

**HESPERIA RECREATION AND PARK DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING**

**January 8, 2014**

**CALL TO ORDER**

The Hesperia Recreation and Park District Board of Directors Regular Meeting was called to order by President Swanson at 7:00 p.m., at Lime Street Park Community Center, located at 16292 Lime Street, Hesperia.

DIRECTOR SWANSON: I'd like to call this meeting to order. Rachel, would you handle the roll call, please?

**ROLL CALL:**

MS. THOMAS: Director Gregg?

DIRECTOR GREGG: Here.

MS. THOMAS: Director Limbaugh?

DIRECTOR LIMBAUGH: Here.

MS. THOMAS: Director Swanson?

DIRECTOR SWANSON: Here.

MS. THOMAS: Director Cowan?

DIRECTOR COWAN: Here.

MS. THOMAS: Director Chandler?

DIRECTOR CHANDLER: Here.

MS. THOMAS: Thank you.

**ATTENDANCE**

**BOARD PRESENT:** Gregg, Limbaugh, Swanson, Cowan, Chandler

**BOARD ABSENT:** None

**STAFF PRESENT:** Woods, R. Thomas,

**APPROVAL OF AGENDA**

DIRECTOR SWANSON: And we have an approval of agenda before us. We need a motion and a second. This is only to approve the agenda that we're dealing with today.

DIRECTOR COWAN: I'll make a motion to approve the agenda.

DIRECTOR LIMBAUGH: Second.

DIRECTOR SWANSON: Okay. All in favor? Do we do a roll-call vote?

DIRECTOR LIMBAUGH: No.

MS. THOMAS: No. You can call it.

DIRECTOR SWANSON: All those in favor say, "aye."

DIRECTOR GREGG: Aye.

DIRECTOR LIMBAUGH: Aye.

DIRECTOR SWANSON: Aye.

DIRECTOR COWAN: Aye.

DIRECTOR CHANDLER: Aye.

DIRECTOR SWANSON: And Mr. Chandler, would you lead us in the flag salute?

MR. WOODS: Excuse me. Were there any opposed or abstains? And Rachel needs to read back. This a little procedural thing that we have --

DIRECTOR SWANSON: Okay.

MS. THOMAS: The motion was to approve the agenda by Director Cowan, second by Director Limbaugh. Directors Gregg, Limbaugh, Swanson, Cowan, and Chandler all voted "aye."

## **FLAG SALUTE**

DIRECTOR SWANSON: Thank you. Please stand for the flag salute.

DIRECTOR CHANDLER: Ready? Begin.

Director Chandler led the Pledge of Allegiance

## **PROCLAMATIONS AND PRESENTATIONS**

DIRECTOR SWANSON: Thank you. You may be seated. Well, now we have Proclamations and Presentations. Mr. Woods?

MR. WOODS: And to handle our Proclamations and Presentations, we have recreation supervisor Steve Hamm here tonight, and I'd like to invite Steve up. The Board doesn't need to come up. He'll call you up at the end.

DIRECTOR SWANSON: Good evening, Mr. Hamm.

MR. HAMM: Good evening, and Happy New Year. I'm kind of standing in for Don Webb. He's the lead supervisor for the Christmas Tree Lighting, but his mom's in the hospital. So please keep his mom and Don and his family in your prayers. So it doesn't look like too many people showed up for the high schools that played at the tree lighting, so I'm just going to go over that real quick. On December 5th, 2013, the Christmas Tree Lighting Ceremony, once again demonstrated that when different parts of the community come together, great things happen. This year we had several local schools who entertained us that evening, and we would like to recognize them for their participation. We started the night with some songs brought to us by Hesperia Christian School directed by Laura Caylor; by far, the youngest of the performers that night being made up 7th and 8th graders from their junior high school. Next we were entertained by the Hesperia High School Choir directed Amanda Graley. And I believe that was about her fourth year with us. Something a little different this year was presented by the Oak Hills High School Glee Club directed by Melody Velasco, a delightful performance that included both song and dance. Following the Glee Club, we had, for the first time, Hesperia High School's entire band led by Sean Portanova. Following their tunes, we were then treated to a performance that joined the entire band with the choir for a couple of stand-out songs, which was, "O Christmas Tree," and "Here Comes Santa Claus." I thought that was an excellent touch myself. Finally, we want to thank Sultana High School ROTC Unit for their presentation of the colors, and this unit under leadership of Master Sgt. Dave Thomas, and led that evening by 1st Lt. James Sweeney. So if Lt. Sweeney can come up. And if you guys can join us and say thank you to them.

(The Board came up and shook hands with 1st Lt. Sweeney.)

MR. HAMM: So thank you very much. And let's go ahead -- do we want one with him or everybody up there right now?

UNIDENTIFIED FEMALE SPEAKER: Let's do everybody.

MR. WOODS: The more, the merrier.

MR. HAMM: So we have -- Katherine Warren. And I'll give you the certificate for picture Gary Ross, Sara Luisi (phonetic), Jason Houston -- James is already up there -- Tara McLaughlin (phonetic), and Amanda Carveau (phonetic). Oh, I said it right. (Pictures were taken.)

DIRECTOR SWANSON: Thank you for coming to let us show you our appreciation.

MR. HAMM: So they were also at Veterans Day. So I'd also like to recognize them for participating in the November Veterans Day ceremony at Hesperia Lake. They were not present last month to receive their certificate. We kind of -- Don and I were planning on combining it. They have been with us now for a number of years as a color guard, and also performing the flag-folding ceremony -- portion of the ceremony. So I gave him a certificate for the group. And we also made personal certificates for everybody. So if we can get -- I guess that should be good. I should have given -- thank you.

MR. HAMM: Thank you.

DIRECTOR SWANSON: Well, we do have one more presentation though. And the presentation goes to one of our own who has done a wonderful job serving us as president for the last year. And you get a card that's personally addressed to you.

DIRECTOR LIMBAUGH: Thank you.

DIRECTOR SWANSON: Thank you, Mr. Limbaugh. You did a wonderful job. And you're going to help me do a wonderful job.

(Applause.)

UNIDENTIFIED MALE SPEAKER: No speech?

DIRECTOR LIMBAUGH: Well, between the volunteers and the people that work at the Park District and the people who live in Hesperia, what a wonderful place to live. Thanks. It's pleasure to serve.

DIRECTOR SWANSON: Thank you. We're going to take a brief recess to let everyone have a break and let us get used to our new format. It's a little different for us. But we'll let you have a break. Thank you so much for coming and letting us show our appreciation to you.

DIRECTOR LIMBAUGH: Thanks for coming out.

Meeting Recessed at 7:08 p.m.

Meeting Reconvened at 7:10 p.m.

## **MESSAGE TO THE PUBLIC/PUBLIC COMMENT**

DIRECTOR SWANSON: Okay. This is where we have public participation after we've gotten rid of most of the public. And welcome to the Board of Directors meeting. It seems odd to say, "Welcome to this Board of Directors meeting," by waiting this late in the program. Perhaps we could say that -- I should say that at the beginning. The Board encourages public participation. If you desire to address the Board on any District-related matter or item on the agenda, you are asked to fill out one of the yellow speaker forms in the back of the meeting room and turn it in to the general manager, Mr. Woods. When called upon, please come forward and state your name before addressing the Board. Please limit your comments to five minutes per speaker. Please note that if you are addressing the Board on items not on the

agenda, the Brown Act does not allow discussion of such items. Therefore, the Board may do only the following: refer the matter to staff, ask for additional information, or request a report back, or give a very limited factual response. Do we have any cards this evening?

MR. WOODS: I do not have any cards.

## COMMUNICATIONS

### WRITTEN COMMUNICATIONS IN BOARD PACKET

1. Association of the San Bernardino County Special Districts Membership Meeting notice for January 27, 2014.
2. Newspaper article, December 6, 2013, Daily Press, "Trees All Aglow".
3. Newspaper article, December 6, 2013, Western Outdoor News, "Prairie thugs stealing line from small Hesperia anglers".
4. Newspaper article, December 10, 2013, "Hesperia Star, "Lights, caroling and Santa Claus - Christmastime is here".
5. Newspaper article, December 20, 2013, Western Outdoor News, "Hesperia has the wide-open bite".
6. Newspaper article, December, 2013, High Desert Community News, "Veterans Day Ceremonies Held in Victorville and Hesperia".
7. Newspaper article, December 27, 2013, Western Outdoor News, "Hesperia Tailwalkers to 10.2 pounds pre-holiday presents".

### CONSENT ITEMS

DIRECTOR SWANSON: Now we move on to the Consent Items. The following items are expected to be routine and non-controversial, and will be acted upon by the Board at one time without discussion, unless the Board member requests that an item be held for discussion under Discussion Items. What is the pleasure of the Board?

DIRECTOR LIMBAUGH: So move that we pass the Consent Items A, B, C, and D.

DIRECTOR SWANSON: Thank you.

DIRECTOR CHANDLER: Second.

DIRECTOR LIMBAUGH: I just have one question on one. It's the developers' fees, the -- a reimbursement. What is that for? It says, "Developers' Fees Reimbursement." Have we paid it, or did we develop --

DIRECTOR COWAN: Didn't you say you wanted to vote on it? Don't you have to pull that item to discuss it?

DIRECTOR LIMBAUGH: I don't -- do we need to pull it?

DIRECTOR COWAN: Even though you said --

DIRECTOR LIMBAUGH: I'm not going to pull it. I just asked what it is.

DIRECTOR COWAN: Okay.

DIRECTOR LIMBAUGH: I mean, my question -- I mean, I don't think I want to vote yes on that piece of it, but I don't -- do you know what that is?

DIRECTOR GREGG: Are you going to pull the item?

DIRECTOR LIMBAUGH: No.

