

## THE ISLAND WATER ASSOCIATION, INC.

POST OFFICE BOX 56  
SANIBEL ISLAND, FLORIDA 33957

April, 1979

Dear Members:

The annual meeting of April 9, 1979, was a lively one. A conference reporter was employed to assure the best possible record of discussion and actions; the meeting transcript is not yet available. Attendance was disappointing particularly because of the importance of the issues considered.

During the weeks prior to the annual meeting, the Board of Directors, on advice of counsel, dissolved an improperly established nominating committee. This action stimulated protest during the annual meeting from those who questioned its wisdom and legal basis. A motion to defer the election of officers was defeated by votes of a portion of the members present and the exercise of proxies held by the Board of Directors.

The question of representation on the Board of Directors by a resident of Captiva received considerable discussion. The names of nominees for Director proposed to the members by the Board were placed in nomination. Mr. Charles W. Stevens of Captiva was nominated from the floor. The election was held and those elected were Jim Robson, Arthur Wycott, and Carol Davenport.

Motions from the floor to study an increase of the number of Directors from 5 to 7 and the manner in which nominations for Directors are secured were made and seconded. Following discussion, the Board joined an overwhelming majority of those present in approval of these motions. A By-Laws Committee will be appointed to study these matters and make recommendations concerning these possible By-Law changes to the Board and the membership. Information relating to any proposed By-Law changes will be supplied to the membership.

### NEW PLANT

The new plant continues to progress on schedule. The pilot reverse osmosis module is installed and will be in operation shortly. Evaluation of this unit, supplied at contractor's expense, will determine the proper membranes to be used in the permanent system. The two 5 million gallon tanks are being filled. We are pleased to report that although the system has been stressed to capacity this season it has not been necessary to reduce pressure.

### WATER QUALITY

Your Association participates in a regular testing program to monitor bacteriological and chemical water quality. The water supplied to all users has consistently met or exceeded all state and federal specifications for safe drinking water.


2/ April, 1979

During the 1978 annual meeting members suggested that a statement of operating expenses would be more meaningful than the formal financial statements. Procedures were revised effective January 1, 1979, and there follows the statement for the first quarter of this year. The column at the right is the budget for the year.

	1st Quarter 1979	Budget 1979
<u>Total Cash Operating Income:</u>	<u>\$ 479,819</u>	<u>\$1,891,500</u>
<b>CASH, OPERATING EXPENSE</b>		
Salaries & Wages	12,317	290,000
Taxes	5,146	20,000
Professional Fees	15,867	65,000
Utilities	43,574	165,000
Gasoline, Oil, Fuel	1,675	15,000
Insurance	12,590	27,500
Office Expense	7,992	12,500
Repair, Maintenance & Supply	71,145	352,800
Customer Service	1,990	30,000
Inventory Purchases	(18,889)	120,000
Water Purchases GPIWA	50,920	221,500
<u>TOTAL CASH OPERATING EXPENSE</u>	<u>264,327</u>	<u>1,319,300</u>
<u>Net Cash Operating Income</u>	<u>215,492</u>	<u>572,200</u>

Sincerely,

THE ISLAND WATER ASSOCIATION, INC.

  
John B. Cook, President  
James Robson, Vice-President  
Carol Davenport, Secretary  
Arthur Wycoff, Treasurer  
Joseph Winterrowd, Asst. Sec.-Asst. Treas.

/bbm