

**Resolution # \_\_\_\_\_**  
**XENIA RURAL WATER DISTRICT**  
**October 25, 2012 – 6:00 PM**  
**Regular Board Meeting Minutes**

Board Members Present: Lovett, Mestad, Hayer, Wilson, Ballard

Board Members Absent: None

Staff Present: Engman, Engman, Andrews, Shires

Others Present: Wade Hauser of Ahlers and Cooney, Assured Rep, Kevin Lyons, Corey Iben.

Call to Order

Lovett called the meeting to order.

Approve Agenda

Motion #101201 made by Wilson, seconded by Hayer to introduce and approve the October 25, 2012 Agenda. Motion passed. No dissenting.

Approve Minutes

Motion #101202 made by Ballard, seconded by Wilson to introduce and approve the September 27, 2012 minutes. Motion passed. No dissenting.

Approve Minutes

Motion #101203 made by Ballard, seconded by Wilson to introduce and approve the October 11, 2012 minutes. Motion passed. No dissenting.

Financial Reports

Statement of Net Assets

Andrews reviewed statement of net assets. As of September 30, 2012 assets totaled \$136.5 million. Liabilities totaled \$134 million. Fund balance was \$2.4 million.

Income Statement

Andrews reviewed the income statement. Total Operating Income for first nine months of 2012 was approximately \$9.1 million.

Statement of Cash Flows

Andrews reviewed the statement of cash flows. Net decrease in cash and cash equivalents for the first nine months of 2012 was \$617,191.

Operating Checking Transactions

Andrews reviewed with treasurer the transactions that will take place in September to transfer monies into the Sinking and Reserve funds.

Sinking Fund Allocations and Reserve Fund Allocations

Transfers from Revenue Fund to occur in November include \$389,722 to Bond Sinking Fund and \$218,926 to USDA Sinking Fund on November 10<sup>th</sup> and \$389,722 to Bond Sinking Fund and \$218,926 to USDA Sinking Fund on November 27<sup>th</sup>.

### Customer Service & Accounts Receivable

#### Accounts Receivable Aging/Cut-offs/Reinstatements

Andrews reviewed receivables.

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

District had 12 new service connections and no terminations in September.

Motion #101204 made by Lovett and seconded by Ballard to introduce and accept financial statements and moving of funds to sinking and reserve accounts. Motion passed. No dissenting vote.

### 2013 Budget Update

Andrews provide an update on the status on the budget. Nearly complete. Waiting on information from USDA and Assured on Work Out Plan.

### Update on Property Sale

Ballard provided an update on the parcels that the District is considering selling and reviewed the Request for Proposal that had been sent to four potential Real Estate Companies. Also reviewed process needed for Iowa Code Compliance.

### Interim GM Update

Lovett updated board on two candidates that are being interviewed as well another person who has been contacted and for whom we are waiting for a response.

### Chairperson Update

Resignation of Walt Tomenga from the board of directors. The position of chair was declared vacant. Ballard made motion #101205 to appoint Dan Lovett as chair. Hayer seconded. Motion passed. No dissenting.

### Update Financial Transaction Policy

Motion 101206 made by Ballard, seconded by Hayer to approve updating the Financial Transaction Policy to include Engman and revise to include new chairman.

### Board Committee Assignments

Board Committees recommended by Lovett. Executive: Lovett, Hayer, Ballard. Finance and Audit: Ballard, Mestad, Hayer. Planning: Wilson, Lovett, Mestad. Personnel: Hayer, Wilson, Lovett.

### Approve Emergency Water Purchase Agreement Dexter

Agreement was reviewed and it was decided to table the approval until the document was reviewed by counsel.

### Approval of Transfer of Other Funds to Pay Dept

Item was withdrawn until further information is available. Will update at Nov. 8<sup>th</sup> meeting if needed.

Departmental Reports

Engman reviewed the highlights of the Departmental Reports.

Old Business

November 15<sup>th</sup> meeting reminder and discussion

New Business

Maintaining Time Sheets for salaried employees/

Public Comments

None.

Closed Session

Pursuant to Iowa Code 21.5 (1) (c) Wilson made motion #101206, to enter into closed session at 8:20pm to discuss strategy with counsel in matters that are presently in litigation or where litigation is imminent where its disclosure would be likely to prejudice or disadvantage the position of the governmental body in that litigation. Roll call vote: Ballard-Aye, Mestad-Aye, Wilson-Aye, Lovett-Aye. Motion passed. No dissenting.

---

Xenia Rural Water District, Secretary

---

Date