

Ames Lake Water Association
Board of Directors Meeting August 13th, 2013
7:00 P.M

Meeting Minutes

1. Call to Order

David Hoffmann called to order the regular meeting of the Board of Directors of **Ames Lake Water Association** at **7:03PM** on **August 13, 2013** in the Association's business office in Fall City, WA.

2. Roll Call

The following Board members were present: Michael Bicak, David Hoffmann, Jack Praino, Merlyn Blue and Mark Freeman; Matthew Rodger joined by telephone; Mike Hickey joined at 7:12PM. Also present were: Kristina Myers, ALWA office manager; Bob Pancoast, ALWA operations manager; Richard Jonson, Counsel; Kim Fyfe and Lisa McKeirnan, auditors with Vine Dahlen.

3. Changes or Additions to Agenda

Michael added a discussion of radio meters and privacy.

4. Business from the Floor

None.

5. Consent Agenda

The Board reviewed contents of the Consent Agenda, containing:

- July 9, 2013 Board Meeting Minutes,
- Membership Transfers,
- Water Loss adjustments and,
- Aging Accounts.

Jack moved to approve all items on the Consent Agenda. Michael seconded. All approved.

6. Consultants' Reports

- Vine Dahlen

Kim and Lisa presented their audit results. They discussed with the Board conversion from cash accounting to accrual and possible improvements to operations to eliminate some of the remaining Material Weaknesses. Matthew stated he would speak with Lynn Jackson to develop an in house strategy to address the remaining Material Weaknesses with cost estimates. Jack questioned revenue and expense formatting and asked for clearer revenue and expense classifications. The Financial Statement was reviewed.

Jack moved to approve the Financial Statement, subsequent to formatting changes. Merlyn seconded. All approved.

Kim and Lisa left the meeting at 7:58 PM.

7. Addition to Agenda

Michael brought up the question of radio-read meters and homeowner privacy. Bob explained radio transmitter and meter operation and noted the effort required to track home water usage is unlikely worthwhile for any possible nefarious use.

8. System Manager Report

- July water usage is higher than June, and is lower than historical usage for July.
- Unaccounted water loss was a low 3.8%

- A water main leak on Tolt Hill road was reported by an ALWA member. This highlights the importance of members' participation in monitoring our system.
- Leak to Vista propane tank was repaired.
- Quotes are being obtained to improve ventilation at the Daniels Ranch generator.
- Department of Health's Sanitary Survey results were received:
 - A. No significant deficiencies were found.
 - B. A list of recommended improvements will be addressed by ALWA Operations.
- Radio meter installation is 99.6% complete.
- The Daniels Ranch deep-vault project is slated for a mid-September start.
- Bob presented an overview of the NE 52nd booster station renovation project. Construction is projected to start in late fall.

Merlyn left the meeting at 9:05 PM.

9. Water Loss Policy

The Board and staff discussed ALWA and regional water suppliers' water loss adjustment policies.

Next steps: ALWA staff will write a revised policy to present to the Board.

10. Business Manager Report

- Kristina discussed the upcoming Annual Meeting with the Board.
- IRS Form 990 (*Return of Organization Exempt From Income Tax*) is due September 15. An extension will be filed, as audited results have just become available; more time will be needed to incorporate the data.
- A spate of checks inexplicably were delayed between members' mailing and final processing. Retail Lock Box reduced its returned check fees and Members will not be charged late fees as well.
- Online bill presentment is now online. Discussion followed regarding risks of automatic incorrect charges to customer accounts.
- **Action Item:** By next meeting, propose a policy for alerting customers of abnormal water usage.
- The Board was given Fidelity Bond insurance forms to fill out.
- Kristina was trained on the KTT Positive Pay system. Implementation will begin soon.

12. Checklist Approval

Michael moved to approve the checklist. Mike seconded. All approved.

13. Next Regular Meeting

The next meeting will be the annual meeting **September 9th, 2013, 3:00 PM** at Chief Kanim Middle School, Fall City.

14. Adjournment

Dave Hoffmann adjourned the meeting **10:20 PM**.

Minutes prepared by Mark Freeman