DIRECTOR GREGG: He's asking if you're going to pull the item otherwise, there's a motion --  
 MS. THOMAS: If you look in your envelope, the two of you that have --  
 DIRECTOR LIMBAUGH: Right. I saw it there.  
 MS. THOMAS: It's Payment Voucher 50250.  
 DIRECTOR LIMBAUGH: Right here. It says for Donovan Development.  
 MS. THOMAS: Yes, Donovan Development.  
 DIRECTOR GREGG: All right. Are --  
 DIRECTOR LIMBAUGH: I just asked --  
 (Several people talking at once.)  
 DIRECTOR GREGG: The agenda -- the Consent Items state that there's -- we're going to act on -- the Board as one without discussion unless a Board member wishes to pull it. So, Mr. Limbaugh, are you pulling --  
 DIRECTOR LIMBAUGH: No, I just wanted --  
 DIRECTOR SWANSON: We're waiting for a second.  
 DIRECTOR GREGG: It was seconded by Mr. Chandler, so --  
 DIRECTOR SWANSON: Thank you. We have a motion to second. Is this a roll-call vote?  
 DIRECTOR LIMBAUGH: No.  
 DIRECTOR SWANSON: All in favor of accepting the consent agenda, please say, "aye."  
 DIRECTOR GREGG: Aye.  
 DIRECTOR LIMBAUGH: Aye.  
 DIRECTOR SWANSON: Aye.  
 DIRECTOR CHANDLER: Aye.  
 DIRECTOR COWAN: No.  
 DIRECTOR SWANSON: Abstentions? Rachel, would you call out the vote?  
 MS. THOMAS: Excuse me. The motion to approve the Consent Items was done by Director Limbaugh; the second was done by Director Chandler. The vote was Director Cowan, no; the "ayes" were Director Gregg, Director Limbaugh, Director Swanson, and Director Chandler.

- A. Approved Minutes for the Board Meeting, December 11, 2013.
- B. Approved Claims for Payment
- C. Accepted written staff reports.
- D. Authorization to advertise for bids: None

**ACTION/MOTION:** It was moved by Director Limbaugh, seconded by Director Chandler and carried 4 Ayes to 1 Noe to approve Consent Items A through D by the following vote:

**Ayes:** Gregg, Limbaugh, Swanson, Chandler  
**Noes:** Cowan  
**Absent:** None  
**Abstain:** None

**PULLED CONSENT ITEMS**

None

## DISCUSSION/ACTION ITEMS

### E. Approval of Hesperia Recreation and Park District Auditor's Report Fiscal Year ended June 30, 2013.

DIRECTOR SWANSON: The next item is Discussion/ Action Items. We're at letter E. The information's behind that tab in your books. We have first the approval of Hesperia Recreation and Park District Auditor's Report Fiscal Year Ended June 30th, 2013. And we have visitors.

MR. WOODS: And tonight we have Eden and Hong with Eadie & Payne.

DIRECTOR SWANSON: Welcome.

MR. WOODS: And they're here to present the audit to you and answer any questions that you may have that are related to the audit.

MS. CASARENO: I just have a few minutes of your time. Good evening and Happy New Year to all of you. I hope you had a good holidays, as I did, even though I got sick on New Year's Day. But I'm back and up and about. So, anyway, the -- you have copies of the final reports that we released in December -- on December 16, I believe is the date that we have on there. The draft of this report was discussed with the audit committee back in November 8, with Director Gregg and Director Limbaugh in attendance. The reason why we had a delay in the issuance of the report between November 8 and December 16, was that there was an issue with a County treasury pool. They had an error, and they pulled off all of the information that they provided to us. And we had to redo some of the areas of the audit, which involved the cash that you had with the County Treasury. And I can talk about that later if you have any questions about that. On the report there, you will see the Independent Auditor's Report, which is a different format now. If you -- if you -- you know, probably notice that there has been added some subheadings. The reason why we have had subheadings now is in order for the users or the readers of the report to see exactly and obviously where the opinion is, and the management's responsibility for the financial statements, auditor's responsibility for the financial statements. The second portion of that report is Management's Discussion Analysis, and I would like you to review that very carefully later on. You know, take your time to read that because this is management's report of the entire year, and it compares the numbers between prior year and 2013. The statements follow after that, financial statements between page 13 -- pages 13 and 18. I'm not going to go through all of that because I'm sure you've already looked at it. And if you have any specific questions, we can go over that. And those are -- the financial statements are very important because those will explain a lot of what's in the numbers. Like, say, for instance, you wanted to know what is in cash. How is that -- you know, where -- where do we have our cash? So go to your notes, Note 2, Cash Investments; it explains all the detail. There's supplemental information after the notes to financial statements, including the budget-to-actual comparison in the General Fund. And those -- those statements are very important to -- for you to compare your budget with the actual experience of the organization. And then details on the Special Revenue Funds, which some of them are pretty small. But they're still required disclosures information.

THE REPORTER: I'm sorry. Still required what?

MS. CASARENO: Disclosures. After the audit report, we have also a couple letters --

MS. THOMAS: Which are in your tab.

MS. CASARENO: Two letters -- is that two?

MS. THOMAS: Yes.

MS. CASARENO: Okay. The first one is the -- what we call a communication to the people -- the Board that's governing the organization, and this communication identifies the audit findings -- pretty much just a -- boilerplate disclosures, unless there is a negative finding or a deficiency. Then we'll put it in bold. I highlight things. But definitely what you have on here is very normal routine template reports. The next one is a letter that -- that shows our report on internal control and compliance. As you can see here, the only thing that we have comment about is on -- listed as 2013-01 in the next Schedule of Findings. Like I said, we will, you know, identify that and -- in the letter. And this is a significant deficiency regarding financial statement preparation, and that's Schedule of Findings No. 2013-01. And we're working on -- we have management to correct and make sure that next year we won't have this deficiency anymore. The status of prior year planning, you will just see we listed them all in here. I think we have four, five items in 2012 and another five items in 2011. We listed them in here, but all of them, the status -- the findings have been resolved. So we are required to let you know the status of those findings. So anytime there's still issues, they will continue on to be -- to be disclosed except when it's already resolved. Then next year, you won't see this anymore. So that concludes my presentation. If you have any questions, I would gladly be of help.

DIRECTOR COWAN: On page 10 --

MS. CASARENO: Page 10?

DIRECTOR COWAN: -- of the actual audit?

MS. CASARENO: Of the actual report.

DIRECTOR COWAN: Okay. When it says, "General Government," is that just payroll and other general fees as far as expenses?

MS. CASARENO: Oh, okay.

DIRECTOR COWAN: Does it give a breakdown somewhere else? I was looking through it earlier and didn't see it.

MS. CASARENO: Let me show you. As far as General Government is concerned, the expenditures for governmental financial statements are required to be functional in category. So it includes salaries and benefits. It includes services and supplies. It includes depreciation, for instance, but only those that are in the General Government category. So there could be salaries that are Community and Economic Development. So it's the purpose of that function that is categorized as General Government.

DIRECTOR COWAN: Okay. And then is it normal the 93 percent goes to the General Government when you -- let's say in past history when you've audited other districts?

MS. CASARENO: For park and rec, yes.

DIRECTOR COWAN: Okay.

MS. CASARENO: It is normal that most of the expenditures would be General Government.

DIRECTOR COWAN: And then it doesn't break down in their salary, right? Is there a breakdown in here for salary or percentage?

MS. CASARENO: There is a breakdown on page 17.

DIRECTOR COWAN: Okay.

MS. CASARENO: On page 17 will show you the expenditures. The current expenditures are Salaries and Benefits, Services and Supplies, Admin Costs, Community Development, Culture

and Recreation. Now, this -- this presentation in the Governmental Fund is different from what's in the government-wide financial statements. And I'll explain that a little bit further. You have two sets of financial statements. Those are on page 13 and 14. That's one set. It's the Statement of Net Position and the Statement of Activities. It's like a balance sheet and an income statement that is reported based on accrual accounting for accrual, just like if you were a private company. Now, there's also balance sheet, governmental funds and Statement of Revenues, Expenditures, and Changes in Fund Balance -- (Inaudible) Funds -- sorry, it's very long -- but same way. It's a balance sheet and income statement, but this is reported without depreciation; for instance, without capital assets. Your buildings are not on there. Without long-term debt that you have acquired, for instance. So it's not included on there. It's not the same as the Statement of Activities, which is why there is a reconciliation between them. You'll see them on page 16 and 18. So when we look at page 17, which has the current expenditures, you'll see there's no depreciation on there. So the expenses are -- reported on the Statement of Activities are a little bit higher than the expenditures that are reported in the Governmental Funds.

DIRECTOR COWAN: Okay. I just have two other questions. For Administrative Costs, is that just purchasing items, or is that actually paying fees for the administration process, whether it's payroll, if it's paying for checks or something, stamps? What actually goes into --

MS. CASARENO: Administrative costs in the Foundation, there's 180,000 on there.

DIRECTOR COWAN: Uh-huh.

MS. CASARENO: Maybe I'm going to ask Hong to help me out with this --

DIRECTOR COWAN: It's put under Foundation. It's not coming out of the General Fund?

MS. CASARENO: Yeah. It's more likely supplies, right?

MS. NUYGEN: Administration -- it's not under Transfers?

MS. CASARENO: No, it's Administration Costs.

MS. NUYGEN: It wouldn't be supplies.

MS. CASARENO: I would -- I would --

DIRECTOR GREGG: So we have -- I'm sorry. But we have 490,000 already designated to supplies for the Foundation. And in -- in Services and Supplies on the line above it. So that \$180,000 --

DIRECTOR COWAN: So the administrative costs could be --

MS. NUYGEN: I think Shiella can get you pretty good detail --

MS. CASARENO: Yeah.

MS. NUYGEN: -- from QuickBooks, if you were to need detail.

DIRECTOR COWAN: Okay.

