

ORCHARD HEIGHTS WATER ASSOCIATION

ANNUAL MEETING

Minutes of November 10th, 2014

Call to Order: 7:00 p.m.

Proof of Quorum: Seven of 175 Memberships were represented.

Meeting notifications were presented.

Approval of Annual Meeting Minutes 11/12/2013: After review of the minutes, it was motioned by Leo Woods and seconded by Clare Taylor to approve and accept the minutes as presented.

General Business, Jennifer Meltzer. This is the third year of operation with the City of Salem (COS) connection. During our first summer season of the connection (2012), we pulled from the COS connection solely during the heat of the summer. As a result, it was more expensive than anticipated. During the 2013 season water levels were monitored and the connection manually turned on and off as the levels mandated.

Operations Report: Doug noted that the city connection is now off until this coming summer. Three years since we instituted annual backflow testing to have all members have their annual backflows completed and the forms submitted to the office manager no later than September 30th. This has been working fairly well.

Treasurers report, Leo Woods. Current budget status is not updated on new Power point slide. A summary of the current year (2013) expenses were presented, showing that revenues for the period were over budget by \$2,015.14. Areas over budget were mileage reimbursement, office equipment, contract services and salaries and wages. Water purchases were approximately \$4009.62 over budget. This will be helped with the advent of the increase in the 2015 water usage rate increase and the membership and Capital Improvement fund increase. Wages were higher with the hiring of a new office manager and the resulting double wages for that period of time, and also the installation of a new office operations system. Board approved hiring a new office manager October 2014. Victoire Felix was introduced as the new Office manager.

City of Salem will have another rate increase, probably around 4%. Will we have a large enough fund in the budget to cover this. Annette suggested a 6% overall increase in our budget fund for this rate increase. Jennifer noted as a result of this some Capital Improvements were moved forward for another year.

Capital Improvements: Jennifer noted this is the 10th year of the 20 year Capital Improvement Plan. Mostly because of changes when we hooked up to the City of Salem water supply, Doug is working with Ed Butts to update Plan. Oscar Winigan to talk to former County planner. Water can only be provided for lots that have already been divided. Clare Taylor noted that the City of Salem's annexation project ends where Orchard Heights Place NW Road starts. A couple of people who have water shares have subdivided their land. We can't sell them another water share because we signed an agreement with the City of Salem not to do that. City of Salem does not want people in the Urban growth boundary

outside of the Salem City limits to subdivide their property. Water can only be provided for lots that have already been divided. Do we need to make changes to our original plan now and update it now.

New Share Sales Recommendations, Jennifer Meltzer. Our rate study is based on selling at least one share annually. The current Share price is set at \$5,000. We need to actively try to achieve our goal of at least one share sold each year.

Election of Officers, Jennifer agreed to renew for another year. Leo and Teresa's term will end in 2015.

Board Members for 2015: Jennifer Meltzer, Teresa Hire, Leo Woods, Clara Taylor and Steve Riley.

Motion made by Clara Taylor and seconded by Leo Woods to adjourn the meeting at 8:10 p.m.

Meeting in December is cancelled. Next regular meeting will be January 20th, 2015.