

**SILVER SPRINGS MUTUAL WATER COMPANY
BOARD OF DIRECTORS
MEETING MINUTES
NOVEMBER 21, 2013**

President Peek called the meeting to order at approximately 4:00 p.m.

Roll Call:

- Present: Claud Butler, Darlene Geurts, Joyce Jenkins, Scott Keller, Avis Moniz, George Peek.
- Absent: Excused was Peggy Yon.

Members Comments:

- 13 attended: Benjamin Avila, Janice Avila, Carolyn Beal, Darlene Breedlove, James Breedlove, Carmen Casillas, Douglas Frenton, Valerie Messaros, Frances Molarius, Chuck Noble, Delbert Smith, Lee Zuti, Ron Zuti.
- All Members comments were given from the podium once recognized by the presiding officer. Member Frenton inquired if there were written procedures to place items on an agenda. Requests are taken to the office ahead of time to get on the agenda. Further, he asked if nominations for board members running were being accepted at the present time. Nominations are presented to the General Manager and before December end.

Secretary's Report:

- There being no corrections or changes, Secretary Butler made a motion to accept the meeting minutes of September 19, 2013 as presented; 2nd to the motion was made by Treasurer Moniz. Motion carried unanimously.

Treasurer's Report:

- The financials for August and September, 2013 were read by Treasurer Moniz. In August, total current assets were \$758,461.29 and total liabilities and equity were \$5,783,890.94 with liabilities at \$1,006,690.76. Total income for August was \$72,531.93; net income was (\$13,027.80). In September, there were \$716,438.10 in total current assets and total liabilities and equity were \$5,723,629.92. Liabilities were \$947,362.07. Income was \$84,251.28 with net income at \$1,144.99. Total ending balance for certificates of deposit was \$297,678.73 as of September 30, 2013; the debt reserve account was \$41,712.62. President Peek called for questions or comments. Secretary Butler made a motion to accept the financials for August and September, 2013 as presented and file for audit; 2nd to the motion was made by Member Keller. Motion carried unanimously.

Manager's Report:

- Discussion on the content of the written report was held.

Amendment to By-Laws Article III Section 5:

- Article III Section 5 was previously removed from the agenda because of a typo appearing on notices to members but has returned to the agenda this meeting following another complete mailing of member notices. Discussion was held pertaining to an allowance in the rules and regulations. This amendment follows IRS guidelines. A motion to approve Article III Section 5 was made by Member Keller; 2nd to the motion was made by Secretary Butler. Motion carried unanimously.

Proposed Budget for 2014:

- General Manager McDonald discussed particulars of the 2014 proposed budget that shows a minimal increase of two percent from last year's figure of \$757,548.00. 2014 includes three persons receiving raises at 2 ½% of hourly wage, an increase on property taxes to include acquisition of the old firehouse and increases on fuel and depreciation. The new USDA loan comes in at an approximate increase of \$1,500.00 to the existing due to refinancing and modification of existing loans. The 1994 loan at over five percent has been reduced to approximately half the interest rate. Staff also is working toward reducing banking fees and increasing certificate of deposit rates of return. Discussion was held. Secretary Butler made a motion to accept the 2014 proposed budget as presented; 2nd to the motion was made by Treasurer Moniz. Motion carried unanimously.

Directors Comments:

- Rules of conduct have been established concerning member comments and when they are taken. (Rules posted conspicuously at meeting entrance and inside meeting room are as follows.)
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SSMWC Board of Directors Meetings are open to MEMBERS OR VALID PROXY HOLDERS ONLY.

The Silver Springs Mutual Water Company Board of Directors responsibilities are to provide safe water, lowest possible rates, protect the assets and maintain the stability of the water company for its Members. Please keep in mind at Board of Directors meetings, ONLY Directors vote on agenda items. Members of the water company vote at the Annual Membership Meeting in March on their agenda items and approve the minutes of the previous year's Membership meeting. Members also vote in the election of Directors at the Annual Membership meeting.

Day to day questions about the operation of the company that can be handled administratively by the SSMWC staff or General Manager should be done during regular business hours. If you have a particular item you would like to discuss concerning the day to day operation of the company, please call our office during business hours with your question. If your questions cannot be answered at that time, we will do our best to call you back with the answer or make an appointment for you to come into the office to discuss further. A Board of Directors meeting is neither the time nor place for those matters.

The Board is here to conduct SSMWC business that has been properly placed on the agenda of the posted meeting.

Member comments are for NON-AGENDA ITEMS and are limited up to 3 minutes per person only. All comments are to be started by stating your name, and are to be addressed from the podium and directed to the Board throughout the entire meeting.

If there are outbursts or disruptions from the audience the offending person or persons will be asked to leave. Members' comments are for items not on the agenda and member comments will be treated as statements.

NO DISCUSSION WILL BE CONDUCTED REGARDING MEMBER COMMENTS.

If the Board feels that an important issue has been brought up by these comments the Board may choose to have the issue placed on a future agenda so that all Members may have the opportunity to be part of the discussion.

President Peek commented that considerable discussion went into development of these rules. Further, the rules were necessitated by unruliness. President Peek reinforced some talking points, in particular, the availability of the General Manager regarding day to day operations; the Board will not participate in a game of ~~potch~~. Further, it was noted that any question is a legitimate question and if satisfaction is not attained through the General Manager, President Peek offered his phone number is listed in the phone book (also for whistleblowing or suspected abuses); he would invite anyone to give him a call.

Closed Personnel Session:

- None held.

Adjournment:

- Secretary Butler made a motion to adjourn the meeting; 2nd to the motion was made by Treasurer Moniz. Motion carried. The meeting was adjourned at 4:23 p.m.
- The next Directors Meeting is scheduled for 4:00 p.m. Thursday, January 16, 2013 at the SSMWC Office.

In accordance with Federal law and U.S. Department of Agriculture policy, Silver Springs Mutual Water Company is prohibited from discriminating on the basis of race, color, national origin, sex, religion, age or disability (not all prohibited bases apply to all programs).

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"Silver Springs Mutual Water Company is an Equal Opportunity Provider and Employer."