

Minutes of the Annual Meeting of Participating Members
Of Rural Water District No. 2
Miami County, Kansas
February 15, 2022

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 15, 2022 at 6:00 p.m.

Directors present were Jim Dycus, Mike McClurg, Rick Norland, Alan Hire, Glenn Alpert, Lyle Wobker, Brad Ryckert, Gary Guetterman and Charlie Sievert.

Employees present were Jerry Bennett-General Manager (via zoom) and Lana Kettler-Business Manager.

Guests attending: Mr. Trenton Morris-Midwest Engineering Group Brian Scott-Acord Cox & Scott (via zoom)

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

Brad Ryckert, secretary, read the Proof Notice published in the Miami County Republic for the 2022 Annual Meeting.

Chairman Dycus stated that everyone was presented with a copy of the minutes from the 2021 Annual Meeting. Glenn Alpert moved to dispense with the reading of the minutes. Lyle Wobker seconded the motion. Motion carried 10-0. Mike McClurg moved to approve the 2021 Annual minutes. Glenn Alpert seconded the motion. Motion carried 10-0.

Brian Scott, Acord Cox & Scott, LLC, gave the 2021 Audit Report. He reviewed the Statement of Net Positions and the Statement of Revenues, Expenses and Changes of Net Position. Total assets increased by \$1, 175,556. Total liabilities also increased by \$332,463.00. The Net Position at the end of year-November 30, 2021 was \$25,619,170.00. This reflects an increase of \$843,093.00 in net position. The District has \$1.2 million dollars in water sales in 2021. He stated the auditors gave the District an excellent report and the District was in excellent financial standing. Charlie Sievert moved to approve the Audit Report. Gary Guetterman seconded the motion. Motion carried 10-0.

Alan Hire presented the 2022 proposed budget. He reported the projected operating revenue was \$3,705,025.00 along with loan proceeds of \$4,500.00. The 2022 projected operating expenditures were \$2,988,377.00.00 and construction expenditures of \$7,956,639.00 resulting in a budgeted loss of \$96,940.00. Alan Hire reviews the construction costs and SRF loan draws. He reviewed the District's cash on hand and bank securities for the District's investments. The District has \$2.4 million in cash accounts

and \$4.2 million invested in Certificate of Deposits. Glenn Alpert moved to approve the 2022 proposed budget. Lyle Wobker seconded the motion. Motion carried 10-0.

Jerry Bennett, General Manager, gave a review of 2021. He presented numbers for benefit units sold, line extensions, patron and wholesale water sales, monthly water use and treatment costs. He reviewed the District's plant upgrade construction completed in 2021.

Chairman Dycus reviewed the 2022 Election results. There was one at-large nomination and all three directors up for re-election agreed to run again. Two hundred ninety-nine ballots were received. Of the 299 ballots received twenty-nine were invalid, making the total number of votes 810. The nominees for directors were:

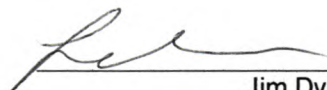
Kim Brooks-125 votes
Alan Hire-234 votes
Brad Ryckert-245 votes
Lyle Wobker-206 votes

All of the directors elected agreed to serve another term, 2022 to 2024. 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. Brad Ryckert seconded the motion. Motion carried 10-0. Meeting adjourned 6:55 p.m.



Brad Ryckert
Secretary

Jim Dycus
Chairman

Date