

Granite Oaks Water Users Association  
**Board Meeting Minutes**  
Meeting of February 26, 2020

Approved April 22, 2020

THOSE PRESENT

BOARD MEMBERS

Contract Staff

Jim Bricker, President  
Ken Nelson, Vice President  
John James, Treasurer  
Bonnie Pearson, Secretary  
Daryl Mathern, Board Member

Bob Busch, Manager, GOWUA  
Allen Kaplan – Accountant  
Bruce Eldredge – MDI Taxes & Accounting  
Derek Scott- A Quality Water Co.-Operator

Guest: Jim Peterson

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1. The meeting was convened at 8:55 am by President Jim Bricker.
  2. **Review/Approval of minutes of Board Meeting January 22, 2020**  
Board Members commented on corrections needed on pages 1, 2 and 3 of the draft minutes.

**Motion: John James moved to approve the minutes of January 22, 2020 as corrected. Ken Nelson seconded. Motion passed unanimously.**

**Reports:**

**3a. Financial Report**

Allen handed out a summary report of results for January, 2020. He said that the P&L shows a net income of 5.1k, however, due to an extra payment to A Quality Water in December (for January), an early payment to the Manager in December and only one in January , and no depreciation reflected on the P&L, the report would actually reflect a loss of about \$3,000. He said that water sales of \$13,400 were down about \$600 from last January.

Allen reported that the cash balance is \$182,000, up \$4,000 from December.

John James reported that the balance in the Corporate Account is \$48,403 and the balance in the Operating Account is \$25,751.

Bob Busch asked about the balance shown in Construction Work in Progress shown on the Balance Sheet when all work was completed in October. Bruce Eldredge explained that the balance will be cleared with the preparation of the Report to the ACC Utilities Division.

**3b. Operator's Report**

Derek Scott reported that he changed out a meter on Mesa Oak Ct. The meter was not registering correctly. The meter was still under warranty. He reported Fuel is ordered for the generators, which will arrive on Friday.

Derek reported that Envirotech completed connecting the transducer at Glenshandra, and the hour counters repaired at Post Oak. He said that per his calculations, the water level at Glenshandra is about 342 ft., considerably below previous soundings. He said that he did not know if the well had shut off right before he checked it. He said that he needs to continue to monitor it over time to determine the accurate level.

Bob Busch asked if Derek was aware of Pat Carpenter's schedule to issue the Consumer Confidence Report. Derek indicated that Pat usually completes the report within a month after receiving all the data. Bob noted that he sent Pat a copy of the 2019 MAP results.

Jim Bricker asked if the water pump has been repaired on the generator at Deerfield. Bob Busch stated that he has not received a repair proposal from Empire Cat.

*Action Item: Derek will follow up with Empire Cat to find out where the repair proposal stands.*

### **3c. MDI Report**

Bruce Eldredge stated that MDI located a relative of a deceased customer that owed more than \$100. MDI sent the relative a letter and received payment of the amount owed, plus an activation of the account.

Bruce asked for clarification of the report showing new connections. He asked if the Board wanted only new meter accounts (new hookups), or if the report should show transfers, ie a change on one customer to another. It was the consensus of the Board to continue to reflect the change of one customer to another, ie., showing the customer transfer information.

There was a discussion about the work orders sent from MDI to A Quality when a customer requests a final read. Derek receives two work orders, one for a final read and one for activation of a new account. MDI may not have any information on a new customer at the time of the final read, so after discussion it was decided that A Quality will shut off the meter if nothing is indicated on final read work order.

Bruce reported that MDI has been removing the financial reports from the Operator version on the Board packet. He asked if the Board minded including the financials with the Operator report packet. It was the Board consensus to include the financials with the Operator packet.

Bruce handed out a report from the Harmony system showing the customer usage data. He asked if the report would be useful, since the same information is available from CORE. It was the Boards' consensus that the reports did not add anything new.

Bruce passed out a spreadsheet showing the various reports prepared each month and the person receiving the various reports. Bruce stated that currently, Board members receive a check register. He asked whether the Journal would be more useful. It was the consensus of the Board that the Journal would be preferred to the Check Register.

### **3d. Manager's Report**

Bob Busch commented that the Comparison Report in the packet had only a part of the report. He handed out the complete report to everyone. He said that the 12 month unaccounted for water percentage is not correct. The January report shows the 12 month average to be 4.31%. The correct percentage is 3.02%.

Bob stated that the renewal of Franchise Agreement is working its way through the County. The matter is on the agenda for the Board of Supervisors meeting on March 4<sup>th</sup>. Once the Board of Supervisors approves, it will be signed and finalized for another 5 years.

Bob reported that he is working on the annual report to the Arizona Dept of Revenue, which is used to determine the annual taxes for GOWUA. Once he receives the sales tax data from MDI, he can complete the report. He stated he is also working on the annual water withdrawal report due to ADWR. The report requires power consumption data for the three wells. He has been unable to obtain the information online because APS has mixed up sign on information so he isn't able to log in to the accounts. APS tech support is working on a fix.

#### **4. Old Business**

##### **4a. Update & Discussion of possible Rate Case**

Jim Peterson reported that he has been working with a representative in Phoenix who assists small water companies with rate applications. He has supplied revenue and expense information for 2018, the year used as the basis for the rate case. He said that he has received a request for invoices for all the assets owned by the company. He and Jim Bricker have looked through the files to locate as many invoices as possible. They are missing those from the developers turn over to GOUWA and for the major items from 2002 to 2004. Bob Busch stated that he had gone through files a couple of years ago, and had information on several of the missing items, which he gave to Jim Peterson. Jim Peterson stated that he is making progress, and it will take some time to work through the process.

##### **4b. Action Items:**

*Action Item: Bob Busch will investigate to see if the handhelds have any value.*

Bob stated that he has checked online, and it seems that after shipping, the net to the company would be about \$50-75. He asked what the Board would like to do with them. After some discussion, Bob suggested he advertise one on Ebay and see what happens.

*Action Item: Bruce will investigate the possibility of getting the consumption data included with the report*  
Completed.

Jim Bricker asked Daryl Mathern how the disassembly of the old meters was progressing. Daryl responded that his volunteer crew has other things going at the moment, but he will get it done eventually.

#### **5. New Business**

Jim Bricker asked about the flyer soliciting candidates. Bob Busch responded that he had sent the draft for review. After discussion, it was decided to include the flyer in with this month's billing and for the next couple of months.

There being no further business, the meeting was adjourned at 10:30 am.

**Next meeting will be Wednesday, March 25, 2020 at Post Oak, 9:00 am.**

Minutes transcribed by Bob Busch

**Submitted By:**

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**Secretary**