

BOARD OF DIRECTORS
MEETING MINUTES – EXECUTIVE MEETING
AMENDED

Date: July 15, 2011 Time: 7:00 PM.

Location: Cedarpines Park Mutual Water Co. Shop

CALL TO ORDER: President Dahlstrom called the meeting to order at 7:00 PM

PRESENT: President Perry Dahlstrom
Vice President Ronald Albright
Secretary Wilfred Steiner
Treasurer Donald Pederson
Director Paul Hartman

CONSULTANTS: General Manager – Sonny Gowan
Administrative Consultant – Rhiannon Gowan

ACCOUNTANT / C.P.A: Richard Lambright, 180 Solutions

ITEM 1: ANNUAL FINANCIAL REVIEW

DISCUSSION: Mr. Lambright presented the Annual Financial Review to the Board. After review, the Board discussed the need for establishing operational reserves, and noted that at least some of the CIP account will likely need to be written off (as a loss) next year.

MOTION: Director Pederson made a motion to accept the Annual Financial Review as presented, Director Steiner seconded the motion.

ACTION: Motion carried unanimously.

ITEM 2: Frey vs. QuickBooks

DISCUSSION: There was a discussion regarding the potential benefit of migrating the Company's financials from the Frey software to QuickBooks. Mr. Lambright and Mrs. Gowan generally agreed that Frey should still be used for customer billing functions, a payroll service should be contracted for employee payroll functions, and QuickBooks could be utilized for all other functions. This combination could save a significant amount of labor and provide a more user-friendly platform for the general ledger. Also, software maintenance fees would be reduced.

MOTION: None

ACTION: The Board asked Mr. Lambright and Mrs. Gowan to formulate a plan for transition and a quick implementation.

(Mr. Lambright, Mrs. Gowan and Mr. Gowan were excused from the remainder of the meeting.)

ITEM 3: ONE TIME ASSESMENT

DISCUSSION: A discussion was had regarding the best method for the company to replenish the reserve required by our RUS loan, and for the company to have at least a two (2) month operating reserve. The Board discussed target amount, payment plans and payment due dates of the assessment, with no consensus.

MOTION: Director Steiner made a motion to access each current meter connection \$195.00, with payment incentive options as follows:

Payment Option 1, \$195.00: 4-Installments of \$48.75/ea. due 09/30/11
11/30/11
01/30/12
03/30/12

Payment Option 2, \$185.00: 2-Installments of \$92.50/ea. due 09/30/11
11/30/11

Payment Option 3, \$180.00: Single payment of \$180.00 due 09/30/11

ACTION: The motion carried by majority vote, 4-1.

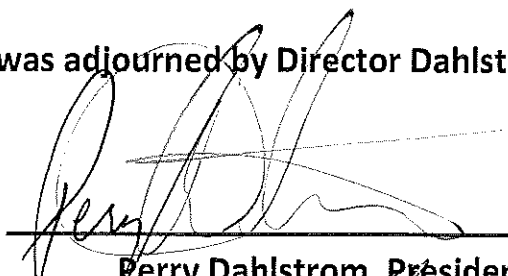
ADJOURNMENT

MOTION: Director Pederson made a motion to adjourn the July 15th, 2011 Executive Board of Directors Meeting. A second was made by Director Steiner.

ACTION: Motion carried unanimously.

The Meeting was adjourned by Director Dahlstrom at 9:35 P.M.

Approved by: _____

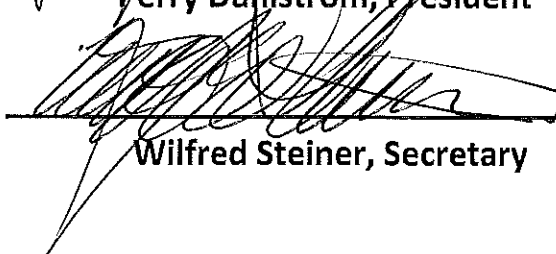


Perry Dahlstrom, President

Date: _____

10/27/11

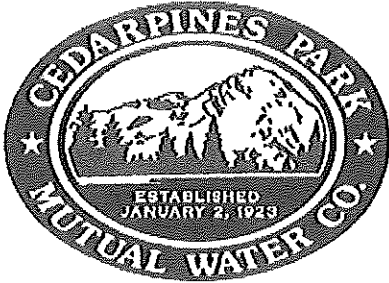
Reviewed By: _____



Wilfred Steiner, Secretary

Date: _____

10/27/11



BOARD OF DIRECTORS

EXECUTIVE MEETING

Date: July 15, 2011 Time: 7:00 P.M.

Location: Cedarripines Park Mutual Water Co. Shop

CALL TO ORDER:

President Dahlstrom called the meeting to order at 7:00 P.M.

PRESENT:

President Perry Dahlstrom

Vice President Ronald Albright

Secretary Wilfred Steiner

Treasurer Donald Pederson

Director Paul Hartman

ITEM ONE: ONE TIME ASSESSMENT:

A discussion was had regarding the best method for the company to replenish the reserve required by our RUS loan, and for the company to have at least a two (2) month operating reserve. Rate increases and assessments were discussed and it was decided to have a one- time assessment on each meter connection.

Upon motion made and seconded. It was resolved that the board would assess each meter connection, As follows:

Payment Option 1: 4 - Installments Due By: 09/30/11 Amount Due: \$48.75
Due By: 11/30/11 Amount Due: \$48.75
Due By: 01/30/12 Amount Due: \$48.75
Due By: 03/30/12 Amount Due: \$48.75

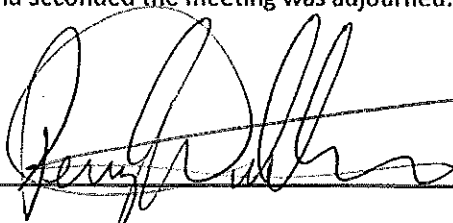
Payment Option 2: 2 - Installments Due By: 09/30/11 Amount Due: \$92.50
Due By: 11/30/11 Amount Due: \$92.50

Payment Option 3: Payment in Full Due By: 09/30/11 Amount Due: \$180.00

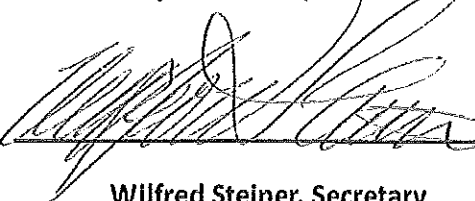
Vote: 4:1

ADJOURNMENT

Upon motion made and seconded the meeting was adjourned.

Approved By:  Date: 11/9/11

Perry Dahlstrom, President

Reviewed By:  Date: 9/26/11

Wilfred Steiner, Secretary