

Upper Blue Sanitation District
Board of Directors Meeting
Thursday November 10, 2022 @ 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. Mr. Allyn Mosher, Mrs. Signe Stimson, Mr. Rick Orwig and Mr. Robin Theobald answered "present" at roll call.

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

II. MINUTES:

October 13, 2022 Minutes: Mr. Theobald made a motion to approve the October 13, 2022 Board of Directors meeting minutes as amended. Mrs. Stimson seconded the motion. The motion was passed unanimously by the Board of Directors.

III. PUBLIC HEARINGS:

IV. PUBLIC COMMENT:

V. BILLS:

Mr. Theobald made a motion to approve the bills as presented. Mr. Orwig seconded the motion. The motion was passed unanimously by the Board of Directors.

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

VIII. OLD BUSINESS:

Upper Blue Sanitation District
Board of Directors Meeting
Thursday November 10, 2022 @ 5:30 PM

IX. NEW BUSINESS:

C. Design Mechanical Pay Request #1 – Farmers Korner Non-Potable Water System
Mr. Carlberg said that Design Mechanical has progressed well in the replacement of the Farmers Korner Non-Potable Water System and he recommended payment in the amount of \$149,233.60.

Mr. Orwig made a motion to approve Design Mechanical Pay Request #1 in the amount of \$149,233.60. Mrs. Stimson seconded the motion. The motion was passed unanimously by the Board of Directors.

D. Stan Miller, Inc. Pay Request #3 – Highway Crossings
Mr. Carlberg said that Stan Miller, Inc. has been installing Highway 9 sewer crossings in Upper Blue and has submitted Pay Request #3 in the amount of \$231,835.17. Mr. Carlberg said that the project is complete and he would recommend payment of Stan Miller, Inc. Pay Request #3.

Mrs. Stimson made a motion to approve Stan Miller, Inc. Pay Request #3 in the amount of \$231,835.17. Mr. Orwig seconded the motion. The motion was passed unanimously by the Board of Directors.

E. Draft 2023 Budget
Mr. Carlberg said that the 2023 Draft Budget has been advertised in the newspaper three times, is posted on the District’s website and the District has not received any comments. Mr. Carlberg reviewed the District’s ten-year Master Plan. Mr. Carlberg recommended that the District increase service fees by \$1 per month and Plant Investment Fees by \$1,000 per sfe in 2023; because the District needs to plan for Farmers Korner Department of Health permit requirements, a sludge treatment facility needed at Farmers Korner, employee housing and a significant increases in expenses. Mr. Carlberg reviewed the capital items in the 2023 draft budget.

X. CORRESPONDENCE:

At 5:44 PM Mr. Orwig made a motion for the Board to go into Executive Session per the Open Meetings Law Citation C.R.S. 24-6-402(4)(f) to discuss personnel matters. Mr. Theobald seconded the motion. The motion was passed unanimously by the Board of Directors.

At 6:05 PM Mr. Theobald made a motion for the Board to come out of Executive Session. Mr. Orwig seconded the motion. The motion was passed unanimously by the Board of Directors.

XI. ADJOURN:

Mr. Orwig made a motion to adjourn the meeting at 6:06 PM. Mrs. Stimson seconded the motion. The motion was passed unanimously by the Board of Directors.


Mr. Allyn Mosher, President


Mrs. Signe Stimson, Secretary

Upper Blue Sanitation District
 Comparative Balance Sheet-UNAUDITED DRAFT
 October 31, 2022

