

MINUTES
PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT
PO Box 945, Pine, AZ 85544
September 16, 2023

Regular Meeting
Date: Saturday, September 16, 2023

Place: District Office at 3617 N Highway 87, Suite A, Pine, Arizona 85544
Teleconference Number: 1-877-594-8353, Participant Pass code 20932491#
Phone in participants will be placed on hold listening to music until the
Chairperson joins the meeting
Time: 9:00 AM

DRAFT
Until approved at a future meeting

1. CALL ORDER

The meeting was called to order at 9:03 AM by Chairman Allan Johnson.

2. ROLL CALL OF BOARD MEMBERS/DECLARATION OF QUORUM

Present - Allan Johnson, Bill McClung, Tom Kelly, Jim Crews and Dave Karr. A quorum is declared. Others Present: Harry Jones,-District Manager, Susan Thompson-Administration Assistant, Carrie Kelly, Tom Jones.

**3. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETING(S):
June 17, 2023, Regular Meeting**

Mr. Crews moved to approve the minutes of the above meeting. Mr. Karr seconded the motion. All say Aye, and none say Nay. The motion passed.

4. CALL TO THE PUBLIC FOR INPUT ON SCHEDULED AGENDA TOPICS

No comments from the public on the current agenda items.

5. TREASURER'S REPORT

5a. Mr. McClung reviewed the financial statement and reported no major change in assets except a slight decline in cash caused by no property tax money being received in the last two-three months. Total cash of \$458,000 is on hand.

5b and 5c. The P& L and budget vs actual reports indicate expected losses of \$30,000 but we only lost \$28,000 with all revenue and expenses categories being very close to budget, but noting that property tax revenues were zero, as expected, over the first two months of the fiscal year.

5d. Cash flow looked normal

MINUTES

PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT

PO Box 945, Pine, AZ 85544

September 16, 2023

5e. The Board voted unanimously to approve the check register and cash disbursements.

5f. No discussion.

6. DISTRICT MANAGER'S REPORT

6a. All water levels looked typical in wells, with the shallow well having the highest static water level in 10 years. Both wells are showing some very slight decrease in pumping efficiency due to age.

6b. Water usage was typical for this time of year.

6c. One new hookup is occurring during the early part of August, which covers the budgeted revenues for impact fees for this Fiscal Year.

6d. Mr. Jones reported no major capital projects are planned for the year, now that the new replacement fan motors and grinder pumps at the WWTP are installed and running, with backup overhauled units in stock.

7. **REVIEW, DISCUSS AND TAKE POSSIBLE ACTION RELATED** to approve the CPA prepared financial review for fiscal year ended 6/30/2023. Mr. McClung reviewed the report and noted that new changes in some accounting rules have caused the reviews to show \$66,000 of capitalized leases being recorded as assets and offset by liabilities on the new office space. Mr. Jones stated the Management Representation Letter should give the Auditors and the Board Members comfort that accounting is accurate and avoids errors, conflicts of interest, and fraudulent activities. Mr. McClung noted the opinion letter was clean. Mr. McClung made a motion and Mr. Kelly seconded. All say Aye. None say Nay. The motion passed.

8. **DISCUSS AND TAKE POSSIBLE RELATED LONG TERM ACTION** the Board of Directors may need to consider related to a succession plan for new personnel to transition into existing position of District Manager. Mr. Jones reviewed a recent memo to the Board to indicate he has taken on management of the Blue Ridge DWID on top of the Rim and management of Ventura Ranch DWID in Prescott Valley. Susan Thompson is engaged to assist management in both situations. With these programs he wishes to be able to bring in a replacement person looking for a full time, not part-time single customer situation. Mr. Jones mentioned he has a couple people in mind, and hopes to be able to retire in 12-18 months. Mr. Crews reviewed several types of contacts for applicants that Mr. Jones could pursue. No formal action taken.

9. CALL TO THE PUBLIC FOR ANY NON-AGENDA ITEMS RELATED TO DISTRICT AFFAIRS

No public comments except Mr. Tom Jones of the Road Committee indicated Turquoise Circle may need to repave over an area with water lines since the pavement installed just a couple of years ago is deteriorating rapidly probably due to inadequate base materials in that area.

10. CONFIRM ESTABLISHED DATE AND DESIRED TOPICS FOR THE NEXT REGULAR BOARD OF DIRECTORS MEETING TO BE HELD:

MINUTES

PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT

PO Box 945, Pine, AZ 85544

September 16, 2023

December 9, 2023 at 9:00 AM

11. MOTION TO ADJOURN

The meeting was adjourned at 10:32AM. Mr. Karr made the motion to adjourn the meeting and Mr. Kelly seconded. All say Aye. None say Nay. The motion passed.

Submitted By: _____ *Posted as of* _____ M