



**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
FOUNTAIN MUTUAL IRRIGATION COMPANY
HELD MAY 16, 2024 AT 12:00 P.M.**

The regular meeting of the Board of Directors of the Fountain Mutual Irrigation Company was held on Thursday, May 16, 2024, at 12:00 p.m. at 700 S. Charter Oak Rd., Fountain, CO 80817, and virtually via teleconference.

Attendance

In attendance were Directors:

Mark Watson
Al Testa
Mike Thibault
Carl Christian
Jim McGrady

Also in attendance were:

David Shohet, Monson, Cummins & Shohet, LLC
Rebecca Harris, WSDM- Managers
Kevin Walker, WSDM – Managers
Randall Steichen – Cygnet Land, LLC

1. **Call to Order:** President Watson called the meeting to order at 12:05 p.m. and confirmed a quorum was present.
2. **Approve Minutes from the April 18, 2024 Board of Directors Meeting:** After review, Director Christian moved to approve the Minutes; seconded by Director McGrady. Motion passed unanimously.
3. **Ditch Manager's Report:** Mr. Cady was not present, so President Watson presented the Ditch Manager's Report. Board discussed the concern with McCray and Carp Lake augmentation. Director Testa and Director Thibault joined the meeting.
4. **Cygnet Presentation:** Mr. Steichen presented to the Board Cygnet's concerns and issues they have ran into as a result of the damage cause by the neighboring property. Mr. Steichen presented what Cygnet's plan is moving forward to remediate the damage. He inquired to the board the potential of FMIC joining in a potential lawsuit against the City of Colorado Springs as they agreed with Cygnet to fix the issue and have not proceeded to arrange moving forward. After discussion the board agreed to move forward with separate pursuits depending on legal advice in executive session.
5. **Review Company Finances**
 - a. **Review and Approve Monthly Invoices and Financial Report:** Mr. Walker presented the financial statements and monthly invoices. Informed the Board the accounts receivable is not reflected correctly on the balance sheet and noted the true receivables it only \$2,000. Director

Testa motioned to approve as presented, seconded by Director Thibault. Motion passed unanimously.

- b. Report on Shareholder's Assessment Fee Invoices – Late Payments: Mr. Walker updated the board we only have 2 properties that have yet to pay on the assessments. Mr. Walker informed the board there is one sale to Perkins, a developer from Arizona. Director motioned to approve transfer of shares to Perkins, seconded by Director Thibault. Motion passed unanimously.

6. Guests/ Fountain Valley School: Guests were not present.

7. Executive Session / Legal Report

- a. Update White & Jankowski
 - i. Triview Metro Dist. Prop. Amended Case No. 21CW3058 – exchange of Stonewall Res. To FMIC
 - ii. Triview Metro Dist. Case No. 21CW3082 – Excelsior Ditch
 - iii. Triview Metro Dist. Case No. 22CW3004 – Bale Ditch No. 1 and No. 2
 - iv. Triview Metro Dist. Case No. 21CW3008 – Change of FMIC Shares
- b. Security Water and Sanitation District Application – Case No. 23CW3039
- c. Fountain Application – Case No. 23CW3053 – Confirmation of Storage of Changed FMIC shares
- d. Canal Damage
- e. Triview Carriage Agreement
- f. Big Johnson Pilot Storage Project
- g. Reservoir Capacity Table Survey
- h. Spring Creek Augmentation Station
- i. Flume Replacement timeline

Director Thibault moved to enter Executive Session to discuss the legal report topics as presented on the Agenda; seconded by Director Christian. Motion passed unanimously with the Executive Session beginning at 1:33 p.m. Director Thibault moved to come out of Executive Session at 2:32 p.m.; seconded by Director Christian. Motion passed unanimously. Motion passed unanimously.

Director Christian moved to engage legal counsel and proceed to file a lawsuit against the City of Colorado Springs, Colorado Springs Utilities, and Colorado Springs Stormwater jointly, Peak Metropolitan Districts No. 1, 2 and 3; seconded by Director McGrady. Motion passed unanimously.