MS. NUYGEN: Off the top of my head, I can't --

MS. CASARENO: Yeah, because we did the audit back in October. So I'm kind of --

DIRECTOR COWAN: Okay. So where it does say Salaries and Benefits at 3,300,000, it still shows that we're doing around 45 percent, a little bit higher, around there. Forty-five percent of our expenditures for our district goes to salaries and benefits?

MS. CASARENO: That's right.

DIRECTOR COWAN: Okay. That's --

MS. NUYGEN: And none of those salaries are included in the Foundation.

DIRECTOR COWAN: I know. I can look at it. It shows zero there. And it shows zero Special Revenues --

MS. CASARENO: Yeah, it's general funding.

DIRECTOR COWAN: Yeah. And the Assessment District 1.

MS. CASARENO: Any other questions?

DIRECTOR COWAN: No, ma'am, not for me.

DIRECTOR GREGG: So in the Audit Committee, you said that soon that we would have to show some future losses on paper?

MS. CASARENO: Yes, we did discuss during the Audit Committee meeting the upcoming or forthcoming GASB pronouncements. In particular, those are related to the pension benefits --

DIRECTOR GREGG: -- stuff.

MS. CASARENO: More fun stuff that -- in the next couple years -- I think it's 2015 is when all governments are required to include in -- as a liability all the unfunded liabilities related with the pension. So at that point in time -- well, actually, they're already starting to calculate that. SBCERA -- which is your pension plan -- is already making progress in getting all the information to you. And I'm pretty sure they will be able to provide that early on during the year 2015.

DIRECTOR GREGG: And just with the numbers, you've gone through in the audit -- you guys did a great job. We really appreciate the due diligence that you did in the audit. Just looking at these numbers, do you think -- because, again, there was some discussion that the Audit Committee -- that if we continued the way we're going now, that we're going to be worse off possibly at next audit with some numbers that Mr. Limbaugh had brought forward. If we don't do some concessions now, if we don't be proactive, then soon we'll have to be reactive, and that may be --

MS. CASARENO: Well, if you look at your financial highlights here, in page 7, I think management has done a good job already of pointing out the total net position on page 7. And this is assets minus liabilities. Your total net position dropped by \$887,000, from \$15 million to \$14 million. So there is a -- that means that your -- what you're earning in revenues versus what you're spending in expenses is lopsided.

DIRECTOR GREGG: So --

MS. CASARENO: And that is probably -- and like I said, you know, in the Audit Committee, that's probably a sign of the times, but it can't continue to go that way forever because at the end, you know, where is that going to come from?

DIRECTOR GREGG: So, in your opinion, as a professional auditor, you're saying that at this point in time with the numbers that you're giving us, that we're lopsided in our spending, that we're spending more than we're receiving?

MS. CASARENO: Yes. Well, management has said that in their report, so yes.

DIRECTOR GREGG: Okay. Is there anything back from management -- is there anything back from management that they've indicated that they're going to try to cure to take care of some of the lopsidedness of the budget or -- I'm sorry -- the audit?

MS. CASARENO: Well, there's -- there's discussions as far as, you know, cutting costs and all of that, but that's not really something that was part of our -- our scope of our audit, to look at corrective action to improve bottom line. I mean, that's not really the purpose of the audit.

Purpose of the audit is to --

DIRECTOR SWANSON: So you didn't cover that, and that's not your purview in any case?

MS. CASARENO: Yes.

DIRECTOR SWANSON: Okay. Thank you.

DIRECTOR COWAN: Can I ask a question, please? During -- in the future -- if you know the answer -- I'm not sure if you're going to be able to answer this or not -- when you are going to have to show the unfunded liabilities that -- the pensions and other issues, how is that actually going to show up in here? Is it going to be a yearly unfunded liability? Is it going to be a lifetime, depending --

MS. CASARENO: Well, it will be in the Statement of Net Position.

DIRECTOR COWAN: Okay.

MS. CASARENO: On same page 13. It will be a non-current liability -- additional non-current liability on there that will hopefully decrease as the years go by, as you fund the pension, or as you make changes to your pension plan. That will be the -- yes.

DIRECTOR COWAN: It's not going to say all of a sudden that we have 15 million in unfunded liability and -- now, at the end of the audit, and say we're negative? We're not going to have to show the lifetime of the unfunded --

MS. CASARENO: You know what? That is a concern that everybody has right now.

DIRECTOR COWAN: Okay. I was reading about something, and I was wondering if you knew it.

MS. CASARENO: And there is no quick answer right now.

DIRECTOR COWAN: Okay. That's fine. Thank you.

DIRECTOR SWANSON: Thank you. Thank you for your help in helping us understand that. I'm looking for a motion and a second to approve the --

DIRECTOR GREGG: I have one last question, ma'am. And it's still in the discussion stage, unless you're trying to silence my ability to gain information for the general public. Ms. Payne (sic), on the -- well, I guess I better wait. Can I speak, Madam President, or not?

DIRECTOR SWANSON: Do you have a question that pertains to the --

DIRECTOR GREGG: The audit, yes. Absolutely. I'm looking at the audit.

DIRECTOR SWANSON: -- in front of you that's not speculative? She can only speak to what she's actually --

DIRECTOR GREGG: Well, she's the auditor, correct, Madam President? So I guess she could answer the questions, right? So one last question.

MS. CASARENO: Yes.

DIRECTOR GREGG: Is the current After School Activities Program funding built into this audit? Because on page 9, the revenues show a decrease of approximately \$753,000 from the prior year, and that program has been put into this year. Or is it part of this audit? Or is it not?

MS. CASARENO: I don't think it's part of the audit. I mean, it's not part of 2013 anymore because that program, I believe, has been discontinued.

DIRECTOR LIMBAUGH: So what we did this year --

DIRECTOR GREGG: And we're -- I'm sorry, Mike. I didn't -- I'm asking the auditor. So were any of those numbers projected into this audit?

MS. CASARENO: No.

DIRECTOR LIMBAUGH: No.

DIRECTOR GREGG: Okay. Thank you.

DIRECTOR SWANSON: Do I have a motion?

DIRECTOR COWAN: I make a motion that we accept the Hesperia Recreation and Park District Annual Financial Report for the Year Ended June 30, 2013.

DIRECTOR LIMBAUGH: I'll second. I do have one question. Being that we've not met the significant requirement for three years, do you think that -- that's the financial statement preparation. It's for '11, '12, and '13. So we've not met that. Do you think we have the capability this coming year before June, to put something together that at least heads us in the right direction for that accountability, that we're in compliance with it?

MS. CASARENO: I don't get it.

DIRECTOR LIMBAUGH: In other words, this significant deficiency we've had for three years -- it's in 2011, 2012, 2013, and it talks about a preparation of financial statement.

MS. CASARENO: Yes.

DIRECTOR LIMBAUGH: I understand that we get financial documents from our staff now to give us enough information to govern, but it's not in accordance with acceptable standards and practices. Do we have the ability to do that, or at least head that way so we are in compliance with that in the next year?

MS. CASARENO: I believe so. I believe so.

DIRECTOR LIMBAUGH: I guess I'm asking you, Rachel, can we get that accomplished in some format or some sense of order so that does happen, so we're not deficient in that anymore?

MS. THOMAS: Well, what you need to understand is the audit is the money that came in in 2013, and the expenditures that went out in 2013. It does not encompass the contingencies or the cash carry-overs. So when it says that we are deficient 887 for year 2013, it is because we have money that we have saved and carried over to fund or build the projects. So it's not like we're losing money. It's just we're not bringing in the revenue right now because no developer fees are coming in, or whatever they are, where they were earlier. So we're not in as much trouble as it looks here because this is just --

DIRECTOR LIMBAUGH: No, I understand that. It's more of a compliance with how the --

MS. THOMAS: Right.

DIRECTOR LIMBAUGH: -- powers that be want to see the numbers as opposed to how we use them --

MS. THOMAS: Correct.

DIRECTOR LIMBAUGH: -- as a district.

MS. THOMAS: So we are -- but we are watching that. Shiella is looking into everything.

DIRECTOR LIMBAUGH: So instead of giving it to them this way, is it possible by the next time they do the audit that we're going to give it to them more towards the way that we don't end up being deficient with our financial statement? This report always says we're deficient with our financial statement. It's said it for three years. So how do we get rid of this deficiency?

MS. THOMAS: You're talking about the material weakness? We've been working on that since Shiella came, so every year we're getting better as far as doing --

DIRECTOR LIMBAUGH: Most of the material weaknesses are finished. This is the only one that's outstanding.

MS. THOMAS: Correct.

DIRECTOR LIMBAUGH: And it pretty much says, "Does not prepare its own financial statement."

MS. THOMAS: Right. And Shiella has been working with them on that.

DIRECTOR LIMBAUGH: Okay. We're headed in that direction.

MS. THOMAS: We are headed -- actually, I believe Shiella said that -- the gentleman that was here with you this time for the audit -- I can't remember his name --

MS. NUYGEN: Josh?

MS. THOMAS: -- Josh -- said that what she had provided was more than a lot of agencies provide to them for the audit -- during the audit. So what we're doing is we're working to get ahead of what other agencies -- because a lot of other agencies are in the same boat as we are as far as preparing those financial statements.

MS. CASARENO: Uh-huh.

DIRECTOR LIMBAUGH: Okay.

MS. THOMAS: But we are working on it. Shiella is doing a fabulous job.

DIRECTOR LIMBAUGH: And I would hope that -- Director Gregg touched on it a little bit, because the audit report should give us a clue as to -- you know, we don't really have a lot of big swings of cash in this district, okay?

MS. THOMAS: Right.

DIRECTOR LIMBAUGH: But it should give us a clue as to -- to sustainability of programs and things that we get involved with in our community. And it is true we can't lose several hundred thousand dollars for a long period of time.

MS. THOMAS: Correct.

