

ICR Water Users Association
Board Meeting Minutes
August 26, 2008
Approved September 23, 2008

Those Present:

Board Members

Hugh Pryor, President
Hal Lobaugh, Vice President
Bill Meyer, Secretary/Treasurer
Earl Cummings, Director

Contract Staff

Bob Busch, Manager
Recording Secretary
Harvey Roberts
Member Guests
See Appendix A

1. Call to Order - The meeting of the ICRWUA was called to order at 9:00 AM. by Hugh Pryor.

2. Review Minutes of the February 16th Annual Meeting, June 3rd Special Meeting and the July 22nd Board Meeting.

Waive reading of the minutes

Motion: Hal moved to waive the reading and approve the minutes; Earl seconded; motion carried.

3. Reports

a. Bill and Bob presented the Financial Report for July 2008.

An Invoice and Payment History for Snell & Wilmer (Rate Case Attorneys) was distributed. This detailed billings for services through the end of June. Total Payments have been \$66,829.01 with a Balance Due of \$127,539.64. It is expected that billing for July will be an additional \$20,000.

An Invoice and Payment History for Tom Bourassa (Rate Case Accountant) was distributed. Through August 4th 2008 he has been paid \$31,896.90 with a balance due of \$52.50.

Rate Case estimated cost to date is \$246K.

Bob distributed an Outstanding Payables List showing a total of \$140,731.20. This is the Snell & Wilmer charge and 15% AIAC Repayments due Whispering Canyon and Harvard.

Bob noted that Harvard was billed \$2016.96 in 12/07 for Civiltek work on Phases 10-12-13. Harvard has asked for a report from Civiltek before payment will be made. Civiltek has billed \$1900 for recent work on Phases 10-12-13. Company's Main Extension Agreement with Harvard provides for reimbursement for expenses. It will be discussed at a scheduled meeting with Harvard.

Motion: Bill moved to accept the Financial Report for July; Earl seconded the motion; motion carried.

d. Bob presented the Manager's Report of 8/26/2008, the July Water Usage Report and a TRR Asset Listing.

Asset List provided shows total TRR assets of \$6.65M with an additional \$1.2M soon to be transferred from Harvard. The Balance Sheet has shown TRR Assets as \$2.5M. There is some concern about if and when these assets are to be accepted and included on the Balance sheet.

Motion: Bill moved to have an Engineering Review of the infrastructure; Hal seconded the motion; motion carried.

4. Old Business

a. Review of Action Items:

Action Item: Bob will resolve the discrepancy in assets transferred from Harvard by the next meeting. Asset List included with Manager's Report.

Action Item: Bob will ask Clint when Contractors will be given procedure for drawing Construction Water. This has been completed

Action Item: Each Board member is to turn in mileage to Bob for trip to ACC hearing (approximately 118 miles each way). This has been completed.

Action Item: Hugh (and others) to review software packages for more comprehensive reporting capability. This review would start later in the year to be ready for a recommendation before the software license expires next year. Pending

Action Item: Shirley is assigned to develop a policy on providing information to members. Tabled

Action Item from 12/11/07 & 1/22/08(Executive Session): Clarification needed for Voting in Board Elections. Tabled

Action Item: Add to Statement line showing amount due each month from TRR under Well Agreement. Item on the agenda today

b. TRR Phases 10, 12 & 13 Acceptance

Meeting scheduled at TRR on August 28th to review infrastructure.

c. Rate Case

Agreement with Harvard will be finalized today. It will be distributed to ACC Staff and Dayne Taylor for review. A procedural conference is scheduled for September 18th. at the ACC.

5. New Business

a. **Audit Results** - No report yet from Constance Pinney.

b. Bills of Sale – TRR and WC

Total infrastructure estimated to total \$17M. Adding this to the Balance Sheet would balloon the depreciation charge. A suggestion was to take 30% as aid and 70% as contribution time dated.. This has to be worked out.

c. Financial Report Content

Bruce Eldridge from MDI explained that Cash accounting does not report a bill until it is paid. In Accrual accounting bills are entered as Accounts Payable and a corresponding Expense line when paid. The Company's tax reporting is on a Cash basis. The IRS would have to approve a change to Accrual accounting. Assets will be recorded on a spreadsheet with entries for the items tracked. Balance sheet will have entry for depreciation and reserves. The current software has sufficient capability for the Company.

Motion: Bill moved to do Accrual accounting on monthly book and Cash accounting for yearly tax return; Earl seconded the motion; motion carried.

d. Web-Site

Documents will be posted in pdf format and open as a new page.

6. Guest Q & A

Can Company spend the \$20,000 shown as ARC money on the balance sheet? No, this has never been touched

Jerome Reid presented a list of questions concerning a petition that has been circulated. Hugh will provide an answer to Mr. Reid after due consideration. Hal stated that he is circulating the petition to every homeowner in Talking Rock. Petition does not specify names of members who disagree with actions taken by the Board.

Jimmy Stoner suggested that the web-site have a comment section (forum or blog). This would require monitoring and is not possible at this time.

Was there any engineering evaluation of the rate of evaporation from the storage ponds in Talking Rock? TR has had studies, but we don't have the data. If Board can obtain the study from TR it will be posted on the web-site. Bill stated that evaporation rate is a maximum of 8% per year. Bill thinks the ACC will view the ponds as a conservation effort.

When will answers to the June 3rd Special Meeting be available? They will be posted on the web-site this week.

Jimmy Stoner presented a list of question that he feels bears on a cost of service study by the Intervener. Dayne Taylor, the Intervener, has questions on assets and a missing bill for power. Bob Busch has provided Taylor all the asset information available, and Bob will furnish Taylor the power bill from 2006. Hugh told Stoner that it is more appropriate to respond to requests from Taylor because of his position in the case. Hugh pledged that Taylor would have the Company's full cooperation in completing his cost of service study.

Motion: Hal moved to adjourn meeting; Bill seconded the motion; motion carried.

Meeting Adjourned at 11:20 AM

Related Documents:

ICR July 31, 2008 Financial Report

Manager's Report August 26, 2008

ICR Water Usage for July 2008

STATUS OF CONVEYANCE OF TALKING ROCK WATER FACILITIES TO ICRWUA AS OF 8-22-08

Appendix A Guest List

Shirley Leasure

Larry & Tina Bligh

Dayne Taylor

John R. Payne

Tom Sullivan

Eileen McGowan

Chris & Jimmy Stoner

Jerome Reid

Russ Hubbard