

**BOARD OF DIRECTORS
PINE/STRAWBERRY WATER IMPROVEMENT DISTRICT**

P.O. Box 134 - Pine, Arizona 85544-0134

MINUTES

Regular Board Meeting – June 19, 2008

1) CALL TO ORDER

Pine-Strawberry Water Improvement District meeting was called to order at 7:00 PM by Bill Haney - Chair

2) PLEDGE OF ALLEGIANCE

3) ROLL CALL

Board Members Present:

- | | |
|--|-----------------|
| 1. Bill Haney - Chair | 5. Ron Calderon |
| 2. Terry Schleizer – Vice Chair - Absent | 6. Don Smith |
| 3. Richard Dickinson - Secretary | 7. Tom Weeks |
| 4. Michael Greer - Treasurer | |

There was a Quorum – 7 Board Members present.
Number of public attendees not noted.

4) APPROVAL OF MINUTES

- a. Regular Meeting May 17, 2008
Motion to approve minutes – Don Smith
Second – Ron Calderon
Vote 7 – 0 Minutes Approved
- b. Special Meeting June 5, 2008
Motion to approve minutes – Terry Schleizer
Second – Don Smith
Vote 7 – 0 Minutes Approved

5) TREASURERS REPORT

Mike Greer reported finance activity for the month of May, ending May 31, 2008. Beginning balance of \$ 133,005.56 minus 4 warrants redeemed for \$ 4,566.00, plus deposits of \$ 4,115.72 leaving an ending Balance of \$ 132,555.28. Mike Greer also indicated that the previous 3 month's reports have been scanned and forwarded to Bill Haney to be posted on website.

Motion to accept Treasurer's Report – Don Smith
Second – Tom Weeks
Vote 7 - 0 Treasurer's Report Accepted.

6) DELEGATE REPORTS

No delegate reports.

7) OLD BUSINESS

- a. Discuss and take possible action regarding the interest earning status of the Joint Well development Escrow Account.

Discussion of FDIC maximum of \$ 100,000 and why it might be necessary to establish 3 separate accounts to protect total dollars in escrow account. It was explained that it would cost 450.00 to establish 3 separate accounts. The current balance in the escrow account is \$ 287,855.90. Based on current short term money market interest rate of 2%, about \$ 1,816.00 interest could have been earned if interest earning account(s) had been established as per the JWD Escrow Agreement. Discussion followed regarding opening 3 separate accounts to provide FDIC insurance coverage for total dollars in escrow account. Ron Calderon questioned legality of Brooks Utility being a signer on the escrow account.

Motion to contact JWD Escrow officer via letter requesting that 3 separate interest bearing accounts be established to cover all money in escrow - Terry

Second – Don

Vote 7 – 0 motion carried.

- b. Discuss and take possible action regarding approval of 2008-2009 Budget.

Mike Greer indicated a mistake was made in publishing the 2008-2009 Budget, in that; the Reserve Account dollars were not published. Mike indicated he had discussed the oversight with John Nelson at the county. According to John Nelson, the county was aware of the oversight, had corrected it, and would provide explanation if required.

Mike Greer read 2008-2009 Budget and explained how it was formulated. He explained the budget was formulated based on the same tax rate (0.1376 per \$ 100.00) of Gila County assessment that was applied last year.

Sam Schwalm questioned Budget line items regarding Independent Contractor and Financial Audit figures. He also asked if the Board would be providing a break down of how the Reserve dollars were going to be spent. It was explained that the Board was required to account for the money in the Reserve Account, but had not "ear-marked" any specific line items for expenditure of the money at this time.

Motion to approve the 2008-2009 Budget as proposed – Tom Weeks

Second – Mike Greer

Vote 7 – 0 motion approved.

8) NEW BUSINESS

No new business.

9) CALL TO PUBLIC FOR NON-AGENDA ITEMS (3 minutes per speaker)

Bob Cassaro – Suggested the PSWID Board delineate short and long term plans for acquisition and management of water control and distribution, and publish those plans. He was asked if he would participate on a PSWID Board committee to address these issues. However, he declined due to restraints imposed by the OML. He did volunteer to form a “citizen’s committee” that from time to time could ask to be placed on the meeting agenda to express plans and ideas to the PSWID Board. Mr. Cassaro invited Sam Schwalm to join him on the citizen’s committee for his ideas and input. Mr. Schwalm wanted to “talk it over” with Mr. Haney and Mr. Cassaro before committing.

Mike Taylor- Questioned why there had been no activity or communication from the Board regarding the special committees established at a prior meeting(s). Terry Schleizer explained that due to the activity of the Board, there hasn’t been time to address committee activity. Committees will be utilized going forward.

Comment by Terry Schleizer regarding public comments implying unethical and illegal activity of the PSWID Board. She described these comments as irresponsible and unsubstantiated. She defended her decision to vote to hire Mr. Gliege, and described the heightened activity, work, and number of meetings of the current Board Members.

10) CALL TO ADJOURN

Motion to adjourn – Terry Schleizer
Second - Don Smith
Vote 7 – 0 Motion carried. Meeting adjourned.

Reports Available directly from PSWID by request for June 19, 2008

1. *File # PSWID – Treasurer’s Report – 06192008*
2. *File # PSWID – 2008-2009 Budget - 06192008*