

Upper Blue Sanitation District
Board of Directors Meeting
Thursday November 14, 2019 @ 5:30 PM

I. ROLL CALL:

Mr. Allyn Mosher called the meeting of the Upper Blue Sanitation District Board of Directors to order at 5:30 PM. Mrs. Signe Stimson, Mr. Allyn Mosher, Mr. Rick Orwig, and Mr. Jason Hart (by phone) answered "present" at roll call.

Mr. Andrew Carlberg and Mrs. Abigail Wagner attended as well.

II. MINUTES:

October 10, 2019 minutes: Mrs. Stimson made a motion to approve the October 10, 2019 Board of Directors meeting minutes. Mr. Orwig seconded the motion. The motion was passed unanimously by the Board.

III. PUBLIC HEARINGS:

-Resolution 14, Series 2019, Inclusion of Tract A McCain Subdivision

Nicole from the Town of Breckenridge was present to answer and questions the Board may have about Tract A McCain Subdivision. There were no questions from the Board. The Town of Breckenridge is using the credit that they have with the District to pay for the Inclusion Fee. Mr. Carlberg requested that the Town of Breckenridge submits a letter stating that they will be using the credit as payment by the end of December 2019.

Mr. Orwig made a motion to approve Resolution 14, Series 2019 for the Inclusion of Tract A McCain Subdivision. Mrs. Stimson seconded the motion. The motion was passed unanimously by the Board.

IV. PUBLIC COMMENT: None. There was no public present.

V. BILLS:

Mrs. Stimson made a motion to approve the bills. Mr. Hart seconded the motion. The motion was passed unanimously by the Board.

VI. FINANCIAL REPORT:

The October Financial Report was accepted by the Board of Directors.

VII. MONTHLY REPORTS:

A. Plant and Collection:

The Plant and Collection reports were discussed by the Board of Directors during the work session

B. Manager Report:

-Budget 2020

The District's 2020 budget was discussed during the work session.

-Short Term Rentals

The impact on the District with the increase of short-term rentals was discussed during the work session. The resolution will be presented to the Board at the December 2019 meeting

-Employee Housing Project

Mr. Carlberg said that the employee housing project is moving forward The District needs to get a wetland permit for the project, but that can not be done with snow on the ground.

-New Vac Truck

The purchasing of a new vac truck for the District was discussed during the work session.

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VIII. OLD BUSINESS: None

IX. NEW BUSINESS:

C. DRC Construction Warriors Mark Line Repairs Pay Request #5.
DRC Construction is submitting pay request #5 in the amount of \$15,935.54. Mr. Carlberg recommended that the Board approve DRC Construction pay request #5.

Mr. Orwig made a motion to approve DRC Construction pay request #5 in the amount of \$15,935.54. Mr. Hart seconded the motion. The motion was passed unanimously by the Board.

D. Short Term Rental Discussion

The Board discussed the short-term rental draft report and draft Resolution during the work session. Mr. Carlberg said the District has advertised in the newspaper and published in the October Newsletter that the District is reviewing data concerning single family homes being used for short term rentals and the impact that may have on District facilities.

E. 2020 Draft Budget

The 2020 Draft Budget was discussed during the work session. The 2020 Draft Budget will be approved at the December Board meeting.

F. SnowBridge Pay Request #7 – 2018 Project

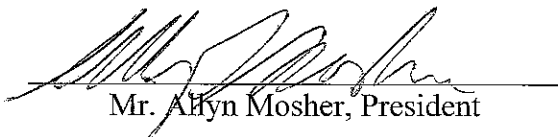
SnowBridge is submitting pay request #7 in the amount of \$78,515.49. This pay request is for the 2018 project in French Creek. Mr. Carlberg recommends that the Board approves SnowBridge pay request #7

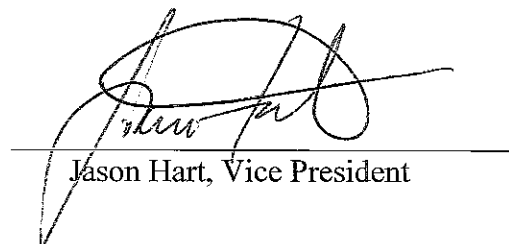
Mrs. Stimson made a motion to approve SnowBridge pay request #7 in the amount of \$78,515.49. Mr. Orwig seconded the motion. The motion was passed unanimously by the Board.

