose: But it's incumbent upon us to make sure that we get somebody with the same qualifications as what they have provided.

Kerwin: Yeah.

Rose: Okay. So can I entertain a motion to go out and look for individuals or businesses to conduct the water audits.

Vicki L: I'll make that motion.

Rose: All right, thank you, Vicki. Do I have a second?

Carol: I'll second.

Rose: Any further discussion? All in favor?

All: Aye.

MOTION PASSED—4-0

END TRANSCRIPT AT THIS POINT IN THE MEETING

6. ACCEPTANCE OF RESIGNATION OF PRESIDENT DANNY MARTIN AND INVITATION TO ALL INTERESTED TO SUBMIT APPLICATIONS FOR OPEN BOARD SEAT.

The EMARCD Board had officially received a copy of the resignation of President Danny Martin dated November 30, 2015. Director Corona made a motion to accept his resignation. Seconded by Dave Kuhlman. Call for further discussion. No discussion. Call for vote. **Motion passed 4-0**

Further, Director Corona invited the entire board to encourage any person who was interested and qualified to submit their application for the open seat and to please forward them to Melissa Cushman if they had not already sent information forward to the Registrar of Voters.

OLD BUSINESS

1. DISCUSSION OF CONTRACTS WITH HOA'S FOR FUEL MAINTENANCE WORK ON THE BEAR CREEK AND FAIRWAY ESTATES PROJECTS UNDER THE DIRECTION OF THE EMARCD-PAYMENTS AND PROGRESS

A.D. Neugebauer said that the work had been completed early in the week for both Fairway's and the Master Association of Bear Creek. He had a scheduled walkthrough set for December

22 at 10 a.m. with the Master Association manager and Fairway's Board President. So the work is complete. He had received an e-mail from Fairway's counsel stating that no work had been done in the creek bed. He responded with a quick note saying that there may be an oversight on what expectations were but the scope of work that we were allowed to do and we're capable of doing had been completed. Director Corona asked if he had collected the check for Bear Creek acknowledging that Fairway Estates had already sent theirs in. A.D. Neugebauer said that he had not but would follow up.

2. UPDATE OF THE PROPOSED BENTON CHANNEL AGREEMENT AND CITY OF MURRIETA MITIGATIONS – RICK NEUGEBAUER

Nothing to report. Waiting for documentation from the developer.

3. DISCUSS MEMO: RE POTENTIAL CONSOLIDATIONS BETWEEN EMARCD AND RCRC D AND ADDITIONAL MEMO REGARDING POTENTIAL PARTIAL CONSOLIDATION, SPLIT BY WATERSHED-MELISSA CUSHMAN

FOLLOWING IS THE TRANSCRIPT FROM THIS PORTION OF THE MEETING:

Melissa: I had, a couple of months ago, been asked to prepare a memo that if the RCD's were going to contemplate consolidating, what exactly would that process look like? So that's basically what the November 6 memo covers. And then last meeting, there was a discussion of well, what if it was a partial consolidation, if there was consolidation by watershed, but the other watershed that EMARCD covers would split off separately and how would that be different or the same? So the consolidation process would be the one to follow. And that's under the Cortez, Knox, Hurtzberg Local Government Reorganization Act.

It, basically, unites or joins two or more districts into a single successor district and would be the one where, if there was complete consolidation, the method for following it. Basically, there is completion of a LAFCO application packet. And I was talking to someone from Lafco today about how one really kind of does this in addition to what the legal requirements are. And they said, generally, in a situation like this, if two districts want to merge, they do kind of a joint application. And so everything kind of needs to be ironed out beforehand. If it's just one district applying without the other district, there's going to be kind of a lot more problems.

Or even if there are two applications, and they're not really quite the same, there may be quite a lot of difficulty. And it may or may not happen. It may go to a vote, which would be expensive. So definitely, the best course of action would be for the boards to make the decision beforehand that that's what both of the boards wants to do and how they want to do it. And then form some sort of committee to put together the joint application for that process. To the extent it was considered more desirable to split by watershed, it would be a similar but slightly more complicated process because you would be doing a simultaneous detachment and annexation with RC/RCD but not with the remainder.

So it would basically be just kind of an additional step but a similar sort of process. So does anyone have any specific questions? I mean, this is in your packet. It's a 50 page

application. And there's quite a lot of information that's required and maps and see what compliance has to be done and things like that. So it would take time absolutely.

Rick: It would take close to probably a year or more to do.

