Mountain Club Domestic Water Improvement District **Prescott, AZ**

Open Meeting Minutes

Date: September 10, 2026 **Time**: 5:30 p.m. **Location**: Mountain Club Clubhouse, 910 W. Clubhouse Dr. Prescott, AZ

Attendance

Board Members Present:

Susan Rupe	Doug Shepherd	Chris Witham (phone)
Kent Erwin	Gary Volkenant	

Board Members Absent: None

Volunteer Staff: Karyn Osterman, Gloria McConnell

1. **Call to Order** by S. Rupe, Chair Pro Tempore, at 5:30 p.m.
2. **Pledge of Allegiance**
3. **Board Roll Call**: See above.
4. **Attendee Introductions**:
   Volunteer staff: Karyn Osterman and Gloria McConnell
   Public: Five members of the public were in attendance, including Keith Johnson (by phone), Thomas McKinney (new Mountain Club member), Greg Schmidlin, Tim Parker, and Jim Rupe.
5. **Call to the Public (1 of 2)**: A question was asked about the agenda; it was noted that the agenda is posted on the website. Another member asked about road work and doing it in conjunction with DWID projects. This person was referred to the Community board meeting regarding roadwork schedule, and it was clarified that it will be a while before any DWID projects are underway.
6. **Consent Agenda**:
   A. **Approval of August 13, 2026, minutes**: No corrections were noted.

   Motion: G. Volkenant moved to approve the 08/13/2026 minutes; K. Erwin seconded the motion. Motion carried unanimously.

   Action: G. McConnell to post minutes to the District website.
7. **Reports and Correspondence**
   A. Chairperson's report: C. Witham reported the following:
   a) Fann Environmental's President, Mike Young, feels there will be no problem beginning operation. He was interested in having Robert help them locate meters, and said hand-off of meter data (30-60 days before operation) should not be an issue.

   b) Arizona Utility Billing Solutions (AUBS) has provided a database import template into which City data will be imported. C. Witham has reconciled all City vs. DWID properties to ensure that they match. AUBS will need imported data 30 days before operations begin. They offered to send an application template for DWID water users, and noted that the first

round of bills will be mailed, after which online billing/payment will be available. The Board had a few questions, which C. Witham addressed.

c) Facilitation PLLC: G. Volkenant and C. Witham are already working with accountant Sonn Ahlbrecht, who is billing hourly for her work until DWID operations begin. She will provide monthly Treasurer's reports starting in October, and agrees the DWID needs to register with ADWR.

d) Legal services: Stephen Polk of Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C. (BPCWS) provided a first draft of the agreement between the City and DWID. See Item 9.A.

B. Treasurer's report: G. Volkenant provided a financial report (see end of minutes). He recommended that a shorter version be provided in the future, as well as storage in Google Workspace. The board agreed with these recommendations.

Motion: S. Rupe moved to accept the Treasurer's report as presented. D. Shepherd seconded the motion. Motion carried unanimously.

Action: G. McConnell to include Treasurer's report in minutes.

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8. **Old Business**

A. **District Insurance Policy Status**: D. Shepherd distributed three insurance documents to the board on 09/08 for review and explained why at this point, he recommends Grundy as the DWID insurance carrier. The board had some question about coverage types and amounts, which they felt should be answered before further action is taken.

Action: D. Shepherd will get clarification on coverage and associated costs.

B. **District Member Vehicle Insurance Policy**: The proposed policy was discussed. G. Volkenant suggested that a grace period of 30 days be added regarding proof of insurance. The minimum insurance limits did not reflect the Grundy recommendations.

Action: D. Shepherd to verify recommended minimum amounts and find out if a grace period is allowed. The proposed policy will also need to be updated.

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9. New Business

A. **Agreement with City of Prescott:** The draft agreement was provided by S. Polk and distributed to the board on 09/07 for review. The Board discussed the best way to provide review comments to the attorney; the consensus was to hold an executive meeting later in September. C. Witham reviewed the requirements for doing so.

Action: All board members and staff volunteers need to be prepared for the executive session. C. Witham to determine meeting date/time and set up the meeting.

