

**Upper Blue Sanitation District
Board of Directors Meeting
Thursday October 14, 2021 @ 5:30 PM**

I. ROLL CALL:

Mr. Allyn Mosher called the meeting of the Upper Blue Sanitation District Board of Directors to order at 6:12 PM. Mr. Allyn Mosher, Mr. Jason Hart and Mr. Rick Orwig answered "present" at roll call. Mrs. Signe Stimson was present for the entire work session.

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

II. MINUTES:

September 9, 2021 minutes: Mr. Orwig made a motion to approve the September 9, 2021 Board of Directors meeting minutes. Mr. Hart seconded the motion. The motion was passed unanimously by the Board.

III. PUBLIC HEARINGS:

IV. PUBLIC COMMENT: None

V. BILLS:

Mr. Hart made a motion to approve the bills as presented. Mr. Orwig 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. Two major 2021 rehabilitation projects must be moved to the 2022 budget due to supply shortages. The Board discussed pre-ordering chemicals, etc. in lieu of supply shortages.

B. Manager Report:

The Manager's report and the District's housing projects were discussed by the Board of Directors during the work session.

Mr. Carlberg said that grease trap inspection letters are going out again to alert restaurants about not dumping grease down the drain.

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VIII. OLD BUSINESS:

C. 2022 Draft Budget

The Board discussed the District's 2022 Draft Budget during the work session. Mr. Carlberg said that the District has not had a rate increase in ten years and recommended a \$1.00 per month/per sfe increase in the sewer service rate and a \$1,000.00 per sfe increase in the Plant Investment Fee for future facility expansion. Mr. Carlberg said that the 2022 Draft Budget is posted on the District's website, published in the District's fourth quarter newsletter, and advertised in the November & December Summit Journal.

IX. NEW BUSINESS:

X. CORRESPONDENCE:

XI. ADJOURN:

Mr. Hart made a motion to adjourn the meeting at 6:45 PM. Mr. Orwig seconded the motion. The motion was passed unanimously by the Board.


Mr. Allyn Mosher, President


Mr. Jason Hart, Vice-President

Upper Blue Sanitation District
 Comparative Balance Sheet-UNAUDITED DRAFT
 September 30, 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	16,954,112	17,319,289	(365,177)
Colotrust Plus	20,701,619	15,688,941	5,012,678
ColoTrust Prime	3,841,051	3,840,070	981
Total Cash and Equivalents	<u>41,496,982</u>	<u>36,848,500</u>	<u>4,648,482</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	35,454	33,797	1,657
Developer/Contractor Escrow	230,973	137,244	93,729
Interest Receivable & Market Adjustments	138	10,283	(10,145)
Notes Receivable	9,886	62,551	(52,665)
Prepaid Expenses	44,999	35,311	9,688
Emp. Loan Assist. Notes Receivable	29,817	30,000	(183)
Total Other Assets	<u>351,267</u>	<u>309,186</u>	<u>42,081</u>
Total Current Assets:	<u>41,848,249</u>	<u>37,157,686</u>	<u>4,690,563</u>
Property Plant and Equipment:			
Land	868,609	721,070	147,539
Easements	98,254	98,254	-
Sewer Lines	18,460,508	17,929,836	530,672
Treatment Plants	80,648,260	80,151,892	496,368
Office Equipment	252,351	252,351	-
Other Machines & Equipment	551,065	551,065	-
Autos & Trucks	1,617,110	1,384,202	232,908
IH Administration Building	164,045	164,045	-
Upper Blue System Costs	9,294,559	9,294,559	-
Telemetry	440,929	429,229	11,700
Employee Housing	1,403,596	1,151,054	252,542
Total Property Plant and Equipment :	<u>113,799,286</u>	<u>112,127,557</u>	<u>1,671,729</u>
Less Accumulated Depreciation	<u>(46,792,177)</u>	<u>(44,115,710)</u>	<u>(2,676,467)</u>
Net Property Plant and Equipment :	<u>67,007,109</u>	<u>68,011,847</u>	<u>(1,004,738)</u>
Total Assets:	<u>108,855,358</u>	<u>105,169,533</u>	<u>3,685,825</u>

