

Lions Head Water Users Association Annual Meeting Minutes

August 2, 2012

5:05 PM

Roll Call:

Alan Scott and Anne Meininger - Lot 14

Lots represented by proxy - Lots 10,12,13 and 15

Proof of due notice:

Notice of this meeting was sent out on June 21, 2012.

Reading and disposal of the previous minutes:

No changes were made to the 2011 annual meeting minutes.

Nominations for Vacancy on the Board of Directors:

Alan Scott, Anne Meininger and Allen Bejda are on the ballot. There were no write in nominations, and no nominations were made from the floor.

Report of the President or Vice-President:

Alan Scott mentioned that, as in previous years, the water system is currently servicing two homes, on lots 12 and 14. We do not know of any new hookups planned for the next year. Alan reported that the system is currently working well, with no problems in the past year. The lot 8 well, which is our back up well, was not turned on during the past year. Alan hopes to bring it online for maintenance in the next year, with the assistance of our water master, Clint Brooks. Alan then mentioned that he intends to address a trenching issue just above the transfer station this fall or next spring.

Alan then reported that Lion's Head is testing the water for coliforms and chlorinating the system once or twice per year. This was done this past year, and we expect to do so again this fall. The test for coliforms was again negative. The costs for the testing and chlorinating of the system have been donated by the Scott-Meiningers.

Alan then mentioned that Lion's Head continues to fulfill all requirements with regards to the Elk Springs-Lion's Head contractual agreement.

Report of the Secretary:

Copies of the 2011 annual meeting minutes were sent out in late June with the announcement for this meeting. All minutes and financial summaries are available on the Lion's Head website.

Report of the Treasurer:

Anne Meininger reviewed the financial summary. The beginning balance on August 1, 2011 was \$4,664.73. Expenses included a total of \$860.07 for the electric bills. The addendum to the financial summary shows the electric bills by the month, and expenses go up in the winter as we use more electricity to heat the transfer station. As explained in previous years, Lion's Head has three electric meters, and we pay approximately \$20 per month for each meter, whether we use

electricity or not. This comes to about \$60 per month as a base cost. Our electric bills for the year were very close to the cost of electricity for the previous year. Anne stated that it is clear from the financial summary that the two users on the system are paying their share for the incremental costs for pumping the water. In fact, at the present time, the users fees are paying for our electric bills. Heating the transfer station continues to be our primary cost for electricity.

In reference to the financial summary which shows electric bills by the month, Anne mentioned that we had two months last year when we received a rebate from the electric company because Empire Electric is a co-op. The total of those two rebates was approximately \$50. So, without the rebates, our electric bills would have been higher by this amount.

Anne then explained the deposits. The annual assessments totaled \$2,000, which is \$250 per lot for eight lots. Users pay \$40 per month base rate for up to 10,000 gallons, which comes to a total of \$960 for users fees. One user had one month last summer where they exceeded the base rate of 10,000 gallons, resulting in an additional cost of \$37.50 for that month. Therefore, the total deposits for users fees were \$997.50.

The total deposits for the fiscal year were \$2997.50, giving an ending balance of \$6,802.16. Anne mentioned that Lion's Head was very fortunate that we had no expenses for repairs to the system this past year. Thus, we have been able to continue to build up more of a reserve fund in case of another large repair bill, such as the \$4,400 bill that we had approximately four years ago. We want to prevent the need for any more special assessments, if at all possible.

Unfinished business:

There was no unfinished business.

New business:

Alan reiterated that the finances for Lion's Head are much more stable than in previous years, now that we have more reserve funds in place. He stated that Lion's Head appreciates everyone's prompt payments. Lion's Head does not foresee any special assessments in the near future. The board will continue to closely monitor the budget, and make adjustments to the fees if it is deemed appropriate, especially if new users connect to the system. We will most likely incur some maintenance costs during the next year due to bringing the lot 8 well online again, which Clint Brooks has recommended that we do every two to three years. Of course, it is very difficult to predict future repair needs.

Election:

Alan Scott, Anne Meininger and Allen Bejda were elected to the Board of Directors for a one year term.

From the floor:

Nothing was brought up from the floor.

Adjournment:

The meeting was adjourned at 5:20 PM.

Respectfully submitted,
Anne Meininger, Secretary-Treasurer