X. CORRESPONDENCE:

XI. ADJOURN:

Mr. Orwig made a motion to adjourn the meeting at 5:50 PM. Mr. Hart seconded the motion. The motion was passed unanimously by the Board.


Mr. Allyn Mosher, President


Jason Hart, Vice President

Upper Blue Sanitation District
 Comparative Balance Sheet-UNAUDITED DRAFT
 October 31, 2019

	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>
<u>Current Assets:</u>			
Petty Cash	\$200	\$200	-
Checking-Wells Fargo Bank	16,037,500	16,457,744	(420,244)
Cash-Centennial Bank Money Market	-		-
Colotrust Plus	15,531,572	12,171,096	3,360,476
ColoTrust Prime	3,813,781	3,731,209	82,572
Total Cash and Equivalents	35,383,053	32,360,249	3,022,804
Investments			
FK Construction Retainage Escrow	-	-	-
Cert. of Deposit & Treasuries	-	-	-
Total Investments	-	-	-
Other Current Assets			
Receivables-Utility + Spec. Assessments	114,678	175,268	(60,590)
Developer/Contractor Escrow	127,244	182,029	(54,785)
Interest Receivable & Market Adjustments	12,388	-	12,388
Notes Receivable	105,246	164,180	(58,934)
Prepaid Expenses	27,637	26,367	1,270
Emp. Loan Assist. Notes Receivable	30,000	-	30,000
Total Other Assets	417,193	547,844	(130,651)
Total Current Assets:	35,800,246	32,908,093	2,892,153
Property Plant and Equipment:			
Land	721,070	721,070	-
Easements	98,254	98,254	-
Sewer Lines	17,101,665	15,133,847	1,967,818
Treatment Plants	79,761,354	79,430,768	330,586
Office Equipment	243,617	228,938	14,679
Other Machines & Equipment	545,163	545,163	-
Autos & Trucks	1,266,862	1,246,967	19,895
IH Administration Building	153,903	153,903	-
Upper Blue System Costs	9,288,377	9,307,387	(19,010)
Telemetry	429,229	429,229	-
Employee Housing	1,038,191	1,038,191	-
Total Property Plant and Equipment :	110,647,685	108,333,717	2,313,968
Less Accumulated Depreciation	(41,626,349)	(39,011,020)	(2,615,329)
Net Property Plant and Equipment :	69,021,336	69,322,697	(301,361)
Total Assets:	104,821,582	102,230,790	2,590,792

Liabilities

	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>
<u>Current Liabilities:</u>			
Accounts Payable	277,363	508,652	(231,289)
Construction/Developer Escrow	127,244	182,029	(54,785)
Earned Employee Benefits	126,809	127,071	(262)
Unearned User Fees	982,225	959,786	22,439
Interest Payable	10,564	11,373	(809)
Loan Payable (Current Portion)	99,082	97,130	1,952
Retainage Payable-Construction in Progress	30,828	-	30,828
Retainage Payable-Blue River	-	-	-
Employee Housing Deposit Payable	1,750	1,750	-
Total Current Liabilities:	<u>1,655,865</u>	<u>1,887,791</u>	<u>(231,926)</u>
Long Term Liabilities:			
Loan Payable	1,168,590	1,267,672	(99,082)
Total Long Term Liabilities:	<u>1,168,590</u>	<u>1,267,672</u>	<u>(99,082)</u>
Total Liabilities	<u>2,824,455</u>	<u>3,155,463</u>	<u>(331,008)</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	67,743,100	67,743,100	-
Unrestricted Net Assets	18,254,027	17,332,227	921,800
Unrestricted Net Assets - Nutrient Reserve	16,000,000	14,000,000	2,000,000
Total Contributed Capital	<u>101,997,127</u>	<u>99,075,327</u>	<u>2,921,800</u>
Total Liabilities and Equity	<u>104,821,582</u>	<u>102,230,790</u>	<u>2,590,792</u>

Upper Blue Sanitation District
 Monthly Financial Statement-UNAUDITED DRAFT
 October 31, 2019

