

WHISPERING PINES WATER COMPANY
Annual shareholders meeting minutes
Moroni Opera House Sat. 6/7/2025

Meeting called to order at 10.05 am.

Board Members in attendance: Barry Bessey, Colette Lynch, Kyson Koop, Michael Wagner, Rob Halls.

Shareholders in Attendance at start: 44

Barry Bessey welcomed, and thanked the shareholders for attending. Introduced the Water Board. Noted that Shawwna Nay has stepped down from the Board, and thanked her for her service. Thanks were also given to Ron Nay for his help, as well as Sean Kearney and Gene Rino for their help, and counsel.

Barry called for a motion, Blake Rosenlof 2nd, and a shareholder vote to accept the minutes from the 2024 Annual Meeting. All concurred.

Barry explained that a position on the Water Board can be filled by the Board, and later voted on by the shareholders. It was explained that the Board appointed Rob Halls as a new member to the Board as a B Share representative.

Barry called for a motion, Alan Breese 2nd, and a shareholder vote to accept Rob Halls to the Board. All concurred.

Barry then called for a motion, Kyson Koop 2nd, and a shareholder vote to keep the Board composition as is for this year. All concurred.

Barry gave a summary of the 2024-2025 financial report. Noting that approx. \$9,000.00 more was collected than budgeted. This was due to items that are hard to predict while proposing a budget into the future, including Transfer Fees, Impact Fees, A high rate of collected Annual Dues, and Interest earned on Bank accounts. These items total approx. \$8,700.00

Barry noted that expenses were approx. \$9,000.00 above what was budgeted. This was due in part to higher than expected Maintenance costs, including Labor for the Lower VFD install, and an unexpected water main break. Totalling approx. \$5,600.00. Insurance rate increase, and a mandatory Terrorist rider required by the insurance company, totaling approx. \$500.00, and that the new Website went approx. \$2,000.00 over what was Budgeted. Barry explained that when proposing the budget he did not have a firm cost for the website developer which ended up at \$2,200.00, did not factor in the website hosting \$75.00, or the Memberships Worx program that helps with a private shareholder page, holds contact lists, houses water certificates digitally, and will help with invoicing in the future, totalling \$400.00. Barry felt confident that the costs for paying the web developer was a good deal, compared to the 6K and 8K websites he had built for companies in the past. Also the website is in its infancy, and will be added to in the future, and that anything the water company needs posted is at no additional cost.

He stated to the shareholders that he will try to better plan for projects in the future when proposing a budget that the shareholders vote on. Also that tests done on our water went slightly over budget.

Bank accounts were summarized, and the Water Company added \$4,540.00 to the Bank accounts last year. The Water company is in good financial condition, and is solvent.

Comments were made by shareholders concerning last years Income/Expenses report:

- The total expenses should reflect ALL expenses even if AGA/Twin Oaks has paid their share. In turn all expenses paid by AGA/Twin Oaks should show on the Income side as transfers. Barry noted this makes sense, and will be done in future Income/Expense summaries. AGA/Twin Oaks paid \$10,673.53 for the lower VFD, \$3,293.44 for their share of Power, WIFI for camera monitoring, and testing, as well as \$2,561.33 for the Labor on the VFD. Totalling \$16,528.30.
- If AGA/Twin Oaks were paying on time. YES they are very timely in paying us for billed expenses.
- What is a DRC ? Barry explained that Justin Atkinson was our Direct Responsible Contact to the State. That a DRC must be a certified water system manager, and have training and certifications to perform water testing. Barry does not have time to get certified. Between Barry and Justin, they stay on top of changing requirements, and testing. Barry also explained that Sean Kearney was gracious enough to get recertified and be a backup, and that the Water company paid \$180.00 for his recertification.

The 2025-2026 proposed budget was presented, and reviewed. Noted that the Water company had been approved for a \$98,000.00 zero interest loan, but the Water company had not yet accepted the loan so it is not figured into the proposed budget. Anticipated income of \$38,000.00 and Anticipated expense at \$41,240.00. Barry noted that Income should come out a little higher due to unknown Fees that would be collected. Also noted were costs for Upper VFD, and install, Upper pump and Motor replacement, planned for 2025-2026 Totalling approx. \$35K, and that AGA/Twin Oaks would pay for approx. half of costs.

Barry made a motion to call for a vote by the shareholders to accept the 2025-2026 Budget. All shareholders concurred, the budget was accepted by the shareholders.

CCR customer confidence report was completed and accepted by the State. A brief summary was done on required testing. Barry noted that in June 2024 we had a test come back as present for Coliform, a naturally occurring organic material, following a water main break. That the 5 required tests within 24 hours were performed following the (present) test, and that those tests came back fine (absent). Barry explained the importance of the Water company having everyone's correct contact information in case of a boil order, and steps that would be taken if a boil order was ever given. The CCR was sent out in the Annual mailing April 1, 2025, it is also posted on the website.

Our water is wonderful.

A review of the EPA's Lead & Copper rule 2024 was given. WPWC Lead & Copper requirements were met, and accepted by the EPA. Thanks were given to those who helped with testing, and having their hookups into the house inspected. WPWC water system is Lead Free.

Barry explained that the Lower VFD had been purchased, installed, and is working as it should. Gave a brief explanation of what a VFD is, and does.

Upper VFD is scheduled for purchase, and installation coinciding with the installation of the Upper pump and Motor in late September. All should be installed together. Barry explained the Upper pump and motor was scheduled for Sept. 2024, but due to a monitoring control failure it had to be postponed.

Barry explained that the GIS computerized mapping of our entire water system was up, and running. He gave an explanation of additional things the mapping can do, and that it is being updated constantly.

An explanation of the Zero interest Loan. Barry indicated we were approved for \$98K, and that it needed to be paid back in 10 years. The water company could only use the Loan for the VFD at \$30K, an updated SCADA monitoring system at \$9.5K, and a Water system analysis at \$40K. That all money did not have to be used, and leftover would be paid towards the Loan. Barry explained the Water board was still vetting the System Analysis, and that if the Water company did not do the System analysis, we could still accept the loan, or simply use money in the bank. Barry asked for discussion on the loan. Consensus among the shareholders was to accept the loan, and keep the money in the bank. Barry explained the Loan repayment would probably trigger around a 10% rate increase, possibly for 2 years in a row. A comment was made that incurring interest from our Bank Certificates could help pay for the Loan as well. The Water board has 3 months to accept the Loan, and more due diligence is needed on the Water System analysis. To the Water board's knowledge an analysis has never been done on our water system.

Barry summarized the wells were doing good. Lower well is producing approx. 250 gallons per minute, and the Upper well is producing approx. 240 gallons per minute. Artisan flow is approx. 25 gallons per minute.

Questions concerning the Water purchase, and land swap with recreational Lands was discussed. Barry summarized that the water (3.8 acre feet) would cost \$18,000.00, and if purchased would be sold at a profit to Lots in our surrounding community. If AGA buys it, it is the Water boards opinion that they would hold on to it for their needs, and would be prohibitive for future development in our surrounding communities. The Water board is all for buying the water, but, it's tied into the Land swap.

Barry stated that many things still needed to be worked out by the WPPOA concerning the Land swap, what the water company may reimburse the POA, and if the county would grant a variance on the 6.5 acre plot of land that the POA owns.

John Romero gave brief comments, but stated that many things still need to be worked out.

Meeting was adjourned at 11:14 am.