Director McGrady moved to approve the not to exceed costs of \$20,000 for platting regarding the Spring Creek augmentation station; seconded by Director Thibault. Motion passed unanimously.

8. New Business: There was no new business.

9. Old Business: There was no old business.

10. Adjournment: There being no other business, Director Testa moved to adjourn the meeting; seconded by Director Christian. Motion passed unanimously at 2:45 p.m.

Respectfully Submitted,
WSDM District Managers

By: Recording Secretary





**FOUNTAIN MUTUAL IRRIGATION CO.
REGULAR MONTHLY MEETING**

Thursday, July 18, 2024

Noon - 2:00 P.M.

Widefield Investment Group

3 Widefield Blvd.

Colorado Springs, CO 80911

Or

Join virtually at <https://video.cloudoffice.avaya.com/join/246550752>

Or by phone at +1 (213) 4634500

Access Code / Meeting ID: 246550752

Board of Director	Title	Term
Mark Watson	President	January 2026
Jim McGrady	Vice-President	January 2026
Mike Thibault	Secretary	January 2025
Carl Christian	Assistant Treasurer	January 2025
Al Testa	Director	January 2025

AGENDA

- 1. Call to Order**
- 2. Approve minutes of May 16, 2024 and June 17, 2024 Board of Directors meeting (attached)**
- 3. Ditch Manager's Report**
- 4. Review Company Finances**
 - a. Review and Approve Monthly Invoices and Financial Reports (attached)**
- 5. Current Ditch Operations Presentation (W.W. Wheeler & Association)**
- 6. Executive Session / Legal Report (David Shoheit)**
 - a. Update White & Jankowski**
 - i. Triview Metro Dist. Case No. 21CW3058 – exchange of Stonewall Res. to FMIC**
 - ii. Triview Metro Dist. Case No. 21CW3082 – Excelsior Ditch**
 - iii. Triview Metro Dist. Case No. 22CW3004 – Bale Ditch No. 1 and No. 2**
 - iv. Triview Metro Dist. Case No. 24CW3008 – Change of FMIC Shares**
 - b. Security Water and Sanitation District Application – Case No. 23CW3039**
 - c. Fountain Application – Case No. 23CW3053 – Confirmation of Storage of changed FMIC shares**
 - d. Canal Damage**
 - e. Triview Carriage Agreement**
 - f. Big Johnson Pilot Storage Project**
 - g. Reservoir Capacity Table Survey**
 - h. McRae Augmentation Station**
 - i. Flume Replacement timeline**
- 7. New Business**

8. **Old Business**

9. **Adjournment** – Next regular scheduled meeting is August 15, 2024, at 12:00 pm.



Fountain Mutual Irrigation Company

Payables Due

7/18/2024

GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
Century Link	60124	6/1/2024	\$ 85.00	
Chief Petro-Card, Inc.	96163	1/15/2024	\$ 658.57	
Chief Petro-Card, Inc.	96539	1/31/2024	\$ 766.92	
Chief Petro-Card, Inc.	99874	6/15/2024	\$ 655.09	
Chief Petro-Card, Inc.	100292	6/30/2024	\$ 923.23	
City of Fountain	01109891-01	6/17/2024	\$ 22.22	Paid
City of Fountain	10000563-01	6/17/2024	\$ 42.72	Paid
Curtis, Justus, & Zahedei, LLC	19898	6/30/2024	\$ 1,021.50	
Image First Healthcare Laundry	267061927	6/13/2024	\$ 102.06	
Image First Healthcare Laundry	264116587	6/20/2024	\$ 67.36	
Image First Healthcare Laundry	264161343	6/27/2024	\$ 67.36	
Image First Healthcare Laundry	264202920	7/4/2024	\$ 67.36	
Matrix Design Group	43299	6/20/2024	\$ 573.75	
Matrix Design Group	43561	7/10/2024	\$ 10,726.25	
Monson, Cummins, Shohet & Farr, LLC	40424DC	4/4/2024	\$ 430.14	
Monson, Cummins, Shohet & Farr, LLC	70324F	7/3/2024	\$ 214.50	
Monson, Cummins, Shohet & Farr, LLC	70324G	7/3/2024	\$ 2,634.00	
Vectra Bank Visa Credit Card	618/24	6/18/2024	\$ 400.65	Additional payment, will have a credit next month
Vectra Bank Visa Credit Card	61824	6/18/2024	\$ 400.65	Autopay
W.W. Wheeler & Associate, INC.	42204	6/18/2024	\$ 7,842.00	
Widefield Investment Group	111523	11/15/2023	\$ 117.56	
WSDM	8069	6/30/2024	\$ 2,000.00	
TOTAL			\$ 29,818.89	

