

Upper Blue Sanitation District
Board of Directors Meeting
Thursday March 11, 2021 @ 5:30 PM

I. ROLL CALL:

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

Mr. Andrew Carlberg and Ms. Marjorie Covey attended as well.

II. MINUTES:

January 14, 2021 minutes: Mrs. Stimson made a motion to approve the January 14, 2021 Board of Directors meeting minutes. Mr. Orwig seconded the motion. The motion was passed unanimously by the Board.

III. PUBLIC HEARINGS:

-Resolution 3, Series 2021, Inclusion of Tract D McCain Subdivision

Mr. Carlberg said that the property owner requested service and has submitted a petition for Inclusion of Tract D McCain Subdivision. Mr. Carlberg said that the Notice of Public Hearing has been published in the newspaper and to date the District has not received any comments. Mr. Carlberg said he recommends that the Board approve Resolution 3, Series 2021 for the Inclusion of Tract D McCain Subdivision.

Mr. Orwig made a motion to approve Resolution 3, Series 2021 for the Inclusion of Tract D McCain Subdivision. Mr. Hart seconded the motion. The motion was passed unanimously by the Board.

IV. PUBLIC COMMENT: None

V. BILLS:

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

VI. FINANCIAL REPORT:

The Financial Report was reviewed and 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:

The Managers report was discussed by the Board of Directors during the work session.

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VIII. OLD BUSINESS: None

IX. NEW BUSINESS:

C. Line Extension Agreement – Alta Verde Apartments

Mr. Carlberg said that this line extension is located on Tract A McCain Subdivision. The plans have been reviewed and the required easements have been acquired. Mr. Carlberg said he recommends that the Board approve the Alta Verde Line Extension Agreement.

Mrs. Stimson made a motion to approve the Alta Verde Line Extension Agreement. Mr. Hart seconded the motion. The motion was passed unanimously by the Board.

D. Award of Contract – Collection Cleaning


Mr. Carlberg said that Guildner Pipeline submitted a bid for the Collection Cleaning project in the amount of \$498,858.00. The District has worked with Guildner Pipeline in the past and Mr. Carlberg recommended that the Board award the contract to Guildner Pipeline.

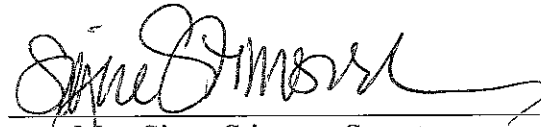
Mr. Orwig made a motion to award the contract for the Collection Cleaning project to Guildner Pipeline in the amount of \$498,858.00. Mr. Hart seconded the motion. The motion was passed unanimously by the Board.

X. CORRESPONDENCE:

XI. ADJOURN:

Mr. Hart made a motion to adjourn the meeting at 5:46 PM. Mrs. Stimson seconded the motion. The motion was passed unanimously by the Board.


Mr. Allyn Mosher, President


Mrs. Signe Stimson, Secretary

Memorandum

To: Andy Carlberg
From: Marjorie Covey
Date: March 5, 2021
Re: Financial Update

-The District's Financial Records are in good order.

-We have not received all the February 2021 bills. Therefore, the February 2021 Financial Statements are a preliminary draft for your review.

-The District's annual audit is scheduled for the week of April 19, 2021. I will be working on the capital asset and capital depreciation journal entries. Until I have completed that process you will not see an increase in the capital numbers.