	2019	2019	2019	2019	2019
	<u>October</u>	<u>Year To Date</u>	<u>Approved Budget</u>	<u>Uncollected</u>	<u>% Uncol/Col</u>
Operating Revenue					
Sewer User Fees	490,554	4,857,962	5,838,176	980,214	17
Tap Inspection Fees	2,000	7,200	10,000	2,800	28
Miscellaneous Revenue	0	3,556	15,000	11,444	76
CEBT Dividend	0	11,268	0	(11,268)	#DIV/0!
Camper Dump Fees	562	8,916	9,000	84	1
Late Fees	325	15,898	10,000	(5,898)	(59)
Line Extension Fees	25,745	94,754	50,000	(44,754)	(90)
Rental Income	3,900	40,584	45,000	4,416	10
Total Operating Revenue	523,086	5,040,138	5,977,176	937,038	16
Miscellaneous Revenue					
Interest on Loan Payments	1,399	7,094	15,000	7,906	53
Plant Investment Fees	302,922	2,213,818	1,800,000	(413,818)	(23)
Inclusion Fees	10,767	72,305	100,000	27,695	28
Interest on Investments	33,069	488,353	350,000	(138,353)	(40)
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	348,157	2,781,570	2,265,000	(524,476)	(23)
Total Revenue	871,243	7,821,708	8,242,176	420,468	5

Administration Expense	2019 October	2019 Year to Date	2019 Approved Budget	2019 Available	2019 % Available
Payroll & Employee Benefits					
Salaries	96,940	986,759	1,378,343	391,584	28
Overtime	5,753	36,583	45,000	8,417	19
FICA-Admn	5,656	59,543	88,247	28,704	33
Medicare-Admin	1,467	14,569	20,638	6,069	29
401K Contributions	7,040	69,031	103,376	34,345	33
Worker's Compensation Insurance	1,772	16,759	30,000	13,241	44
Health Insurance	25,599	256,035	280,000	23,965	9
Total	144,227	1,439,279	1,945,604	506,325	26
Office Supplies	0	1,517	5,000	3,483	70
Telephone	1,414	14,145	22,000	7,855	36
Business Expenses	5,302	40,824	45,000	4,176	9
Bank Service Fees - Admin	0	5,086	9,000	3,914	43
Legal Counsel	7,714	93,910	50,000	(43,910)	(88)
Education	100	17,875	25,000	7,125	29
Audit & Accounting	0	9,500	10,000	500	5
Legal Publications	1,085	3,904	5,000	1,096	22
Board Members	500	4,900	6,000	1,100	18
Elections	0	0	0	0	#DIV/0!
Computer Expenses	3,069	32,436	40,000	7,564	19
Copy Machine & Supply	0	0	1,000	1,000	100
Postage & Meter Rent	2,894	13,476	12,000	(1,476)	(12)
Insurance - General	12,047	120,852	135,249	14,397	11
Insurance - Deductible	0	0	1,000	1,000	100
Engineering	2,250	55,287	75,000	19,713	26
Tools	0	3,311	2,500	(811)	(32)
Vehicle Expense	0	0	500	500	100
Dues & Memberships	0	7,719	7,000	(719)	(10)
Safety	1,669	7,105	5,000	(2,105)	(42)
Summit Water Quality	0	18,531	18,000	(531)	(3)
Building Maintenance	1,249	21,288	20,000	(1,288)	(6)
Employee Housing Maintenance	310	13,432	15,000	1,568	10
Employee Housing Utilities	0	1,253	4,000	2,747	69
Total Administration	183,830	1,925,630	2,458,853	533,223	22
Iowa Hill Plant Expenses					
Utilities					
Gas	301	14,765	26,000	11,235	43
Electric	8,033	102,383	220,000	117,617	53
Freight	100	13,927	18,000	4,073	23
Equipment Repairs	184	15,541	50,000	34,459	69
Chemicals	(5,531)	180,395	200,000	19,605	10
Supplies	872	9,899	10,000	101	1
Contracted Repairs	336	74,868	60,000	(14,868)	(25)
Laboratory Supplies	1,916	13,949	15,000	1,051	7
Biomonitoring	0	2,784	8,000	5,216	65
Discharge Permit	0	7,529	8,000	471	6
Site Monitoring	60	14,301	23,000	8,699	38
Total Iowa Hill	6,271	450,341	638,000	187,659	29