B. **DWID application for residents to obtain water**: The need for residents to complete new District water service applications and additional communication for residents was discussed; the board agreed that they are needed. Content of the letter should include the water service application, upcoming steps, and what residents should expect.

Action: G. Volkenant to prepare draft of the letter for residents. C. Witham or G. Volkenant will coordinate with AUBS to use their template for the Mountain Club DWID application. The mailing should be ready to send at the end of October, though the exact date depends on the agreement with the City.

10. **Call to the Public (2 of 2)**: Members of the public asked if the start of operations is known, and also various questions about the rates and budget. It was also suggested that the boundary map be added to the website.
11. **Future Agenda Items**:
    A. **Proposed Agenda Items for the Next Open Meeting**: 1) Insurance; 2) Board Member Vehicle Insurance policy; 3) Draft agreement with the City. 4) Billing policy – it was suggested that a formal billing policy be adopted (if it hasn't been), that it should include details regarding owners vs. renters, and that AUBS should review the policy. Also, a question about a Late Payment policy was asked. This will be checked and would also be part of the billing policy. Note: The next September meeting may be solely to hold the Executive session with attorney, which will begin as an open meeting and then move to the Executive session.
    B. **Next Regular Board Meeting Date and Time**: The next meeting will be dependent on attorney availability.
12. **Adjournment**: With no further business, the meeting adjourned at 7:18 p.m.

Respectfully submitted,

Gloria McConnell
Volunteer
Mountain Club Domestic Water Improvement District

Posted:

/s/Gloria McConnell Draft: Date: 9/15/2026 Time: 11:20 a.m.

/s/Gloria McConnell Approved: Date: 09/27/2026 Time: 5:40 p.m.

Mountain Club Domestic Water Improvement District
Profit & Loss
January through June 2026

	Jan - Jun 26
Ordinary Income/Expense	
Income	
Bank Dividends Earned	73.17
Total Income	73.17
Expense	
Administration Expenses	
Bank Service Charges	40.00
Consulting Fees	380.00
Legal Notices/Other Publication	282.24
Postage & PO Box Rental	153.00
Sales Tax Expense	12.00
Website, Email, File Managem...	3,547.31
Total Administration Expenses	4,414.55
Professional Services	
Legal Fees	10,757.50
Total Professional Services	10,757.50
Total Expense	15,172.05
Net Ordinary Income	-15,098.88
Net Income	**-15,098.88**

Mountain Club Domestic Water Improvement District
Profit & Loss
January through June 2026

	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26	TOTAL
Ordinary Income/Expense							
Income							
Bank Dividends Earned	0.00	18.39	19.27	7.48	4.60	23.43	73.17
Total Income	0.00	18.39	19.27	7.48	4.60	23.43	73.17
Expense							
Administration Expenses							
Bank Service Charges	20.00	-10.00	20.00	10.00	10.00	-10.00	40.00
Consulting Fees	0.00	0.00	0.00	380.00	0.00	0.00	380.00
Legal Notices/Other Publicati...	0.00	0.00	48.96	0.00	0.00	233.28	282.24
Postage & PO Box Rental	0.00	0.00	0.00	0.00	0.00	153.00	153.00
Sales Tax Expense	0.00	0.00	0.00	12.00	0.00	0.00	12.00
Website, Email, File Manage...	0.00	0.00	0.00	3,143.33	201.99	201.99	3,547.31
Total Administration Expenses	20.00	-10.00	68.96	3,545.33	211.99	578.27	4,414.55
Professional Services							
Legal Fees	0.00	0.00	7,310.00	0.00	0.00	3,447.50	10,757.50
Total Professional Services	0.00	0.00	7,310.00	0.00	0.00	3,447.50	10,757.50
Total Expense	20.00	-10.00	7,378.96	3,545.33	211.99	4,025.77	15,172.05
Net Ordinary Income	-20.00	28.39	-7,359.69	-3,537.85	-207.39	-4,002.34	-15,098.88
Net Income	**-20.00**	**28.39**	**-7,359.69**	**-3,537.85**	**-207.39**	**-4,002.34**	**-15,098.88**

