

WASHINGTON COUNTY WATER CONSERVANCY DISTRICT

Minutes of Meeting of Board of Trustees

June 27, 2018

Minutes of a public meeting of the board of trustees of the Washington County Water Conservancy District, held on Wednesday, June 27, 2018, at 533 East Waterworks Drive, St. George, Utah beginning at 6 pm. Those board members present for the meeting were: Chair Ed Bowler, Zachary Renstrom, Kevin Tervort, Ken Neilson, Howard Bracken, Chris Hart and Jon Pike. Also present were General Manager Ron Thompson, Associate General Managers, Barbara Hjelle, Corey Cram and Brie Thompson. Other staff included Carly Merrill, Heather Dekorver and Secretary Roberta McMullin. Other guests at the meeting are set forth on the attached sign-in sheet. Ed Bowler conducted the meeting and welcomed those present.

Ed Bowler explained that this meeting was called for the purpose of having the auditors present the 2017 audit and considering approval of the 2017 audit. Steve Quinn from Hafen and Buckner was introduced by Ron.

Steve Quinn passed out copies of the 2017 audit to the board and staff. He said he would walk the board through the audit fairly quickly and point out various parts of the audit. He told the board and staff to feel free to stop him at any time with a question or further explanation. He pointed out the following pages:

Page 1 – Independent auditor’s report – Steve said this is what we are paying for and what they are required to do.

Page 2 – Their opinion – He said this is very important and we got a good opinion.

Page 3 – Management discussion – Steve said this is prepared by district management and highlights the financial statements, etc.

Pages 11-12 –Government wide statements– brings all operations together, has a column for governmental activities and business activities

Page 13 – 16 Governmental Funds (General fund, Capital Projects Fund and Virgin River Program fund)– Balance sheet, Statement of revenues, expenditures and changes in fund balances, etc.

Page 17 – Proprietary Fund – Statement of net position

Page 18 - Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Fund

Page 19 – Statement of Cash Flows – Proprietary Fund

Page 20 -42 Notes to financial statements

Page 50 - Auditors report on internal control – they didn't find anything –

Page 52 – Auditors report on State Compliance and Internal Cover

Page 55 - Findings on compliance – Finding that all board members did not receive the annual training required and that no written verification was provided for the ones that did do the training.

Ron said the district will make sure they get written verification or certificates of completion from board members this year showing they had all completed the annual training.

Steve said if anybody has any questions that come up, please call him. He said he will be providing an electronic version of the audit to the district if any board members would like one.

Ken Neilson made a motion to the approve the 2017 audit report as presented. Jon Pike seconded the motion. All voted aye.

Ron reminded the board that the July 11 board meeting would be a work meeting and begin at 3:00 p.m. Ron told the board that as we need to begin the truth and taxation process to gradually move our tax rate up, he would like to have a public hearing at our July board meeting regarding our intent to increase taxes since we won't have a board meeting in August and September is the board field trip.

Mayor Hart asked about water restrictions and if there had been any. Ron said there won't be any culinary restrictions and that the irrigators had already taken about a 50% cut back. Ron also mentioned that most of the cities have 8 am to 8 pm watering restrictions.

Ron also told the board that they need to have a serious discussion about impact fees. He said when they first calculated impact fees in 2006 they calculated

commercial equivalent residential units and then they went to meter size but now some have figured out how to cheat the system and so that is something that needs to be discussed.

There was no further business to come before the board and the meeting was adjourned.

Secretary