

Resolution # _____
XENIA RURAL WATER DISTRICT
March 21, 2013 – 5:00 PM
Regular Board Meeting Minutes

Board Members Present: Lovett, Hayer, Wilson, Bromert, Telephonic - Ballard
Board Members Absent: None
Staff Present: McMullen, Andrews, Shires, Lyons, Iben
Others Present: Bill Noth - Ahlers, Assured Rep., Bill Menner - USDA

Call to Order

Lovett called the meeting to order.

Approve Agenda

Motion #031301 made by Wilson, seconded by Bromert to introduce and approve the March 21, 2013 Agenda. Motion passed. No dissenting.

Approve Minutes

Motion #031302 made by Hayer, seconded by Wilson to introduce and approve the Feb. 4, 2013; Feb. 19, 2013; and Feb. 20, 2013 2013 minutes. Motion passed. No dissenting.

Financial Reports

Statement of Net Assets

Andrews reviewed statement of net assets. As of February 28, 2013 assets totaled \$132.9 million. Liabilities totaled \$131.9 million. Total liabilities and fund balance was \$132.9 million.

Income Statement

Andrews reviewed the income statement. Total Operating Income was approximately \$963,422.

Statement of Cash Flows

Andrews reviewed the statement of cash flows. Net increase in cash and cash equivalents was \$689,073.

Operating Checking Transactions

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

Sinking Fund Allocations and Reserve Fund Allocations

Series 6 Bond Sinking Fund payment made on March 10, 2013 was \$454,044.00, USDA Sinking Fund payment made on March 10, 2013 was \$71,090.00, and AG Sinking Fund Payment made on March 10, 2013 was \$5,011.00.

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 no new service connections and one termination in February.

Motion #031303A made by Wilson and seconded by Bromert to introduce and accept financial statements and payment of parity lenders. Motion passed. No dissenting vote.

Audit Update

Andrews updated the board on the status of the audit. Time sheets by salaried workers being used currently were accepted. Has updated auditors on subsequent events regarding USDA and AG work outs.

Resolution Approving \$45,497,467.51 Water Revenue Capital Loan Notes

Noth reviewed specifics of document. Lower interest rate and other concessions by USDA. Chairman Lovett thanked Bill Menner for his work with the District to resolve debt issues. Motion #031304 made by Hayer, seconded by Ballard to introduce and approve a resolution approving and authorizing a form of Loan Agreement and authorizing and providing for the issuance of Refunding Capital Loan Notes and providing a method of payment for the Notes. Roll call vote Bromert – Aye, Ballard – Aye, Hayer – Aye, Lovett – Aye, Wilson - Aye. Motion passed. No dissenting.

Resolution Approving \$83,865,000 Water Revenue Bonds, Series 2006

Noth reviewed specifics of document. Noted its purpose is to clarify ambiguous language in original bond document. Motion #031305 made by Hayer, seconded by Bromert to introduce and approve a resolution supplementing the resolution approved on October 25, 2006, said resolution authorizing the issuance of \$83,865,000.00 Water Revenue Bonds, Series 2006, of Xenia Rural Water District, State of Iowa, in order to clarify certain matters and to add to the covenants and agreements of the District contained therein. Roll call vote Bromert – Aye, Ballard – Aye, Hayer – Aye, Lovett – Aye, Wilson - Aye. Motion passed. No dissenting.

Review and Approve Excess Pipe Sale

Board reviewed the Cost Benefit Analysis prepared by staff and motion #031306 made by Wilson, seconded by Hayer to accept bid from Thorp Sawmill and Pallet. Motion passed. No dissenting.

Land Sale Update

Ballard updated the board on remaining property near Grimes and new potential bid from Polk County Conservation.

Update on Annual Meeting

Hayer advised board of work in recruiting and discussed the three members that are included on the Proxy as well as dates and deadlines.

Update on Health Benefits

McMullen updated the board on additional bids received. Bromert will work with McMullen on finalization of health benefits and staff review.

Updates from General Manager

McMullen updated board on talks with City of Churdan, City of Ames, City of Manson, City of Grimes, Fox Creek Benefited Water District and City of Waukee. Also discussed supply needs as well as an update on previously approved projects. Feedback from board on cost benefit analysis form.

Departmental Reports

McMullen reviewed the highlights of the Departmental Reports.

Old Business

Coats loans and association with Forbearance Agreement were discussed. Special Board Meeting to be set for 3/25/13 to take action on the matter.

New Business

None

Public Comments

None

Adjournment

Motion #031306 made by Hayer, seconded by Bromert to end the meeting. Motion passed. No dissenting.

Xenia Rural Water District, Secretary

Date