Marjorie

Upper Blue Sanitation District
 Comparative Balance Sheet-UNAUDITED DRAFT
 February 28, 2021

	<u>2021</u>	<u>2020</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Current Assets:</u>			
Petty Cash	\$200	\$200	-
Checking-Wells Fargo Bank	19,012,403	15,982,560	3,029,843
Colotrust Plus	15,697,170	15,627,180	69,990
ColoTrust Prime	3,840,891	3,833,413	7,478
Total Cash and Equivalents	<u>38,550,664</u>	<u>35,443,353</u>	<u>3,107,311</u>
Investments			
FK Construction Retainage Escrow	-	-	-
Cert. of Deposit & Treasuries	-	-	-
Total Investments	<u>-</u>	<u>-</u>	<u>-</u>
Other Current Assets			
Receivables-Utility + Spec. Assessments	101,984	36,367	65,617
Developer/Contractor Escrow	137,244	137,133	111
Interest Receivable & Market Adjustments	10,283	10,283	-
Notes Receivable	48,720	71,303	(22,583)
Prepaid Expenses	125,946	117,704	8,242
Emp. Loan Assist. Notes Receivable	30,000	30,000	-
Total Other Assets	<u>454,177</u>	<u>402,790</u>	<u>51,387</u>
Total Current Assets:	<u>39,004,841</u>	<u>35,846,143</u>	<u>3,158,698</u>
Property Plant and Equipment:			
Land	721,070	721,070	-
Easements	98,254	98,254	-
Sewer Lines	17,929,836	17,929,836	-
Treatment Plants	80,151,892	80,151,892	-
Office Equipment	252,351	252,351	-
Other Machines & Equipment	551,065	551,065	-
Autos & Trucks	1,384,202	1,384,202	-
IH Administration Building	164,045	164,045	-
Upper Blue System Costs	9,294,559	9,294,559	-
Telemetry	429,229	429,229	-
Employee Housing	1,151,054	1,151,054	-
Total Property Plant and Equipment :	<u>112,127,557</u>	<u>112,127,557</u>	<u>-</u>
Less Accumulated Depreciation	<u>(44,115,710)</u>	<u>(44,115,710)</u>	<u>-</u>
Net Property Plant and Equipment :	<u>68,011,847</u>	<u>68,011,847</u>	<u>-</u>
Total Assets:	<u>107,016,688</u>	<u>103,857,990</u>	<u>3,158,698</u>

Liabilities

	<u>2021</u>	<u>2020</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Current Liabilities:</u>			
Accounts Payable	194,106	209,199	(15,093)
Construction/Developer Escrow	137,244	137,133	111
Earned Employee Benefits	144,008	144,008	-
Unearned User Fees	520,953	516,158	4,795
Interest Payable	9,738	9,738	-
Loan Payable (Current Portion)	101,073	101,073	-
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>1,139,700</u>	<u>1,149,887</u>	<u>(10,187)</u>
Long Term Liabilities:			
Loan Payable	1,067,516	1,067,516	-
Total Long Term Liabilities:	<u>1,067,516</u>	<u>1,067,516</u>	<u>-</u>
Total Liabilities	<u>2,207,216</u>	<u>2,217,403</u>	<u>(10,187)</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	67,743,100	66,833,519	909,581
Unrestricted Net Assets	17,066,372	16,807,068	259,304
Unrestricted Net Assets - Nutrient Reserve	20,000,000	18,000,000	2,000,000
Total Contributed Capital	<u>104,809,472</u>	<u>101,640,587</u>	<u>3,168,885</u>
Total Liabilities and Equity	<u>107,016,688</u>	<u>103,857,990</u>	<u>3,158,698</u>

Upper Blue Sanitation District
 Monthly Financial Statement-UNAUDITED DRAFT
 February 28, 2021

