

Pinos Altos Mutual Domestic Water Consumers Association (PAMWCA)
PAMDWCA Board Meeting Minutes 07/16/2025

Note: All votes were unanimous except where specified

- I. Call to Order: Meeting was called to order at 6:00 PM
- II. Determination of Quorum
 - a. Quorum present. Attendees: Board members T. Gedgudas (treasurer), S Zager (secretary) K. Wamsley (at large), G. Preusch (vice president), M. Johnson (president, presiding);
 - b. Staff Present: Bookkeeper A. Matthews.
 - c. Association Members Present:
 - i. Paul Raleigh:
- III. Approval of Agenda:
 - a. The agenda was approved unanimously.
- IV. Approval of Minutes
 - a. The Secretary sent the draft minutes late. Some members of the Board didn't have enough time to offer edits. The President had suggested edits and comments that were not addressed by the Secretary before the meeting. The Board decided to table approval of the final minutes for June 2025 until the next meeting.
- V. Public Input: none.
- VI. Reports to the Board:
 - a. Treasurer's Report July 2025 Mtg (see attachment)
 - b. PAMDWCA Budget to Actual Jun 2025 (see attachment)
 - i. The Treasurer verbally summarize the written report.
 - 1. Revenue is up \$2,000, mostly due to new installations. However, most of these fees will be paid out to the Town of Silver City because PAMDWCA charges new installations the amount required to pay the water provider (Silver City).
 - 2. PAMDWCA experienced an overall reduction in water usage. Revenue from water sales is down \$2,600.
 - 3. Overall Costs/Expenses were \$286 over budget. No budget adjustments are deemed necessary at this time. In November, after the beginning of the 4th quarter, PAMDWCA will adjust the budget accordingly.
 - 4. Budget status for PAMDWCA will be reported to the State of New Mexico quarterly. The Association has not been submitting its proposed annual budgets until recently (June 2025). PAMDWCA is now complying with State financial requirements because the Association plans to apply for state funding, including infrastructure money. PAMDWCA has recently completed 15 years of audits as required. Water lines are now almost 40 years old, approaching their expected lifespan. Obtaining infrastructure grants from the state could potentially funds hundreds of thousands of dollars of improvements.
 - c. Bookkeeper's Report - June 2025 Financials (see attachment)

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- d. Resolution to Open MMA or Business Savings Account (see Motion A below)
 - e. Vice President: Testing of Water Meter
 - i. Vice President Preusch reported verbally to the board about testing Member Associates' Water Meters thought to be defective. The VP tested suspect meters by placing a new meter inline in tandem. The second meter duplicates the reading of the first meter. The water use recorded by the two meters were then compared. The new meter was comparable to the existing meter within 1/10th of a gallon. Tom Gedgaudas (treasurer) was concerned that his meter seemed inaccurate because he has been using 60% more water than usual. The VP said the test showed that the meter appears accurate.
 - ii. There was a report that another meter was running backwards. Mr. Preusch reported that it was broken, but it was not running backwards. There was a discussion of a few other problematic situations.
 - iii. Mr. Preusch reported that PAMDWCA has an inventory of 10 new meters and 2 functional old meters.
 - f. Committee to Write Personnel Policy
 - i. There was nothing to report.
 - g. PER grant status
 - i. The PER Grant is a State of New Mexico Program to provide funding to improve infrastructure for Water Board Associations in New Mexico. There has been no progress on writing a grant application by the Secretary.
- VII. Unfinished Business:
- a. Kris' motion to modify lawsuit language on website (see Motion B, below)
 - b. Website analysis
 - i. Due to recent court rulings, PAMDWCA has some erroneous postings on the website. These statements and resolutions may be wrong in light of the court's determination. Other materials may not be relevant or unnecessary. The Board had requested the Secretary to list the web postings and circulate the list for Board Member Review and Comment. Secretary Zager is to meet with President Johnson to discuss the matter. However, he has been unable to do so.
 - c. Move Storage Unit
 - i. Prior to the regular Board meeting, several Board Members visited the storage site in Silver City for PAMDWCA records and files. In storage there are essentially old records archived in two file cabinets. Plus, there were old computers, monitors and printers that are no longer used. The President offered to remove the hard drives with potentially sensitive data and recycle the hardware. The President will also research state and federal regulations regarding the archiving of Board records. The Secretary was tasked with

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contacting the Pinos Altos Fire Department Chief to see if they would accept storage of the archived records. This will essentially eliminate the need for PAMDWCA to pay about \$360 annually for storage.

