

Lions Head Water Users Association Annual Meeting Minutes

August 2, 2013

3:05 PM

Roll Call:

Alan Scott and Anne Meininger - Lot 14

Lots represented by proxy - Lots 13,15,16

Proof of due notice:

Notice of this meeting was sent out on July 3, 2013.

Reading and disposal of the previous minutes:

No changes were made to the 2012 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 or two. Alan reported that the system is currently working well, but last fall, we did have a leak in a pipe down by the lot 8 well. Clint Brooks of Brooks Well service was able to patch this leak. We do have additional work that needs to be done to complete the repair. Alan said that we expect to be doing this later this year. Last January, we had a battery that went bad in a receiver at the transfer station. Due to this, we lost the ability to run the lot 15 well, which allowed our system to go dry. The battery was replaced by Clint Brooks and the system was refilled.

Alan then mentioned that we had been planning to do lot 8 maintenance work this year, but due to extenuating circumstances, this was not completed. We do hope to bring the lot 8 well up in the near future for maintenance. 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 fall, and the test for coliforms was again negative. If we do bring the lot 8 well online for maintenance this fall, we probably will not test the water at that time because a large amount of chlorine will be added to the system, causing the test to be ineffective. The costs for the testing and chlorinating of the system continue to be donated by the Scott-Meiningers, lot 14.

Alan then said 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 2012 annual meeting minutes were sent out in early July 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, 2012 was \$6,802.16. Expenses included a total of \$1,213.21 for the electric bills, and \$781.31 to Brooks Well Service for repairs last fall and winter. 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 currently pay \$30.65 for each meter, whether we use electricity or not. Empire Electric changed their billing practices at the beginning of 2013. At that time, they increased the monthly cost for each meter from approximately \$20 per month to \$30.65, and they have slightly reduced the cost per KWH. This has impacted Lion's Head with an increased yearly cost of about \$367.00 for our three meters, which is over 10% of our annual budget of \$2,960.00. You can see the result of this increase in our electric bills since February. 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 (\$960.00) are paying a high percentage of our electric bills. Heating the transfer station continues to be our primary cost for electricity, but the increased monthly cost for the meters is also impacting us.

Anne then explained the deposits. The annual assessments totaled \$2,000.00, which is \$250.00 per lot for eight lots. Users pay \$40 per month base rate for up to 10,000 gallons, which comes to a total of \$960.00 for users fees. This year's users fees total \$1,080.00 because one user paid \$120.00 in advance for the 3rd quarter of 2013. We usually bill by the quarter rather than monthly.

The total deposits for the fiscal year were \$3,080.00, minus expenses of \$1,994.52, giving an ending balance of \$7,887.64. We are continuing to slowly build up reserves in case of another large repair bill, such as the \$4,400.00 that we had approximately four years ago. We want to prevent the need for any more special assessments, if at all possible. Anne mentioned that we do anticipate some repair and maintenance costs during the next year.

Unfinished business:

Alan mentioned that with the exception of bringing the lot 8 well online during the coming year, there is 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. We hope to continue to slowly build these reserves. 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 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 3:20 PM.

Respectfully submitted,
Anne Meininger, Secretary-Treasurer