MINUTES OF REGULAR BOARD OF DIRECTORS MEETING
Avila Beach Community Services District
Tuesday, August 12th, 2025
1:00 P.M.

1. CALL TO ORDER

President Kelley called the meeting of the Board of Directors of the Avila Beach Community Services District, to order at 1:07 P.M. on the above date, in the Avila Beach Community Services District Building, 100 San Luis Street, Avila Beach, California.

2. ROLL CALL

Board Members Present	Pete Kelley
	Kristin Berry
	Howie Kennett
Board Members Present via Zoom:	None
Board Members Absent:	Ara Najarian
	John Janowicz
Staff Present:	Brad Hagemann, General Manager
	Kristi Dibbern, Office Manager
Operations:	Shawn Powell, Chief Plant Operator
Legal Counsel via Zoom:	Craig Parton from Price, Postal, & Parma

3. PUBLIC COMMENTS - None

4. INFORMATION AND DISCUSSION ITEMS

A. County Reports

Cal Fire: Chief Paul Lee reported 62 calls for service this month, 39 were medically related. Lee also reported that the Gifford Fire that originated at Highway 166, Northeast of Santa Maria on August 1st, was still burning. The fire has burned 131,614 acres including San Luis Obispo and Santa Barbara counties. Containment lines are being built on High Mountain Road, as well as, many other locations to prevent the fire from causing further damage. The cooler temperatures will help with the containment significantly. Chief Lee also reported Knox Boxes are being installed around our area on many gates for digital entry for CalFire. Old locks with keys will no longer be utilized for entry in the case of an emergency.

Sheriff's Report: GM Hagemann read the statistics report provided by the sheriff's office. Forty-five calls for service were reported during the month of July. Two assault and battery, 8 disturbances, 3 theft, 2 vandalism, 4 suspicious circumstances, 4 enforcement stops, and 20 preventative patrol stops were reported for the month of July.

5. BUSINESS ITEMS:

Item 5A. FY 2023/24 AUDIT REPORT

Jared Solmonsen, a principal & partner from Nigro & Nigro presented the draft Audit Report for FY 2023/24 to the Board. Mr. Solomonson summarized the Financial Statements and Audit Results noting that Nigro & Nigro issued an "Unmodified Opinion" on the District's Annual Financial Statements.

Financial Highlights of the Audit included:

- The District's net position increased 6.40%, or $587,553 from the prior year's net position of $9,137,725 to $9,725,278 as a result of this year's operations.
- Total revenues from all sources increased by 10.96%, or $243,954 from $2,224,847 to $2,468,801 from the prior year, primarily due to a $338,902 increase in property tax and special assessment revenue during the fiscal year.
- Total expenses for the District's operations before depreciation expense increased by 13.11% or $168,937 from $1,289,056 to $1,457,993 from the prior year, primarily from the hiring of one additional employee as well as increases in materials and supplies.

Director Kennett made a motion to receive and approve the Audit "as is" with no changes. Director Berry seconded the motion, and it passed with a roll call vote 3-0.

AYES:	Howie Kennett
	Kristin Berry
	Pete Kelley
NOES:	None
ABSENT:	Ara Najarian
	John Janowicz

8. PUBLIC COMMENT ON CLOSED SESSION ITEM

None.

9A. CLOSED SESSION

The Board convened to closed session at 1:55 PM to discuss the following items:
A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2). Number of cases: One.

REPORT ON CLOSED SESSION/ANNOUNCEMENT OF ACTION, IF ANY, TAKEN IN CLOSED SESSION

The Board returned to the regular session at 2:20 PM. No reportable action was taken by the Board of Directors during the closed session.

6. **CONSENT ITEMS:** (President Kelley moved the Consent Items to the end of the meeting to accommodate the District auditor and legal counsel)

After Board discussion and no public comment, Director Berry made a motion to approve the Consent Items. Director Kennett seconded the motion, and it passed with a roll call vote 3-0.

AYES	Kristin Berry
	Howie Kennett
	Pete Kelley
NOES:	None
ABSENT:	Ara Najarian
	John Janowicz

7. **PULLED CONSENT ITEMS.** None.

10. Communications and Correspondence.

ADJOURNMENT: The meeting was adjourned at approximately 2:30 PM.

These minutes are not official nor are they a permanent part of the records until approved by the Board of Directors at their next meeting.

Respectfully submitted,

Brad Hagemann, PE
General Manager