DIRECTOR LIMBAUGH: So I would hope that most of the comments gleaned from the auditors from staff would have been, yes, we understand that we lost -- took a big hit when the after-school program folded up, but we got back into that and it seems to be running pretty smooth. So we're not going to take a big hit on that again, that we think. Or other things that we do that we put money into that we don't get any return. It's more of a, you know, let's see what's going on. And I think -- I hate to mention it, but I'll be the first -- the golf course is one of those. And I think we're working at trying to stop the bleeding with that -- with that effort that we put forward. So -- but other than that, yes, the audit looks good. And if we can get rid of this one deficiency, we should have a clean record next year. And one last thing was about the golf course and the lake. We all have had over the years concerns about the cash that takes place out there and the transactions, and I think we've asked for a couple of years in Audit Committee about how are we taking care of that better. Because it seems to be a sore point, at least with you guys, when you get down there and say, well, where's the records? You know, we've got the inventory. Where's the records? We talked about that at committee meeting, maybe getting them to come up with a system outside of the audit, under another scope of work to help us with taking care of the cash exchanges that take place at those two elements of the park.

MS. CASARENO: We're working --

MR. WOODS: I believe Eden has prepared something, but we need to initiate -- we need to initiate the services and get past the audit.

DIRECTOR LIMBAUGH: Okay.

MS. CASARENO: Yes, that's our plan.

DIRECTOR LIMBAUGH: That's all I had. Thank you.

DIRECTOR SWANSON: I have a motion and --

MS. THOMAS: I have a first and a second.

DIRECTOR SWANSON: Okay. All in favor, say, "aye."

DIRECTOR GREGG: Aye.

DIRECTOR LIMBAUGH: Aye.

DIRECTOR SWANSON: Aye.

DIRECTOR COWAN: Aye.

DIRECTOR CHANDLER: Aye.

DIRECTOR SWANSON: Any other votes? Opposed? And abstentions? Rachel, would you call the vote?

MS. THOMAS: The motion was to approve the Hesperia Recreation and Park District Auditor's Report Fiscal Year Ended June 30, 2013, by Director Cowan; second by Director Limbaugh. The ayes were Director Gregg, Director Limbaugh, Director Swanson, Director Cowan, and Director Chandler.

DIRECTOR SWANSON: Thank you.

MS. CASARENO: Thank you for having me and listening to my, you know, little piece here. And if you don't mind, we will take off.

DIRECTOR LIMBAUGH: Okay. Have a safe drive home.

DIRECTOR SWANSON: Drive carefully. Thank you.

DIRECTOR LIMBAUGH: Should we get someone to walk them out to the parking lot?

MS. THOMAS: I'll get --

MS. CASARENO: Oh, you don't have to. There's two of us. We can handle them.

MS. NUYGEN: Good night.

**ACTION/MOTION:** It was moved by Director Cowan, seconded by Director Limbaugh and carried unanimously to approve the Hesperia Recreation and Park District Auditor's Report Fiscal Year Ended June 30, 2013 by the following vote:

**Ayes:** Gregg, Limbaugh, Swanson, Cowan, Chandler

**Noes:** None

**Absent:** None

**Abstain:** None

#### **F. Appointment of HARD Foundation Board.**

DIRECTOR SWANSON: Behind tab F, there is a series of letters from very good friends of ours on the Foundation Board who have all accepted their reappointment to the Board. And this evening, we are -- we have before us the appointment that we are going to vote for. And I would require a motion and a second to move on.

DIRECTOR COWAN: I would like to make a motion that we approve the appointment of the HARD Foundation Board.

DIRECTOR GREGG: Second.

DIRECTOR SWANSON: Thank you. And all in favor, say, "aye."

DIRECTOR GREGG: Aye.

DIRECTOR LIMBAUGH: Aye.

DIRECTOR SWANSON: Aye.

DIRECTOR COWAN: Aye.

DIRECTOR CHANDLER: Aye.

DIRECTOR SWANSON: All opposed? Rachel, if you would do roll call, please?

MS. THOMAS: The motion by Director Cowan was to approve the appointment of the HARD Foundation Board. It was seconded by Director Gregg. The "ayes" were Director Gregg, Director Limbaugh, Director Swanson, Director Cowan, and Director Chandler.

DIRECTOR LIMBAUGH: Thank you again for all your efforts.

MS. HELSLEY: Thank you. My pleasure.

DIRECTOR LIMBAUGH: And it's really appreciated. Good to see you here when you can make it, and at all the activities.

MS. HELSLEY: Yes.

ACTION/MOTION: It was moved by Director Cowan, seconded by director Gregg and carried unanimously to approve the appointment of the HARD Foundation Board by the following vote:

**Ayes:** Gregg, Limbaugh, Swanson, Cowan, Chandler

**Noes:** None

**Absent:** None

**Abstain:** None

**G. Update Committee Policy - Policy Manual - Page 10, PART II, OPERATING POLICY, SECTION 1 - THE BOARD OF DIRECTORS - E Committees - 1 Standing Committees (b) to add "or their designee".**

DIRECTOR SWANSON: Our next item is Item G, "Update Committee Policy in the Policy Manual," page 10. And we added, "or their designee," to page 10 of the Policy Manual. I need a second -- I need a motion and a second.

DIRECTOR COWAN: I would like to discuss it when we do the motion.

DIRECTOR LIMBAUGH: I'll make a motion that we adopt the policies -- to add the "or designee."

DIRECTOR COWAN: I'd like to second it and discuss it. If we're just now adding this at this point in time, "or their designee," why is it in the past that we have allowed it to happen repeatedly and in violation of our policy?

MR. WOODS: It's a good question.

DIRECTOR COWAN: I brought it up with the general manager in the past on why he was or was not at a meeting, and that's why I brought it up in the past was due to this in the Policy Manual. I'm glad that we're going change it now so that the general manager can pick a designee to show up instead, but it's just that I brought up in the past --

DIRECTOR LIMBAUGH: You know what? It's a good point, but in the manual does it also say under your duties that you can designate somebody to be the general manager in your absence? What happens when you're gone? Who's in charge?

DIRECTOR COWAN: But that is not what he's saying. He's not saying they could be the general manager --

DIRECTOR LIMBAUGH: I know, but if it says it elsewhere in this policy that the general manager can designate somebody to be him, then you wouldn't have to rewrite it here.

DIRECTOR COWAN: I do not think that was his intent. He can speak to that. I don't think that was any of his intent during the time that we allowed --

DIRECTOR LIMBAUGH: Well, you asked why it wasn't here and he sent somebody to the meeting. You asked that question.

DIRECTOR COWAN: Yes.

DIRECTOR LIMBAUGH: If it's in the policy someplace else where a general manager of the District can designate a person of the District to fill in for him that would meet this need.

DIRECTOR COWAN: I do not believe that that is what he has done in the past. We can ask the general manager if that's what he did in the past.

DIRECTOR SWANSON: Call for the question?

DIRECTOR COWAN: Why do you keep doing that when we're asking questions of the general manager? You're trying --

DIRECTOR GREGG: Why are you trying to cut off the directors, Madam President? I don't understand this. Is this not an informative board? That's my question.

DIRECTOR COWAN: -- to have somebody be a general manager in his place.

DIRECTOR GREGG: I have a question after Mr. Cowan.

DIRECTOR COWAN: No. That's all I need. We can vote on it. That's fine.

DIRECTOR GREGG: So -- so -- are we still on discussion, Madam President?

DIRECTOR SWANSON: (Inaudible.)

DIRECTOR GREGG: That's great. Thanks. So I think this is a great -- great addition. So this will avoid having two of our staff members out on taxpayers' dollars attending meetings like we have in the past. And so this will prevent that because it doesn't say, "and," correct? The designee and the general manager. So we'll have one or the other attending these meetings, correct?

MR. WOODS: Not necessarily.

DIRECTOR GREGG: Not necessarily?

MR. WOODS: It doesn't address that. It's addressing if I can't attend that I can send someone.

DIRECTOR GREGG: Oh.

MR. WOODS: If I need to have a staff member attend for some reason, then that would be within reason for me to request a staff member attend with me.

DIRECTOR GREGG: I'm just kind of curious, is that -- is that it's past practice in this District since I've been on the Board, is that two -- two of the top members of the staff have always attended the meetings. And I'm just curious if this is going to curtail --

MR. WOODS: I don't know what meetings you are referring to.

DIRECTOR GREGG: The Tri-Agency and the like.

MR. WOODS: And we alternate through the -- directing the Tri-Agency meeting. So sometimes Rachel was there as the secretary or the scribe for the district -- each agency, whoever the lead agency is, has as manager, as well as a secretarial person there to take the notes, process the minutes, and process the agendas.

DIRECTOR GREGG: Thank you, Mr. Woods.

DIRECTOR SWANSON: I have a motion and a second. Is there any more discussion? All in favor of accepting this policy change?

DIRECTOR LIMBAUGH: Aye.

DIRECTOR SWANSON: Aye.

DIRECTOR CHANDLER: Aye.

DIRECTOR GREGG: No.

DIRECTOR COWAN: No.

DIRECTOR SWANSON: And abstentions? Rachel, will you do the roll call, please?

MS. THOMAS: The motion was to adopt the change to the policy to add "or their designee," by Director Limbaugh; second was by Director Cowan. The "ayes" were Director Limbaugh, Director Swanson, and Director Chandler. The "noes" were Director Cowan and Director Gregg.

ACTION/MOTION: It was moved by Director Limbaugh, seconded by Director Cowan and carried by the following 3 Ayes, 2 Noes vote:

**Ayes:** Limbaugh, Swanson, Chandler

**Noes:** Gregg, Cowan

**Absent:** None

**Abstain:** None

#### **H. President's Appointment to Board Standing Committees.**

DIRECTOR SWANSON: Letter H, the -- if anyone would like to decline their appointment that's suggested in -- that's written in that report, let me know. I took kind of an approach that I wanted to let the committees be peopled by our newer members to make sure that everyone had a chance to participate, but I realized that as board president, it's really important for me to have more participation than I did last year. So does anyone want to decline their appointment?

