

QUINCY WATER ASSOCIATION
Board Meeting Minutes
February 14, 2013

President John Moore called the January board meeting to order at 6:30 PM at the Quincy Grange. Other board members present were Debbie Greeley, Jim Malisch and Jim Carver. Mike Seely arrived late at 7:00 PM, after the majority of the meeting. Others present at the meeting were employee, Sharon Hicks and maintenance contractor, Calven Shulda.

Minutes:

Copies of the minutes for the previous board meeting, held January 10, 2013 were passed out. Debbie Greeley made a motion to approve the minutes, and Jim Carver seconded the motion. Those board members present at the reading approved the motion.

Financial Report:

Jim Malisch presented the financial report for the month of January 2013. Jim Carver made a motion to accept the financial report as presented. Debbie Greeley seconded the motion. Those board members present at the presentation approved the motion. Jim Malisch reported that the 2012 financial records were at the auditor for the annual financial review. He presented the \$97,010 operating budget for 2013, and explained that the new budget was lower because the final cost of the water filter project was lower than previously estimated. Jim demonstrated the new laptop he purchased for the office of Secretary Treasurer of the board. This will allow association records to pass from board to board. Jim said that he is in the process of installing the accounting program QuickBooks that was donated by Debbie Greeley.

Maintenance Report:

Calven Shulda explained the new tests for iron and manganese that he was able to do with the new instrument purchased by the association following start up of the new water treatment system on the 29th of January. He said that he would be looking into getting new chemicals to be able to do a high range test. He also explained about the tests for the new filter system.

Old Business:

Jim Malisch reported on the status of the well and filter project. He said that we had been running on the new well and filter since January 29, 2013. One of the remaining items was cleaning of the water storage tank. He reported that the tank divers are scheduled for February 19. They will vacuum the sludge that is in the bottom of the tank. Jim reported that IFA & OHA would be making an inspection on February 26. Jim is keeping a punch list of items to be finished or corrected. Jim estimated that the final cost to finish the project would be near \$375,000. The fencing is now complete but the contractor will need to return to finish the rock inside the new fence once the ground dries up.

New Business:

Jim Malisch reported that he had received a \$2,000 quote from Peter Bach Construction to repair the old chlorine building that is being used for storage. The board passed a motion to proceed with the repair work. Jim Malisch reported that our liability insurance provider, Glatfelter, had informed him that there would be a 35% increase in the policy price for 2013. At the same time, for the second year, Bancorp had sent a proposal for the same insurance coverage that was near the cost of the policy for 2012.

Jim Malisch made a motion to change insurance providers and purchase liability insurance from Bancorp insurance. Jim also reported that notice of the annual meeting has been mailed to all the shareholders of record and the required published notice has been printed in the newspaper. The board discussed the plan. At the annual meeting the board will present a change to the bylaws to remove the words "late fees" and to change the bylaws to not specify the amount and form of the fee for late payment and allow the board to set the fee. This will be done in an effort to move from a percentage to a flat rate. The board plans to meet at 6:30 for a working session prior to the annual meeting.

Jim Malisch presented the payoff document from Berkadia Commercial Mortgage who holds the paper for the old FMHA loan that was made in 1978. As Treasurer, he advised the board that they should pay the old loan off before beginning the new loan with IFA financing the treatment system and new well. The board passed a motion to pay off the loan with Berkadia.

The board meeting adjourned at 7:30 PM in order for the board to hold a working session.

Transcribed by Sharon Hicks, edited by Jim Malisch

Respectfully submitted,

Jim Malisch, Secretary-Treasurer of the board.