	2021	2021	2021	2021	2021
	<u>February</u>	<u>Year To Date</u>	<u>Approved Budget</u>	<u>Uncollected</u>	<u>% Uncol/Col</u>
Operating Revenue					
Sewer User Fees	520,953	1,042,917	6,247,176	5,204,259	83
Tap Inspection Fees	100	200	4,000	3,800	95
Miscellaneous Revenue	0	0	5,000	5,000	100
CEBT Dividend	0	0	0	0	#DIV/0!
Camper Dump Fees	0	0	9,000	9,000	100
Late Fees	1,557	1,732	15,000	13,268	88
Line Extension Fees	18,693	18,693	50,000	31,307	63
Rental Income	4,700	9,250	50,000	40,750	82
Total Operating Revenue	<u>546,003</u>	<u>1,072,792</u>	<u>6,380,176</u>	<u>5,307,384</u>	<u>83</u>
Miscellaneous Revenue					
Interest on Loan Payments	0	1,034	4,000	2,966	74
Plant Investment Fees	61,395	193,497	1,200,000	1,006,503	84
Inclusion Fees	10,425	10,425	50,000	39,575	79
Interest on Investments	1,141	2,842	75,000	72,158	96
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	<u>72,961</u>	<u>207,798</u>	<u>1,329,000</u>	<u>1,118,236</u>	<u>84</u>
Total Revenue	<u>618,964</u>	<u>1,280,590</u>	<u>7,709,176</u>	<u>6,428,586</u>	<u>83</u>

Administration Expense	2021 February	2021 Year to Date	2021 Approved Budget	2021 Available	2021 % Available
Payroll & Employee Benefits					
Salaries	107,143	210,179	1,398,850	1,188,671	85
Overtime	0	1,428	45,000	43,572	97
FICA-Admn	6,590	13,014	89,519	76,505	85
Medicare-Admin	1,541	3,043	20,936	17,893	85
401K Contributions	7,462	14,750	108,289	93,539	86
Worker's Compensation Insurance	779	1,557	28,000	26,443	94
Health Insurance	27,038	52,664	355,000	302,336	85
Total	150,553	296,635	2,045,594	1,748,959	85
Office Supplies	0	0	5,000	5,000	100
Telephone	580	909	22,000	21,091	96
Business Expenses	1,403	1,614	50,000	48,386	97
Bank Service Fees - Admin	0	1,006	17,000	15,994	94
Legal Counsel	0	1,213	100,000	98,787	99
Education	0	85	25,000	24,915	100
Audit & Accounting	0	0	10,500	10,500	100
Legal Publications	0	19	5,000	4,981	100
Board Members	500	1,000	6,000	5,000	83
Elections	0	0	0	0	#DIV/0!
Computer Expenses	607	607	40,000	39,393	98
Copy Machine & Supply	19	19	1,000	981	98
Postage & Meter Rent	0	0	14,000	14,000	100
Insurance - General	10,298	20,595	163,000	142,405	87
Insurance - Deductible	0	0	1,000	1,000	100
Engineering	315	315	75,000	74,685	100
Tools	390	390	2,500	2,110	84
Vehicle Expense	0	0	500	500	100
Dues & Memberships	1,238	1,869	9,000	7,131	79
Safety	236	614	5,000	4,386	88
Summit Water Quality	0	0	18,000	18,000	100
Building Maintenance	6,570	8,225	20,000	11,775	59
Employee Housing Maintenance	0	0	15,000	15,000	100
Employee Housing Utilities	0	0	3,000	3,000	100
Total Administration	172,709	335,115	2,653,094	2,317,979	87
Iowa Hill Plant Expenses					
Utilities					
Gas	1,557	3,433	20,000	16,567	83
Electric	716	1,447	45,000	43,553	97
Freight	0	73	3,000	2,927	98
Equipment Repairs	0	0	30,000	30,000	100
Chemicals	0	0	20,000	20,000	100
Supplies	65	436	10,000	9,564	96
Contracted Repairs	1,416	1,895	50,000	48,105	96
Laboratory Supplies	0	1,765	15,000	13,235	88
Biomonitoring	0	0	0	0	#DIV/0!
Discharge Permit	0	0	8,000	8,000	100
Site Monitoring	45	90	5,000	4,910	98
Total Iowa Hill	3,799	9,139	206,000	196,861	96

February Financial Statement Cont.

