

**Timber Lakes Water  
Special Service District**  
Wasatch County Offices  
25 North Main  
Heber City, UT 84032  
435-654-0125  
5/21/13  
6:00 p.m.

## **Board Meeting Minutes**

**Chairperson:** Neil Anderton

**Note Takers:** Carol Baker and JaNae Quilter

**Board Attendees:** Neil Anderton, David Hansen, Steve Farrell, Ralph Lewis, Michael Wheelwright, and Reg Anderson. Leno Franco is excused.

**TLW Personnel and Legal Counsel Attendees:** Jody Defa, Carol Baker and Duane Moss. JaNae Quilter is excused.

The meeting began at 6:15 p.m.

**Approval of April Board Meeting Minutes:** The Board reviewed the April Board Meeting Minutes. **Steve Farrell made the motion to approve the minutes. Reg Anderson seconded the motion. The motion passed unanimously.**

**Warrant List:** The Board reviewed the warrant list. The check numbers began at 10264 and ended at 10314. The Board questioned check 10307, issued to USA Blue Book. This payment was for training materials and safety supplies. Check 10585, amount of \$0.00 shows up on the warrant list. This check number is the default check number in the Caselle software program. The check number needs to be changed each time a check is issued; if not changed, the default check number is used. There is no way of deleting this default number, per Caselle Support. Check number 10271 is the corrected check number for check 10585. Check 10270 did not show up on the check register. The voided check was presented at the meeting, and the office will update April's accounts payable to the general ledger, so the check number appears on the warrant list. **Ralph Lewis made the motion to approve the warrant list with the acceptations and explanations. Mike Wheelwright seconded the motion. The motion passed unanimously.**

**Leak Relief Policy:** Timber Lakes Water Special Service District will relieve a portion of the water usage, based on the average water usage, and shall not include any other fees associated with billing.

**Cash Report:** The Board reviewed the April cash report. There was discussion on the layout of the report. The report reflects the debt service. Duane would like to be able to view the projected debt service and the restricted cash, as well as the reserve account. The report must be analyzed to understand it.

**Duane will research the specifics in the report, Jody will compile a list, and then our CPA will revise the report to suit the Board's preferences.**

**Review of Loan with Wells Fargo (Not Bonds):**

The Chevy will be paid for in August. Between the trucks, and the trackhoe we pay about \$3,500.00 monthly. There was discussion of refinancing our loans with Wells Fargo. On the 2012 Dodge Truck we owe \$25,000.00, our loan is at 5% on the GMC, and the excavator is at 6.15%.

We have an outstanding debt of \$75,000.00.

There is a \$750.00 dock fee for refinancing. The offer is actually for a line of credit, rather than refinancing.

This year's budget includes the allocation for a new truck. The Chevy has 80,000 miles on it. If Timber Lakes Water is going to trade it in, we would want to do that right away, as in a few months, or once it is over 100,000 miles, the trade in would considerably lower, only getting credited for a few thousand dollars. The Chevy will make it another year, which will give us assistance with cash at the end of the year.

We must use the entire \$130,000 loan for 24 months, the re-payment would be \$5,051.00 a month, and the bank does not give us lower credit unless we borrow more money. We would be borrowing money just to get a lower rate.

Looking at a difference of 2.5% if we refinance. Jody will look into the option to refinance equipment. Our company will not pay off debt with this year's operating funds. This would be a commercial loan.

Ralph Lewis suggested purchasing a small truck for trips to Salt Lake, to take samples in, and for smaller errand uses up on the mountain.

Timber Lakes Water need to research this to see if it is economical to purchase a smaller vehicle with four-wheel drive. The gas mileage would be beneficial, however the toolboxes, on the bigger trucks need to be considered into the factor. The small truck would not have a toolbox, which needs to be at any projects.

In addition, there would be another monthly payment.

**Jody will research the interest rate to decide if we want to refinance equipment and vehicle, possibly through a credit union or a different bank.**

**Jody Defa will research the pros and cons of purchasing a small truck for the company.**

**Delinquent Fees:** Jody passed out a list of the accounts receivable, including the delinquent amounts on the sheet. Delinquent accounts have reduced dramatically in the past two months. Anything account 90 days past due, TLW will now be more aggressive with.

The sheet shows any balances that are 120 days past due.

The office needs clarification on the legalities of foreclosures and bankruptcies. The office is compiling lists of the deceased owners as well as the foreclosures and bankruptcies.

Two high outstanding bills on two lots, one TLW use that lot for storing our equipment on, and the other lot is in a swamp area. Those two balances were omitted from the total due on the accounts receivable list. The amounts were on the list to present to the board.

The goal next month is to reduce the number of customers with delinquent balances, focusing on the 50 customers with a balance over \$300.00.

Last year there were 101 properties that changed ownership.

153 property owners were late on taxes at the end of January 2012. It is interesting how we correlate with the county taxes as far as the delinquent list goes.

It is policy the customer is not delinquent for the first 90 days.

Timber Lakes Water needs to review the delinquent balance, as it not only involves the past water bill, but also the bonds.

The office will get a list to Duane Moss, showing any one past due for 90 days and Timber Lakes Water will find out filing lien fees, and move forward with active filing of liens on those delinquent accounts. The filing fee we can legally pass on to the current property owner. That will call attention to the owner that they need to take care of the lien, before they can sell their property.

**Water Manager Report:** The West Side Spring is currently flowing at 16 gpm. There is not a lot of fluctuation in the spring. This translates to 25.8-acre feet of water. That takes care of 50 homes. That is a sizeable amount.

The upper part of the Sales Office is available for Timber Lakes Water.

We do have a lease with our current landlord, which could be a deal killer.

Timber Lakes Water would need a contract before moving the office up to Timber Lakes.

The discussion on raises came up, and it is agreed that currently, there is no money currently for raises. No executive meeting is required.

**David Hansen made the motion to adjourn. Mike Wheelwright seconded the motion. The motion passed unanimously**

**Meeting adjourned at 7:50 p.m.**