Melissa C: That would not surprise me. If something were an emergency, I imagine someone could get it done slightly faster than that. But I think that would be the more typical scenario.

Rick: I worked on a couple of Lavco issues in the past, and they follow their own timeline.

Melissa C: They absolutely do. In this particular case, many of the questions relate to things like fire service, police service, parks, things that don't really concern this particular type of organization. So it would be slightly simpler than certain types of district consolidations. But the paperwork has to be the same, and a lot of the work has to be—

Vicki L: And I have a question. What would be the benefit of detaching say the Santa Anna Water Shed? Did we discuss that already?

Rose: Dave brought this up. This is Dave McElroy.

Dave M: Vicki, I brought that up just to say the possibility to make it more by water shed than specifically by area.

Vicki L: I just don't understand what the benefit would be to this district. When we first started talking about consolidation, it was so that we could do the service to the whole area. And so that area, if we did detach, would get great service. But still, this area would not be for the Santa Margarita.

Rose: I believe the issue was Dave McElroy had brought it up—

Vicki L: Yeah, but I'm just looking for the benefit for the district and for the people that live in the district. And for those people that did live in the other water shed in the Santa Anna, definitely, it would be they have immediate service that they don't have now, in lieu fee program and things like that they could—

Dave M: I understand. And I think the reason I brought it up, Vicki, was just as a possibility should really the board will have to have a good, long, philosophical discussion on whether or not they want to pursue any form of consolidation, both boards. And I certainly can't speak for the other board. As a compromise, my possibility was that's a compromise. This district did not want to, but for ease of consolidation, said that part of it could, then I just want to know if that option was available.

Melissa C: And so the answer is the option is available, and the process has that one extra layer, but it's otherwise very similar. It was just the process that we were discussing.

Dave M: Thank you for looking into that, by the way. I just wanted to know if that was a possibility.

Vicki L: I guess one of the things I'm concerned about is that portion of the Santa Anna Water Shed is what gives us our ability to be part of SAWA. And SAWA has been a very supportive 501 to this district. So they work within the Santa Ana Water Shed. They don't work within the Santa Margarita. And only because we have our own permits here and that we use them as a contract service, they can work in Santa Margarita. So I don't know. I think that would be a loss to this district if we did that.

Melissa C: There would also be some confusion about how the board of directors would be constituted.

Dave M: It would be harder, as you said, because they—you have to define your area. And I don't know that the actual watershed has been defined in a legal sense. There are complications. I just wanted Melissa to see if—

Vicki L: No, it's a question to ask and a discussion to have. But it's interesting. I just wanted to put that in the conversation.

END OF TRANSCRIPT AT THIS POINT

4. ADOPTION OF RESOLUTION TO CHANGE THE NAME OF THE EMARCD TO TEAM RCD TO THE BOARD OF SUPERVISORS- MELISSA CUSHMAN

Counsel Cushman acknowledged that the Board of Supervisors did include on their consent calendar to approve without discussion to approve the name change. A certified copy of the board of supervisor's resolution is being sent to both the EMARCD and the State Board of Equalization. She mentioned that the State does not have the discretion to deny it but she wasn't sure how long it would take for them to recognize the name change. So the name has not officially changed as of this moment. But she will notify us when it does at which point we can change the bank accounts etc.

5. EMARCD WEBSITE UPDATE

In the absence of AD Feeney, Director Corona gave a brief update on the website that it is going well and the Board is almost completely updated with minutes and agendas on the website at this point.

Also, Director Corona noted that the new mailing address is now:

FINANCIALS

EMA/RCD**Reconciliation Report****General Fund xx2226, Period Ending 12/31/2015**

Reconciled on: 02/03/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	32,649.77
Checks and Payments cleared	-1,734.49
Deposits and Other Credits cleared	+7,524.00
Statement Ending Balance	38,439.28
Register Balance as of 12/31/2015	38,439.28
Uncleared transactions after 12/31/2015	31,450.00
Register Balance as of 02/03/2016	69,889.28

Details

Checks and Payments cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
12/01/2015	Check	1119	ISC International-Annual Email	-700.00
12/01/2015	Check	1118	ISC International-Website Hosting	-300.00
12/07/2015	Check	1111	ISC International-Server Setup	-25.00
12/11/2015	Check	1122	Big Horse Feed - Exp. Reimbursement	-582.75
12/14/2015	Check	1123	Rick Neugebauer - Exp. Reimbursement	-115.87
12/16/2015	Check	1121	Glennies Office Supply	-10.87
Total				-1,734.49