Liabilities

	<u>2021</u>	<u>2020</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Current Liabilities:</u>			
Accounts Payable	17,523	356,594	(339,071)
Construction/Developer Escrow	230,973	137,244	93,729
Earned Employee Benefits	166,285	144,008	22,277
Unearned User Fees	-	-	-
Interest Payable	8,896	9,738	(842)
Loan Payable (Current Portion)	103,105	101,073	2,032
Retainage Payable-Construction in Progress	30,000	30,828	(828)
Retainage Payable-Blue River	-	-	-
Employee Housing Deposit Payable	1,750	1,750	-
Total Current Liabilities:	<u>558,532</u>	<u>781,235</u>	<u>(222,703)</u>
Long Term Liabilities:			
Loan Payable	964,411	1,067,516	(103,105)
Total Long Term Liabilities:	<u>964,411</u>	<u>1,067,516</u>	<u>(103,105)</u>
Total Liabilities	<u>1,522,943</u>	<u>1,848,751</u>	<u>(325,808)</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	65,930,698	65,930,698	-
Unrestricted Net Assets	21,401,717	19,390,084	2,657
Unrestricted Net Assets - Nutrient Reserve	20,000,000	18,000,000	2,000,000
Total Contributed Capital	<u>107,332,415</u>	<u>103,320,782</u>	<u>4,011,633</u>
Total Liabilities and Equity	<u>108,855,358</u>	<u>105,169,533</u>	<u>3,685,825</u>

Upper Blue Sanitation District
 Monthly Financial Statement-UNAUDITED DRAFT
 September 30, 2021

	2021	2021	2021	2021	2021
	September	Year To Date	Approved Budget	Uncollected	% Uncol/Col
Operating Revenue					
Sewer User Fees	526,633	4,722,386	6,247,176	1,524,790	24
Tap Inspection Fees	1,000	5,294	4,000	(1,294)	(32)
Miscellaneous Revenue	18,069	18,069	5,000	(13,069)	(261)
CEBT Dividend	0	0	0	0	#DIV/0!
Camper Dump Fees	4,211	24,291	9,000	(15,291)	(170)
Late Fees	2,317	14,105	15,000	895	6
Line Extension Fees	12,727	96,090	50,000	(46,090)	(92)
Rental Income	4,900	42,850	50,000	7,150	14
Total Operating Revenue	569,857	4,923,085	6,380,176	1,457,091	23
Miscellaneous Revenue					
Interest on Loan Payments	458	3,488	4,000	512	13
Plant Investment Fees	328,258	2,988,810	1,200,000	(1,788,810)	(149)
Inclusion Fees	5,622	68,125	50,000	(18,125)	(36)
Interest on Investments	326	7,737	75,000	67,263	90
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	334,664	3,068,160	1,329,000	(1,739,672)	(131)
Total Revenue	904,521	7,991,245	7,709,176	(282,069)	(4)

Administration Expense	2021 September	2021 Year to Date	2021 Approved Budget	2021 Available	2021 % Available
Payroll & Employee Benefits					
Salaries	104,247	939,100	1,398,850	459,750	33
Overtime	2,581	14,288	45,000	30,712	68
FICA-Admn	6,160	58,222	89,519	31,297	35
Medicare-Admin	1,537	13,712	20,936	7,224	35
401K Contributions	7,482	66,898	108,289	41,391	38
Worker's Compensation Insurance	779	8,046	28,000	19,954	71
Health Insurance	22,599	236,676	355,000	118,324	33
Total	145,385	1,336,942	2,045,594	708,652	35
Office Supplies	0	1,840	5,000	3,160	63
Telephone	1,339	20,424	22,000	1,576	7
Business Expenses	857	22,419	50,000	27,581	55
Bank Service Fees - Admin	330	12,684	17,000	4,316	25
Legal Counsel	0	19,037	100,000	80,963	81
Education	0	4,538	25,000	20,462	82
Audit & Accounting	0	9,950	10,500	550	5
Legal Publications	0	7,849	5,000	(2,849)	(57)
Board Members	500	4,500	6,000	1,500	25
Elections	0	0	0	0	#DIV/0!
Computer Expenses	3,856	36,357	40,000	3,643	9
Copy Machine & Supply	0	445	1,000	555	56
Postage & Meter Rent	662	7,813	14,000	6,187	44
Insurance - General	10,297	92,678	163,000	70,322	43
Insurance - Deductible	0	1,000	1,000	0	0
Engineering	0	15,587	75,000	59,413	79
Tools	853	2,079	2,500	421	17
Vehicle Expense	0	0	500	500	100
Dues & Memberships	0	5,724	9,000	3,276	36
Safety	4,186	8,948	5,000	(3,948)	(79)
Summit Water Quality	0	9,356	18,000	8,644	48
Building Maintenance	2,685	28,353	20,000	(8,353)	(42)
Employee Housing Maintenance	360	4,485	15,000	10,515	70
Employee Housing Utilities	0	1,240	3,000	1,760	59
Total Administration	171,310	1,654,248	2,653,094	998,846	38
Iowa Hill Plant Expenses					
Utilities					
Gas	185	9,233	20,000	10,767	54
Electric	761	5,958	45,000	39,042	87
Freight	0	624	3,000	2,376	79
Equipment Repairs	2,795	9,772	30,000	20,228	67
Chemicals	0	0	20,000	20,000	100
Supplies	3,774	7,412	10,000	2,588	26
Contracted Repairs	7,187	36,310	50,000	13,690	27
Laboratory Supplies	0	10,266	15,000	4,734	32
Biomonitoring	0	0	0	0	#DIV/0!
Discharge Permit	0	1,857	8,000	6,143	77
Site Monitoring	150	1,157	5,000	3,843	77
Total Iowa Hill	14,852	82,589	206,000	123,411	60

