



**LAKE SHASTINA COMMUNITY SERVICES DISTRICT**

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**RESOLUTION 5-12**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKE SHASTINA COMMUNITY SERVICES DISTRICT APPROVING CERTIFIED PUBLIC ACCOUNTANT'S AUDIT ENGAGEMENT LETTER FOR THE YEARS ENDED JUNE 30, 2012, 2013 AND 2014.**

**WHEREAS**, the District is required to have an annual audit performed in accordance with Government Auditing Standards; and

**WHEREAS**, the Board of Directors has reviewed proposals submitted regarding audits for the years ended June 30, 2012, 2013 and 2014.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors hereby authorizes the President to sign a three-year audit engagement letter/contract with D.R. Watts Accountancy Corporation, for the years ended June 30, 2012, 2013 and 2014.

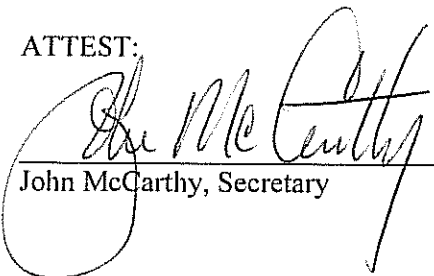
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I hereby certify that the forgoing is a full, true and correct copy of Resolution 5-12 duly passed and adopted by the Board of Directors of the Lake Shastina Community Services District, Siskiyou County, California, at a meeting thereof duly held on the 16th day of May, 2012, by the following vote:

AYES: Directors Moller, Roths and Wetter  
NOES: Directors Cupp and Murphy  
ABSENT: None

  
\_\_\_\_\_  
Tom Wetter, President

ATTEST:

  
\_\_\_\_\_  
John McCarthy, Secretary

DISCUSSION / ACTION ITEMS:

5. Fire Department: monthly report: AFC Bullington updated the Board on Fire Department activities. There was discussion regarding a proposed Memorandum of Understanding for the Sheriff's Boat that is stored in the District.
6. Consideration for appointment of Interim Fire Chief: Kent Cunningham introduced himself and spoke to the Board on what he believed his role would be as the Interim Fire Chief, if appointed.

**Motion by Dir. Roth second by Dir. Moller to appoint Kent Cunningham as the Lake Shastina Interim Fire Chief.**

**Ayes: Directors Cupp, Moller, Murphy, Roths and Wetter**  
**Noes: None**  
**Absent: None**

Kent Cunningham was sworn in as Interim Fire Chief.

7. Police Department: monthly report: PC Alves updated the Board on Police Department activities.
8. Change of Bank: SAC Nelle reviewed options for LSCSD due to the closure of the Premier West Bank Weed Branch. The Board discussed.

**Motion by Dir. Cupp second by Dir. Roths to authorize a change of banking from Premier West Bank to Tri Counties Bank and authorize all CSD Board Members as signatory to the accounts.**

**Ayes: Directors Cupp, Moller, Murphy, Roths and Wetter**  
**Noes: None**  
**Absent: None**

9. Dwinnell Dam: threat to remove, by Klamath Riverkeeper group: Pres. Wetter updated the Board regarding the Klamath Riverkeeper's notice of intent to sue the Montague Water Conservations District. The Board discussed.
10. Notice of Governing Board Member Election: The Board discussed

**Motion by Dir. Moller second by Dir. Cupp to adopt Resolution 4-12, Notice of Governing Board Member Election, with candidate statement word limit of 200 and candidate statement paid by the District.**

**Ayes: Directors Cupp, Moller, Murphy, Roths and Wetter**  
**Noes: None**  
**Absent: None**

11. Selection of firm for CSD audit - Fiscal Year 2011/12: The Board and staff discussed. Dir. Moller made a motion to adopt Resolution approving that the District enter into a three-year contract for audit services with D.R. Watts; Dir. Cupp seconded the motion. The Board discussed; an amended motion was made as follows:

**Motion by Dir. Moller second by Dir. Roths to adopt Resolution 5-12, approving that the District enter into a three-year contract for audit services with D.R. Watts Accountancy Corporation for the June 30, 2012, 2013 and 2014 audits of the District's financials; staff to try to negotiate fee down.**

**Ayes: Directors Moller, Roths and Wetter**  
**Noes: Director Cupp and Murphy**  
**Absent: None**


BOARD MEMBER COMMENTS: Dir. Cupp spoke about an article regarding a Fire Training Facility.

ADJOURNMENT:

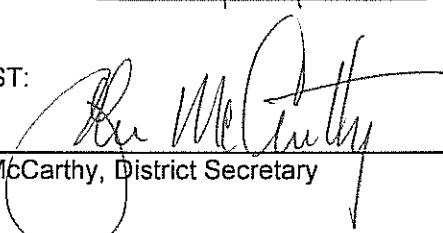
**Motion by Dir. Moller second by Dir. Cupp to adjourn meeting at 6:39 p.m. to the next Regular Meeting on June 20, 2012 at 5:00 p.m.**

**Ayes: Directors Cupp, Moller, Murphy, Roths and Wetter**  
**Noes: None**  
**Absent: None**

Approval Date: 6/20/12

  
 Corinne Moller, Vice President

ATTEST:

  
 John McCarthy, District Secretary