TOTAL \$ 29,818.89

Director _____

Vectra Bank 7/18/2024	\$	560,873.28
7/18/2024 Draw	\$	(29,818.89)
Vectra After Draw	\$	531,054.39

Fountain Mutual Irrigation Comapny

Balance Sheet

As of June 30, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Money Market	73,859.58
Vectra - Checking	570,628.09
Total Bank Accounts	\$644,487.67
Accounts Receivable	
Accounts Receivable	118,933.80
Total Accounts Receivable	\$118,933.80
Other Current Assets	
Prepaid Insurance	9,244.57
Total Other Current Assets	\$9,244.57
Total Current Assets	\$772,666.04
Fixed Assets	
2014 Ram 1500 4x4 Purchase	15,000.00
By-Pass Pipeline	460,898.00
CIP - Outlet Gate Replacement	651,710.00
FMIC Building	78,999.78
Office Equipment	2,301.60
Reservoir/Canal - WIP	7,457.00
Spring Creek Software - WIP	28,295.00
Total Fixed Assets	\$1,244,661.38
Other Assets	
Accum.Depr.	-1,151,417.49
Equipment Purchase	112,069.50
Land	113,597.00
Mach.& Equip.	330,764.99
Reservoir/Canal	790,975.39
Vehicles	175,086.04
Water Rights	49,031.05
Total Other Assets	\$420,106.48
TOTAL ASSETS	\$2,437,433.90

Fountain Mutual Irrigation Comapny

Balance Sheet

As of June 30, 2024

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Payables	34,732.16
Total Accounts Payable	\$34,732.16
Credit Cards	
Vectra - visa	1,030.79
Total Credit Cards	\$1,030.79
Other Current Liabilities	
Income tax payable	8,054.00
Other Payables	11,398.10
Payroll FAML	236.78
Payroll Liabilities	-1,600.00
CO Income Tax	652.00
CO Unemployment Tax	256.18
Federal Taxes (941/943/944)	2,088.51
Federal Unemployment (940)	-42.00
FMLA	722.60
Total Payroll Liabilities	2,077.29
Total Other Current Liabilities	\$21,766.17
Total Current Liabilities	\$57,529.12
Long-Term Liabilities	
Def.Inc.Taxes	364,656.17
Deferred Revenu	13,392.00
Total Long-Term Liabilities	\$378,048.17
Total Liabilities	\$435,577.29
Equity	
Common Stock	294,430.50
Earnings	1,340,362.55
Treasury Stock	-4,463.80
Net Income	371,527.36
Total Equity	\$2,001,856.61
TOTAL LIABILITIES AND EQUITY	\$2,437,433.90