DIRECTOR COWAN: I would like to make a motion that we accept the recommendations of the president's appointments to the Board's standing committees, but I would like to discuss the item also.

DIRECTOR LIMBAUGH: These items don't require a motion.

DIRECTOR COWAN: It's in an action item.

MR. WOODS: No it's discussion.

DIRECTOR SWANSON: It's discussion.

DIRECTOR COWAN: Okay. So it's a discussion/action item. So we can discuss it, right?

MR. WOODS: Yes.

DIRECTOR SWANSON: Correct.

DIRECTOR COWAN: Okay. So the first thing that I would like to discuss is the Policy Manual. It states on page 10, Echo-1, Standing Committees, "Appointments of committees shall be appointed by the president of the Board of Directors in December of each year." I'm just wondering why, again, we are not following policy and we choose to use it when we -- we choose to follow policy when we want to, and we choose to not follow policy when we don't want to. And then I see that the Board president has chosen to take over the committees, which is okay with me. If she feels that's the best avenue for our district. I just feel that these committees should have been looked at a little more carefully, and their designees probably should have been selected based on the individuals, not her perceived -- her perception of the individuals. I would like to start first with the Tri-Agency Committee. We're getting rid of an alternate, which did come in handy in the past, so I don't know why we're doing that. And I didn't -- in case it's in the Policy Manual. I didn't see if it was -- it will take off alternate as alternate. I'm not sure where we got that in the past. Also, I would like to bring up that if we

choose to once again have the chair be Director Swanson, it will be – if it continues in the future as it has in the past, that will mean that that individual will show up late continuously to that committee -- which you can go back in the minutes at the Tri-Agency, and the current selected chair over half the time has shown up late to these committees. Now, moving on to the Safety and Security Committee, now I see that once again Director Swanson would like to take that over. That's fine. I just don't understand why we wouldn't want the best people for the committee that could be there. And I -- Tri-Agency is fine. I don't want Tri-Agency, but I'm saying Safety and Security Committee, you have an individual on the Board -- not to make big of myself -- you have an individual on the Board that's an MP, an investigator, gone through courses with FEMA, Centers for Disaster Preparedness, OSHA, has worked with Defense contractors for security, done corporate security, is now a federal law enforcement officer, has fire fighter training. Why would you not want an individual like that on your Safety and Security Committee? An individual that has a degree in Safety and Security Technologies? Sure sounds like that would be a great person to have that on that committee. But that's not the way we're choosing. We are having a president choose on what her perception of the other Board members are, of the other directors, and I don't agree with that. Now -- we're moving down. I'm sorry. That's in the next item. I'm done.

DIRECTOR SWANSON: Is there any more discussion on Item H?

DIRECTOR GREGG: I also have some discussion on the Tri-Agency elimination of the alternate. I think this is just a sheer tactic by the two Board members that are coming to the election process in the new year to show power within this Board. To eliminate an alternate position is beyond me. Whenever most people -- well, some of the people in the past have not been able to attend. Why wouldn't you want full representation of the District? It's always worked out in the past and shouldn't be a problem to continue on with an alternate for any of the committees. I think that you'd want to be well represented in the District. Have to agree with Mr. Cowan that I just don't -- I don't know that by flip-flopping the chair of the Safety and Security Committee from the president to the -- to Mr. Chandler, which Mr. Chandler's definitely qualified to be, in my opinion, on the Safety and Security Committee, being a well-established member of the firefighting world, and having extensive safety training -- and probably multiple safety and security certificates fall under him -- just -- looking through the entire appointment process, it seems like the committees are pretty well stacked on the Hesperia Recreation and Park District. Thank you, Madam President.

DIRECTOR SWANSON: Any more discussion?

## **I. President's Appointment to Board Ad Hoc Committees.**

DIRECTOR SWANSON: Letter I is the ad hoc committees appointments.

DIRECTOR COWAN: I would like to discuss letter I. Once again, this committee was selected so certain things would be -- certain people would be represented better. So we have the Golf Course Ad Hoc Committee, which I was selected for in the past, myself and Mr. Limbaugh. We've evaluated the contract. We've discussed it. Now, somebody that would like to have more power on the Board has chosen to put themselves on it, and this has made it to where our past discussions are pretty much moot. The fact that we had somebody on the Board that wasn't sure about the golf course, and we take them off, and now we have somebody else on the Golf Course Committee that didn't review the previous contracts, don't know what

changes were made, weren't there during the discussion process. And once again, the Civic Plaza Ad Hoc Committee, looks like Director Gregg was taken off of that, and then Director Swanson was put on there again. Look at that. And once again, these two items have repeatedly been mooshed together. These two items keep on being represented as one. And this is one way for the director of this Board – the president of this Board to ensure that what items are discussed in the Civic Plaza is the same items they're going to discuss in the Golf Course. The fact that they're discussing paying off one with the other, do this, do that -- well, before at least we kept them in separate boards so it didn't look too shady. Now we want it that way. This is just wrong. Look at this again. Monument Ad Hoc Committee. Look who's on there. Director Swanson. Once again, we are stacking these in favor of the Board president. And the Board president has decided, let's get rid of Skate Plaza/BMX Ad Hoc Committee. Last time that was brought up, it was brought up by Mr. Bob Chandler – Director Bob Chandler. He brought up whether we should get rid of the Skate Plaza/BMX Ad Hoc Committee. The former president Mike Limbaugh said, no, we shouldn't get rid of it. We should leave it as a standing committee. Right now having that -- sorry -- as a standing ad hoc committee. And by having that, we will not have to reform it. We can keep it in case we still want to take care of the youth of Hesperia and build them another skate plaza or BMX. They served their purpose, yes. We now have a skate plaza and a BMX. And who's to say we don't want to have one in the future? And once again, we'll have to start over again with a new committee because we want to get rid of it. I'm done.

DIRECTOR SWANSON: Bob?

DIRECTOR CHANDLER: No.

DIRECTOR SWANSON: Any comments, Mr. Gregg.

DIRECTOR GREGG: Yeah, Ms. Swanson. I just -- again, on the ad hoc committees, you've gone a great job of swaying – of swaying the committees to suit the better needs of the upcoming year. I'm really disappointed that Mr. Cowan has been removed from the Monument Ad Hoc Committee as he is a veteran of this great country that we live in, and was doing some great things moving forward, and had some great ideas with Mr. Chandler as well, to -- to promote and bring to life the -- the monuments and the areas that we need to represent within our community. But I -- I just -- I don't understand your decision. Me, as a single board member, that's not up to me. And I do agree with Mr. Cowan, again, that the fact that -- why are we disbanding Skate Plaza/BMX, especially at the word of the ex-president Mr. Limbaugh that no harm, no foul. If the committee is in place and we need it, we use it; and if we don't use it, we don't use it. So for you to arbitrarily just come through and start wiping out committees at the first meeting being at the helm of this District, that's a big concern. I fully am looking forward to what this year brings.

DIRECTOR SWANSON: Let's move on to the next item. Staff Reports.

## **STAFF REPORTS**

### **Recreation Programs**

#### **Golf Course**

#### **Parks Division**

#### **Park Ranger**

MR. WOODS: Under tab C, you have the staff reports. Were there any questions or comments about any of the staff reports?

DIRECTOR GREGG: Was the decline in the ASAP – After School Activities Program for November -- do you know why it was a decline of 832 from October? Was it the break?

MR. WOODS: More than likely it was the Thanksgiving break.

DIRECTOR GREGG: I see that the numbers for the After School Activity Program on -- where are you? Give me just one second here. On some of the locations for After School Activities Program, the numbers are well below what they need to be to have a class there. Are we looking at subsidizing those?

MR. WOODS: We're doing everything we can to try to stimulate participation.

DIRECTOR GREGG: My question is, are we -- is the District going to subsidize those to the tune of 5 participants? The number that you gave this Board was 28, I believe, correct?

MR. WOODS: No.

DIRECTOR GREGG: What's the number that you gave the Board?

MR. WOODS: I believe the number you're referring to is 27.

DIRECTOR GREGG: Oh, 27. So are we going to subsidize Kingston 7 students because they're lacking in their activity, or are we going to cut the program from Kingston?

MR. WOODS: Staff is reviewing what the best options are at this time.

DIRECTOR GREGG: So, again, we're going to subsidize some areas of the program, and not look at subsidizing most of the entire program for After School Activities Program. I guess you're asking if we have any comments on any of these reports, so the golf course again this month has lost a big chunk of money. Thank you, taxpayers, for continuing to fund that. I'll give you the exact number of what it lost this month. So the golf course lost in the month of November, \$4,931, which is a substantial savings from the month before of \$10,354.11. And maybe we could take some of that money and help fund the After School Activities Program. Great job on the Ranger Program. Keep up the good work, gentlemen. You're doing a fine job. Put that on the record in case they don't get the kudos from their management team. I don't have anything further.

DIRECTOR COWAN: I have two things. Did we end up installing any more KNOX-BOXes?

MR. WOODS: No. I believe the only one that we --

DIRECTOR COWAN: Do you think there's any need to install any other ones at other locations that have a locking door?

MR. WOODS: I believe Brad Cook is looking at what the facilities are.

DIRECTOR COWAN: I think last time you said that you guys were going to look into it. I was just wondering if they got back to us.

MR. WOODS: Holidays make it difficult this time of year to get a lot of --

DIRECTOR COWAN: Okay. No, I was just asking because that -- to me, that seems like an important thing which maybe the Safety and Security Committee will look at or something. But I also wanted to bring up ASAP program. Director Limbaugh, during the last meeting, asked if you can give us a legitimate calculation and not swag and not an off-cuff, "but a pretty good legitimate number based on what you know today, even with the flexibility of the large attended sites. According to these numbers, we're not going -- it's not going to be too bad." And I think what he was originally going for -- if you read prior to -- he was hoping that we'd have some numbers come back at this meeting on what we could fund and what we couldn't fund. That's what was originally discussed. I was just wondering if we got any of that.