	<u>2022</u>	<u>2021</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Current Assets:</u>			
Petty Cash	\$200	\$200	-
Checking-Wells Fargo Bank	16,412,259	17,591,296	(1,179,037)
Colotrust Plus	25,969,668	20,701,913	5,267,755
ColoTrust Prime	3,871,231	3,841,068	30,163
Total Cash and Equivalents	<u>46,253,358</u>	<u>42,134,477</u>	<u>4,118,881</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	129,223	114,757	14,466
Developer/Contractor Escrow	230,973	230,973	-
Interest Receivable & Market Adjustments	138	137	1
Notes Receivable	41,717	103,176	(61,459)
Prepaid Expenses	24,394	33,923	(9,529)
Emp. Loan Assist. Notes Receivable	28,605	29,725	(1,120)
Total Other Assets	<u>455,050</u>	<u>512,691</u>	<u>(57,641)</u>
Total Current Assets:	<u>46,708,408</u>	<u>42,647,168</u>	<u>4,061,240</u>
Property Plant and Equipment:			
Land	868,609	868,609	-
Easements	98,254	98,254	-
Sewer Lines	19,069,644	18,460,508	609,136
Treatment Plants	81,211,321	80,648,260	563,061
Office Equipment	252,351	252,351	-
Other Machines & Equipment	551,065	551,065	-
Autos & Trucks	1,634,128	1,617,110	17,018
IH Administration Building	164,045	164,045	-
Upper Blue System Costs	9,320,991	9,294,559	26,432
Telemetry	440,929	440,929	-
Employee Housing	2,398,975	1,403,596	995,379
Total Property Plant and Equipment :	<u>116,010,312</u>	<u>113,799,286</u>	<u>2,211,026</u>
Less Accumulated Depreciation	<u>(49,536,218)</u>	<u>(46,792,177)</u>	<u>(2,744,041)</u>
Net Property Plant and Equipment :	<u>66,474,094</u>	<u>67,007,109</u>	<u>(533,015)</u>
Total Assets:	<u>113,182,502</u>	<u>109,654,277</u>	<u>3,528,225</u>

Liabilities

	<u>2022</u>	<u>2021</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Current Liabilities:</u>			
Accounts Payable	138,101	201,214	(63,113)
Construction/Developer Escrow	230,973	230,973	-
Earned Employee Benefits	167,182	166,285	897
Unearned User Fees	1,115,916	1,061,408	54,508
Interest Payable	8,037	8,896	(859)
Loan Payable (Current Portion)	105,177	103,105	2,072
Retainage Payable-Construction in Progress	-	30,000	(30,000)
Retainage Payable-Blue River	-	-	-
Employee Housing Deposit Payable	1,750	1,750	-
Total Current Liabilities:	<u>1,767,136</u>	<u>1,803,631</u>	<u>(36,495)</u>
Long Term Liabilities:			
Loan Payable	859,234	964,411	(105,177)
Total Long Term Liabilities:	<u>859,234</u>	<u>964,411</u>	<u>(105,177)</u>
Total Liabilities	<u>2,626,370</u>	<u>2,768,042</u>	<u>(141,672)</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	65,501,646	65,930,698	(429,052)
Unrestricted Net Assets	25,054,486	22,955,537	2,098,949
Unrestricted Net Assets - Nutrient Reserve	20,000,000	18,000,000	2,000,000
Total Contributed Capital	<u>110,556,132</u>	<u>106,886,235</u>	<u>3,669,897</u>
Total Liabilities and Equity	<u>113,182,502</u>	<u>109,654,277</u>	<u>3,528,225</u>

Upper Blue Sanitation District
 Monthly Financial Statement-UNAUDITED DRAFT
 October 31, 2022

	2022	2022	2022	2022	2022
	October	Year To Date	Approved Budget	Uncollected	% Uncol/Col
Operating Revenue					
Sewer User Fees	553,041	5,513,008	6,650,000	1,136,992	17
Tap Inspection Fees	100	4,500	4,000	(500)	(13)
Miscellaneous Revenue	5	9,143	5,000	(4,143)	(83)
CEBT Dividend	0	0	0	0	#DIV/0!
Camper Dump Fees	1,316	22,155	20,000	(2,155)	(11)
Late Fees	12	9,758	15,000	5,242	35
Line Extension Fees	12,604	112,990	50,000	(62,990)	(126)
Rental Income	7,375	59,475	57,000	(2,475)	(4)
Total Operating Revenue	574,453	5,731,029	6,801,000	1,069,971	16
Miscellaneous Revenue					
Interest on Loan Payments	694	4,300	4,000	(300)	(8)
Plant Investment Fees	168,881	4,852,499	1,500,000	(3,352,499)	(223)
Inclusion Fees	8,809	75,168	50,000	(25,168)	(50)
Interest on Investments	79,066	296,550	50,000	(246,550)	(493)
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	257,450	5,228,517	1,604,000	(3,624,217)	(226)
Total Revenue	831,903	10,959,546	8,405,000	(2,554,546)	(30)