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	2021 <u>February</u>	2021 <u>Year to Date</u>	2021 <u>Approved Budget</u>	2021 <u>Available</u>	2021 <u>% Available</u>
Farmers Korner Expenses					
Utilities					
Gas	0	8,548	70,000	61,452	88
Electric	36,811	72,867	475,000	402,133	85
Freight	833	4,752	45,000	40,248	89
Equipment Repairs	267	267	65,000	64,733	100
Chemicals	23,299	52,741	425,000	372,259	88
Supplies	582	661	10,500	9,839	94
Contracted Repairs	3,084	3,501	100,000	96,499	96
Dumpster Charges	1,310	2,620	15,000	12,380	83
Biomonitoring	0	0	7,800	7,800	100
Discharge Permit	0	0	30,000	30,000	100
Composting	10,948	18,415	125,000	106,585	85
Site Monitoring	1,260	1,928	23,000	21,072	92
Sludge Hauling Costs	6,975	11,475	80,000	68,525	86
State Health Fees	0	0	2,500	2,500	100
Total Farmers Korner	85,369	177,775	1,473,800	1,296,025	88
South Blue Expenses					
Utilities					
Gas	1,311	2,200	8,000	5,800	73
Electric	2,798	5,456	40,000	34,544	86
Equipment Repairs	0	0	2,500	2,500	100
Supplies	0	0	1,000	1,000	100
Contracted Repairs	0	0	8,000	8,000	100
Discharge Permit	0	0	3,800	3,800	100
Site Monitoring	787	1,808	10,000	8,192	82
Total South Blue	4,896	9,464	73,300	63,836	87
Collection Expenses					
Utilities					
Gas	1,241	2,391	16,000	13,609	85
Vehicle Expense	1,044	1,783	45,000	43,217	96
Line Cleaner Expenses	0	110	10,000	9,890	99
Manhole Repairs/Line Repairs	2,123	5,256	140,000	134,744	96
Equipment Repairs	594	948	10,000	9,052	91
CCTV Expense	0	0	5,000	5,000	100
Total Collection	5,002	10,488	226,000	215,512	95
Total Operating Expenditures	271,775	541,981	4,632,194	4,090,213	88
Net Cash from Operations	274,228	530,811	1,747,982		
Replacement Capital					
Administration					
Administration	0	0	35,000	35,000	100
Employee Housing					
Employee Housing	0	0			
Plant:					
IH	0	3,733	350,000	346,267	99
FK	0	35,500	1,195,000	1,159,500	97
South Blue	0	0	50,000	50,000	100
Collection					
Misc.	6,415	6,415	1,060,000	1,053,585	99
Vehicle	0	0	55,000	55,000	100
Total Replacement Capital	6,415	45,648	2,745,000	2,699,352	98
Non Operating Expenses					
Bond Principal					
Bond Principal	0	51,296	97,129	45,833	47
Bond Interest					
Bond Interest	0	10,675	26,813	16,138	60
Total Non Operating	0	61,971	123,942	61,971	50

February Financial Statement Cont.

	<u>2021</u> <u>February</u>	<u>2021</u> <u>Year to Date</u>	<u>2021</u> <u>Approved Budget</u>	<u>2021</u> <u>Available</u>	<u>2021</u> <u>% Available</u>
Capital Outlay					
Plant:					
IH	0	0	320,000	320,000	100
FK	0	0	20,000	20,000	100
South Blue	0	0	150,000	150,000	0
Employee Housing	0	0	1,000,000	1,000,000	100
Collection	12,960	12,960	1,700,000	1,687,040	99
Land	0	0			
Administration	0	0	30,000	30,000	100
Total Capital Outlay	<u>12,960</u>	<u>12,960</u>	<u>3,220,000</u>	<u>3,207,040</u>	<u>100</u>
Total Expenses	<u>291,150</u>	<u>662,560</u>	<u>10,721,135</u>	<u>10,058,575</u>	<u>94</u>
Total Revenue - Total Expenses	<u>327,814</u>	<u>618,030</u>			

Upper Blue Sanitation District
 Comparative Financial Statement-UNAUDITED DRAFT
 February 28, 2021 vs. February 28, 2020