Fountain Mutual Irrigation Comapny

Budget vs. Actuals: Budget_FY24_P&L - FY24 P&L

November 2023 - June 2024

	Jun 2024		Year to Date		
	Actual	Actual	Budget	over Budget	% of Budget
Income					
Assessment		735,396.21	393,924.00	341,472.21	186.68%
Aug Fee		0.00	3,000.00	-3,000.00	0.00%
Big Johnson Res. Agreement		0.00	16,666.64	-16,666.64	0.00%
Certif. Transf		0.00	333.36	-333.36	0.00%
Cody Carriage Agreement		0.00	12,466.64	-12,466.64	0.00%
Colorado Centre Carriage Agreem		0.00	8,333.36	-8,333.36	0.00%
Ditch Crossing City of Fountain		0.00	2,666.64	-2,666.64	0.00%
Donala W & S Dist. Carriage Agr		0.00	7,466.64	-7,466.64	0.00%
Equip. Sale		0.00	666.64	-666.64	0.00%
FMMDD Maintainance fee		0.00	5,333.36	-5,333.36	0.00%
FMMDD Lease Income		0.00	23,333.36	-23,333.36	0.00%
Fount. Crk. Tran. Loss Mod.		0.00	5,333.36	-5,333.36	0.00%
Fountain No. 4 & No. 17		0.00	3,333.36	-3,333.36	0.00%
Interest Income	8.48	72.09	200.00	-127.91	36.05%
Other Inc		0.00	333.36	-333.36	0.00%
Refund		0.00	666.64	-666.64	0.00%
Review Fee		0.00	5,333.36	-5,333.36	0.00%
Service Charge	-6.00	-6.00	0.00	-6.00	
Stratmoor Hills Carriage Agreem		0.00	9,500.00	-9,500.00	0.00%
WARA Fee		0.00	8,000.00	-8,000.00	0.00%
Water Court App's/FMIC Shares		0.00	2,000.00	-2,000.00	0.00%
Waterview Drainage Fees		15,360.00	10,566.64	4,793.36	145.36%
Widefield Admin. Bldg. Impact F		0.00	200.00	-200.00	0.00%
Total Income	\$ 2.48	\$ 750,822.30	\$ 519,657.36	\$ 231,164.94	144.48%
Cost of Goods Sold					
Survey - Triview Metro Distirct		4,725.00	0.00	4,725.00	
Total Cost of Goods Sold	\$ 0.00	\$ 4,725.00	\$ 0.00	\$ 4,725.00	
Gross Profit	\$ 2.48	\$ 746,097.30	\$ 519,657.36	\$ 226,439.94	143.57%
Expenses					
Accountant Fee		12,407.00	3,666.64	8,740.36	338.38%
Augmetation Station Repair	573.75	573.75	0.00	573.75	
Auto Purchase		0.00	20,000.00	-20,000.00	0.00%
Auto Repair/Maint.		1,474.70	4,833.36	-3,358.66	30.51%
Auto-Fuel	411.14	5,185.72	0.00	5,185.72	
Bank Fee		105.00	0.00	105.00	
Bank Ser. Chge		22.00	200.00	-178.00	11.00%