Deposits and Other Credits cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
12/02/2015	Deposit		Fairway Estates HOA - Vegetation Management	5,524.00
12/28/2015	Deposit		State of California - Audit / Mr. Yang	2,000.00
Total				7,524.00

Additional Information

Uncleared Deposits and Other Credits after 12/31/2015

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
01/11/2016	Deposit		SAWA - Stipend	3,000.00
01/11/2016	Deposit		RCWD - Water Audit	26,950.00
01/22/2016	Deposit		SAWA - Stipend	1,500.00
Total				31,450.00

EMA/RCD**Reconciliation Report****General Fund xx2226, Period Ending 11/30/2015**

Reconciled on: 02/03/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	31,948.34
Checks and Payments cleared	-4,548.57
Deposits and Other Credits cleared	+5,250.00
Statement Ending Balance	32,649.77
Register Balance as of 11/30/2015	32,649.77
Uncleared transactions after 11/30/2015	37,239.51
Register Balance as of 02/03/2016	69,889.28

Details

Checks and Payments cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
11/12/2015	Expense		Van Lant and Frankhanel	-500.00
11/17/2015	Check	1112	CSDA	-149.00
11/17/2015	Check	1116	Big Horse Feed - Exp. Reimbursement	-675.53
11/17/2015	Check	1117	USPS	-80.00
11/18/2015	Check	1115	Glennies Office Supply	-159.04
11/30/2015	Check	1114	RCRCD	-2,985.00
Total				-4,548.57

Deposits and Other Credits cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
11/03/2015	Deposit		RCWD - Water Audit	3,750.00
11/16/2015	Deposit		SAWA - Stipend	1,500.00
Total				5,250.00

Additional Information

Uncleared Checks and Payments after 11/30/2015

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
12/01/2015	Check	1119	ISC International-Annual Email	-700.00
12/01/2015	Check	1118	ISC International-Website Hosting	-300.00
12/07/2015	Check	1111	ISC International-Server Setup	-25.00
12/11/2015	Check	1122	Big Horse Feed - Exp. Reimbursement	-582.75
12/14/2015	Check	1123	Rick Neugebauer - Exp. Reimbursement	-115.87
12/16/2015	Check	1121	Glennies Office Supply	-10.87
Total				-1,734.49

Uncleared Deposits and Other Credits after 11/30/2015

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
12/02/2015	Deposit		Fairway Estates HOA - Vegetation Management	5,524.00
12/28/2015	Deposit		State of California - Audit / Mr. Yang	2,000.00
01/11/2016	Deposit		SAWA - Stipend	3,000.00
01/11/2016	Deposit		RCWD - Water Audit	26,950.00
01/22/2016	Deposit		SAWA - Stipend	1,500.00
Total				38,974.00

EMA/RCD**Reconciliation Report****General Fund xx2226, Period Ending 10/31/2015**

Reconciled on: 02/03/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	27,877.43
Checks and Payments cleared	-632.39
Deposits and Other Credits cleared	+4,703.30
Statement Ending Balance	31,948.34
Register Balance as of 10/31/2015	31,948.34
Uncleared transactions after 10/31/2015	37,940.94
Register Balance as of 02/03/2016	69,889.28

Details

Checks and Payments cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
10/21/2015	Check	1109	Big Horse Feed - Exp. Reimbursement	-632.39
Total				-632.39

Deposits and Other Credits cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
08/16/2015	Check	1096	Falcon Properties	0.00
10/15/2015	Deposit		Vicki Long Reimbursement	29.00
10/15/2015	Deposit		SAWA - Stipend	1,875.00
10/21/2015	Check		Transfer Interest Income Transfer-Union Bank	2,799.30
Total				4,703.30

Additional Information

Uncleared Checks and Payments after 10/31/2015

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
11/12/2015	Expense		Van Lant and Frankhanel	-500.00
11/17/2015	Check	1112	CSDA	-149.00
11/17/2015	Check	1116	Big Horse Feed - Exp. Reimbursement	-675.53
11/17/2015	Check	1117	USPS	-80.00
11/18/2015	Check	1115	Glennies Office Supply	-159.04
11/30/2015	Check	1114	RCRCD	-2,985.00
12/01/2015	Check	1119	ISC International-Annual Email	-700.00
12/01/2015	Check	1118	ISC International-Website Hosting	-300.00
12/07/2015	Check	1111	ISC International-Server Setup	-25.00
12/11/2015	Check	1122	Big Horse Feed - Exp. Reimbursement	-582.75
12/14/2015	Check	1123	Rick Neugebauer - Exp. Reimbursement	-115.87
12/16/2015	Check	1121	Glennies Office Supply	-10.87
Total				-6,283.06