Mountain Club Domestic Water Improvement District
Balance Sheet
As of June 30, 2026

	Jun 30, 26
ASSETS	
Current Assets	
Checking/Savings	
OneAZ General Checking **8456	5,328.67
OneAZ General Savings **8438	5.00
OneAZ Money Market **8465	25,601.37
Yavapai Warrant Account	3,000.00
Total Checking/Savings	33,935.04
Total Current Assets	33,935.04
TOTAL ASSETS	**33,935.04**
LIABILITIES & EQUITY	
Equity	
Funds from MC Association	49,033.92
Net Income	-15,098.88
Total Equity	33,935.04
TOTAL LIABILITIES & EQUITY	**33,935.04**

Mountain Club Domestic Water Improvement District
Reconciliation Detail
OneAZ General Checking **8456, Period Ending 06/30/2026

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						0.00
Cleared Transactions						
Checks and Payments - 20 items						
Check	01/31/2026	EFT		X	-10.00	-10.00
Check	02/28/2026	EFT		X	-10.00	-20.00
Check	03/10/2026	ATM	David Stewart	X	-120.00	-140.00
Check	03/11/2026	EFT	Boyle, Pecharich,...	X	-7,310.00	-7,450.00
Check	03/26/2026	101	Susan Rupe	X	-48.96	-7,498.96
Check	03/31/2026	EFT		X	-10.00	-7,508.96
Check	04/10/2026	EFT	Getstreamline.com	X	-420.00	-7,928.96
Check	04/14/2026	102	Chris Witham	X	-143.33	-8,072.29
Check	04/14/2026	EFT	Arizona Departm...	X	-12.00	-8,084.29
Check	04/21/2026	9000	Streamline Power...	X	-2,580.00	-10,664.29
Check	04/21/2026	9001	AZ Districts Solut...	X	-380.00	-11,044.29
Check	04/30/2026	EFT		X	-10.00	-11,054.29
Check	05/19/2026	9002	Chris Witham	X	-201.99	-11,256.28
Check	05/31/2026	EFT		X	-10.00	-11,266.28
Check	06/03/2026	104	Boyle, Pecharich,...	X	-3,447.50	-14,713.78
Check	06/03/2026	103	Susan Rupe	X	-80.64	-14,794.42
Check	06/08/2026	105	Susan Rupe	X	-152.64	-14,947.06
Check	06/09/2026	9003	Chris Witham	X	-201.99	-15,149.05
Check	06/09/2026	9004	Chris Witham	X	-153.00	-15,302.05
Transfer	06/11/2026			X	-20,000.00	-35,302.05
Total Checks and Payments					-35,302.05	-35,302.05
Deposits and Credits - 15 items						
General Journal	01/26/2026	1		X	100.00	100.00
Deposit	02/02/2026			X	10.00	110.00
Deposit	02/10/2026			X	1,000.00	1,110.00
Deposit	02/28/2026			X	0.03	1,110.03
Deposit	03/10/2026			X	10.00	1,120.03
Transfer	03/10/2026			X	7,000.00	8,120.03
Deposit	03/31/2026			X	0.05	8,120.08
Transfer	04/15/2026			X	4,000.00	12,120.08
Deposit	04/30/2026			X	0.06	12,120.14
Deposit	05/31/2026			X	0.05	12,120.19
Transfer	06/02/2026			X	3,000.00	15,120.19
Transfer	06/03/2026			X	500.00	15,620.19
Deposit	06/08/2026			X	25,000.00	40,620.19
Deposit	06/11/2026			X	10.00	40,630.19
Deposit	06/30/2026			X	0.53	40,630.72
Total Deposits and Credits					40,630.72	40,630.72
Total Cleared Transactions					5,328.67	5,328.67
Cleared Balance					5,328.67	5,328.67
Register Balance as of 06/30/2026					5,328.67	5,328.67
New Transactions						
Checks and Payments - 5 items						
Check	07/08/2026	106	Gloria McConnell		-75.32	-75.32
Check	07/10/2026	9006	Chris Witham		-201.99	-277.31
Check	07/10/2026	9005	Chris Witham		-98.92	-376.23
Check	08/03/2026	9007	Gloria McConnell		-185.48	-561.71
Check	08/10/2026	9008	Chris Witham		-201.99	-763.70
Total Checks and Payments					-763.70	-763.70
Deposits and Credits - 2 items						
Deposit	07/31/2026				0.32	0.32
Deposit	08/31/2026				0.20	0.52
Total Deposits and Credits					0.52	0.52
Total New Transactions					-763.18	-763.18
Ending Balance					**4,565.49**	**4,565.49**