	2019 <u>October</u>	2019 <u>Year to Date</u>	2019 <u>Approved Budget</u>	2019 <u>Available</u>	2019 <u>% Available</u>
Farmers Korner Expenses					
Utilities					
Gas	0	38,531	60,000	21,469	36
Electric	58,343	288,849	400,000	111,151	28
Freight	2,071	18,151	30,000	11,849	39
Equipment Repairs	1,012	13,558	60,000	46,442	77
Chemicals	26,471	263,247	330,000	66,753	20
Supplies	1,319	9,645	10,000	355	4
Contracted Repairs	248	42,916	60,000	17,084	28
Dumpster Charges	1,188	11,881	15,000	3,119	21
Biomonitoring	0	4,264	7,000	2,736	39
Discharge Permit	0	15,712	15,000	(712)	(5)
Composting	6,779	91,089	110,000	18,911	17
Site Monitoring	732	10,649	23,000	12,351	54
Sludge Hauling Costs	4,950	72,521	70,000	(2,521)	(4)
State Health Fees	0	0	2,500	2,500	100
Total Farmers Korner	103,113	881,013	1,192,500	311,487	26
South Blue Expenses					
Utilities					
Gas	141	3,034	10,000	6,966	70
Electric	2,930	25,673	38,000	12,327	32
Equipment Repairs	0	0	2,500	2,500	100
Supplies	145	186	1,000	814	81
Contracted Repairs	0	0	5,000	5,000	100
Discharge Permit	0	2,825	3,000	175	6
Site Monitoring	638	5,633	8,000	2,367	30
Total South Blue	3,854	37,351	67,500	30,149	45
Collection Expenses					
Utilities	1,979	10,594	20,000	9,406	47
Vehicle Expense	27	22,006	40,000	17,994	45
Line Cleaner Expenses	1,266	8,170	10,000	1,830	18
Manhole Repairs/Line Repairs	2,571	123,324	130,000	6,676	5
Equipment Repairs	2,574	7,702	9,000	1,298	14
CCTV Expense	0	765	5,000	4,235	85
Total Collection	8,417	172,561	214,000	41,439	19
Total Operating Expenditures	305,485	3,466,896	4,570,853	1,103,957	24
Net Cash from Operations	217,601	1,573,242	1,406,323		
Replacement Capital					
Administration	10,142	10,142	35,000	24,858	71
Employee Housing	0	8,995			
Plant:					
IH	0	9,117	600,000	590,883	98
FK	10,115	260,025	575,000	314,975	55
South Blue	0	6,182	50,000	43,818	88
Collection					
Misc.	16,185	514,732	1,225,000	710,268	58
Vehicle	0	36,929	55,000	18,071	33
Total Replacement Capital	36,442	846,122	2,540,000	1,702,873	67
Non Operating Expenses					
Bond Principal	0	99,082	97,129	(1,953)	(2)
Bond Interest	0	24,860	26,813	1,953	7
Total Non Operating	0	123,942	123,942	0	0

October Financial Statement Cont.

	<u>2019</u> <u>October</u>	<u>2019</u> <u>Year to Date</u>	<u>2019</u> <u>Approved Budget</u>	<u>2019</u> <u>Available</u>	<u>2019</u> <u>% Available</u>
Capital Outlay					
Plant:					
IH	0	0	300,000	300,000	100
FK	1,432	101,832	310,000	208,168	67
South Blue	0	0	0	0	0
Employee Housing	55,924	103,138	900,000	0	0
Collection	750	10,806	600,000	589,194	98
Administration	0	5,902	30,000	24,098	80
Total Capital Outlay	<u>58,106</u>	<u>221,678</u>	<u>2,140,000</u>	<u>1,121,460</u>	<u>52</u>
Total Expenses	<u>400,033</u>	<u>4,658,638</u>	<u>9,374,795</u>	<u>4,716,157</u>	<u>50</u>
Total Revenue - Total Expenses	<u>471,210</u>	<u>3,163,070</u>			

Upper Blue Sanitation District
 Comparative Financial Statement-UNAUDITED DRAFT
 October 31, 2019 vs. October 31, 2018