DIRECTOR LIMBAUGH: Yeah. On -- in Lindsay's report. I think he tried to give that.

DIRECTOR COWAN: Tried to?

DIRECTOR LIMBAUGH: Yes.

DIRECTOR COWAN: Because it wasn't very clear to me --

DIRECTOR LIMBAUGH: I understood it pretty good.

DIRECTOR COWAN: Okay. Can you --

DIRECTOR LIMBAUGH: And I -- you know, I think Lindsay, of all people, has a number of kids -- and he's been here. He's gone through the whole school program for a number of years.

DIRECTOR COWAN: Yeah.

DIRECTOR LIMBAUGH: I think if he had -- if we had to say so, we would have to go back to the old program where we could fund an after-school program at each campus. But I think in the real world, had we funded these ones where we had to draw the line someplace at the beginning, we might have gotten in a little bit of trouble. We would have, again, lost money at -- in this particular program. And so had -- had, like, Carmel, Juniper, Lime Street, and Maple maintained those numbers that they started with -- the 20, 15, 15, 15 -- you would see this number of 20,000 projected deficit be half, which would be maybe 10- -- 8- to 10,000 -- then yes, I would -- I would -- I would -- my comment as a Board member would be, let's go ahead and pick those up, and we'll use the funds that we're getting from the others that seem to be much more stable in student attendance. Having said that, understand that when students drop out of these programs, more than likely their home situation has changed or they've moved. They're not coming back, or they're not being replaced by other kids who didn't participate who have already made arrangements to have some type of after-school activity. So the best time to rejuvenate this is probably going to be next August, when school starts up again. And then we would take another look and say, okay, can we start with these 20, 15, 15, and 16? And if -- if the number that we see over here to the right is very low, we can look back on this year and see, well, gee, at these campuses where they had 60 to 80 kids, we were actually netting out \$4- or \$5,000 to cover that loss. And I think the Board, at that time then, can take a reasonable look and direct staff accordingly; that, you know, we're willing to balance this out and provide a fully funded after-school program with no detriment to our expenditures, given the fact that the school also gave us -- we didn't have to pay the hundred bucks, and there was some other thing -- concession that they gave us. But I think had one of these programs up at the top here at these four campuses showed that they had 22 kids interested, or 18 kids interested, I think you would be hearing from them, hopefully, that we would probably fund that program. But I think this was his intent on this page here to show us that. Because if you look at the individual campuses, you'll see that some of them are making pretty -- pretty good coin on their activities.

DIRECTOR COWAN: Yes, they are.

DIRECTOR GREGG: Is that profit or coin, Mr. Limbaugh?

DIRECTOR LIMBAUGH: I think that based on that campus site that would be a profit, yeah.

DIRECTOR GREGG: Because I didn't know that we were going to --

DIRECTOR LIMBAUGH: But I don't know if it's looked at as a profit with regards to the overall program. So I think if you look at the summary, I think it says twenty-something thousand is to date what they got on this sheet here. It's the last page in your --

MS. THOMAS: Special Reports.

DIRECTOR LIMBAUGH: Special Reports. Yeah. 25,000 year-to-date, or through November.

DIRECTOR COWAN: Okay. Once again, I was stating that I thought the original intent -- if you go back and read the minutes -- was that there was going to be a brief description or numbers saying what it would take to be able to fund other programs, possibly. You even stated four -- I think it was three or four, possibly all. And that I thought since you asked for those numbers or that information, that we would have it. That's all I was --

DIRECTOR LIMBAUGH: He gave it in a form. Whether it was the form I was actually looking for --

DIRECTOR COWAN: Does it say how much it would take to fund one of these sites? Does it say how much to fund all of these sites?

DIRECTOR LIMBAUGH: Well, to fund them at the current would be a negative \$20,000 -- at the -- at the level of 30.

DIRECTOR GREGG: Well -- so I didn't know that we were going to comment on the Manager's Report as well, but take --

(Several people talking at once.)

DIRECTOR GREGG: Just -- just take on page 2, on Cottonwood, you have 41 students, and no higher than 41, and two sites, which would be 20 per class, which is well below the established number that we talked about, or that we were given from the general manager. You look at three sites. Eucalyptus has fallen well below -- well below the number of 28, down to the number of 16 at the site. Kingston, 19, 18, 18, 18.

(Several people talking at once.)

DIRECTOR COWAN: Actually, the item is on --

DIRECTOR GREGG: So -- so -- I'm sorry. Am I out of order here? You started to discuss the General Manager's Report. So we have three sites that are well below, and then other sites that are way -- well below the number that was given to the -- from -- to us from the general manager, but yet we're making \$25,000 off the program. And the maximum number that the general manager told us that was going to be put in a class was 30. Okay. So are we going to be -- are we going to have to look at class-size reductions for an after-school activities program like the Hesperia Unified School District does? You've got 32 kids stuffed into one program. Well, you gave us the number 30, didn't you, Mr. Woods?

MR. WOODS: I understand that and we also discussed this last month how the numbers did--

DIRECTOR GREGG: But actually, you're giving us hardcore numbers now that we can actually see.

MR. WOODS: The program goes up and down. Just because there's 30 or 20 kids this week does not mean that we will have 30 or 20 next week. It fluctuates. People -- parents use the program. Some use it all the time. Others use it hit and miss.

DIRECTOR GREGG: But there's another school on here that's in the teens. It's not even in the 20s and we're funding it, right?

MR. WOODS: It's operational. We have --

DIRECTOR GREGG: Are we -- are we funding it?

MR. WOODS: We are operating the program.

DIRECTOR GREGG: My question is, is the Hesperia Recreation District -- Park and Recreation District -- Recreation and Park District funding Kingston Elementary School? Because they're well below the numbers that they need to open up a class.

MR. WOODS: If their numbers have dropped --

DIRECTOR GREGG: Are we subsidizing them?

MR. WOODS: -- within the after-school activities --

DIRECTOR GREGG: Are we subsidizing them?

MR. WOODS: If you care to refer to that as a subsidy, then yes.

DIRECTOR GREGG: Let me ask you this question instead, then. Just so I'm clear. So I can go back to the taxpayers that are asking me about these programs and say, this is the answer because I know I directed them to you. Are -- is Kingston, which is -- I keep seeing Kingston because it's one of the programs that falls well below the number that you've given. Are we taking money from our general fund to subsidize the program at Kingston?

MR. WOODS: No.

DIRECTOR GREGG: Or not?

DIRECTOR COWAN: Are we taking the money that's coming from the ASAP programs that are above our percentage and using that to fund it?

DIRECTOR GREGG: Are we --

DIRECTOR COWAN: Okay. You were playing on words.

MR. WOODS: No, I was answering his questions.

DIRECTOR GREGG: So then why are we not funding the other sites?

MR. WOODS: They have not demonstrated the enrollment that we need to open the site. Once a site's open, closing it is another issue. And when we get done with this year's program, we'll analyze the numbers. And if a school dropped below the numbers where they need to be, that site may not be offered next year. But we're not the -- we're not the ones that had a problem here. The School District gave back an \$800,000 grant to the State of California, causing us to increase our rates --

DIRECTOR GREGG: But we're making money, so that doesn't fly for me. We've got \$25,000 in revenue from the ASAP program.

MR. WOODS: And that's been explained in the past, and that will be leveling out. You have to remember the changes that we discussed at last month's Board meeting are going to take a couple of months for those changes to level out as we move forward because these numbers are not for last month. They're November's numbers.

DIRECTOR GREGG: And just for the record -- and then I'll be done -- I'm sorry -- there's five sites on the program that's currently operating -- five sites that are below the numbers, but below the standard number of operational expenditures -- revenues that Mr. Woods gave us. Five sites.

DIRECTOR LIMBAUGH: It may not be current because that's from November.

DIRECTOR GREGG: Well, I'm sure it's probably not. We'll get that information when it's relevant.

## **SPECIAL REPORTS**

### **General Manager**

MR. WOODS: Any other questions on the Staff Report, Special Reports, or General Manager's Report? Because we've kind of -- everything's been together.

DIRECTOR SWANSON: Any more items of interest that you would like to direct our attention to?

MR. WOODS: The -- on page 1 of the General Manager's Report, interesting, the change in our procedures tonight due to Brown Act changes and --

UNIDENTIFIED MALE SPEAKER: (Inaudible).

MR. WOODS: It's not likely, but it could happen. And there is -- after the writing of this agreement -- or this document -- the City did give me a response on the Hesperia Golf and Country Club agreement. So we're reviewing that. And once we've met with staff, then I will see about scheduling the Golf Advisory Committee to review that document once again.

Thank you.

DIRECTOR SWANSON: Thank you. Next is Board Member Reports.

## **Board Member Reports**

### **Standing Committees**

#### **Recreation Foundation - Swanson/Cowan**

DIRECTOR SWANSON: The Recreation Foundation, of which two members are present, thank you again and -- thank you again for serving your next term. There was no meeting held, although we did meet at a lovely party in December.

No meeting held.

#### **Tri-Agency - Swanson/Cowan**

DIRECTOR SWANSON: Tri-Agency was held today. And Mr. Cowan, would you like to talk about the items that were discussed at the meeting?

DIRECTOR COWAN: Yes, ma'am. I have a question about it first though. For Tri-Agency, when we put this out that a meeting was held, should we be reporting about the month prior, or should we report about it that day? Because nothing could have been added to this as far as minutes. We wouldn't have had anything added? Unless we normally add the minutes to the back? Like today's meeting that we had had at Tri-Agency, we had approved minutes.

