

**OFFICIAL MINUTES FOR THE  
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT  
Oct 25, 2016 REGULAR BOARD MEETING**

Vice Chair, Eva Berst called the meeting to order at 5:46 PM. Roll call showed a quorum.

Vice Chair: Eva Berst  
Secretary: Lavon Van Dusen

Treasurer: David Moore  
Member-at-Large: Susan Marley

Not in attendance: Chair: Barrie Dickerson

Also in attendance: Management– Randy Hrabina, Sarah Hrabina  
Guest: Alyx Cohen, CPA  
Owners/Users: None

**Agenda Item # 7      Audit Presentation by Alyx Cohan, CPA, for the Fiscal Year ending 6/30/2016**

This agenda item was presented first for the convenience of the CPA. Alyx Cohan, the District's CPA reviewed the 2015-2016 fiscal year financial performance. As in previous audits, she noted that the District is well managed and continues to be financially sound, having no debt due to the Board and Management being proactive in working to set aside money for future projects. During this past fiscal year the District's net position increased by 4.43%, operating revenues increased by 4.03%, while operating expenses decreased by 3.17%. There was a slight increase in water usage and a rate increase implemented in November 2015 which increased District revenues by about \$20,000. Alyx confirmed with the District's attorneys Management's assertion that, at this time we cannot quantify the potential liability in regards to the litigation the District presently faces, so currently financial statements are not materially affected. However, if litigation continues, the District is going to have to fund it and this potential expense must be considered. Dave Moore inquired as to how inventory is tested in order to quantify if it is accurate. Alyx stated that all inventory is physically counted by Randy, and later physically spot checked by Alyx to verify the count. Sue Marley asked why the depreciation amount was markedly higher in 2015/2016 compared to 2014/2015. Alyx explained that it was due to significant capital improvement projects (totaling approx. \$250,000) in 2014/2015: Bertha street, April site in King's Ranch, and the Cholla project, which are now reflected in the depreciation total. The Board thanked Alyx for her informative presentation. Sue Marley made a motion to accept the auditor's report for fiscal year ending June 30, 2016. The motion was seconded by Lavon Van Dusen and, upon vote, the measure passed unanimously.

**Agenda Item # 3      Board Member Reports**

Dave Moore reported on Black Canyon City Bulletin Board Facebook postings. During the month, he posted the agenda/meeting notice for the October Regular Board meeting. Currently there is not a Meeting Summary being posted, as there was in the past.

**Agenda Item # 4      Approval of Minutes: 9/27/16 Regular Meeting**

The minutes from the 9/27/16 regular Board meeting were provided to the Board. With no corrections necessary to the minutes, Dave Moore made a motion to accept the minutes as written. Sue Marley seconded and, upon vote, the minutes for the 9/27/16 Regular Board meeting were approved unanimously.

**Agenda Item # 5      Treasurer's Financial Report for Approval as of 9/30/16**

Dave Moore was having trouble with a hoarse voice so Sarah Hrabina presented the financial report for the period ending 9/30/2016 with beginning, ending and change balances for each account.

Account	Beginning	Ending	Change
General Fund	\$85,060.22	\$71,415.87	(\$13,644.35)
Security Deposits	\$44,475.00	\$44,475.00	\$0.00
Impact/Capital Fund	\$262,937.89	\$273,704.68	\$10,766.79
Arsenic Sinking Fund	\$82,629.80	\$87,645.91	\$5,016.11
Recap/Bank of the West	\$10,670.95	\$15,731.48	\$5,060.53
Account Totals =	\$485,773.86	\$492,972.94	\$7,199.08

Cash Management:	Deposits	\$41,697.23
And/Less: General Journal cash account entries:		
Monthly scanner fee		\$45.00
	Disbursements	<u>\$34,453.15</u>
	Net Gain/(Loss)	\$7,199.08

Note: disbursements for the month include 2nd legal service payment of \$4,199.50 and payment for survey to Hubbard Engineering of \$2,250.00 during this period.

September billing with 839 active accounts totaled \$40,160.45. Water consumption for the month of September was reported at 5,174,000 gallons compared to 5,020,000 gallons the previous month and the September 2015 comparison of 5,414,000 gallons. Total gallons billed for the fiscal year-to-date was 15,850,000 gallons (3months) compared to last year's total gallons billed for fiscal year-to-date of 18,496,000 gallons. The financials include Quick Books invoices #2147 to #2156 and In-Hance Audits #13,689 through #13,730 with the accounts receivable in both In-Hance and Quick Books balancing at \$22,917.97.

No impact fees were collected in September.

The data was respectfully submitted by Management, Sarah Hrabina, and reviewed by Treasurer, Dave Moore, for final board approval. Lavon Van Dusen made a motion to accept the financial report for the period ending 9/30/16. The motion was seconded by Sue Marley and, upon vote, the financial report was unanimously approved.

**Agenda Item # 6      Operations Report and Approval as of 10/24/2016**

Randy Hrabina presented the Operations Report, giving a recap of the month's activities with 20 work orders completed including turn-ons, turn-offs, meter re-reads, meter/valve repair/replacement, line break/leak repairs, and other service needs. There were 8 blue stakes marked for the period. There were 47 pink slips mailed out for October. Test results from Test America Labs for monthly Bac-t's (E-Coli & Coliform) for the month were negative.

Water samples for the annual TTHM's and HAA5's (by-products of chlorine) were taken, but lab results are not back yet.

WELL STATS: Well levels are unchanged since September and continue to be in the "normal" range

<u>Water levels:</u>	<u>Sept 2016</u>	<u>Oct 2016</u>
Big John #1	21' Draw to 24'	21' Draw to 24'
Big John #2	21' Draw to 25'	21' Draw to 25'
GOA #1	22' Draw to 24'	22' Draw to 24'
GOA # 2	22' Draw to 24'	22' Draw to 24'
Oasis # 1	23' Draw to 25'	23' Draw to 25'
Oasis # 2	23' Draw to 27'	23' Draw to 27'

System Operator, Bob Hanus, inspected the system and daily log book, as required by ADEQ, and found everything to be in order for the month of September 2016.

Dave Moore made a motion to accept the Operations Report as presented. Sue Marley seconded the motion and upon vote the Operations Report was unanimously approved.

**Agenda Item #8      Update on Ansel v. BCCWID Yavapai Co Superior Court #P1300CV2016-00448**

Dave Moore gave a brief update of what has been done so far regarding the case. He stated that we are currently in the middle of the discovery stage and trying to set up depositions. No Board action was required on this item.

**Agenda Item #12      Call to the Public**

None

**With no other business to come before the Board, the Vice Chair adjourned the meeting at 6:34 P.M.**

**CERTIFICATION:**

I, Sarah J. Hrabina, certify that the Agenda for the October 25, 2016 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Monday, Oct. 24, 2016, on or before 4:30 PM.

*Sarah J. Hrabina*

Sarah J. Hrabina

**ATTESTED:**

I, Lavon Van Dusen, Secretary for the Black Canyon City Water Improvement District certify that the minutes, as transcribed by myself, are true and correct to the best of my knowledge and belief.

Respectfully submitted,

*Lavon Van Dusen*

Lavon Van Dusen

Transcription of minutes completed on 11/15/2016. A full recording is available—47:54.