	2021 February	2020 February	2021 Year To Date	2020 Year to Date	Increase (Decrease)
Operating Revenue					
Sewer User Fees	520,953	515,812	1,042,917	1,031,947	10,970
Tap Inspection Fees	100	200	200	200	-
Miscellaneous Revenue	0	0	0	0	0
CEBT Dividend	0	0	0	0	-
Camper Dump Fees	0	0	0	0	-
Late Fees	1,557	854	1,732	1,204	528
Line Extension Fees	18,693	0	18,693	0	18,693
Rental Income	4,700	4,150	9,250	8,250	1,000
Total Operating Revenue	548,003	521,016	1,072,792	1,041,601	31,191
Miscellaneous Revenue					
Interest on Loan Payments	0	58	1,034	1,194	(160)
Plant Investment Fees	61,395	56,333	193,497	158,974	34,523
Inclusion Fees	10,425	0	10,425	0	10,425
Interest on Investments	1,141	36,594	2,842	76,259	(73,417)
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	72,961	92,985	207,798	236,427	(28,469)
Total Revenue	618,964	614,001	1,280,590	1,278,028	2,562

February Comparative Statement Cont.

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	2021 February	2020 February	2021 Year to Date	2020 Year to Date	Increase (Decrease)
Administration Expense					
Payroll & Employee Benefits					
Salaries	107,143	98,150	210,179	203,313	6,866
Overtime	0	448	1,428	1,999	(571)
FICA-Admn	6,590	6,012	13,014	12,527	487
Medicare-Admin	1,541	1,406	3,043	2,930	113
401K Contributions	7,462	7,050	14,750	14,109	641
Worker's Compensation Insur	779	985	1,557	1,970	(413)
Health Insurance	27,038	26,188	52,664	52,376	288
Total	150,553	140,239	296,635	289,224	7,411
Office Supplies	0	685	0	803	(803)
Telephone	580	1,436	909	2,266	(1,357)
Business Expenses	1,403	3,370	1,614	8,042	(6,428)
Bank Service Fees - Admin	0	2,205	1,006	3,166	(2,160)
Legal Counsel	0	5,257	1,213	8,886	(7,673)
Education	0	1,030	85	1,030	(945)
Audit & Accounting	0	0	0	0	0
Legal Publications	0	107	19	131	(112)
Board Members	500	500	1,000	1,000	0
Elections	0	44	0	44	(44)
Computer Expenses	607	6,867	607	21,003	(20,396)
Copy Machine & Supply	19	0	19	0	19
Postage & Meter Rent	0	274	0	2,265	(2,265)
Insurance - General	10,298	10,785	20,595	22,587	(1,992)
Insurance - Deductible	0	0	0	0	0
Engineering	315	0	315	0	315
Tools	390	1,746	390	3,023	(2,633)
Vehicle Expense	0	0	0	0	0
Dues & Memberships	1,238	0	1,869	725	1,144
Safety	236	1,053	614	1,522	(908)
Summit Water Quality	0	0	0	0	-
Building Maintenance	6,570	1,467	8,225	3,429	4,796
Employee Housing Maintenan	0	0	0	0	-
Employee Housing Utilities	0	0	0	0	-
Total Administration	172,709	177,065	335,115	369,146	(34,031)
Iowa Hill Plant Expenses					
Utilities					
Gas	1,557	1,408	3,433	2,952	481
Electric	716	2,384	1,447	4,810	(3,363)
Freight	0	68	73	148	(75)
Equipment Repairs	0	747	0	747	(747)
Chemicals	0	0	0	0	0
Contracted Repairs	65	4,076	436	6,282	(5,846)
Laboratory Supplies	1,416	203	1,895	663	1,232
Biomonitoring	0	0	1,765	0	1,765
Discharge Permit	0	0	0	0	0
Supplies	0	546	0	4,169	(4,169)
Site Monitoring	45	90	90	660	(570)
Total Iowa Hill	3,799	9,522	9,139	20,431	(11,292)

February Comparative Statement Cont.

