



SCOTT LAKEMAINTENANCE COMPANY
SPECIAL BOARD OF TRUSTEES MEETING
August 1, 2023
6pm – 8pm
Zoom and in Community Center

Call to Order 6:03pm

ROLL CALL – BOARD OF TRUSTEES PRESENT

☐ Eric Riffe ☐ Judy Zygar ☐ Theresa Parsons ☐ Ben Snyder ☐ Mike Pierce
☐ Tom Culleton ☐ Marci Simmons ☐ Dane Johnston

BOARD OF TRUSTEE ABSENT

☐ Jim Hawkes

Adoption of Agenda:

MOTION: It was moved by Dane Johnston and seconded by Judy Zygar to adopt the agenda. Motion passed unanimously.

MOTION: It was moved by Theresa Parsons and seconded by Judy Zygar to go into an Executive Session for 1 hour, resuming the Special Board of Trustees meeting at 7:05. Motion passed unanimously.

Resumed the Special Board of Trustees meeting at 7:03 pm.

MOTION: It was moved by Dane Johnston and seconded by Theresa Parsons to extend the Executive Session for an additional 30 minutes, ending the session at 7:33. Motion passed unanimously.

Resumed the Special Board of Trustees meeting at 7:30 pm.

New Business:

New Heritage Bank accounts presented by Judy:

Judy, Theresa, Penny, and Eric have been working with RCAC on setting up our finances and QuickBooks Accounts to prepare us to get a loan for our water system. RCAC is walking us through this process, and they have let us know that there are things in our records that are not quite right. Dessa, from RCAC, is assisting us in structuring our accounting records and how things are recorded to obtain the loan for the water system.

Currently all our money for the water and HOA is in one account. We will need to have two checking accounts for operations (water and non-water) and two savings accounts (water and non-water). Any money outside of that needs to go into two separate reserve accounts (water and non-water). We will work with the financial advisor to split up the money and invest the money from there. The CPA, RCAC and the financial individual are talking through this process to get everything set up.

The Board also needs to understand how this is getting structured. RCAC is a free service to us, they assist small water systems in setting up their accounting records so that they can obtain a loan, whether it is with USDA or some other financial institution. RCAC is assisting the Finance Committee on how we should have our financing and accounts set up so that we can get a loan.

The following is the criteria that we will need to do to get the loan: We need to setup two separate companies, one for water and one for HOA. Then for each one we need to set up accounts for operation and reserve banking accounts. The investments that Pillar is setting up might count as the savings account. But will need to confirm with RCAC. We will need to have the investments in separate accounts just like the checking accounts.

MOTION: It was moved by Theresa Parsons and seconded by Tom Culleton that the Board agrees to set up financial accounts in conformance with RCAC's recommendation and with consultation with CPA and Financial advisor. The Office Manager and Treasurer will bring back the suggestions to the Board on what the accounts should look like. Motion passed unanimously.

Mike asked if the different accounts would need to file separate tax returns. This should not be the case, but we will get confirmation from the CPA.

The accounts have been setup in QuickBooks. Then will need to go back in and set up the Chart of Accounts, all the customers that receive a bill from NW Water Systems, and re-input all data into the two separate accounts.

Ben asked how the money will be split up when residents pay their bills, will find out how NW Water currently does it.

Working Session:

Penny will send out a list of all the properties that Scott Lake Maintenance Company own, and the Board can determine what they think should be a priority for work to be completed.

- a. **Parcel:** 72810006600; **Legal:** Lot 66 Scott Lake Number 7; **Use:** Community water storage tank at Champion Drive near Lake View Court
- b. **Parcel:** 72810006700; **Legal:** Lot 67 Scott Lake Number 7; **Use:** Community water storage at Champion Drive near Lake View Court
- c. **Parcel:** 72781402600; **Legal:** Lot 26 Blk 14 Scott Lake Division 4; **Use:** Community water wells and pump house at Scott Creek Drive and Scotlac Drive
- d. **Parcel:** 72792100900; **Legal:** Lot 09 Blk 14 Scott Lake Number 4; **Use:** Community water storage at Champion Drive and 123rd Ave
- e. **Parcel:** 12733120100; **Legal:** 33-17-2W PT NE 4 BEG SLY COR L67 Blk 01 of Scott Lake Division 2; **Use:** Community water-front park at Scotlac Drive
- f. **Parcel:** 72760104000; **Legal:** Lot 40 Blk 01 Scott Lake Division 2; **Use:** Community path across creek between Trevue Avenue and Scotlac Drive
- g. **Parcel:** 72781401300; **Legal:** Lot 13 Blk 14 Scott Lake Division 4; **Use:** Community underground water main supply line at Scott Creek Drive and Scotlac Drive
- h. **Parcel:** 72760501200; **Legal:** Lot 12 Blk 05 Scott Lake Division 2; **Use:** Community Playfield at Scott Creek Drive between 114th Way and Trevue Avenue

How does the Board address the different Facebook pages. We need to keep the information on our Website and Facebook page, and posts to the other group pages should be done on a selective case by case basis.

- **The meeting adjourned at 8:09 pm.**