Mountain Club Domestic Water Improvement District
Reconciliation Detail
OneAZ General Savings **8438, Period Ending 06/30/2026

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						0.00
Cleared Transactions						
Deposits and Credits - 1 item						
General Journal	01/26/2026	1		X	5.00	5.00
Total Deposits and Credits					5.00	5.00
Total Cleared Transactions					5.00	5.00
Cleared Balance					5.00	5.00
Register Balance as of 06/30/2026					5.00	5.00
Ending Balance					**5.00**	**5.00**

Mountain Club Domestic Water Improvement District
Reconciliation Detail
OneAZ Money Market **8465, Period Ending 06/30/2026

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						0.00
Cleared Transactions						
Checks and Payments - 7 items						
Check	01/31/2026	EFT		X	-10.00	-10.00
Transfer	03/10/2026			X	-7,000.00	-7,010.00
Check	03/24/2026	Wire	Yavapai County	X	-3,000.00	-10,010.00
Check	03/24/2026	Wire	Yavapai County	X	-20.00	-10,030.00
Transfer	04/15/2026			X	-4,000.00	-14,030.00
Transfer	06/02/2026			X	-3,000.00	-17,030.00
Transfer	06/03/2026			X	-500.00	-17,530.00
Total Checks and Payments					-17,530.00	-17,530.00
Deposits and Credits - 9 items						
General Journal	01/26/2026	1		X	15.00	15.00
Deposit	02/02/2026			X	10.00	25.00
Deposit	02/10/2026			X	23,033.92	23,058.92
Deposit	02/28/2026			X	18.36	23,077.28
Deposit	03/31/2026			X	19.22	23,096.50
Deposit	04/15/2026			X	7.42	23,103.92
Deposit	05/31/2026			X	4.55	23,108.47
Transfer	06/11/2026			X	20,000.00	43,108.47
Deposit	06/30/2026			X	22.90	43,131.37
Total Deposits and Credits					43,131.37	43,131.37
Total Cleared Transactions					25,601.37	25,601.37
Cleared Balance					25,601.37	25,601.37
Register Balance as of 06/30/2026					25,601.37	25,601.37
New Transactions						
Deposits and Credits - 2 items						
Deposit	07/31/2026				34.83	34.83
Deposit	08/31/2026				34.90	69.73
Total Deposits and Credits					69.73	69.73
Total New Transactions					69.73	69.73
Ending Balance					**25,671.10**	**25,671.10**

Mountain Club Domestic Water Improvement District
General Ledger
As of June 30, 2026