Administration Expense	2022 October	2022 Year to Date	2022 Approved Budget	2022 Available	2022 % Available
Payroll & Employee Benefits					
Salaries	109,167	1,109,838	1,675,000	565,162	34
Overtime	5,613	34,177	45,000	10,823	24
FICA-Admn	5,948	68,296	106,640	38,344	36
Medicare-Admin	1,648	16,429	24,940	8,511	34
401K Contributions	8,373	81,594	129,000	47,406	37
Worker's Compensation Insurance	930	13,837	20,000	6,163	31
Health Insurance	23,355	232,375	355,000	122,625	35
Total	155,034	1,556,546	2,355,580	799,034	34
Office Supplies	0	1,292	5,000	3,708	74
Telephone	1,427	13,898	25,000	11,102	44
Business Expenses	5,361	28,177	50,000	21,823	44
Bank Service Fees - Admin	0	6,517	17,000	10,483	62
Legal Counsel	0	86,619	75,000	(11,619)	(15)
Education	1,502	12,038	25,000	12,962	52
Audit & Accounting	0	10,400	10,500	100	1
Legal Publications	0	3,900	5,000	1,100	22
Board Members	500	5,000	6,000	1,000	17
Elections	0	0	5,000	5,000	100
Computer Expenses	0	21,130	40,000	18,870	47
Copy Machine & Supply	107	731	1,000	269	27
Postage & Meter Rent	2,301	12,858	14,000	1,142	8
Insurance - General	11,267	113,468	163,000	49,532	30
Insurance - Deductible	0	0	1,000	1,000	100
Engineering	72,039	137,866	75,000	(62,866)	(84)
Tools	140	1,576	2,500	924	37
Vehicle Expense	0	0	500	500	100
Dues & Memberships	0	7,727	9,000	1,273	14
Safety	248	10,903	5,000	(5,903)	(118)
Summit Water Quality	0	18,531	18,000	(531)	(3)
Building Maintenance	1,695	23,188	27,000	3,812	14
Employee Housing Maintenance	449	14,503	15,000	497	3
Employee Housing Utilities	67	4,639	3,000	(1,639)	(55)
Total Administration	252,137	2,091,507	2,953,080	861,573	29
Iowa Hill Plant Expenses					
Utilities					
Gas	965	10,268	25,000	14,732	59
Electric	739	6,912	75,000	68,088	91
Freight	65	1,394	3,000	1,606	54
Equipment Repairs	0	11,436	30,000	18,564	62
Chemicals	0	1,133	10,000	8,867	89
Supplies	239	7,525	10,000	2,475	25
Contracted Repairs	442	29,736	60,000	30,264	50
Laboratory Supplies	0	9,247	15,000	5,753	38
Biomonitoring	0	0	0	0	#DIV/0!
Discharge Permit	0	46,441	9,000	(37,441)	(416)
Site Monitoring	128	11,887	5,000	(6,887)	(138)
Total Iowa Hill	2,578	135,979	242,000	106,021	44

	2022 <u>October</u>	2022 <u>Year to Date</u>	2022 <u>Approved Budget</u>	2022 <u>Available</u>	2022 <u>% Available</u>
Farmers Korner Expenses					
Utilities					
Gas	0	55,833	95,000	39,167	41
Electric	42,697	445,930	545,000	99,070	18
Freight	32	30,418	45,000	14,582	32
Equipment Repairs	402	54,544	65,000	10,456	16
Chemicals	35,002	339,231	550,000	210,769	38
Supplies	173	5,418	10,500	5,082	48
Contracted Repairs	764	60,402	100,000	39,598	40
Dumpster Charges	0	9,900	15,000	5,100	34
Biomonitoring	0	3,890	7,800	3,910	50
Discharge Permit	0	14,035	20,000	5,965	30
Composting	5,859	104,519	125,000	20,481	16
Site Monitoring	321	14,767	23,000	8,233	36
Sludge Hauling Costs	0	77,400	80,000	2,600	3
State Health Fees	0	1,627	2,500	873	35
Total Farmers Korner	85,250	1,217,914	1,683,800	465,886	28
South Blue Expenses					
Utilities					
Gas	737	8,438	12,000	3,562	30
Electric	2,690	33,430	50,000	16,570	33
Equipment Repairs	0	982	4,000	3,018	75
Supplies	0	0	1,000	1,000	100
Contracted Repairs	0	390	8,000	7,610	95
Discharge Permit	0	976	3,800	2,824	74
Site Monitoring	588	6,045	10,000	3,955	40
Total South Blue	4,015	50,261	88,800	38,539	43
Collection Expenses					
Utilities	1,216	12,053	20,000	7,947	40
Vehicle Expense	2,870	39,848	54,000	14,152	26
Line Cleaner Expenses	0	9,552	10,000	448	4
Manhole Repairs/Line Repairs	19,052	78,567	140,000	61,433	44
Equipment Repairs	2,210	21,676	15,000	(6,676)	(45)
CCTV Expense	0	4,665	5,000	335	7
Total Collection	25,348	166,361	244,000	77,639	32
Total Operating Expenditures	369,328	3,662,022	5,211,680	1,549,658	30
Net Cash from Operations	205,125	2,069,007	1,589,320	(479,687)	(30)
Replacement Capital					
Administration	0	0	25,000	25,000	100
Employee Housing	0	2,562	70,000		
Plant:					
IH	0	178,391	4,050,000	3,871,609	96
FK	11,841	666,146	1,621,000	954,854	59
South Blue	0	52,096	50,000	(2,096)	(4)
Collection					
Misc.	0	258,775	1,015,000	756,225	75
Vehicle	0	0	120,000	120,000	100
Total Replacement Capital	11,841	1,157,970	6,951,000	5,725,592	82
Non Operating Expenses					
Bond Principal	0	105,177	97,129	(8,048)	(8)
Bond Interest	0	18,765	26,813	8,048	30
Total Non Operating	0	123,942	123,942	0	0