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	2021 February	2020 February	2021 Year to Date	2020 Year to Date	Increase (Decrease)
Farmers Korner					
Utilities					
Gas	0	6,421	8,548	13,806	(5,258)
Electric	36,811	36,972	72,867	85,250	(12,383)
Freight	833	3,235	4,752	8,893	(4,141)
Equipment Repairs	267	3,384	267	5,582	(5,315)
Chemicals	23,299	40,857	52,741	88,452	(35,711)
Supplies	582	558	661	1,063	(402)
Contracted Repairs	3,084	2,899	3,501	4,738	(1,237)
Dumpster Charges	1,310	1,242	2,620	2,483	137
Biomonitoring	0	0	0	13	(13)
Discharge Permit	0	0	0	0	-
Composting	10,948	10,062	18,415	22,893	(4,478)
Site Monitoring	1,260	1,377	1,928	4,895	(2,967)
Sludge Hauling Costs	6,975	6,750	11,475	15,075	(3,600)
State Health Fees	0	0	0	0	-
Total Farmers Korner	85,369	113,757	177,775	253,143	(75,368)
South Blue Expenses					
Utilities					
Gas	1,311	499	2,200	1,404	796
Electric	2,798	3,466	5,456	7,078	(1,622)
Equipment Repairs	0	0	0	0	-
Contracted Repairs	0	0	0	1,550	(1,550)
Supplies	0	0	0	0	-
Discharge Permit	0	0	0	0	-
Site Monitoring	787	1,110	1,808	1,110	698
Total South Blue	4,896	5,075	9,464	11,142	(1,678)
Collection Expenses					
Utilities	1,241	1,074	2,391	2,159	232
Vehicle Expense	1,044	2,777	1,783	6,340	(4,557)
Line Cleaner Expenses	0	0	110	0	110
Manhole Repairs/Line Repair	2,123	(3,446)	5,256	2,517	2,739
Equipment Repairs	594	3,020	948	7,026	(6,078)
CCTV Expense	0	0	0	0	-
Total Collection	5,002	3,425	10,488	18,042	(7,554)
Total Operating Expenditur	271,775	308,844	541,981	671,904	(129,923)
Net Cash from Operations	274,228	212,172	530,811	369,697	161,114
Replacement Capital					
Administration	0	0	0	2,658	(2,658)
Employee Housing	0	0	0	0	-
Plant:					
IH	0	0	3,733	0	3,733
FK	0	13,157	35,500	20,689	14,811
South Blue	0	0	0	0	0
Collection	0	0	0	0	0
Misc.	6,415	3,391	6,415	25,171	(18,756)
Vehicle	0	0	0	0	0
Total Replacement Capital	6,415	16,548	45,648	48,518	(2,870)
Non Operating Expenses					
CWRPDA Loan Principal	0	0	51,296	50,285	1,011
Loan Interest	0	0	10,675	11,686	(1,011)
Total Non Operating	0	0	61,971	61,971	0

February Comparative Statement Cont.

	<u>2021</u> <u>February</u>	<u>2020</u> <u>February</u>	<u>2021</u> <u>Year to Date</u>	<u>2020</u> <u>Year to Date</u>	
Capital Outlay					
Plant-IH-CO	0	0	0	0	0
Plant-FK-CO	0	0	0	0	0
Plant-South Blue-CO	0		0		0
Employee Housing	0	851	0	2,542	(2,542)
Collection	12,960	3,575	12,960	15,245	(2,285)
Land	0		0		
Administration	0	0	0	0	0
Total Capital Outlay	<u>12,960</u>	<u>4,426</u>	<u>12,960</u>	<u>17,787</u>	<u>(4,827)</u>
Total Expenses	<u>291,150</u>	<u>329,818</u>	<u>662,560</u>	<u>600,180</u>	<u>(137,620)</u>
Revenue Less Expenses	<u>327,814</u>	<u>284,183</u>	<u>618,030</u>	<u>477,848</u>	<u>140,182</u>