Type	Date	Num	Name	Memo	Debit	Credit	Balance
OneAZ General Checking **8456							0.00
General Journal	01/26/2026	1		Initial deposit to ...	100.00		100.00
Check	01/31/2026	EFT				10.00	90.00
Deposit	02/02/2026			Deposit	10.00		100.00
Deposit	02/10/2026			Deposit	1,000.00		1,100.00
Deposit	02/28/2026			Deposit	0.03		1,100.03
Check	02/28/2026	EFT				10.00	1,090.03
Deposit	03/10/2026			Deposit	10.00		1,100.03
Transfer	03/10/2026			Funds Transfer	7,000.00		8,100.03
Check	03/10/2026	ATM	David Stewart			120.00	7,980.03
Check	03/11/2026	EFT	Boyle, Pecharich,...			7,310.00	670.03
Check	03/26/2026	101	Susan Rupe			48.96	621.07
Check	03/31/2026	EFT				10.00	611.07
Deposit	03/31/2026			Deposit	0.05		611.12
Check	04/10/2026	EFT	Getstreamline.com			420.00	191.12
Check	04/14/2026	EFT	Arizona Departm...			12.00	179.12
Check	04/14/2026	102	Chris Witham			143.33	35.79
Transfer	04/15/2026			Funds Transfer	4,000.00		4,035.79
Check	04/21/2026	9000	Streamline Power...			2,580.00	1,455.79
Check	04/21/2026	9001	AZ Districts Solut...			380.00	1,075.79
Check	04/30/2026	EFT				10.00	1,065.79
Deposit	04/30/2026			Deposit	0.06		1,065.85
Check	05/19/2026	9002	Chris Witham			201.99	863.86
Deposit	05/31/2026			Deposit	0.05		863.91
Check	05/31/2026	EFT				10.00	853.91
Transfer	06/02/2026			Funds Transfer	3,000.00		3,853.91
Check	06/03/2026	103	Susan Rupe			80.64	3,773.27
Check	06/03/2026	104	Boyle, Pecharich,...			3,447.50	325.77
Transfer	06/03/2026			Funds Transfer	500.00		825.77
Check	06/08/2026	105	Susan Rupe			152.64	673.13
Deposit	06/08/2026			Deposit	25,000.00		25,673.13
Check	06/09/2026	9004	Chris Witham			153.00	25,520.13
Check	06/09/2026	9003	Chris Witham			201.99	25,318.14
Deposit	06/11/2026			Deposit	10.00		25,328.14
Transfer	06/11/2026			Funds Transfer		20,000.00	5,328.14
Deposit	06/30/2026			Deposit	0.53		5,328.67
Total OneAZ General Checking **8456					40,630.72	35,302.05	5,328.67
OneAZ General Savings **8438							0.00
General Journal	01/26/2026	1		Initial deposit to ...	5.00		5.00
Total OneAZ General Savings **8438					5.00	0.00	5.00
OneAZ Money Market **8465							0.00
General Journal	01/26/2026	1		Initial deposit to ...	15.00		15.00
Check	01/31/2026	EFT				10.00	5.00
Deposit	02/02/2026			Deposit	10.00		15.00
Deposit	02/10/2026			Deposit	23,033.92		23,048.92
Deposit	02/28/2026			Deposit	18.36		23,067.28
Transfer	03/10/2026			Funds Transfer		7,000.00	16,067.28
Check	03/24/2026	Wire	Yavapai County			3,000.00	13,067.28
Check	03/24/2026	Wire	Yavapai County	Wire fee for Yav...		20.00	13,047.28
Deposit	03/31/2026			Deposit	19.22		13,066.50
Deposit	04/15/2026			Deposit	7.42		13,073.92
Transfer	04/15/2026			Funds Transfer		4,000.00	9,073.92
Deposit	05/31/2026			Deposit	4.55		9,078.47
Transfer	06/02/2026			Funds Transfer		3,000.00	6,078.47
Transfer	06/03/2026			Funds Transfer		500.00	5,578.47
Transfer	06/11/2026			Funds Transfer	20,000.00		25,578.47
Deposit	06/30/2026			Deposit	22.90		25,601.37
Total OneAZ Money Market **8465					43,131.37	17,530.00	25,601.37
Yavapai Warrant Account							0.00
Check	03/24/2026	Wire	Yavapai County	Wire funds from ...	3,000.00		3,000.00
Total Yavapai Warrant Account					3,000.00	0.00	3,000.00

Mountain Club Domestic Water Improvement District
General Ledger
As of June 30, 2026

