

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

Regular Meeting
Date: Saturday, December 14, 2024

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 9:02 AM by Secretary Jim Crews.

2. ROLL CALL OF BOARD MEMBERS/DECLARATION OF QUORUM

Present – Jim Crews and Bill McClung. On phone-Tom Kelly. A quorum is declared. Others Present: Harry Jones-District Manager, Steve Stevens-Associate District Manager, Susan Thompson-Administration Assistant and Carri Kelly, a member of the public.

**3. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETING(S):
September 21, 2024, Regular Meeting**

Mr. McClung moved to approve the minutes of the above meeting. Mr. Kelly 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 balance sheet, noting the strong unrestricted cash position of \$338,318.11 plus WIFA required debt payment and replacement reserves of \$133,947.25 for total cash of \$472,265.36. We only had one capital project during the period for the upgrade of the Waste Water Treatment Plant with accumulated costs to date of \$178,000, which had exceeded the original expected cost by about \$6,000. Mr. Stevens and Mr. Jones noted we expected additional costs for material and tree removal at the pond and that we anticipate the project completion and explanations of excess costs by the end of January. The Total Liabilities of \$515,150.04.

5b. and 5c. The Treasurer then reviewed Profit & Loss and the Budget vs. Actual Report noting that property tax collections through five months were \$62,064 and slightly behind of the planned \$120,000 total for the full year.

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Total Revenues were \$12,570 under budget. Total operating expenses were \$26,512 under budget. The resulting Net Income was \$46,166 better than budgeted. Mr. Jones noted that the Associate District Manager was \$5,825.00 under budget due in part of his compensation had been charged to the WWTP Project management.

5d. The Cash Flow statement appeared normal.

5e. Mr. McClung moved to approve the Check Registers/Cash Disbursements for the last three months. Mr. Crews seconded the motion. All say Aye, and none say Nay. The Check Registers/Cash Disbursements for the last three months were approved.

5f. There was no discussion concerning the District Manager's or Associate Manager's invoices for the last three months.

6. DISTRICT MANAGER'S REPORT

6a. Associate District Manager reported: Aquifer conditions are healthy. The supply of water continues to be adequate with no problems to report. The deep well is also performing well with no problems to report.

6b. Total Water Usage has been consistent with what we have seen in the past. Mr. Stevens said that low readings from the shallow well flow meter caused them to go up and test the well by turning on the pump and observing the performance. They noted after about eight minutes the flow meter stopped counting but the water continued flowing as indicated by the level in the tank. The flow meter is over three years old and is a mechanical meter and may need to be disassembled and cleaned out. Subsequent testing of the meter did not reproduce the problem however. The meter will be monitored until we can get a chance to take it apart and clean the meter if it is necessary.

6c. Mr. Jones noted that the hour meter for the pump continued to run but since the typical flow rate of the pump is known and the amount of water can easily be calculated.

6d. Mrs. Thompson confirmed we have 73 owners signed up for ACH withdrawals. Everything is working very smoothly in regards to the withdrawal of funds.

6e. WWTP Project is almost complete. We are going to submit the final draw request as soon as we receive the invoices for materials from the contractor.

7. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO the CPA annual review report submitted by HeinfeldMeech CPA.

The CPA Review was distributed to the board. Mr. McClung said he was pleased with review. Mr. McClung moved that we approve the CPA audit from HeinfeldMeech dated June 30, 2024. Mr. Crews seconded the motion. All say Aye, and none say Nay. The motion passed.

8. ADJOURN TO EXECUTIVE SESSION under ARS 38.431.02 (a)(1)(5) for personnel matters.

No motion to adjourn to Executive session was made.

9. RECONVENE OF REGULAR MEETING

No motion to adjourn was made. Regular meeting continued.

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- 10. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO the Board of Directors may need to consider succession of new personnel to the existing position of District Manager and the role of Harry Jones in the future.**

The Board agreed to appoint Mr. Stevens as the District Manager of the District replacing Mr. Jones, who will become the Associate District Manager as he moves into partial retirement effective January 1, 2025.

- 11. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO the Board of Directors and current signers on all banking and other type accounts to add signature privileges for the new District Manager.**

Documents were drafted and signed to appoint Mr. Stevens as an additional signer to the District's accounts at National Bank of Arizona and financial accounts with Gila County. Mr. Crews moved to add Steve Stevens to be a current signer for our accounts at National Bank of Arizona and Gila County. Mr. McClung seconded the motion. All say Aye, and none say Nay. The motion passed.

- 12. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO cancellation of County election and the need to elect Board Officers for the 2025 calendar year.**

All agreed that the officer positions will stay the same for calendar year 2025. Mr. Crews moved to cancel the county elections and have the two Board members reappointed. Mr. McClung seconded the motion. All say Aye, and none say Nay. The motion passed.

- 13. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO bulk water sales.**

General discussion on different scenarios was completed. All possible sales would need Board Approval.

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

No public comments.

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

March 15, 2025 at 9:00 am

- 16. MOTION TO ADJOURN**

Mr. McClung made a motion and seconded by Mr. Kelly to adjourn. All say Aye. None say Nay. The motion passed. Adjourned at 10:33am

Submitted By: _____ *Posted as of* _____ M