

Resolution # _____
XENIA RURAL WATER DISTRICT
June 24, 2010 – 7:00 PM – Bouton Office
Regular Board Meeting Minutes

Board Members Present: Pierce, Fevold, Tomenga, Hayer, Wilson

Board Members Absent: Larson, Rinehart

Staff Present: DeLong, Clay, Iben, Cooper, Christianson

Call to Order

Tomenga called the meeting to order.

Approve Agenda

Motion #061001 made by Fevold, seconded by Wilson, to introduce and approve the June 24, 2010 Agenda presented. Motion passed. No dissenting.

Approve Minutes

Motion #061002 made by Fevold, seconded by Pierce to approve May 25, 2010 Board Meeting Minutes. Motion passed. No dissenting.

June Financial Reports

Statement of Revenue, Expenses, and Changes in Net Assets

Clay reviewed the financial statements. Noted commercial sales are down 41.5%. Pierce asked to look at a comparison to last year's commercial sales. Clay noted the sewer processing fee from the City of Boone was still in the expense column. DeLong, Iben, Kevin Lyons and Matt Cooper will be meeting with the City to resolve issue later this month.

Statement of Cash Flow

Tomenga asked Clay where we are at on our cash position.

Statement of Budget, Income & Equity

Form from the USDA needed to wait for budget to be approved prior to completion of this form.

Motion #061003 made by Pierce, seconded by Fevold to introduce and approve financial statements. Motion passed. No dissenting vote.

New Customers/Water User Agreements/Occupant Deposit Listing/Voluntary Terminations

Clay summarized the reports.

Management & Operation Reports

2009 Audit Update- Clay noted we are still waiting on State Auditor for financial report. Tomenga requested update as soon as have definite information on when we will get the 2009 Audited Financial Statements.

Attorney & Engineering Fees Summary - DeLong reviewed the legal and engineering bills. Noted Faegre and Benson did not send bill but we will receive one soon that will show work on bond issues.

USDA finance review & RW Beck site visit - Iben provided brief overview of visit and documents that have been provided.

New organizational structure – DeLong reviewed new Organization Chart. Raises were discussed. Discussion over 2009 budget wages verses new proposed wages with wage increase.

Surplus assets identification and sale – Cooper reviewed. Hayer wanted to know when the best time of year is to sell. DeLong noted hope to have completed identification process by next meeting.

Winn/Worth “direction forward” update – DeLong spoke about a meeting he and Tomenga had with Terry Lutz, the engineer for Worth County, regarding a potential asset sale. DeLong will be setting up a meeting with Snyder & Associates to get appraisal of assets. Hayer asked for clarification behind the need for an appraisal. Tomenga discussed talks with Lutz and fact that county does not have an interest in the 500,000 water tower.

Bond structure, cash transfer/dispersments – DeLong gave overview of how we are not in compliance with the bond documents as it relates to the disposition of revenue. Clay gave more detail about where we are to date. DeLong noted process will commence on July 1st. Tomenga requested DeLong to set a meeting with City State Bank to review rates.

Motion #061004 made by Fevold, seconded by Pierce to introduce and approve 2006 Water Revenue Bond Fund Authorizations. Motion passed. No dissenting vote.

Motion #061005 made by Pierce, seconded by Fevold to introduce and approve Capital Expenditures Authorizations. Motion passed. No dissenting vote.

Short/Medium term planning process description – DeLong reviewed spreadsheet.

Old Business

Bulk water rate increases (Minburn & Stuart) – Certified mail letters sent to committees of both communities. 120 days until increase takes effect. Minburn 22% raise and Stuart 38% raise.

Outside counsel roles – Tomenga identified Faegre & Benson as Bond Counsel and Belin McCormick as General Counsel. Tomenga and DeLong met with firms to update them. Firms will only be present at board meetings deemed essential.

Public Information Program – Tomenga reviewed and handed out forms to board members. Purpose to raise interest in Xenia’s situation and move the board meetings out into the District. Tomenga identified that he is looking for speaking engagements for board members, working with other associations and informing public officials. Tomenga will disperse to board members a paper he wrote on how to contact your elected officials.

New Business

None

Open Forum

No comments.

Adjournment

Motion #061006 made by Wilson, seconded by Pierce, to approve adjournment of the meeting.
Motion passed. No dissenting vote.

Xenia Rural Water District, Secretary

Date