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Due to David Stewart							0.00
General Journal	01/26/2026	1		Initial deposit to ...		120.00	-120.00
Check	03/10/2026	ATM	David Stewart	repay funds adv...	120.00		0.00
Total Due to David Stewart					120.00	120.00	0.00
Funds from MC Association							0.00
Deposit	02/10/2026			Deposit		1,000.00	-1,000.00
Deposit	02/10/2026			Deposit		23,033.92	-24,033.92
Deposit	06/08/2026			From Mtn Club L...		25,000.00	-49,033.92
Total Funds from MC Association					0.00	49,033.92	-49,033.92
Bank Dividends Earned							0.00
Deposit	02/28/2026			Feb dividends		18.36	-18.36
Deposit	02/28/2026			dividends		0.03	-18.39
Deposit	03/31/2026			dividends		19.22	-37.61
Deposit	03/31/2026			dividends		0.05	-37.66
Deposit	04/15/2026			Deposit		7.42	-45.08
Deposit	04/30/2026			dividend		0.06	-45.14
Deposit	05/31/2026			dividend		4.55	-49.69
Deposit	05/31/2026			dividend		0.05	-49.74
Deposit	06/30/2026			dividend		22.90	-72.64
Deposit	06/30/2026			dividend		0.53	-73.17
Total Bank Dividends Earned					0.00	73.17	-73.17
Administration Expenses							0.00
Bank Service Charges							0.00
Check	01/31/2026	EFT		Jan bank fee	10.00		10.00
Check	01/31/2026	EFT		monthly fee	10.00		20.00
Deposit	02/02/2026			reverse bank fee		10.00	10.00
Deposit	02/02/2026			refund monthly fee		10.00	0.00
Check	02/28/2026	EFT		Feb maint fee	10.00		10.00
Deposit	03/10/2026			reverse Feb ban...		10.00	0.00
Check	03/24/2026	Wire	Yavapai County	Wire fee for Yav...	20.00		20.00
Check	03/31/2026	EFT		March bank fees	10.00		30.00
Check	04/30/2026	EFT		April bank fees	10.00		40.00
Check	05/31/2026	EFT		May bank fees	10.00		50.00
Deposit	06/11/2026			reverse bank fee		10.00	40.00
Total Bank Service Charges					80.00	40.00	40.00
Consulting Fees							0.00
Check	04/21/2026	9001	AZ Districts Solut...		380.00		380.00
Total Consulting Fees					380.00	0.00	380.00
Legal Notices/Other Publication							0.00
Check	03/26/2026	101	Susan Rupe	Courier RFP costs	48.96		48.96
Check	06/03/2026	103	Susan Rupe	publication expe...	80.64		129.60
Check	06/08/2026	105	Susan Rupe	ad advising resid...	152.64		282.24
Total Legal Notices/Other Publication					282.24	0.00	282.24
Postage & PO Box Rental							0.00
Check	06/09/2026	9004	Chris Witham	PO Box rent	153.00		153.00
Total Postage & PO Box Rental					153.00	0.00	153.00
Sales Tax Expense							0.00
Check	04/14/2026	EFT	Arizona Departm...	TPT license	12.00		12.00
Total Sales Tax Expense					12.00	0.00	12.00

Mountain Club Domestic Water Improvement District
General Ledger
As of June 30, 2026

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Website, Email, File Management							0.00
Check	04/10/2026	EFT	Getstreamline.com	annual subscripti...	420.00		420.00
Check	04/14/2026	102	Chris Witham	google workspace	143.33		563.33
Check	04/21/2026	9000	Streamline Power...	website hosting ...	2,580.00		3,143.33
Check	05/19/2026	9002	Chris Witham	Google workspa...	201.99		3,345.32
Check	06/09/2026	9003	Chris Witham	Google workspa...	201.99		3,547.31
Total Website, Email, File Management					3,547.31	0.00	3,547.31
Total Administration Expenses					4,454.55	40.00	4,414.55
Professional Services							0.00
Legal Fees							0.00
Check	03/11/2026	EFT	Boyle, Pecharich,...		7,310.00		7,310.00
Check	06/03/2026	104	Boyle, Pecharich,...	may legal fees	3,447.50		10,757.50
Total Legal Fees					10,757.50	0.00	10,757.50
Total Professional Services					10,757.50	0.00	10,757.50
TOTAL					**102,099.14**	**102,099.14**	**0.00**