

Clear Creek Pines Unit Two Water Well Users Association, Inc.

2021 Annual Members Meeting Minutes

September 5, 2021 | 10:00 am

The Annual Members Meeting for Clear Creek Pines Unit Two Water Well Users Association, Inc. was held on Sunday, September 5th, 2021 at 215 Long Valley Road, Happy Jack, Arizona 86024 (Lot #33, Clear Creek Pines Unit Two). A quorum was established with 22 shareholders present along with 9 shareholders by proxy. Joe Miller, President of the Corporation presided as the meeting chairman and Jennifer Haggard, Secretary of the Corporation recorded the meeting minutes.

An introduction of new members was offered by Joe Miller, President.

The 2020 Annual Meeting Minutes were presented by Jennifer Haggard, Secretary and were unanimously approved.

The 2020 Financial Report (Statement of Financial Position, Statement of Activities, and Fixed Assets) was reviewed by Jo Reed-Fuson, Treasurer of the Corporation, and were unanimously approved.

The summary of the annual revenue and expenses for years 2012 through 2021 year-to-date was presented by Jo Reed-Fuson. This annual financial comparison report provides a compact summary of the operating and maintenance history of the water system.

It was motioned and approved by the members to terminate the annual financial review from Heritage Advisors CPA, LLC which costs the Association \$585 annually. The third-party company does not audit or review the financial statements nor are they required to perform any procedures to verify the completeness of the information provided by the Association. Accordingly, their review of the Association's financial statements do not provide assurance to the documentation reviewed.

- An oversight committee has been developed by the Board to conduct regular audits of the Treasurer's reports, including a review of all checkbook transactional activity. The committee will consist of Randy Garrison and the newly appointed Vice-President.

The summary of the maintenance and system operating status was presented by Joe Miller, President and Scott Unglaub, Operations & Maintenance Officer, which provided an overview of accomplishments, planned and completed projects and maintenance concerns over the last year.

The meeting was briefly pulled from session to introduce two guests from the Coconino County Sheriff's Office, Deputy Himes and Supervisor Sergeant Smith.

Randy Garrison, Water Quality Liaison, summarized that the water system complies with ADEQ standards for operation and water testing. Randy also reviewed two Notice of Corrections the Association received from the ADEQ for missing lab reports and documentation of a Certified Operator. The omission missing lab reports was caused by a clerical processing error, and with the death of our Certified Operator, Don Ascoli, ADEQ had not recorded his replacement, Mario Ascoli with Rim Country Water Testing.

John Popp provided the members with a recap of Board activities which included an insurance claim for mechanical breakdown coverage for the well pump, the removal of old tank that was replaced in 2020 and the sale of the used well pipe – which were all in the best interest of the membership and the Association's financial health.

The Board of Directors recommended an annual assessment of \$250 per lot for September 2021 through August 2022. The current bank balance is \$21,044.82. A \$250 assessment will collect \$12,375 in revenue for a total of \$33,419.82 in funds for the next 12 months to cover standard operating expenses, planned maintenance and a \$15,000 capital reserve for catastrophic repairs. The 2021-2022 water assessment of \$250 per shareholder lot was unanimously approved.

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Randy Garrison advised the members Coconino County has scheduled to bring in additional road material to the area, and we are hopeful Unit Two will be a part of the general maintenance. Coconino County has a new District Supervisor, Road Supervisor and Grade Operator and we are continuing to build a relationship with them so that specific maintenance issues can be addressed.

The Board agreed to present members with the hard installation costs of pressure reducing valves on the community's main system due to continued concerns of high-water pressure at the lower lots.

A determination as to why a locked shut off valve that feeds lots 25 and 27 was turned off was not made, however it was confirmed the valve is locked and will remain locked.

The Board confirmed that the spigot at the well house is used for maintenance and testing as a water sampling point for ADEQ and is not a point of access to members. In accordance with ADEQ, the lock on the spigot will not be removed.

The Board requested volunteers to assist with sealing the caps on the block wall and repainting the wall, well house and gang box at the well site on Saturday, September 11, 2021.

The members approved a motion to move the Annual Members Meetings from Sundays to Saturdays during the Labor Day weekend beginning in 2022.

The Board announced that resignations of Board members, John Chappel and Joe Giuliano.

It was motioned and approved to retain the current board of directors:

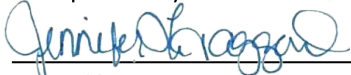
•Randy Garrison •Jennifer Haggard •Rick Johnson •Joe Miller •John Popp •Jo Reed-Fuson •Scott Unglaub

Upon nominations duly made and seconded, the following were qualified and elected to Board of Directors by the Members of Clear Creek Pines Unit Two Water Well Users Association (filling four vacancies):

•David Burrows •Jim Curcio •Robert Haggard •Rocky Taylor

The meeting was adjourned at 11:20 am.

Respectfully submitted,



Jennifer Haggard, Secretary