

**Resolution # \_\_\_\_\_**  
**XENIA RURAL WATER DISTRICT**  
**November 29, 2012 – 6:00 PM**  
**Regular Board Meeting Minutes**

Board Members Present: Lovett, Hayer, Wilson, Ballard

Board Members Absent: None

Staff Present: Engman, Andrews, Shires

Others Present: Wade Hauser of Ahlers and Cooney, Assured Rep, Kevin Lyons, (3) Members of District.

Call to Order

Lovett called the meeting to order.

Approve Agenda

Motion #101201 made by Wilson, seconded by Hayer to introduce and approve the November 29, 2012 Agenda. Motion passed. No dissenting.

Approve Minutes

Motion #111202 made by Ballard, seconded by Wilson to introduce and approve the October 25, 2012 minutes. Motion passed. No dissenting.

Approve Minutes

Motion #121203 made by Ballard, seconded by Wilson to introduce and approve the November 8, 2012 minutes. Motion passed. No dissenting.

Financial Reports

Statement of Net Assets

Andrews reviewed statement of net assets. As of October 31, 2012 assets totaled \$136.9 million. Liabilities totaled \$134.6 million. Fund balance was \$2.3 million.

Income Statement

Andrews reviewed the income statement. Total Operating Income for first ten months of 2012 was approximately \$10.1 million.

Statement of Cash Flows

Andrews reviewed the statement of cash flows. Net increase in cash and cash equivalents for the first ten months of 2012 was \$664,541.

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

No Transfers from Revenue Fund to will occur in December, as the transfer scheduled to be made for December 10 was made in November in order for six monthly transfers to be made prior to the December 1 payments.

For the first time since the 2006 Bonds were issued, Xenia will be making full payments on its annual debt obligations to parity lenders with cash earned from operations. In the past Xenia has either made the payments in full using proceeds from the bond issue or made only partial payments. Payments to be made on December 1, 2012 include \$3,166,444 Series 2006 Bond Fund and \$1,856,348 USDA.

#### 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 16 new service connections and no terminations in October.

Motion #111204 made by Ballard and seconded by Hayer to introduce and accept financial statements and making 12/1/12 debt payments. Motion passed. No dissenting vote.

#### Update on Potential Property Disposal

Ballard announced Excess Assets Committee's selection of People's Company as the real estate firm that was selected to market the District's property. Marketing materials have been created by Peoples and distributed and offers have been received for Fraser and Bouton excess land.

#### Change to Straight Line Depreciation

Due to comments on the 2011 audit about the need to update the District depreciation method, it was recommended by the controller to change from the Units of Production Method to the Straight Line Method. Motion #111205 made by Hayer and seconded by Ballard to make the change. Motion passed. No dissenting vote.

#### 2013 Rate and 2013 Budget

Tabled until December meeting as communication with parity lenders has been re-established.

#### Interim GM

Lovett noted that two people have been interviewed and a third interview is scheduled for Tuesday of next week. A decision should be made within the next two weeks.

#### Update on Meter Replacement / Testing

District has completed an analysis of meter accuracy and found that all meters tested exceeded AWWA Standards. The meters tested between 98% - 100% accurate. Additional testing is taking place on large meters and board will be updated to results upon completion.

#### PTO Christmas Eve

Board discussed paid time off for staff on Christmas Eve as well as Christmas day as Christmas Eve is on a Monday and many employees have requested the day off. Motion 111206 made by Ballard, seconded by Wilson to give staff Monday, November 24, 2012 off as a paid holiday.

Departmental Reports

Engman reviewed the highlights of the Departmental Reports.

Old Business

Updates on new communities purchase agreements. Dexter and Pilot Mound are done. Slater is being reviewed by engineering firm. Churdan has concern with no rate guarantee.

Wilson and Ballard have spoken with potential candidates for the Board of Directors new term beginning April 30, 2013.

New Business

Need to move toward solution to costly treatment of water at Woodward Water Treatment Plant. Many ideas have been presented but formal work has not begun. Suggested staff and board chairman should write RFP for engineering services to study the issue.

Public Comments

District member commented on ethanol contracts. District member suggested adding date of monthly board meeting to bills. Staff noted that this does not work on a monthly basis because we bill in five cycles starting with the 5<sup>th</sup> day of the month and ending with the 24<sup>th</sup> day of the month so some members would receive the information after the meeting was already over. Staff will look into ways to better inform membership of meeting dates.

Adjourn

Motion #111207 made by Hayer and seconded by Ballard to make the adjourn meeting. Motion passed. No dissenting vote.

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Xenia Rural Water District, Secretary

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Date