

Minutes of the Annual Meeting of Participating Members
Of Rural Water District No. 2
Miami County, Kansas
February 4, 2019

Participating members of Rural Water District No. 2, Miami County, Kansas held its Annual Meeting at the office of Rural Water District No. 2 located at 25290 Harmony Road, Paola, Kansas, on Monday, February 4, 2019 at 6:00 p.m.

Directors present were Jim Dycus, Mike McClurg, Rick Norland, Alan Hire, Glenn Alpert and Charlie Sievert.

Directors absent were Lyle Wobker, Brad Ryckert, Gary Guetterman.

Employees present were Jerry Bennett-General Manager, Lana Kettler-Business Manager and Woody Farmer-Plant Supervisor, Stewart Kasper-Plant Operator and Troy Feris-Maintenance Tech.

Guests attending: Mr. Jim Boyer and Mr. Jose Leon, Jr. from the City of Spring Hill and Ed Kluber.

Chairman Jim Dycus called the meeting to order at 6:00 p.m. by welcoming everyone. Board members, staff and guest were introduced.

Chairman Dycus read the Proof Notice published in the Miami County Republic for the 2019 Annual Meeting.

Chairman Dycus stated that everyone was presented with a copy of the minutes from the 2018 Annual Meeting. Charlie Sievert moved to dispense with the reading of the minutes. Glenn Alpert seconded the motion. Motion carried 7-0. Mike McClurg moved to approve the 2018 Annual minutes. Glenn Alpert seconded the motion. Motion carried 7-0.

Alan Hire presented the 2019 proposed budget. He stated the projected operating revenue was \$3,329,241.00 with operating expenditures of \$3,396,800.00 and construction expenditures of \$2,742,500.00 resulting in a budgeted net loss of \$2,810,059.00. Glenn Alpert moved to approve the 2019 proposed budget. Charlie Sievert seconded the motion. Motion carried 7-0.

Lana Kettler reported on the 2018 Audit Report. The audit was completed by Acord Cox & Company. She reviewed the District's Statement of Net Assets, Revenues & Expenses. He stated the auditors gave the District a good report and the District was in good financial standings. Charlie Sievert moved to approve the Audit Report. Rick Norland seconded the motion. Motion carried 7-0.

Jerry Bennett, General Manager, gave a review of 2018. He presented numbers for benefit units sold, line extensions, patron and wholesale water sales, monthly water use and treatment costs. He discussed the

District's construction projects for 2019 including the installation of a copper ion generator for zebra mussel control, a new higher flow intake pump and three variable frequency drive controllers at the intake.

Chairman Dycus reviewed the 2019 Election results. The nominees were:

- Ruth Fine-87 votes
- Alan Hire-253 votes
- Brad Ryckert-279 votes
- Lyle Wobker-257 votes

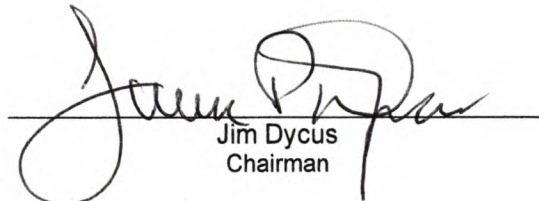
The directors elected for a three-year term, 2019 to 2021, were Alan Hire, Brad Ryckert and Lyle Wobker. Chairman Dycus thanked the nominees for their interest and willingness to serve the patrons of the District.

Chairman Dycus asked for any open discussion.

Chairman Dycus asked for motion to adjourn meeting. Glenn Alpert moved to adjourn. Charlie Sievert seconded the motion. Motion carried 7-0. Meeting adjourned 6:20 p.m.



Brad Ryckert
Secretary



Jim Dycus
Chairman

2/10/20

Date