VIII. New Business:

a. New Account Approval:

i. There are no new applications for Association membership.

b. The Treasurer proposed that the Board schedule a time with the Financial Auditors to hear the recent results of 15 years of past audits (PAMDWCA is nearly current in its required financial reporting). The Auditor wishes to discuss the final report. There will be a video conference with the board at 5:15 PM on 20 August 2025 at various locations because the PA Fire Department has inadequate internet service. The regular Board meeting will continue at the PA Fire station at 6 PM later that evening.

c. Motions A, B, C, below

i. **Motion A: Resolution to Open Money Market/Business Savings**

Account: Whereas PAMDWCA has been holding excess funds in a low-interest bearing account at First New Mexico Bank to insure liquidity, and Whereas business money market accounts/business savings accounts currently paying interest rates higher than 3% are available that are almost equally liquid yet still insured up to \$250,000 by FDIC, and Whereas Axos Bank pays 3.73% on all balances up to 5 million dollars (APY of 3.80%) with no monthly fees, and Whereas such funds are readily accessible by wire transfer, therefore It is hereby resolved that the Pinos Altos Mutual Domestic Water Consumer's Association authorizes its Treasurer & one additional board member to initiate the transfer of \$150,000 from First New Mexico Bank to such an account at Axos Bank after completion of the application process.

1. The Board discussed the resolution. The main concern was for security in the withdrawal of funds, because bank transfers would not require a duplicate signature from a second Board Member. The Board tasked the Treasurer to find more information on security procedures. Meanwhile, the President is going to explore other possibilities with an investment firm. The Board desires to maximize interest returns on its funds while maintaining liquidity. The motion was tabled by the board until further information is obtained.

ii. **Motion B:** That the website be updated with information about the lawsuit as follows: The language on the homepage shall be replaced with a hyperlink (entitled "Click here for financial information regarding the 2020 IPRA and OMA lawsuit") to a page or file. The page or file will contain the following text: "In 2020, the Association was sued for failure to abide by the legal requirements of the Open Meetings Act (OMA) and the Inspection of Public Records Act (IPRA). The Board chose to contest the lawsuit. The

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Court found for the Plaintiff. Here are the financial costs incurred by the Association: A. Total amounts awarded to Plaintiff \$7,380 (In Penalty, \$5,052, In expenses, \$2,328) B. Amount paid to PAMDWCA's lawyer \$16,906, C. Total amount spent on the lawsuit \$24,286, D. Reimbursement to PAMDWCA by its insurer \$5,000, E. Net expense to PAMDWCA \$19,286.

1. The motion passed. This statement will be added to the Board's website and other related statements will be removed. The vote was 4 in favor and 1 against, the Treasurer dissenting.
- iii. **Motion C:** Whereas the Board has: 1. fiduciary responsibility to carefully manage Association expenses, and 2. not recently tested the market for the services it requires, Therefore be it resolved that the President shall prepare bid documents for the services the Board requires, to be presented for consideration at its August meeting.
1. After a lengthy discussion by the board, the motion was amended to add "employment" before the two times the word "services" was used. The motion failed 2:3 votes. Voting in favor were the President and the At Large Member. Voting against were the Vice President, Treasurer and the Secretary.
- IX. Schedule Next Board Meeting: Next meeting set for 20 August 2025. A video conference will be held at various locations with the financial auditor beginning at 5:15 PM. The regular Board meeting will resume at 6:00 PM at the Pinos Altos Fire Department
- X. Adjourn: The meeting was adjourned at 7:30 PM