

MINUTES OF OPEN PUBLIC MEETING

Diamond Valley Water District Board of Directors

SC AUDIT & ACCOUNTING SOLUTIONS
1565 PLAZA WEST DR.
PRESCOTT, AZ 863

5:00 PM Thursday, December 21, 2023

CALL to ORDER

Chair Mike Schumacher called the **Regular Meeting** to order at 5:01 pm.

ROLL CALL of BOARD MEMBERS P= Present. NP= Not Present

MIKE SCHUMACHER (P) **JO AN HOLT (P)** **KURT WOMACK (P)**
NICHOLE KOWALSKI (NP) **RICK COSTIANES (P)**

Also present: No Members of the Public. **Dennis Charles** for District Management, **Dave Snyder** and **John Sullivan** from Accountant Crandall's SC Audit & Accounting Solutions were in attendance.

1. ANNOUNCEMENTS

a. Future meeting location.

Schumacher did not hear back from Prescott Valley, so he is still looking. D. Snyder made a suggestion which Mike will pursue.

2. TREASURER'S REPORT

a. Dave Snyder audit review

Mr. Snyder had passed out copies to the Board, and did an overview highlighting what needed attention.

	2023	2022
Assets	\$2,058,050	\$2,027,019
Liabilities	\$142,113	\$148,900
Net position:		
Net investment capital assets	\$1,803,098	\$1,597,511
Restricted	\$90,180	\$82,673
Unrestricted	\$22,659	\$287,935
Total net position	\$1,915,937	\$1,878,119

Distribution system capital asset: \$1,958,040 \$1,614,083. Increased \$343,957, due to Ramada water tank and Rhinestone realignment overrun. K. Womack asked if we get any interest; J. Sullivan said the County account pays some interest.

Mr. Snyder was excused at 5:29 pm.

Financial Statements available on DVWD website.

b. John Sullivan handed out copies of June, July, September, and October (not November). Because we cut back on Capital Improvements after the Rhinestone overrun, we have been able to increase the net income.

Category	30-June-23	31-July-23	31-Aug-23
Cash Balance	\$181,522.91	\$202,528.61	\$242,078.92
Accounts Receivable	\$ 77,190.13	\$ 89,025.71	\$ 87,080.26
Water Revenues	\$ 70,077.92	\$ 62,624.43	\$ 54,948.39
New Hookup Contributions/Fees Total Income	\$ -	\$ 13,200.00	\$ -
Cost of Water (Cal. Mo.)	\$ 8,298.44	\$ 31,670.14	\$ 19,577.88
Repairs & Maintenance	\$ -	\$ 15,253.57	\$ 4,090.88
Capital Outlay - Service Line Replacement	\$ -	\$ 11,748.91	\$ -

Category	30-Sept-23	31-Oct-23
Cash Balance	\$245,806.53	\$257,819.15
Accounts Receivable	\$ 93,567.94	\$ 93,709.00
Water Revenues	\$ 59,311.42	\$ 55,268.73
New Hookup Contributions/Fees Total Income	\$ 3,714.46	\$ -
Cost of Water (Cal. Mo.)	\$ 21,599.60	\$ 17,910.92
Repairs & Maintenance	\$ -	\$ 5,135.05
Capital Outlay - Service Line Replacement	\$ -	\$ -

3. MANAGER'S REPORT

a. Monthly Reports. Dennis gave his August, September, October and November 2023 Monthly Reports:

August: •Total active customers 776. •Total Water Sales Revenue \$20,793.31. •Total Base Service \$33,947.18. •Total Tax Collected \$3,605.26 (AZ Municipal tax \$18.83). •Total Current charges \$72,213.27. •Total Establishment Fees \$280.

•Average water bill \$93.06. •Total gallons pumped 4,190,000. •Total gallons sold 2,904,611.
 •Accounted water loss 271,000. •Unaccounted water loss 1,014,389. •**Actual PERCENT WATER LOSS = 24.21%**. •Meters read from 7/19/23 to 8/18/23.

Applications 4 owners and 4 renters. One new hook-up at 4526 Amber Rd.
 On 8/03 at 1910 Coral Dr., 55,000 gallons. On 8/14 Opal Dr. Booster station 216,000 gal.

September: •Total active customers 777. •Total Water Sales Revenue \$22,729.79. •Total Base Service \$34,283.51. •Total Tax Collected \$3,759.12 (AZ Municipal tax \$20.23). •Total Current charges \$64,601.32. •Total Establishment Fees \$175.

•Average water bill \$83.14. •Total gallons pumped 4,148,000. •Total gallons sold 3,115,911. •Accounted water loss 197,000. •Unaccounted water loss 835,089. •**Actual PERCENT WATER LOSS = 20.13%**.
 •Meters read from 8/18/23 to 9/19/23.

