

**OTEMWC Board of Directors Meeting
Minutes February 25, 2017**

This meeting of the OTEMWC Board of Directors was held at the home of George and Marian Silva, 3000 Woodstock Road. George Silva called the meeting to order at 9:40AM. Board members also present included Nancy Eckhous, Carol Robinson and Mike Rhodes. Mark Abramson attended via conference call.

Introduction of New Board Members

George welcomed the new board members Nancy Eckhous and Carol Robinson.

Meeting Minutes:

The board reviewed both the December 3rd, 2016 and the January 14, 2017 minutes. Both were approved.

Financial Review

The president led a review of historical financial data over an extended period for the Water Company. In addition he presented a summary budget for Well 7 and anticipated expenses for 2017 provided by David Mexico (shown below).

Well 7

Drill and Case - \$133,000 (paid \$33,250 in 2016)
Geologist - \$6,000 (paid \$3,000 in 2016)
Pump Test and Development - \$8,000
Pump Install \$50,000
Plumb into system/underground - \$15,000
Fencing and slab - \$7,000
Shale Road and Landscaping - \$4,000
Dave oversight hrs - \$5,000
Contingency - \$12,000
Total Well 7 = \$240,000 (paid \$36,250 in 2016)

2017 Reserve Expenses

Well 7 - \$203,750 (\$240,000 - \$36,250 paid in 2016)
Well 5 – (2016 planned expense) - \$44,000
Fire Hydrant replace - \$6,200
Shutoff Valve replace - \$5,000
Water Meters replace - \$2,300
Total Reserve Expenses 2017 = \$261,250

Historical data included a Reserve Fund Balance from 2007 through 2016. A discussion of options relative to funding the Reserve Fund was then underway. The fee structure was discussed in detail and the board struggled to determine if an adjustment should be undertaken or not.

Carol advanced a motion to have the Reserve Study updated this Fall. This would be in advance of its update scheduled 2 years later. With actual Well 7 expenses in hand the board could then make a better informed decision. Nancy seconded the motion and it was unanimously passed.

Nancy moved that the board increase both the base and usage rate by 3%, effective at the July 2017 billing cycle, to further fortify our Reserve Fund. This was seconded by Mike and failed to pass by board vote.

Adjournment

There being no further business to come before the board, the meeting was adjourned at 12:00 PM..

Respectfully submitted,

Mike Rhodes, Secretary