January 24, 2019

To Shareholders and Members:

The Animas Consolidated Ditch Company continues to be well-run and financially secure. However, the 416 fire has certainly put a much higher burden on everyone. We need **all of you** to be well informed and an active part of the **"ditch team"**. Together we can overcome the challenges and end up with an even better ditch.

ASSESSMENTS: Because of the impacts from the 416 fire our ditch assessments had to be increased to provide additional money to keep the ditch operational with all the mud washing into it. **Please pay your ditch assessments now so we can move ahead with the emergency work needed this spring**.

ANNUAL MEETING: The 125th annual meeting will be held at the **Animas Valley Grange Hall at 10 am on March 2, 2019**. All members are encouraged to attend. The primary function of the annual meeting is to elect directors on a rotating basis. Current board member **Eric Bikis** has agreed to run for reelection. Other nominations may also come from the floor at the meeting. **If you don't expect to make the meeting please complete, sign, and return the enclosed proxy assignment form so your votes can be counted.**

The secondary function is to disseminate information about the ditch. This year we have a lot of information about droughts, impacts of the 416 fire, and the \$225,000.00 in grants we have requested to keep our ditch operating through the flash floods and debris flows we anticipate. A synopsis of the information presented at the annual meeting will also be posted on our website: www.animasconsolidatedditch.com. Please also use our website to view important information such as last year's minutes and financials, ditch rules and this year's budget.

Keeping records current: Ownership of the shares of water is based upon the name on each stock certificate. As changes in ownership occur (such as property sale, death, marriage, divorce, or change of name) it is imperative to keep the name on the stock certificate current and accurate. If your stock certificate record is no longer current, it is better to update it now rather than waiting until later when it will be harder to find the records. To ensure that our contact information for you is current, please return the enclosed contact information form. Having a current and active e-mail contact is essential for sending out emergency and safety information.

On a personal note, this is my first year with the ditch company. It is exciting to be a part of "ditch world" and I am looking forward to working with each of you.

Regards,

Jill W. Dillon, Office Manager