MR. WOODS: Right.

DIRECTOR COWAN: Those minutes are not in here for the public to view, but yet we're going to give a briefing about that committee.

MR. WOODS: And it's information only. And there was no decisions reached at the Tri-Agency.

DIRECTOR COWAN: Okay. I was just asking because --

MR. WOODS: And we don't always get the approval -- we wouldn't have time to get the approval --

DIRECTOR COWAN: I know. I know. I know when they came. That's why I'm asking. Just because it seems kind of --

MR. WOODS: There's a month lag, right?

DIRECTOR COWAN: I was just wondering if we were reporting it correctly, or if we weren't reporting it correctly.

MS. THOMAS: In the past, the Board has never expressed to have it in there, so they've never been in under the Board Committees. That could be changed, but it would be a month behind.

DIRECTOR COWAN: A month behind. Okay. I was just wondering. Two -- there's a few things. On January 20th, I believe -- so January 6th, 7th, and 8th, the CERT training will be going -- is what the City discussed. They're also going to be closed in honor of Martin Luther King, Jr., Day. They discussed that the Rancho interchange could possibly open due to the projected time in October or November of 2014. Again, it's projected, and they're just saying at the rate they're going. Support beams and support work are going to be done in the next couple of months. They also discussed the Fire Station 301. They were waiting for the correct

electrical panel to be discussed with Edison. It's been discussed now. They're ordering it so they can do the final work. They already have the engine and the ambulance. The engine is stored at Fire Station 304. The ambulance is stored at Station 305. There was also discussion that up until January 23rd, there -- Advance Disposal is still going to be doing the tree recycling, so you can put it out. January 30th will be the Youth and Government Day, and that's already -- the meetings have been held and everything. They're just waiting to start on that. There was discussion that even though it's not within the city, the Yucca Loma project, as far as the bridge, is going to be -- the groundbreaking on this Friday. I don't believe they gave the time.

MR. WOODS: No.

DIRECTOR COWAN: Okay. They did not give the time, but I'm sure if we checked Daily Press or go online, we could find it. And that's what the City discussed. The School had discussed -- and then Director Swanson may be able to clarify this better -- that they received a project grant for \$135,000. And I'm not sure exactly what the grant was used for. Did they discuss that?

DIRECTOR SWANSON: For Cedar Middle School, the Read 180 Program. And only one of the schools in 44 who asked for the grant was given the grant. It's a five-year grant.

DIRECTOR COWAN: Out of the state. So there were 44 in the state, and that was the one that received it. There was -- is it tonight or tomorrow night? There's a reconfiguring -- there's a meeting about reconfiguring of the Topaz Leadership Academy.

DIRECTOR SWANSON: Tomorrow night.

DIRECTOR COWAN: Tomorrow night. Right now, it's at K through 8, but due to size -- similar to, I guess, the ASAP question -- but due to the size, they may have to look at making it a K through 6. The parents are going to be going there and discussing it. It's not actually a Brown-Act-type meeting. It's just informational. Their staff is going to collect that information, and then they're going to bring it over to the School Board. And I'm not sure if there's anything I missed, Director Swanson?

DIRECTOR LIMBAUGH: I have a question. Did the City say anything, even after the interchange is improved at Rancho, that it's complete, and it's complete in October or November -- what is their schedule for widening the whole length of Rancho between the intersection at Santa Fe?

DIRECTOR COWAN: They did not discuss that.

DIRECTOR SWANSON: They just said the frontage roads.

DIRECTOR LIMBAUGH: At the next committee meeting of Tri-Agency, can you ask them about that? That's a huge problem.

DIRECTOR SWANSON: Could you -- write down your question.

DIRECTOR LIMBAUGH: Whoever goes to Oak Hills -- has anybody driven to Oak Hills when this is closed? There's one hundred cars at every stop sign that crosses Rancho. It's a nightmare.

(Several people talking at once.)

DIRECTOR LIMBAUGH: And that stupid railroad track, that --

DIRECTOR SWANSON: Mike, did you hear Charlene? Don't go there. That is the answer.

DIRECTOR LIMBAUGH: I don't. I go -- I go -- I get -- come out and get back on Main. But I mean, it kind of defeats the whole purpose of having the interchange there if you can't get people away from the freeway.

DIRECTOR SWANSON: They're just happy the interchange is opening in October/November, which --

DIRECTOR COWAN: As planned. It could be later.

DIRECTOR LIMBAUGH: Is this the answer to Tapestry or --

DIRECTOR SWANSON: They did discuss Bruce Kitchen's service on Friday. I think we've been -- it's at 10:00 o'clock at Holy Family. The School District discussed their new website. And Hesperia High School is going to have a new program which offers academic units from Victor Valley College semester credits. At the same time the kids are going to high school, they can also earn college credit. Sultana won first place in the Adelanto Christmas Parade. And the Chamber was represented by Shannon Shannon, and they have \$30,000 in scholarship money that they received in partnering with Victorville Motors for our kids in Hesperia. I'm happy to hear about that. And that's the only addition I have to that. And many of the meetings due to our holiday season, I believe, were not held. And if there's --

**Safety and Security - Chandler/Gregg**

No meeting held.

**Personnel Committee - Limbaugh/Chandler**

No meeting held.

**Audit Committee - Limbaugh/Gregg**

No meeting held.

**Ad Hoc Committees**

**Golf Course Ad Hoc Committee - Limbaugh/Cowan**

No meeting held.

**Civic Plaza Ad Hoc Committee - Limbaugh/Gregg**

No meeting held.

**Monument Ad Hoc Committee - Chandler/Cowan**

No meeting held.

**Skate Plaza and BMX Ad Hoc Committee - Chandler/Gregg**

No meeting held.

**Other Related Business**

DIRECTOR COWAN: Don't we normally discuss other related business where the directors speak?

DIRECTOR SWANSON: Yes.

DIRECTOR COWAN: Okay. I just saw that at the bottom.

DIRECTOR SWANSON: Other Related Business. Yes. Would you make that larger?

MS. THOMAS: Okay.

DIRECTOR COWAN: Are you going to call on us individually to speak?

DIRECTOR SWANSON: Anyone?

DIRECTOR COWAN: Okay. For Other Related Business, I would like to, without going into detail, just ask some questions about closed session. Now, I'm not going to discuss what it's about. If we have a closed session, just -- General Manager, if you can answer this -- if we have a closed session -- I mean, it's given here, "Agency Negotiator: Lindsay Woods." "Negotiating Party," for this one, as an example, "Mike Podegracz." Under "Negotiations," "Price and Terms." Do you know if that was the same two prior -- the last two times it was discussed?

MR. WOODS: Yes.

DIRECTOR COWAN: Okay. Now, when it says, "negotiating party," and "agency negotiator," does that mean that you two were the people that were going to talk about it after it has been discussed here?

MR. WOODS: Yes.

DIRECTOR COWAN: Would it be wrong of a director to meet with a person on a board that would be similar to Mike Podegracz's board outside of a closed session? Okay. Let's take away -- if we were meeting with Joe Schmoe, public taxpayer, as a negotiating party, if I chose to go and talk to him about negotiating our purchase outside of closed session, is that in violation of something? Is that wrong? To me, that seems wrong. I should not leave closed session and go ask this guy or talk to this guy about what he's going to build or do on our property. This -- this happened -- this is what our Board does. They go outside of a closed session meeting and discuss items, and they admit to it. Is that wrong, or is that right? Is that something we historically have done?

DIRECTOR GREGG: I --

DIRECTOR COWAN: If somebody -- no, no, Director --

DIRECTOR GREGG: Sorry.

DIRECTOR COWAN: If somebody was purchasing a property from us, and I went up there and started talking to them, are we discussing price? Are we discussing, hey, I can sway the Board? Hey, I could do this? It's a closed-session item. The negotiators are listed. Why would we go outside and talk to them? Is that allowed? Can I go talk to people that we have closed session about?

MR. WOODS: It would probably be preferred that you did not.

DIRECTOR COWAN: Okay.

MR. WOODS: But it also would largely depend upon the conversations.

DIRECTOR COWAN: Okay. So when they -- if I were to admit I went and talked to them about the purchase of our property -- that is what I'm telling you, that I met with them and we discussed the purchase of a property -- is that wrong?

MR. WOODS: In my opinion, it could be wrong, but I would lean to Legal's interpretation of it.

DIRECTOR COWAN: Okay. I really feel we need to contact Legal before we meet in closed session again, because two directors on this Board admit to speaking in private with members of another board on an item. They admit to it. They admitted in closed session about that, that two of them met with them. How do we know what was discussed? The price could have been discussed. They admitted to meeting about that property, Property APN: 0405-313-450000.

DIRECTOR CHANDLER: I think you're referring to me. When I talked to --

DIRECTOR LIMBAUGH: Are you accusing us of violation here?

DIRECTOR COWAN: I want to find out if you violated --

DIRECTOR LIMBAUGH: Because you have no idea what you're talking about, all right? If I want to talk to anybody about the open documents regarding the environmental document -- the moving forward -- for the treatment plant on a property that we happen to own, about that treatment plant --

DIRECTOR COWAN: I'm not talking about --

DIRECTOR LIMBAUGH: -- I can talk about the treatment plant until I'm blue in the face because it's already out in the public. So what? Are you accusing us of something here?

DIRECTOR COWAN: Yes, I'm accusing two directors --

DIRECTOR LIMBAUGH: Because I think you're way out of line. And I'm going to ask the president to cut this discussion. If he wants to bring this up --

DIRECTOR COWAN: Really?

DIRECTOR LIMBAUGH: -- let's put in writing. Don't just run your mouth.

DIRECTOR COWAN: I'm running my mouth in open session. I might as well use it in closed session --

DIRECTOR LIMBAUGH: You're accusing us --

DIRECTOR COWAN: Yes.