	2021 <u>September</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	2,447	48,401	70,000	21,599	31
Electric	40,836	330,073	475,000	144,927	31
Freight	0	10,547	45,000	34,453	77
Equipment Repairs	0	19,807	65,000	45,193	70
Chemicals	26,956	340,836	425,000	84,164	20
Supplies	3,633	8,617	10,500	1,883	18
Contracted Repairs	10,882	46,354	100,000	53,646	54
Dumpster Charges	1,100	11,235	15,000	3,765	25
Biomonitoring	0	1,685	7,800	6,115	78
Discharge Permit	0	1,728	30,000	28,272	94
Composting	7,220	79,088	125,000	45,912	37
Site Monitoring	1,496	6,420	23,000	16,580	72
Sludge Hauling Costs	4,500	50,175	80,000	29,825	37
State Health Fees	0	80	2,500	2,420	97
Total Farmers Korner	99,070	955,046	1,473,800	518,754	35
South Blue Expenses					
Utilities					
Gas	167	6,087	8,000	1,913	24
Electric	2,194	24,768	40,000	15,232	38
Equipment Repairs	572	6,353	2,500	(3,853)	(154)
Supplies	0	462	1,000	538	54
Contracted Repairs	150	3,179	8,000	4,821	60
Discharge Permit	0	0	3,800	3,800	100
Site Monitoring	494	5,288	10,000	4,712	47
Total South Blue	3,577	46,137	73,300	27,163	37
Collection Expenses					
Utilities					
Gas	1,102	10,480	16,000	5,520	35
Vehicle Expense	2,773	27,880	45,000	17,120	38
Line Cleaner Expenses	0	1,722	10,000	8,278	83
Manhole Repairs/Line Repairs	19,965	93,747	140,000	46,253	33
Equipment Repairs	311	22,295	10,000	(12,295)	(123)
CCTV Expense	0	120	5,000	4,880	98
Total Collection	24,151	156,244	226,000	69,756	31
Total Operating Expenditures	312,960	2,894,264	4,632,194	1,737,930	38
Net Cash from Operations	256,897	2,028,821	1,747,982	(280,839)	(16)
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	4,390	165,835	1,195,000	1,029,165	86
South Blue	0	0	50,000	50,000	100
Collection					
Misc.	17,392	471,453	1,060,000	588,547	56
Vehicle	0	0	55,000	55,000	100
Total Replacement Capital	21,782	641,021	2,745,000	2,103,979	77
Non Operating Expenses					
Bond Principal					
Bond Principal	0	103,105	97,129	(5,976)	(6)
Bond Interest					
Bond Interest	0	20,837	26,813	5,976	22
Total Non Operating	0	123,942	123,942	0	0

September Financial Statement Cont.

	2021 <u>September</u>	2021 <u>Year to Date</u>	2021 <u>Approved Budget</u>	2021 <u>Available</u>	2021 <u>% Available</u>
Capital Outlay					
Plant:					
IH	6,475	23,623	320,000	296,377	93
FK	0	7,871	20,000	12,129	61
South Blue	0	0	150,000	150,000	0
Employee Housing	75,744	389,457	1,000,000	610,543	61
Collection	63	61,261	1,700,000	1,638,739	96
Land	0	0			
Administration	0	0	30,000	30,000	100
Total Capital Outlay	<u>82,282</u>	<u>482,212</u>	<u>3,220,000</u>	<u>2,737,788</u>	<u>85</u>
Total Expenses	<u>417,024</u>	<u>4,141,439</u>	<u>10,721,135</u>	<u>6,579,696</u>	<u>61</u>
Total Revenue - Total Expenses	<u>487,497</u>	<u>3,849,806</u>			