Uncleared Deposits and Other Credits after 10/31/2015

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
11/03/2015	Deposit		RCWD - Water Audit	3,750.00
11/16/2015	Deposit		SAWA - Stipend	1,500.00
12/02/2015	Deposit		Fairway Estates HOA - Vegetation Management	5,524.00
12/28/2015	Deposit		State of California - Audit / Mr. Yang	2,000.00

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
01/11/2016	Deposit		SAWA - Stipend	3,000.00
01/11/2016	Deposit		RCWD - Water Audit	26,950.00
01/22/2016	Deposit		SAWA - Stipend	1,500.00
Total				44,224.00

EMA/RCD**Reconciliation Report****Union Banc Investment xx8488, Period Ending 12/31/2015**

Reconciled on: 02/03/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	200,714.26
Checks and Payments cleared	-140,022.69
Deposits and Other Credits cleared	+138,826.19
Statement Ending Balance	199,517.76
Register Balance as of 12/31/2015	199,517.76

Details

Checks and Payments cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
07/31/2015	Journal	35	Change in Investment	-138,821.19
07/31/2015	Journal	35	Value Decrease in Investment	-406.12
10/31/2015	Check	36	Change in Investment Value	-173.68
12/11/2015	Deposit		Union Bank Inv Brokerage	-621.70
Total				-140,022.69

Deposits and Other Credits cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
07/31/2015	Journal	35	Interest Income	821.19
10/21/2015	Expense		Union Bank Inv Brokerage	138,005.00
Total				138,826.19

EMA/RCD**Reconciliation Report****Union Bank xx72042, Period Ending 12/31/2015**

Reconciled on: 02/03/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	9,723.58
Checks and Payments cleared	0.00
Deposits and Other Credits cleared	+621.70
Statement Ending Balance	10,345.28
Register Balance as of 12/31/2015	10,345.28

Details

Deposits and Other Credits cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
12/11/2015	Deposit		Union Bank Inv Brokerage	621.70
Total				621.70

EMA/RCD**Reconciliation Report****Mitigation Account xx0102, Period Ending 01/31/2016**

Reconciled on: 02/03/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	98,096.84
Checks and Payments cleared	0.00
Deposits and Other Credits cleared	+2.50
Statement Ending Balance	98,099.34
Register Balance as of 01/31/2016	98,099.34

Details

Deposits and Other Credits cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
01/29/2016	Deposit		Wells Fargo Bank-Interest Income	2.50
Total				2.50

EMA/RCD**Reconciliation Report****Mitigation Account xx0102, Period Ending 12/31/2015**

Reconciled on: 02/03/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	98,094.34
Checks and Payments cleared	0.00
Deposits and Other Credits cleared	+2.50
Statement Ending Balance	98,096.84
Register Balance as of 12/31/2015	98,096.84

Details

Deposits and Other Credits cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
12/02/2015	Deposit		Wells Fargo Bank-Interest Income	2.50
Total				2.50

EMA/RCD**Reconciliation Report****Mitigation Account xx0102, Period Ending 11/30/2015**

Reconciled on: 02/03/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	98,091.92
Checks and Payments cleared	0.00
Deposits and Other Credits cleared	+2.42
Statement Ending Balance	98,094.34
Register Balance as of 11/30/2015	98,094.34
Uncleared transactions after 11/30/2015	2.50
Register Balance as of 02/03/2016	98,096.84

Details

Deposits and Other Credits cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
11/01/2015	Deposit		Wells Fargo Bank-Interest Income	2.42
Total				2.42

Additional Information

Uncleared Deposits and Other Credits after 11/30/2015

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
12/02/2015	Deposit			2.50
Total				2.50

EMA/RCD**Reconciliation Report****Mitigation Account xx0102, Period Ending 10/31/2015**

Reconciled on: 02/03/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	98,089.42
Checks and Payments cleared	0.00
Deposits and Other Credits cleared	+2.50
Statement Ending Balance	98,091.92
Register Balance as of 10/31/2015	98,091.92
Uncleared transactions after 10/31/2015	4.92
Register Balance as of 02/03/2016	98,096.84