	2019 <u>October</u>	2018 <u>October</u>	2019 <u>Year To Date</u>	2018 <u>Year to Date</u>	Increase <u>(Decrease)</u>
Operating Revenue					
Sewer User Fees	490,554	483,019	4,857,962	4,772,521	85,441
Tap Inspection Fees	2,000	800	7,200	8,900	(1,700)
Miscellaneous Revenue	0	0	3,556	17,523	(13,967)
CEBT Dividend	0	0	11,268	0	
Camper Dump Fees	562	1,621	8,916	9,329	(413)
Late Fees	325	323	15,898	10,371	5,527
Line Extension Fees	25,745	18,801	94,754	157,294	(62,540)
Rental Income	3,900	3,800	40,584	36,050	4,534
Total Operating Revenue	523,086	508,364	5,040,138	5,011,988	16,882
Miscellaneous Revenue					
Interest on Loan Payments	1,399	2,000	7,094	9,309	(2,215)
Plant Investment Fees	302,922	231,680	2,213,818	3,874,037	(1,660,219)
Inclusion Fees	10,767	11,244	72,305	130,679	(58,374)
Interest on Investments	33,069	43,280	488,353	290,774	197,579
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	348,157	288,204	2,781,570	4,304,799	(1,521,014)
Total Revenue	871,243	796,568	7,821,708	9,316,787	(1,495,079)

Administration Expense	2019 <u>October</u>	2018 <u>October</u>	2019 <u>Year to Date</u>	2018 <u>Year to Date</u>	Increase <u>(Decrease)</u>
Payroll & Employee Benefits					
Salaries	96,940	95,843	986,759	897,854	88,905
Overtime	5,753	1,878	36,583	34,839	1,744
FICA-Admn	5,656	5,070	59,543	55,754	3,789
Medicare-Admin	1,467	1,403	14,569	13,350	1,219
401K Contributions	7,040	6,490	69,031	63,882	5,149
Worker's Compensation Insur	1,772	2,155	16,759	21,690	(4,931)
Health Insurance	25,599	19,731	256,035	218,038	37,997
Total	144,227	132,570	1,439,279	1,305,407	133,872
Office Supplies	0	233	1,517	2,923	(1,406)
Telephone	1,414	1,406	14,145	15,997	(1,852)
Business Expenses	5,302	4,344	40,824	34,435	6,389
Bank Service Fees - Admin	0	20	5,086	5,810	(724)
Legal Counsel	7,714	5,769	93,910	42,495	51,415
Education	100	6,639	17,875	15,455	2,420
Audit & Accounting	0	0	9,500	9,300	200
Legal Publications	1,085	2,962	3,904	5,410	(1,506)
Board Members	500	500	4,900	5,000	(100)
Elections	0	0	0	0	0
Computer Expenses	3,069	4,308	32,436	38,489	(6,053)
Copy Machine & Supply	0	0	0	45	(45)
Postage & Meter Rent	2,894	2,648	13,476	12,370	1,106
Insurance - General	12,047	11,028	120,852	106,137	14,715
Insurance - Deductible	0	0	0	0	0
Engineering	2,250	4,654	55,287	21,796	33,491
Tools	0	71	3,311	1,617	1,694
Vehicle Expense	0	0	0	0	0
Dues & Memberships	0	90	7,719	5,313	2,406
Safety	1,669	559	7,105	5,478	1,627
Summit Water Quality	0	0	18,531	17,611	920
Building Maintenance	1,249	4,131	21,288	22,638	(1,350)
Employee Housing Maintenan	310	0	13,432	7,650	5,782
Employee Housing Utilities	0	0	1,253	2,460	(1,207)
Total Administration	183,830	181,932	1,925,630	1,683,836	241,794
Iowa Hill Plant Expenses					
Utilities					
Gas	301	241	14,765	11,372	3,393
Electric	8,033	11,416	102,383	135,865	(33,482)
Freight	100	1,498	13,927	14,818	(891)
Equipment Repairs	184	4,244	15,541	23,905	(8,364)
Chemicals	(5,531)	25,470	180,395	142,755	37,640
Contracted Repairs	872	17,135	9,899	33,954	(24,055)
Laboratory Supplies	336	270	74,868	12,769	62,099
Biomonitoring	1,916	1,919	13,949	9,672	4,277
Discharge Permit	0	0	2,784	7,529	(4,745)
Supplies	0	1,150	7,529	7,465	64
Site Monitoring	60	1,259	14,301	16,382	(2,081)
Total Iowa Hill	6,271	64,602	450,341	416,486	33,855

October Comparative Statement Cont.

