

**MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
June 22, 2006 SPECIAL BOARD MEETING and PUBLIC BUDGET HEARING**

NOTE: Due to the absence of Ron Lee, the recording equipment was not available. The tape recorder was used, but without the microphone attached was inaudible for transcribing. Minutes are from the notes taken.

Chair Jim Evans opened the meeting at 7:31 PM and called for the customary reflection period to be observed by the Board and Public.

Roll Call of Board Members showed a quorum present; in attendance:

Jim Evans, Chair Floyd Ballinger, Treasurer

Mary Brown, Member-at-large

Absent: Ron Lee, Secretary (on vacation)

Also in attendance: Water Management - Randall Hrabina and Sarah Hrabina

Public: Polly Ballinger, Marlene Evans and Tim all Owner/Users; Also in attendance Cindy Brannan

~~Agenda Item #4: Board Member Reports deleted~~

PUBLIC BUDGET HEARING

Chair Evans opened the hearing for the Public and noted the Budget Committee was comprised of Sarah (Hrabina/Management), (former Vice Chair) Bob Marley and Tony Chavez the public volunteer. J Evans noted he served in place of Bob Marley after his resignation (4/06). The Chair yielded the floor to Sarah Hrabina and she indicated the Board packet included the Budget with revisions based on the rate increases the Board approved at the 6/15/06 meeting. The Chair called for any Public comments; NONE

Closing the floor to the Public, the Chair called for a motion to accept the revised 2006/07 Budget with M Brown so moving. F Ballinger seconded the motion and upon vote the 2006/07 Budget was approved unanimously (see Attachment #1).

The Budget Hearing was concluded at 7:38 PM and reverted back to the Special Meeting

Agenda Item #5 Special Request – 19360 Albins Way consideration for past due charges

Chair Evans opened the discussion and yielded the floor to Sarah Hrabina (Management) to give a review of the charges. S Hrabina indicated the file shows the charges were from 1998/99 and a letter in the file indicated the Board had tried to resolve the issue offering an adjustment if the owner would pay \$485.02. S Hrabina also stated the file included correspondence from Mr. Sparks, attorney for (Owner) Danny Williams disputing the District's ability to collect from him as the landlord. A copy of the ordinance- Section 510 #2 was also supplied to the Board members and it addresses the District considers the Landlord, regardless of Tenant, the responsible party for payment of the water service. S Hrabina also indicated the matter had been discussed at the 4/20/2000 Board meeting; however, it was not done as a lien hearing and, therefore, a lien was never filed. The amount of \$485.02 was for actual water with the balance on the account the accumulation of late fees. S Hrabina stated Mr. Milgrim is in the process of buying the property and currently has service with all charges paid to date and is offering to pay the amount of \$485.02. Under the circumstances, Management is recommending the adjustment noting if not accepted it could become a legal problem and the cost for attorneys could be more than the difference. Tim Milgrim was given the floor and Mr. Milgrim noted he had contacted an attorney who indicated to him the District could seek a personal judgement against Mr. Williams and confirmed he was willing to pay the \$485.02 to resolve the matter. M. Brown indicated she felt the Board should accept the amount offered with F Ballinger concurring. It was noted nobody "wins" in a legal battle, accept the attorneys. The Chair asked M Brown if she would make the motion and M Brown so moved. F Ballinger seconded the motion and upon vote the Board agreed unanimously to adjust the account (#20000186) to \$485.02 to be paid for by Tim Milgrim (through escrow/purchase of the property). Mr. Milgrim thanked the Board for their consideration.

Agenda Item #6 **Call to the Public**
NONE

With no other business to come before the Board, Chair Evans adjourned the meeting at 7:50 PM

ATTESTED:

I, _____ for the Black Canyon City Water Improvement District certify that the minutes, as transcribed, are true and correct to the best of my knowledge and belief.

Respectfully submitted,

Transcription of minutes completed by Sarah J. Hrabina on 6/27/2006
Amended: YES NO

Minutes of the Special June 22, 2006 Board Meeting and Public Budget Hearing approved
by Board action on: _____ as herein transcribed

Attachment #1 2006/07 Approved Budget

	TOTAL
	Jul '06 - Jun
	07
Ordinary Income/Expense	
Income	
300.00 · Water Sales	210,455.00
301.00 · Capital Fund/Surcharge	98,520.00
302.00 · Water Maintenance Fees	51,695.00
303.00 · Connection Fees	3,025.00
304.00 · Turn-On/Turn-Off Fees	3,150.00
305.00 · Late Fees/Charges	4,210.00
305.01 · Delinquent Fee	3,000.00
306.00 · Other Revenue	3,125.00
307.00 · Meter Installation Fees	3,850.00
308.00 · Application Fees	5,750.00
309.00 · Impact/Development Fees	27,500.00
310.00 · Interest Earned	9,265.00
310.01 · Certification Fees	900.00
312.00 · Discount, Sales Tax	175.00
Total Income	424,620.00
Gross Profit	424,620.00

Expense	
402.00 · Big John Well #2 Lease	600.00
402.10 · Oasis Leased Well	1,200.00
404.00 · Bank Service Charges	60.00
531.00 · Interest Expense	14,597.00
601.00 · Advertising	400.00
620.00 · Pumps&Boosters/Electric-Gas	19,500.00
630.00 · Chemicals & Testing	9,716.00
640.00 · Supplies	4,000.00
650.00 · Repairs & Maintenance	19,000.00
675.00 · Licenses and Permits	250.00
681.00 · Office Expense	900.00
682.00 · Outside Services-Other	2,900.00
682.01 · Management Services	154,257.00
684.00 · Insurance	10,360.00
685.00 · Professional Development	150.00
686.00 · Professional Fees	8,200.00
689.00 · Miscellaneous	275.00
801.00 · Capital Improvement Projects	30,820.00
803.00 · Principal Reduction of Debt	46,865.00
Total Expense	<u>324,050.00</u>
Net Ordinary Income	100,570.00
Other Income/Expense	
Other Income	
701.00 · Reserve/Capital Carryover	<u>383,000.00</u>
Total Other Income	383,000.00
Other Expense	
403.00 · Depreciation Expense	108,000.00
802.01 · Capital Projects ContingencyTBD	141,000.00
802.02 · O&M Contingency Expenses	194,370.00
805.00 · Sinking Fund for Arsenic Media	<u>40,200.00</u>
Total Other Expense	<u>483,570.00</u>
Net Other Income	<u>-100,570.00</u>
	<u><u>0.00</u></u>

