

Timber Lakes Water Special Service District

Wasatch County Offices

175 North Main, Heber City, UT 84032

435-654-0125

August 21, 2018

Board Meeting Minutes

Acting Chair Person: John Blickenstaff

Board Attendees: Neil Anderton (Excused), Reg Anderson, Ralph Lewis, Steve Ferrell, Michael Wheelwright, John Blickenstaff.

Other Attendees: Jody Defa, Timber Lakes Water System Manager, Jared Moss, Counsel, Michelle Embry, Gordon and Bonnie Huetter.

Prayer/Remark: Jon Blickenstaff

Old Business: Information regarding the appointment of board members. Currently there is one application, and more will be accepted.

Public / concerns from POA: None currently

Zions Bank Mark Anderson, Presentation on 2011 bond reissuance:

Zions Bank, Mark Anderson: Mark gave a presentation on re-issuing the 2011 Bond. Jody Defa and Neil Anderton met with Mark Anderson of Zions Bank to consider potential savings in refinancing the bond. The saving will be about 57,000 dollars over the life the bond. The interest rates will go from 8.8% to about 3.6% allowing for the savings. Refinancing the bond at this time can only be accomplished by changing from tax exempt to a taxable bond. The purpose of this meeting will be to approve the process of sending the bank recommendations forward to the County Council as the proposal must go before the County for approval. A public meeting will need to be held by the County Council. There is a no contest period, and this is very important because it mitigates legal issues. Zions Bank will oversee purchasing of the bond and, therefore, cannot be the bond counsel as well. The County will be able to handle retaining counsel for the District. Zion's has drafted a public notice and agenda language for the next County Council meeting. Jared Moss, Timberlakes water counsel, will review the language and send the confirmation out via e-mail. A motion was made by Steve Ferrell to approve the process to move forward with the county council considering refinancing the bond and was seconded by Mike Wheelwright. The motion passed unanimously.

Audit, 2017, Presented by Steve Rowley

Steve Rowley commented that even though there were changes in the office everyone worked together and really hard to make sure the audit was filed on time. The staff was excellent and very flexible.

The purpose of the audit and the report is to review the financial statements and controls and give an opinion. The financial report states that in accordance with the accounting principles, all information has been reviewed and accurately represents the financial status of Timberlakes Water SSD.

There were no findings of any issues with the internal controls.

In the report required by the state auditor's office, certain areas were tested for the audit period and controls were reviewed. No compliance issues were found.

The one finding was from the cash management report not being filed on a timely basis. The notice came through e-mail and was missed. Steps have been taken to resolve this issue and it did not impact the financial statements. The June 30th report for 2018 went out in a timely manner.

Steve Ferrell suggested that future audit reports should refer to water rights rather than water shares.

A motion was made by: Steve Ferrell to accept the auditor's report and was seconded by Reg Anderson. The motion passed unanimously.

Public Comments: none currently

Approval of July 2018 minutes: A motion was made by Michael Wheelwright to approve the July minutes. It was seconded by Reg Anderson and passed unanimously.

Approval of July 2018 warrants: After review and discussion, a motion was made by Michael Wheelwright to approve the warrant list for July 18th to August 21st, including numbers 13403 to 13445, and including the credit card payment for August. The motion was seconded by Steve Ferrell and passed unanimously.

Water rate discussion:

Jody Defa gave a presentation with different scenarios for raising water rates. Jody will email the information regarding different options to the board members so that the board may review.

Manager Report: Jody Defa requested to purchase work boxes for the new truck. This purchase will allow the work boxes to be moved to new trucks in the future. Money will be saved from not purchasing a new bed for the next 3 to 4 trucks. A motion was made by John Blickenstaff to approve the purchase and seconded by Reg Anderson. The motion passed unanimously.

Executive session: A motion was made at 8:10 to enter executive session to discuss personnel by Reg Anderson and seconded by Steve Blickenstaff. The motion passed unanimously.

Public Meeting: A motion was made by Reg Anderson and seconded by Steve Farrell to end executive session. The motion passed unanimously. Meeting adjourned.