

Holley-Navarre Water System, Inc.

Annual Board Meeting Minutes

January 17th, 2017

Bien May, Board President, called the meeting from recess at 7:00 P.M. The following Board of Directors were present: Bien May, James Calkins, Daryl Lynchard, Robert Coley and Brian Kelly. Troy Bossier attended via telephone. Gaius Bruce was absent. Also present were: Barbara Carawan, Paul Gardner, Buck Paulchek, Dale Long, Clinton Wells, Danny Hawkins and Deborah Kharuf (stenographer).

Members present:

14 sign-ins.

Proof of Notice

Notice from newspaper (Navarre Press).

2016 Annual Meeting Minutes- Mr. Calkins motions to approve minutes as presented. Mr. Kelly seconds the motion. Motion passed by unanimous vote.

2016 Financial Report

Mr. Kelly presents the financial report for the year 2016. It was also announced that an audit is currently underway, which should be completed by the end of the first quarter. Mr Keely added that the audit includes but not limited to inspections of bank statements, policies, procedures, operating expenses, contracts, purchase of land, payroll, personnel, billing, and meter readings and are all random. Mr. Bien clarifies that the figures Mr. Kelly presents are unaudited, and the audited numbers will be available in March when the audit concludes.

Personnel Committee Report

Mr. Coley reports we made a lot of progress in a lot of different areas. Earlier in the year we implemented a head count freeze to try to slow the growth of our expenses for wages and insurance. That paid off for us. The wages and insurance expenses are less than they have been in recent years.

Engineers Report

Mr. Paulchek states that the wastewater treatment system was expanded in 2016. The numbers were previously reported in December, with nothing additional to report.

Retirement Committee Report

Mr. Kelly reports that the plan is going well with Wells Fargo. The Board will see if there are any issues that need to be addressed in the second or third quarter of 2017.

Election Results

Mr. May announces results:

Shane Kahl: 13

Brian Kelly: 436

George "Geo" Mayer: 87

Ricki DeSantis: 374

Ricki DeSantis and Brian Kelly are the winners of the election.

Election Results (Continued)

Mr. May gave a breakdown of the proxy and absentee ballot votes. 17 absentee ballots and 426 proxies (401 cast) out of 14,091 mailed. Gaius Bruce – 96, James Calkins – 40, Robert Coley – 27, Ricki DeSantis – 19, Brian Kelly – 29, Daryl Lynchard – 87, Bien May – 57 and Geo Mayer - 45 There were 16 under votes and 0 over votes.

Unfinished Business

None.

New Business

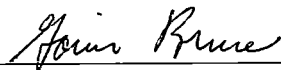
None.

Open Forum

1. Debra Gunnoe: Ms. Gunnoe asks for clarification on the instructions given for the absentee ballots and if this could have affected the amount of under votes. She had spoken with a member who claims to have come to the office for an absentee ballot and was told she could only select one candidate. Mr. May explains that this is a new process and mistakes are possible. We are interested in improving our process for future elections and appreciate her concern. Tappie Villane, the Supervisor of Elections, also points out that the ballot itself has instructions which stated to vote for two candidates.
2. Carmen Reynolds: Ms. Reynolds clarifies that the member Ms. Gunnoe previously mentioned did not receive the absentee ballot and instructions in the mail, but was told this at the office. Mr. Calkins states the employee may have confused the Proxy form with the absentee ballot. Mr. May reiterates that the process is new for this year and we appreciate this situation being brought to our attention for improvement on future elections.

Mr. May thanks Daryl Lynchard for his service on the Board. Barb also thanks the Supervisor of Elections and staff for their assistance.

Meeting adjourned 7:16 P.M.



Gaius Bruce Secretary/Treasurer