Upper Blue Sanitation District
 Comparative Financial Statement-UNAUDITED DRAFT
 September 30, 2021 vs. September 30, 2020

	2021	2020	2021	2020	Increase
	<u>September</u>	<u>September</u>	<u>Year To Date</u>	<u>Year to Date</u>	<u>(Decrease)</u>
Operating Revenue					
Sewer User Fees	526,633	519,836	4,722,386	4,653,987	68,399
Tap Inspection Fees	1,000	1,200	5,294	3,500	1,794
Miscellaneous Revenue	18,069	475	18,069	6,075	11,994
CEBT Dividend	0	0	0	0	
Camper Dump Fees	4,211	2,433	24,291	11,723	12,568
Late Fees	2,317	8,022	14,105	27,734	(13,629)
Line Extension Fees	12,727	0	96,090	60,761	35,329
Rental Income	4,900	4,350	42,850	38,000	4,850
Total Operating Revenue	569,857	536,316	4,923,085	4,801,780	121,305
Miscellaneous Revenue					
Interest on Loan Payments	458	0	3,488	2,907	581
Plant Investment Fees	328,258	467,885	2,988,810	1,278,285	1,710,525
Inclusion Fees	5,622	11,984	68,125	43,313	24,812
Interest on Investments	326	3,459	7,737	163,042	(155,305)
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	334,664	483,328	3,068,160	1,487,547	1,580,032
Total Revenue	904,521	1,019,644	7,991,245	6,289,327	1,701,918

September Comparative Statement Cont.

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	2021 <u>September</u>	2020 <u>September</u>	2021 <u>Year to Date</u>	2020 <u>Year to Date</u>	Increase <u>(Decrease)</u>
Administration Expense					
Payroll & Employee Benefits					
Salaries	104,247	98,064	939,100	898,792	40,308
Overtime	2,581	4,856	14,288	11,655	2,633
FICA-Admn	6,160	5,606	58,222	54,934	3,288
Medicare-Admin	1,537	1,461	13,712	12,997	715
401K Contributions	7,482	7,036	66,898	62,478	4,420
Worker's Compensation Insur	779	1,876	8,046	9,832	(1,786)
Health Insurance	22,599	23,376	236,676	219,167	17,509
Total	145,385	142,275	1,336,942	1,269,855	67,087
Office Supplies	0	0	1,840	2,244	(404)
Telephone	1,339	1,395	20,424	12,217	8,207
Business Expenses	857	1,012	22,419	19,685	2,734
Bank Service Fees - Admin	330	1,168	12,684	13,480	(796)
Legal Counsel	0	12,357	19,037	48,642	(29,605)
Education	0	480	4,538	2,690	1,848
Audit & Accounting	0	0	9,950	0	9,950
Legal Publications	0	0	7,849	3,593	4,256
Board Members	500	500	4,500	4,500	0
Elections	0	0	0	3,856	(3,856)
Computer Expenses	3,856	5,925	36,357	58,894	(22,537)
Copy Machine & Supply	0	0	445	421	24
Postage & Meter Rent	662	1,207	7,813	10,025	(2,212)
Insurance - General	10,297	10,786	92,678	97,838	(5,160)
Insurance - Deductible	0	0	1,000	1,009	(9)
Engineering	0	0	15,587	1,580	14,007
Tools	853	0	2,079	3,701	(1,622)
Vehicle Expense	0	0	0	0	0
Dues & Memberships	0	349	5,724	5,993	(269)
Safety	4,186	359	8,948	2,011	6,937
Summit Water Quality	0	0	9,356	9,355	1
Building Maintenance	2,685	4,193	28,353	30,289	(1,936)
Employee Housing Maintenan	360	860	4,485	5,885	(1,400)
Employee Housing Utilities	0	0	1,240	1,240	-
Total Administration	171,310	182,866	1,654,248	1,609,003	45,245
Iowa Hill Plant Expenses					
Utilities					
Gas	185	127	9,233	6,702	2,531
Electric	761	921	5,958	18,112	(12,154)
Freight	0	43	624	1,287	(663)
Equipment Repairs	2,795	24	9,772	3,829	5,943
Chemicals	0	0	0	2,444	(2,444)
Contracted Repairs	3,774	1,740	7,412	26,236	(18,824)
Laboratory Supplies	7,187	465	36,310	9,566	26,744
Biomonitoring	0	0	10,266	0	10,266
Discharge Permit	0	0	0	7,529	(7,529)
Supplies	0	189	1,857	9,265	(7,408)
Site Monitoring	150	240	1,157	1,485	(328)
Total Iowa Hill	14,852	3,749	82,589	86,455	(3,866)

September Comparative Statement Cont.