Applications 3 owners and 5 renters. One new hook-up at 4620 Catherine Dr.
 On 9/28 at 4888 Amber, 197,000 gallons.

October: •Total active customers 778. •Total Water Sales Revenue \$19,732.37. •Total Base Service \$34,732.37. •Total Tax Collected \$3,549.10 (AZ Municipal tax \$18.04). •Total Current charges \$60,310.19. •Total Establishment Fees \$105.

•Average water bill \$77.52. •Total gallons pumped 3,855,000. •Total gallons sold 2,785,466.
•Accounted water loss 4218,000. •Unaccounted water loss 851,534. •**Actual PERCENT WATER LOSS = 22.09%**. •Meters read from 9/19/23 to 10/19/23.

Applications 2 owners and 2 renters. One new hook-up at 4630 Catherine Dr.
On 10/02 at 1237 Rhinestone 97,000 gallons. On 10/04 at 4888 Amber 121,000 gal. On 10/24 at 1925 Coral Dr. 15,000 gal.

November: •Total active customers 779. •Total Water Sales Revenue \$19,853.96. •Total Base Service \$34,127.27. •Total Tax Collected \$3,552.39 (AZ Municipal tax \$18.22). •Total Current charges \$91,093.50. •Total Establishment Fees \$245.

•Average water bill \$116.92. •Total gallons pumped 3,809,800. •Total gallons sold 2,802,961.
•Accounted water loss 212,000. •Unaccounted water loss 794,839. •**Actual PERCENT WATER LOSS = 20.86%**. •Meters read from 10/19/23 to 11/20/23.

Applications 5 owners and 1 renters. One new hook-up at 5043 Ramada Dr.
On 11/25 at 4565 Ramada Dr. 47,000 gallons. On 11/30 at 1868 Crystal Dr. 165,000 gal. On 11/03 Lisa Ln. water pump motor burnt up. On 11/17 a power trip on Rose Quartz, customers out of water 3 hours.

b. Grant update, 69 estimate Engineering cost design.
Resubmitted quotes to the Engineering companies

New item for next meeting, need to approve new Contractors for the list. One current company recently went bankrupt after the Rhinestone realignment job.

4. PRESCOTT VALLEY'S RATE INCREASE

a. Impact upon DVWD, near future Hearing.

Dennis used the numbers from Prescott Valley (PV), and used a typical bill for the amount of water. PV is stepping up the rate every year, for 5 years, started now. For example, the District paid \$17,911 for October, usage 3,848,000 gallons. [Secretary's note: unaccounted water loss was 851,534 gal. 22%, about 1,000 gallons per house] Next year, it will be \$23,157, an increase of \$5,246. In 2028 it will be \$36,186, increase of \$18,275. Typical bill will increase \$6.74 in 2024, \$23.49 in 2028. At least we aren't getting the stormwater and sewer increases.

PV used to give about one year notice for increases, not this time. We need to hold a Public Hearing for any change to the Fees and Charges rate schedule, K. Womack asked if we needed to have a Hearing every year for 5 years, or one with each year increase rate schedules for 5 years, Kurt will need to consult Attorney Kozak, and report to J. Sullivan. Subject to change beyond our control, can always have another Hearing. This of course is to encourage conservation. We need to have a Special Session to discuss and approve the Hearing, and hold soon as possible.

5. ADMINISTRATIVE

a. Approval of Regular Meeting Minutes August 24, 2023.

J.A. Holt made the motion to accept the Minutes, seconded by M. Schumacher.

APPROVED: 4-0 Schumacher - YES, Womack - YES, J.A. Holt - YES, Costianes - YES.

5. NEXT MEETING PREVIEW

Regular Meeting could be January 25 pending on location. Special Session soon as possible for upcoming Hearing, Executive Session regarding grant.

CALL TO THE PUBLIC

No comments.

ADJOURNMENT

Adjourned by consensus.

Meeting adjourned at 6:24 PM.

NOTE: [M00.00.2023] indicates reference to Minutes from previous meetings. [aa] Robert's Rules Of Order. .

Meeting Minutes prepared by Kurt Womack, Clerk/secretary and made available on 1/27/24.

DRAFT to be APPROVED of these Meeting Minutes sent via email to all current Board Members and Management for review. Board approval to be an Agenda item at the next scheduled DVWD REGULAR Meeting. In addition, two copies maintained and available in the file box at permanent location at 5090 E. Ramada Dr., Prescott, AZ 86301 in Diamond Valley for interested Public.

An email copy of future DVWD Meeting Minutes and Agendas can be sent by requesting to be put on the electronic PerDVEmailRequest group list and providing an email address to: contact-us@dvdist.com

APPROVED ON: January 25, 2024 by M. Schumacher, K. Womack, J.A. Holt, N. Kowalski, R. Costianes