Fountain Mutual Irrigation Comapny

Budget vs. Actuals: Budget_FY24_P&L - FY24 P&L

November 2023 - June 2024

	<u>Jun 2024</u>		<u>Year to Date</u>		
	Actual	Actual	Budget	over Budget	% of Budget
Big Johnson - Silt Removal		0.00	1,333.36	-1,333.36	0.00%
Big Johnson Res. Borings		0.00	666.64	-666.64	0.00%
Big Johnson Upgrades		0.00	6,666.64	-6,666.64	0.00%
Bookkeeping		0.00	13,333.36	-13,333.36	0.00%
Consulting Fees		10,700.00	0.00	10,700.00	
Director Fee		0.00	1,200.00	-1,200.00	0.00%
District Management Fees	2,000.00	12,000.00	0.00	12,000.00	
Ditch Crossing Agr. Misc.		0.00	2,666.64	-2,666.64	0.00%
Ditch Rep/Maint		0.00	6,666.64	-6,666.64	0.00%
Donation/gift		0.00	200.00	-200.00	0.00%
Dues		2,254.62	2,000.00	254.62	112.73%
Eighth Street Gage		0.00	1,666.64	-1,666.64	0.00%
Employee Uniforms	304.14	2,287.31	2,333.36	-46.05	98.03%
Engineering Fee	7,842.00	70,481.25	53,333.36	17,147.89	132.15%
Equip. Rentals		1,969.10	1,000.00	969.10	196.91%
Equip. Rep.		784.01	0.00	784.01	
Equipment Repair & Maintenance		2,421.12	8,000.00	-5,578.88	30.26%
Fed Taxes		0.00	333.36	-333.36	0.00%
Filing Fee		15.40	0.00	15.40	
Fountain Creek Transit Loss Mod		13,047.97	7,346.64	5,701.33	177.60%
Headgate Repairs		0.00	1,000.00	-1,000.00	0.00%
Insurance		-282.00	0.00	-282.00	
Liability Insurance		20,740.00	15,998.00	4,742.00	129.64%
Total Insurance	\$ 0.00	\$ 20,458.00	\$ 15,998.00	\$ 4,460.00	127.88%
Internet	85.00	434.00	0.00	434.00	
Las Vegas/Royer St. Crossing		0.00	4,000.00	-4,000.00	0.00%
Legal Fees	6,956.07	35,276.99	46,666.64	-11,389.65	75.59%
Licenses/Regist	190.57	1,512.95	1,333.36	179.59	113.47%
Main. Bldg. Improvements		83.17	3,333.36	-3,250.19	2.50%
Management Fees		0.00	16,666.64	-16,666.64	0.00%
McRae Reservoir Turnout		0.00	1,000.00	-1,000.00	0.00%
Meeting Meals		1,135.03	0.00	1,135.03	
Mileage		0.00	600.00	-600.00	0.00%
Miscellaneous		3,001.25	1,333.36	1,667.89	225.09%
Off. Eqpt Rep.		0.00	1,000.00	-1,000.00	0.00%
Off. Rent		3,150.00	2,800.00	350.00	112.50%
Office Supplies		208.15	673.36	-465.21	30.91%

Fountain Mutual Irrigation Comapny
Budget vs. Actuals: Budget_FY24_P&L - FY24 P&L
November 2023 - June 2024

	<u>Jun 2024</u>		<u>Year to Date</u>		
	Actual	Actual	Budget	over Budget	% of Budget
Payroll Expenses	108.00	7,057.01	0.00	7,057.01	
Taxes	1,272.40	10,824.41	11,000.00	-175.59	98.40%
Wages	16,058.80	128,470.40	150,000.00	-21,529.60	85.65%
Total Payroll Expenses	\$ 17,439.20	\$ 146,351.82	\$ 161,000.00	-\$ 14,648.18	90.90%
PO Box Rental		0.00	133.36	-133.36	0.00%
Postage		406.74	100.00	306.74	406.74%
Property Taxes		628.43	433.36	195.07	145.01%
Rep/Maintenance	400.65	4,424.67	0.00	4,424.67	
Safety		0.00	1,333.36	-1,333.36	0.00%
Sand Creek Siphon Pipe Repair		0.00	66,666.64	-66,666.64	0.00%
Spring Creek Software Exp		0.00	6,666.64	-6,666.64	0.00%
Spring Creek Upgrade		0.00	6,666.64	-6,666.64	0.00%
State Taxes		0.00	8,000.00	-8,000.00	0.00%
Supplies/Gas	1,578.32	10,887.40	20,000.00	-9,112.60	54.44%
Surveyor		900.00	0.00	900.00	
Telephone		1,405.55	3,000.00	-1,594.45	46.85%
Uncategorized Expense		1,348.00	0.00	1,348.00	
Utilities	74.89	2,834.84	4,200.00	-1,365.16	67.50%
Web Page		288.00	566.64	-278.64	50.83%
Workmen Comp In	416.00	4,106.00	6,208.00	-2,102.00	66.14%
Total Expenses	\$ 38,271.73	\$ 374,569.94	\$ 518,826.00	-\$ 144,256.06	72.20%
Net Operating Income	-\$ 38,269.25	\$ 371,527.36	\$ 831.36	\$ 370,696.00	44689.11%
Net Income	-\$ 38,269.25	\$ 371,527.36	\$ 831.36	\$ 370,696.00	44689.11%

Tuesday, Jul 16, 2024 02:00:01 PM GMT-7 - Accrual Basis