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	2021 September	2020 September	2021 Year to Date	2020 Year to Date	Increase (Decrease)
Farmers Korner					
Utilities					
Gas	2,447	978	48,401	30,360	18,041
Electric	40,836	33,636	330,073	272,917	57,156
Freight	0	1,777	10,547	30,969	(20,422)
Equipment Repairs	0	575	19,807	38,471	(18,664)
Chemicals	26,956	38,833	340,836	363,424	(22,588)
Supplies	3,633	450	8,617	4,571	4,046
Contracted Repairs	10,882	7,784	46,354	73,711	(27,357)
Dumpster Charges	1,100	1,242	11,235	11,174	61
Biomonitoring	0	0	1,685	1,612	73
Discharge Permit	0	0	1,728	15,713	(13,985)
Composting	7,220	10,312	79,088	86,107	(7,019)
Site Monitoring	1,496	1,881	6,420	9,985	(3,565)
Sludge Hauling Costs	4,500	7,200	50,175	47,925	2,250
State Health Fees	0	0	80	71	9
Total Farmers Korner	99,070	104,668	955,046	987,010	(31,964)
South Blue Expenses					
Utilities					
Gas	167	167	6,087	3,055	3,032
Electric	2,194	2,747	24,768	25,460	(692)
Equipment Repairs	572	0	6,353	240	6,113
Contracted Repairs	0	130	462	2,130	(1,668)
Supplies	150	0	3,179	287	2,892
Discharge Permit	0	0	0	976	(976)
Site Monitoring	494	1,724	5,288	7,005	(1,717)
Total South Blue	3,577	4,768	46,137	39,153	6,984
Collection Expenses					
Utilities	1,102	1,103	10,480	10,096	384
Vehicle Expense	2,773	1,430	27,880	26,311	1,569
Line Cleaner Expenses	0	0	1,722	2,547	(825)
Manhole Repairs/Line Repair	19,965	3,534	93,747	86,076	7,671
Equipment Repairs	311	360	22,295	10,372	11,923
CCTV Expense	0	0	120	1,525	(1,405)
Total Collection	24,151	6,427	156,244	136,927	19,317
Total Operating Expenditure	312,960	302,478	2,894,264	2,858,548	35,716
Net Cash from Operations	256,897	233,838	2,028,821	1,943,232	85,589
Replacement Capital					
Administration	0	0	0	13,114	(13,114)
Employee Housing	0	0	0	0	0
Plant:					
IH	0	0	3,733	80,358	(76,625)
FK	4,390	43,589	165,835	218,524	(52,689)
South Blue	0	0	0	0	0
Collection	0	0	0	0	0
Misc.	17,392	0	471,453	100,668	370,785
Vehicle	0	0	0	47,307	(47,307)
Total Replacement Capital	21,782	43,589	641,021	459,971	181,050
Non Operating Expenses					
CWRPDA Loan Principal	0	0	103,105	101,073	2,032
Loan Interest	0	0	20,837	22,869	(2,032)
Total Non Operating	0	0	123,942	123,942	0

September Comparative Statement Cont.

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Increase
(Decrease)

	<u>2021</u> <u>September</u>	<u>2020</u> <u>September</u>	<u>2021</u> <u>Year to Date</u>	<u>2020</u> <u>Year to Date</u>	
Capital Outlay					
Plant-IH-CO	6,475	0	23,623	0	23,623
Plant-FK-CO	0	0	7,871	37,294	(29,423)
Plant-South Blue-CO	0		0		0
Employee Housing	75,744	1,346	389,457	179,042	210,415
Collection	63	96,931	61,261	324,577	(263,316)
Land	0	147,540	0	147,540	(147,540)
Administration	0	0	0	0	0
Total Capital Outlay	82,282	245,817	482,212	688,453	(206,241)
Total Expenses	417,024	591,884	4,141,439	4,130,914	10,525
Revenue Less Expenses	487,497	427,760	3,849,806	2,158,413	1,691,393