

REDLANDS MESA WATER USERS, INC.
ANNUAL SHAREHOLDERS MEETING
January 27, 2012

CALL TO ORDER

The annual meeting of the Redlands Mesa Water Users, Inc. was called to order at 7:05 p.m. by President Reg Cridler.

CALL OF THE MEETING, ROLL CALL AND MINUTES

Secretary Debbie Christner read the call of the meeting and the roll call. While the credentials committee (made up of Veronica Minch, Sue Whittlesey and Janet Quinn) counted proxies and shareholders present, the committee reported that 16 shareholders were present and 21 were represented by proxy for a total of 37. A quorum was declared.

Debbie read the minutes of the 2011 annual meeting. Reg then asked for any additions or corrections to the minutes, hearing none, the minutes were approved as read.

INTRODUCTIONS

Reg Cridler, the president introduced himself and the other board members introduced themselves, Dan Hawkins, Lance Hanson, Karen Marty and Pete Klaseen. Reg then introduced the personnel; Debbie Christner secretary/treasurer, Bryan Klaseen, ditch manager, Lawrence MacKendrick and Doug Christner, box setters.

FINANCIAL STATEMENTS

Shareholders received copies of the 2011 P&L and Balance Sheet. After review, Bob Church made the motion to accept the 2011 financial statements, seconded by Annie Sievers. Motion passed with all in favor.

DITCH MANAGER'S REPORT

Bryan gave the Ditch Manager's report. It was a good water year. The Water Commissioners reduced the amount of water we were receiving and boxes almost had to be set early. The weather helped out and this was avoided, but this was a reminder that this situation can happen again.

The late water was at 90% which was good but some flooding occurred at the bottom of the system, this will be monitored next year.

Eric Fritchman installed 80 feet of 4 foot culvert on the project ditch. Many ditches were cleaned and some realigned. Areas on the Cedar Gulch Lateral were straightened out.

Willow maintenance is ongoing and will be continuing. When the willows were cleaned out by the Clarkdraw/Lawhead Box it was discovered there was a washout underneath, another box was being redone nearby so extra concrete was ordered and this problem was fixed.

This spring work will be done on the Purnell Lateral and an area through Cooney Properties. The retaining wall at the head gate has lost all its rip rap, this will also be repaired this spring.

Stockwater, which begins Nov 1st every year, was run through the project ditch this year.

The Tuft box is suppose to be installed this Spring by Mr. Tuft.

Bryan thanked Doug and Lawrence. Reg thanked Bryan.

OLD BUSINESS

None

NEW BUSINESS

A letter from Annie Sievers was previously distributed to the board, they will set up a time, when the weather permits to meet Annie at her box to address her concerns.

BUDGET

The 2012 budget was handed out to shareholders. The areas out of the normal were accounting at a higher level, Debbie's company is paid as contract labor instead of payroll as previously, thus the wages line item was lowered by the amount of the accounting increase. There was an amount budget for a website. Redlands will be piggybacking on the Overland's website. Redland's governing documents can be posted on the site and hopefully it can used as a tool to monitor who is running water in the fall, so individuals can order water when it will be the most beneficial for them. Paper orders will continue as before. Annie Sievers had a question regarding the accounts receivable balance. Debbie responded that the balance was actually higher but lowered by some prepaids. Debbie has recently taken over the accounting and the annual meeting has been the focus, the delinquent accounts will be the next priority.

Veronica Minch moved to accept the budget and set the assessment at \$7.50 called as needed, Billy Varner seconded the motion. Motion passed with all in favor.

ELECTION OF BOARD MEMBERS

The terms of Dan Hawkins and Lance Hansen are expiring. Bryan nominated Dan Hawkins, Bob Church made a motion that the board remained the same, Dan and Lance are willing to remain on the board. Bryan withdrew his nomination, then he 2nd Bob's motion. Motion passed, by acclamation, with all in favor.

Dave Kuntz, an Overland Board member, brought up the problems with delinquencies, Redlands Mesa By-Laws were reviewed. Overland is looking into informing Redlands Mesa Water Users when someone is delinquent on the Overland's assessment and not having their water delivered by Redlands. The two companies will work together on this.

Annie Sievers asked again about the website, it was explained that Redlands Mesa Water Users would be piggybacking on Overland's website.

ADJOURNMENT

Veronica Minch made a motion to adjourn, Bob church 2nd the motion. Motion passed with all in favor.

Reg thanked all those attending and adjourned the meeting at 7:53 p.m.

Debbie Christner, Secretary