

**AGENDA
EUREKA DITCH
ANNUAL SHAREHOLDERS MEETING
JANUARY 20, 2024**

1. CALL TO ORDER
2. READ MINUTES
3. FINANCIAL REPORT
4. PRESIDENT'S REPORT-ZACH HAUSER
5. DITCH BOSS REPORT
6. NEW BUSINESS
7. ELECTION OF BOARD MEMBERS
8. FLOOR OPEN TO SHREHOLDERS
9. MEETING ADJOURNED

EUREKA DITCH USER'S ANNUAL MEETING
21 January 2023 @ 12:30 pm
Camp Verde Public Library/Terracotta Room

Meeting was called to order @ 12:30 pm by President, Zach Hauser

Board Members in attendance:

Zach Hauser
Dana Schmidt
Mark Rudder
Ed Leuer
Ben Carpenter

Copies of last year's minutes were included in the agenda and the public was given ample time to read over the minutes.

Zach asked if anyone had questions in regard to the minutes; being none, Zach made a motion to accept last year's minutes and Ed seconded the motion.

Financial Report: no questions

President's Report: No major issues, hoping to continuing piping stretches of the main ditch next winter.

Ditch Boss' Report: Ben Hauser (ditch boss) was not in attendance but Zach said there were no problems on the main ditch. He went on to explain the 'Grandpa Wash' project, which would be funded by The Nature Conservancy, with no cost to the Eureka Ditch users. An audience member asked what would happen to the vegetation and trees along the pipeline project once completed and Zach said without water from the ditch, they would probably die.

Dana added that any realignment done by the Nature Conservancy project will not decrease water flows. TNC wants better fish and boat passage so a healthy flow is beneficial to all.

Mark said with the proposed project, the water flow would be more consistent.

Zach made the motion to accept the President's Report and Ditch Boss' Report and it was seconded by Ben.

New Business:

David Hickson (user) asked about the discussion from last year's meeting in regard to collecting past due balances. The board said nothing had been done so Dana offered to look into collection agencies.

A Female user, offered to go door to door and ask the delinquent users to make an effort to pay. The board considered but Ed stated that, "in this day and age, that would not be safe".

Claudia Hauser (user) asked the board if a letter could be laminated and attached to the headgate/ports of the delinquent users. The board discussed and agreed to write up a letter, once written and approved by the board, these letters will be attached by Ditch Boss Ben Hauser.

Cheri Wishmeyer (user) asked, "who owns the ditch and why can't the water be shut off?" Zach explained that the ditch company is only a delivery system for the water. Furthermore, he said it's hard to shut water off to certain users if they're on a lateral, that would adversely affect other users that are current on their bills.

Steve Mahan (user) asked if someone on the board, could be designated as a 'collection's officer'? Ed replied that he is not comfortable with anyone going onto someone's property to collect past due fees.

A New user added that he is a surveyor and did work on the Verde Ditch and had guns pulled on him when he entered other's property.

Cheri Wishmeyer suggested adding a "delinquent fee".

Steve Mahan suggested putting a Public Notice in the local newspaper showing the past due user's names.

Ed had to leave the meeting at 1 pm for a prior engagement.

David Hickson suggested adding the wording that is currently on the cards sent to each user yearly showing their fees due.

The board agreed to David's suggestion.

Cheri asked if the past due users knew they had an opportunity to pay over time instead of all at once.

Dana made the motion to: have the board write a letter (laminated and post at property) and give past due user's three months to pay their bill in full. Mark seconded it.

Cheri asked if the Eureka Ditch Company owned the water right and Zach said no, the property owners do.

Several user's had questions about AZDWR and the upcoming Adjudication. Zach told the users to make sure their water rights are updated.

New users said they'd been in contact with DWR and found a 'blanket filing' done by the Eureka Ditch company years ago. That number is: 36-75776. Zach stated he would speak with his families water attorney about this.

Mark mentioned the meeting last year at the High School where two water attorneys and a representative from DWR came to try to explain the filing, he said it was very confusing and people would need help. Several times during the meeting, the crowd was told that ditch companies can help with the process of water rights claims and adjudication, the board made it clear to the users that this was not true, each user needed to make sure they filed their claims or hire someone to do it for them. The town of Camp Verde said they'd put a link on their website to help people navigate the process.

Cheri offered to help the board get email address as a better way to communicate with the users.

New user asked what the schedule of the ditch is in regard to starting and stopping yearly. Zach explained that it's typically turned on the second week of February but that is all dependent on weather and needs and is the same with shutting off.

New user asked what the dam looked like and Zach explained to the users how the dam is constructed to get the water from the river to the Eureka. He also explained how the automated headgate worked that TNC put in for the ditch.

Election of board members: Ben and Zach's positions were up, David Hickson made a motion to leave Zach and Ben on the board and it was seconded by Mark, and both were reappointed by the users with a verbal vote. All said Yes, none said no.

Floor was then opened to Shareholders.

User asked if there was an allotted amount of water attached to ditch rights and Zach said no.

User asked about people he's witnessed putting pumps in the ditch and taking water out illegally. Zach said the ditch has always dealt with this and when he sees it to call the ditch office and they will contact Ben the Ditch Boss to investigate.

David Hickson moved to adjourn the meeting at 1:35 pm and Zach seconded it.

Board Meeting – 1:40 pm

Board discussed and considered a raise for Valley Accounting for their bookwork with the ditch company. It was unanimously agreed to increase the pay by \$75 per month.

Mark nominated Zach to be President and Dana seconded.

Mark nominated Dana to be Vice President and Zach seconded.

Eureka Ditch Company, Inc.

Profit & Loss

January through December 2023

	Jan - Dec 23
Income	
400 · Ditch Assessments	34,400.25
402 · Interest Earned	1,509.33
Total Income	35,909.58
Expense	
601 · Wages	14,880.00
602 · Fica Expense	1,138.32
603 · Futa Expense	42.00
605 · Workmans Comp Expense	710.00
607 · Bookkeeping Services	3,600.00
611 · Ditch Maintenance & Repairs	18,800.84
618 · Insurance	444.00
625 · Office Expense	307.89
629 · Postage & Freight	222.56
641 · State Income Tax Expense	419.00
Total Expense	40,564.61
Net Income	-4,655.03

Eureka Ditch Company, Inc.
Balance Sheet
As of December 31, 2023

	<u>Dec 31, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
102 · Chase Bank - Operating Account	23,325.44
104 · Edward Jones- Savings Account	6,939.74
105 · Edward Jones- Legal Fund	28,675.66
111 · Accounts Receivable	<u>10,396.80</u>
Total Checking/Savings	<u>69,337.64</u>
Total Current Assets	<u>69,337.64</u>
TOTAL ASSETS	<u><u>69,337.64</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
210 · AZ Withholding Payable	100.44
211 · Federal Withholding Payable	225.00
212 · Fica Payable	<u>568.85</u>
Total Other Current Liabilities	<u>894.29</u>
Total Current Liabilities	<u>894.29</u>
Total Liabilities	894.29
Equity	
320 · Retained Earnings	73,098.38
Net Income	<u>-4,655.03</u>
Total Equity	<u>68,443.35</u>
TOTAL LIABILITIES & EQUITY	<u><u>69,337.64</u></u>