

A meeting of the Board of Directors of the Edgemont Community Services District, held at the Edgemont Community Center, was called to order at 7:02 p.m. by Mike Addie, President. Those board members present were Brenda Addie, Mike Addie, Cheryl Franklin, Crystal Smith and Moses Taylor Jr. Also present were Sam Gershon, engineer, Edward Mackey, attorney, Sandra Leer, attorney, and Jessica Pfalmer, general manager.

Approve Minutes of September 8, 2022 – Crystal moved to approve the draft minutes, Moses seconded. Motion carried.

Public comment – no public present.

Legal –

Senate Bill No. 1100 regarding orderly conduct of the public at board meetings. Ed notified the board about a new state bill that modifies the Brown Act to state that the President of the Board can have members of the public removed from meetings, with no vote necessary, because of certain defined unruly behavior.

Engineering –

Sam reviewed district projects and development projects as set forth in the Engineering Report of September 13, 2022.

Sam also said that he asked the City of Riverside to provide more information about its plans for the sewer treatment plant going forward to be presented at the RAC and TAC meetings.

Administration

Financial reports – June, July and August 2022 – Jessica noted that there is a pension entry that will still need to be made for the audit, which will affect these financial statements, but that it will not be made until the audit is underway, so these financial statements are preliminary.

Balance Sheet, June 2022 – Jessica remarked that Account 1083 – Miscellaneous Receivable is made up primarily of the City of Riverside treatment reconciliation for FY 20-21, which was received subsequent to the year-end. She also noted that 1065 – Deferred Pension Outflows includes the complete payoff of the unfunded pension liability as provided by CalPERS at the time of payment.

Profit & Loss – General, July 2021 through June 2022 – She said that for 5019 – Education and Seminars there is an amount in the current year, but not the prior year. This is because the annual conference was not held last year because of Covid. She also stated that 5125 – Clubhouse Maintenance was decreased from the prior year, because the District had substantial landscaping work completed. 4150 – Land Lease Income is increased over the prior year by \$62k because of an increase in the monthly lease payment.

Profit & Loss – Sewer, July 2021 through June 2022 – Jessica stated that the Horizons litigation increased the 5012 - Legal and Accounting for the current year. A substantial increase in the cost of spill insurance was the primary cause of the increase in 5100 – Insurance Expense for the current year. Negotiation with the City of Moreno Valley on the annual utility permit in FY 20-21 resulted in the annual clean-up being

delayed and the costs incurred in FY 21-22, resulting in the increase in 5275 – Contracted Services over the prior year.

Profit & Loss by Class, July 2022 – Jessica noted that 5015 - Miscellaneous Outside Services includes expensing of the remainder of the IT security services and electronic records management software license that were both paid in the prior year. She also noted that the amount paid in July in 5100 – Insurance Expense is the majority of the insurance expense for the year.

Profit & Loss by Class, August 2022 – Jessica observed that \$60k in 4945 – Other Revenue – Plan Check, Etc. for August alone illustrated just how much development is currently happening in the district. She also noted that the \$37k in 5275 – Contracted Services is primarily the cost of annual cleanup.

Journal transfer of funds – approval – Crystal moved to approve a journal transfer of funds of \$1,595.00 to ACO and \$4,247.15 to Illumination Fund from the General Fund, Brenda seconded, motion carried.

Monthly update – other items – Jessica said that the financial audit would be starting on Monday.

Adjourned: 8:08 p.m.

Respectfully Submitted,



Jessica Pfalmer
Secretary