Details

Deposits and Other Credits cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
10/30/2015	Deposit		Wells Fargo Bank-Interest Income	2.50
Total				2.50

Additional Information

Uncleared Deposits and Other Credits after 10/31/2015

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
11/01/2015	Deposit			2.42
12/02/2015	Deposit			2.50
Total				4.92

EMA/RCD**Reconciliation Report****Restricted Deposits xx2242, Period Ending 01/31/2016**

Reconciled on: 02/03/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	35,475.97
Checks and Payments cleared	0.00
Deposits and Other Credits cleared	+0.00
Statement Ending Balance	35,475.97
Register Balance as of 01/31/2016	35,475.97

EMA/RCD**Reconciliation Report****Restricted Deposits xx2242, Period Ending 12/31/2015**

Reconciled on: 01/06/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	35,475.97
Checks and Payments cleared	0.00
Deposits and Other Credits cleared	+0.00
Statement Ending Balance	35,475.97
Register Balance as of 12/31/2015	35,475.97

EMA/RCD**Reconciliation Report****Restricted Deposits xx2242, Period Ending 11/30/2015**

Reconciled on: 01/06/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	35,475.97
Checks and Payments cleared	0.00
Deposits and Other Credits cleared	+0.00
Statement Ending Balance	35,475.97
Register Balance as of 11/30/2015	35,475.97

EMA/RCD**Reconciliation Report****Restricted Deposits xx2242, Period Ending 10/31/2015**

Reconciled on: 01/06/2016 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: la.enter@yahoo.com

Summary

Statement Beginning Balance	35,475.97
Checks and Payments cleared	0.00
Deposits and Other Credits cleared	+0.00
Statement Ending Balance	35,475.97
Register Balance as of 10/31/2015	35,475.97

Management Report

EMA/RCD

For the period ended December 31, 2015

Prepared by

Landmark Business Enterprises LLC

Prepared on

February 3, 2016

Table of Contents

Profit and Loss.....3

Balance Sheet.....4

Statement of Cash Flows.....6

Profit and Loss

December 2015

	Total
INCOME	
Interest Income	2.50
Teamrtd Maintenance Repairs	5,524.00
Uncategorized Income	2,000.00
Total Income	7,526.50
GROSS PROFIT	7,526.50
EXPENSES	
Office Supplies	10.87
Operations	
Printing and Copying	115.87
Total Operations	115.87
Transcription Reimbursement	582.75
Website Expenses	1,025.00
Total Expenses	1,734.49
NET OPERATING INCOME	5,792.01
NET INCOME	\$5,792.01

Balance Sheet

As of December 31, 2015

		Total
ASSETS		
Current Assets		
Bank Accounts		
Checking/Savings		
General Fund xx2226		38,439.28
Mitigation Account xx0102		98,096.84
Restricted Deposits xx2242		35,475.97
Union Banc Investment - Mkt Adj		-2.42
Union Banc Investment xx8488		199,691.44
Union Bank xx72042		10,345.28
Total Checking/Savings		382,046.39
Total Bank Accounts		382,046.39
Other current assets		
Due from Other Governments		2,000.00
Total Other current assets		2,000.00
Total Current Assets		384,046.39
TOTAL ASSETS		\$384,046.39
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable		10,310.00
Total Accounts Payable		10,310.00
Other Current Liabilities		
Deposits Payable		35,475.97
Unavailable Revenues - Grants		2,000.00
Total Other Current Liabilities		37,475.97
Total Current Liabilities		47,785.97
Total Liabilities		47,785.97
Equity		
Opening Balance Equity		106,583.03
Retained Earnings		233,249.34
Net Income		-3,571.95
Total Equity		336,260.42

Total

TOTAL LIABILITIES AND EQUITY

\$384,046.39

Statement of Cash Flows

December 2015

	Total
OPERATING ACTIVITIES	
Net Income	5,792.01
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Net cash provided by operating activities	5,792.01
NET CASH INCREASE FOR PERIOD	
	5,792.01
Cash at beginning of period	376,254.38
CASH AT END OF PERIOD	
	\$382,046.39

Management Report

EMA/RCD

For the period ended November 30, 2015

Prepared by

Landmark Business Enterprises LLC

Prepared on

February 3, 2016

For management use only

Table of Contents

Profit and Loss.....	3
Balance Sheet.....	4
Statement of Cash Flows.....	6