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	2019 <u>October</u>	2018 <u>October</u>	2019 <u>Year to Date</u>	2018 <u>Year to Date</u>	Increase <u>(Decrease)</u>
Farmers Korner					
Utilities					
Gas	0	3,759	38,531	35,554	2,977
Electric	58,343	22,542	288,849	280,736	8,113
Freight	2,071	725	18,151	16,393	1,758
Equipment Repairs	1,012	3,940	13,558	30,883	(17,325)
Chemicals	26,471	27,258	263,247	287,041	(23,794)
Supplies	1,319	783	9,645	7,519	2,126
Contracted Repairs	248	13,325	42,916	38,785	4,131
Dumpster Charges	1,188	1,188	11,881	11,983	(102)
Biomonitoring	0	0	4,264	1,536	2,728
Discharge Permit	0	0	15,712	14,092	1,620
Composting	6,779	4,283	91,089	87,228	3,861
Site Monitoring	732	1,690	10,649	25,370	(14,721)
Sludge Hauling Costs	4,950	2,925	72,521	54,000	18,521
State Health Fees	0	0	0	1,335	(1,335)
Total Farmers Korner	103,113	82,418	881,013	892,455	(11,442)
South Blue Expenses					
Utilities					
Gas	141	239	3,034	4,287	(1,253)
Electric	2,930	1,918	25,673	24,030	1,643
Equipment Repairs	0	0	0	1,677	(1,677)
Contracted Repairs	145	474	186	1,773	(1,587)
Supplies	0	0	0	992	(992)
Discharge Permit	0	0	2,825	2,925	(100)
Site Monitoring	638	235	5,633	2,482	3,151
Total South Blue	3,854	2,866	37,351	38,166	(815)
Collection Expenses					
Utilities					
Gas	1,979	964	10,594	9,617	977
Vehicle Expense	27	2,275	22,006	31,847	(9,841)
Line Cleaner Expenses	1,266	0	8,170	2,279	5,891
Manhole Repairs/Line Repair	2,571	14,624	123,324	99,967	23,357
Equipment Repairs	2,574	247	7,702	8,242	(540)
CCTV Expense	0	0	765	0	765
Total Collection	8,417	18,110	172,561	151,952	20,609
Total Operating Expenditure	305,485	349,928	3,466,896	3,182,895	284,001
Net Cash from Operations	217,601	158,436	1,573,242	1,829,093	(255,851)
Replacement Capital					
Administration	10,142	0	10,142	14,679	(4,537)
Employee Housing	0	0	8,995	0	8,995
Plant:					
IH	0	0	9,117	0	9,117
FK	10,115	35,635	260,025	301,154	(41,129)
South Blue	0	6,343	6,182	6,343	(161)
Collection	0	0	0	0	0
Misc.	16,185	97,340	514,732	501,473	13,259
Vehicle	0	0	36,929	42,126	(5,197)
Total Replacement Capital	36,442	139,318	846,122	865,775	(19,653)
Non Operating Expenses					
CWRPDA Loan Principal	0	0	99,082	97,129	1,953
Loan Interest	0	0	24,860	26,813	(1,953)
Total Non Operating	0	0	123,942	123,942	0

October Comparative Statement Cont.

	<u>2019</u> <u>October</u>	<u>2018</u> <u>October</u>	<u>2019</u> <u>Year to Date</u>	<u>2018</u> <u>Year to Date</u>	<u>Pg. 4</u> <u>Increase</u> <u>(Decrease)</u>
Capital Outlay					
Plant-IH-CO	0	0	0	0	0
Plant-FK-CO	1,432	0	101,832	0	101,832
Plant-South Blue-CO	0	0	0	2,330	(2,330)
Employee Housing	55,924	0	103,138	0	103,138
Collection	750	258,629	10,806	901,039	(890,233)
Administration	0	0	5,902		#VALUE!
Total Capital Outlay	58,106	258,629	221,678	903,369	(681,691)
Total Expenses	400,033	747,875	4,658,638	5,075,981	(417,343)
Revenue Less Expenses	471,210	48,693	3,163,070	4,240,806	(1,077,736)