DIRECTOR LIMBAUGH: -- of a Brown Act violation.

DIRECTOR COWAN: No, I didn't say Brown Act. Did I say Brown Act? I did not.

DIRECTOR LIMBAUGH: Then what the hell are you talking about?

DIRECTOR COWAN: That's what I'm asking Legal to find out. You just admitted you went to another party and discussed --

DIRECTOR LIMBAUGH: And discussed what?

DIRECTOR COWAN: You discussed what was going to happen with that property and what we can --

DIRECTOR LIMBAUGH: You --

DIRECTOR COWAN: You told us you did.

DIRECTOR LIMBAUGH: We discussed what was going to be built on the property.

DIRECTOR COWAN: And then you said that they told us that we have no business doing that.

DIRECTOR LIMBAUGH: No, I told you that.

DIRECTOR SWANSON: Gentlemen, if you are going to make an accusation against one of the other Board members, please put it in writing.

DIRECTOR COWAN: Did I make an accusation, or did I ask Legal -- I asked for Legal's opinion.

DIRECTOR SWANSON: Well, I would say that would be an accusation.

DIRECTOR COWAN: Okay. Can you please talk to Legal whether or not they violated --

DIRECTOR LIMBAUGH: Director Cowan can be directed by the president if he has something that he wants to put in writing that legal counsel needs to review, because I don't want our legal counsel wasting their time on something that I believe is to be very frivolous --

DIRECTOR COWAN: Because you did it.

DIRECTOR LIMBAUGH: -- from my perspective. Whatever. Okay.

DIRECTOR COWAN: Okay.

DIRECTOR LIMBAUGH: Every whim you want to act on, this Board is not going to take action on if we think it's frivolous. It's your opinion, and your opinion is not the opinion of this Board. It's your opinion, period.

DIRECTOR COWAN: Frivolous acts --

DIRECTOR LIMBAUGH: You do not speak for the Board.

DIRECTOR COWAN: I know I don't. I said --

DIRECTOR LIMBAUGH: It sure sounds like you are.

DIRECTOR SWANSON: When it's in writing, you may submit it to our GM. Is that -- would that be in parameters --

DIRECTOR COWAN: We've never had to do that in the past, but it's Cowan speaking.

DIRECTOR LIMBAUGH: I don't think we've ever had another Board member accuse another Board member of --

DIRECTOR SWANSON: No, I don't think so.

DIRECTOR COWAN: Yes, we have. Yes, we have. Here, here, and here. You forgot about that already.

DIRECTOR LIMBAUGH: Yeah, but we had documents, we had writing, we had papers. Even though they weren't in order, we had papers.

DIRECTOR COWAN: So you guys can say all you want -- you can run your mouth in closed session --

DIRECTOR LIMBAUGH: This is just your opinion. Closed-session stuff is for closed session.

DIRECTOR COWAN: Then why did you go --

DIRECTOR LIMBAUGH: -- a Brown Act violation to discuss what things happen in closed session --

(Several people talking at once.)

DIRECTOR SWANSON: I think we need to curtail this discussion.

DIRECTOR COWAN: I didn't say Brown Act violation --

DIRECTOR SWANSON: Let's wait until Mr. Cowan submits his written proposal to our GM to -- his written accusation in --

DIRECTOR COWAN: I'd still like -- accusation. I'd still like to discuss a few other things.

Why is it that we're changing the way we do things when it suits certain people and not other people? I see it happening repeatedly on this Board. Once again, a question has been brought up, and instead of handling it, we're going brush it under and make new decisions on a whim. Apparently, that's what we're doing around here. That's the claim. On a whim. And we're going to sit there and require something from one director that we have never required in the past. We're just changing things whenever we want it.

DIRECTOR LIMBAUGH: Okay. We don't have an action item for our Board to vote on whether we should ask legal counsel to make an opinion based on the behavior of some of these Board members. You just brought that up out of the blue.

(Several people talking at once.)

DIRECTOR LIMBAUGH: What I'm saying is I don't think your opinion speaks for this Board.

DIRECTOR COWAN: I never said it did.

DIRECTOR LIMBAUGH: You want your opinion, put it in writing.

DIRECTOR COWAN: Okay.

DIRECTOR GREGG: Madam President, can you take control of the meeting --

(Several people talking at once.)

DIRECTOR COWAN: I don't want an action item on it.

DIRECTOR LIMBAUGH: -- about how you feel there's been a Brown Act violation on it.

DIRECTOR COWAN: I didn't -- did I ever say Brown Act?

DIRECTOR LIMBAUGH: Yes, you did.

DIRECTOR COWAN: No. I said did we violate something?

DIRECTOR SWANSON: -- allow time to put his thoughts into writing so we can address it specifically.

DIRECTOR LIMBAUGH: Yeah, because you just talk about whatever you want.

DIRECTOR COWAN: I still have another item I'd like to discuss. Why have we removed the Written Communications section off the agenda?

DIRECTOR LIMBAUGH: I don't think this is serving the general public in any form.

MS. THOMAS: Well, it's part of the -- if you look --

DIRECTOR COWAN: No, you probably can clarify for me.

MS. THOMAS: The Message to the Public Comment, that's where the Communication section is now.

DIRECTOR COWAN: Okay. In the past, didn't we have it written to where it said "Written" -- it had its own --

MS. THOMAS: Under "Oral," correct.

DIRECTOR COWAN: Okay.

DIRECTOR LIMBAUGH: That would be a good place where he could present this to the public.

DIRECTOR COWAN: Okay.

DIRECTOR LIMBAUGH: At the beginning of the meeting, he could recuse himself from the Board and give a verbal saying at the beginning of the meeting by submitting a comment card.

DIRECTOR COWAN: I'm glad you think you can tell me what to do.

DIRECTOR LIMBAUGH: Well, that's how you do it. That's how it's done.

DIRECTOR COWAN: Is it? Because that's not how it's happened in the past.

DIRECTOR LIMBAUGH: That's how you speak to this body as a person, rather than a Board member, because you don't represent the Board.

DIRECTOR COWAN: I know I don't. I do not.

DIRECTOR LIMBAUGH: Oh, okay. All right.

DIRECTOR COWAN: We discussed this maybe two months ago --

DIRECTOR SWANSON: Is there anything else you wanted to discuss in particular?

DIRECTOR GREGG: Are all our meetings going to be like this? We don't have any control?

DIRECTOR COWAN: No, ma'am. That's it. Thank you.

DIRECTOR SWANSON: All right. Anyone else have a comment to the Board or to our public?

DIRECTOR LIMBAUGH: I would just like to thank staff for putting on the Christmas party for the employees this year. I attended it, and it was -- I think most of the employees were there. We had 92 -- Charlene was there.

MS. PETERS: Yes.

DIRECTOR LIMBAUGH: And it was -- by the way, that's the first year they had the burritos. Have you ever got -- those were good. Everybody liked those.

MS. PETERS: Those were really good.

DIRECTOR LIMBAUGH: So they were fed well and I think we got out of there by 8:30, 9:00-ish.

MS. THOMAS: 9:30.

DIRECTOR LIMBAUGH: 9:30? Yeah. So it was very nice again. We had it here at Lime Street. So thank you again for that.

MS. PETERS: Great.

DIRECTOR GREGG: My first Christmas party that I missed. And did you get the group to sing?

MS. PETERS: No. I wanted to do bee-bop.

(Laughter.)

DIRECTOR GREGG: Every time I see --

DIRECTOR LIMBAUGH: Tim Glass almost got the new girl --

DIRECTOR GREGG: I'm sorry. I'll wait for you.

DIRECTOR LIMBAUGH: She was going to sing. No, the new girl was going to sing.

MS. PETERS: She thought she had to.

DIRECTOR LIMBAUGH: She thought she was going to sing. So they almost got somebody to sing.

MS. PETERS: I'll just plan it next year for sure and they can come out.

DIRECTOR GREGG: Do you have any more comments, Mr. Limbaugh?

DIRECTOR LIMBAUGH: That was it.

DIRECTOR GREGG: Okay. So every time I would see those maintenance workers out doing due diligence out and around the district -- by the way, a great job that the maintenance team does -- I would -- would kid with them that Charlene's going to be looking for you to sing, and I think it's going to be hip-hop this year.

(Laughter.)

DIRECTOR GREGG: So I missed the event, but my kudos go to the maintenance staff for keeping the grounds looking good, although the golf course is looking a little -- a little peaked. But other than that, all things out in the district are looking great.

DIRECTOR SWANSON: Mr. Chandler?

DIRECTOR CHANDLER: No, I have nothing to say.

DIRECTOR SWANSON: Thank you. Anything else from the general manager?

MR. WOODS: Just have the closed-session item.

DIRECTOR SWANSON: We'll close our open session and give everyone a few minutes of a break. Thank you so much for coming.

DIRECTOR LIMBAUGH: Thank you for coming.

Meeting Recessed from Open Session at 8:29 p.m.

Meeting Reconvened into Closed Session at 8:33 p.m.

Meeting Recessed from Closed Session at 8:34p.m.

**J. Conference with Real Property Negotiators (Closed Session, Government Code Section 54956.8) One (1) Property:**

- **Property APN:** 045-313-450000
- **Agency Negotiator:** Lindsay Woods
- **Negotiating Party:** Mike Podegracz
- **Under Negotiations:** Price and Terms

**Report from Closed Session**

**ACTION/MOTION:** There was nothing to report from Closed Session.

## **ANNOUNCEMENTS**

The next Regular Board of Directors Meeting is scheduled for February 12, 2014 at 7:00 p.m. and will be held in the Lime Street Park Community Center at 16292 Lime Street, Hesperia, CA 92345.

## **ADJOURNMENT**

The meeting was adjourned by declaration by President Swanson at 8:35 p.m.

Respectfully submitted,

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Lindsay Woods, General Manager

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Rachel Thomas, Admin. Op. Mgr.