October Financial Statement Cont.

	<u>2022</u> <u>October</u>	<u>2022</u> <u>Year to Date</u>	<u>2022</u> <u>Approved Budget</u>	<u>2022</u> <u>Available</u>	<u>2022</u> <u>% Available</u>
Capital Outlay					
Plant:					
IH	0	178,391	4,050,000	3,871,609	96
FK	0	85,756	470,000	384,244	82
South Blue	0	0	100,000	100,000	0
Employee Housing	0	598,696	2,500,000	1,901,304	76
Collection	234,335	1,161,144	1,625,000	463,856	29
Land	0	0			
Administration	0	0	25,000	25,000	100
Total Capital Outlay	<u>234,335</u>	<u>2,023,987</u>	<u>8,770,000</u>	<u>6,746,013</u>	<u>77</u>
Total Expenses	<u>615,504</u>	<u>6,967,921</u>	<u>21,056,622</u>	<u>14,088,701</u>	<u>67</u>
Total Revenue - Total Expenses	<u>216,399</u>	<u>3,991,625</u>			

Upper Blue Sanitation District
 Comparative Financial Statement-UNAUDITED DRAFT
 October 31, 2022 vs. October 31, 2021

	2022 October	2021 October	2022 Year To Date	2021 Year to Date	Increase (Decrease)
Operating Revenue					
Sewer User Fees	553,041	529,149	5,513,008	5,238,277	274,731
Tap Inspection Fees	100	700	4,500	6,094	(1,594)
Miscellaneous Revenue	5	0	9,143	18,069	(8,926)
CEBT Dividend	0	0	0	0	
Camper Dump Fees	1,316	860	22,155	25,151	(2,996)
Late Fees	12	375	9,758	14,480	(4,722)
Line Extension Fees	12,604	14,928	112,990	129,299	(16,309)
Rental Income	7,375	4,950	59,475	47,800	11,675
Total Operating Revenue	574,453	550,962	5,731,029	5,479,170	251,859
Miscellaneous Revenue					
Interest on Loan Payments	694	1,540	4,300	5,028	(728)
Plant Investment Fees	168,881	277,900	4,852,499	3,266,667	1,585,832
Inclusion Fees	8,809	5,622	75,168	89,795	(14,627)
Interest on Investments	79,066	311	296,550	8,048	288,502
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	257,450	285,373	5,228,517	3,369,538	1,859,707
Total Revenue	831,903	836,335	10,959,546	8,848,708	2,110,838

October Comparative Statement Cont.

	<u>2022</u> <u>October</u>	<u>2021</u> <u>October</u>	<u>2022</u> <u>Year to Date</u>	<u>2021</u> <u>Year to Date</u>	<u>Increase</u> <u>(Decrease)</u>
Administration Expense					
Payroll & Employee Benefits					
Salaries	109,167	109,293	1,109,838	939,100	170,738
Overtime	5,613	2,079	34,177	14,288	19,889
FICA-Admn	5,948	5,903	68,296	58,222	10,074
Medicare-Admin	1,648	1,602	16,429	13,712	2,717
401K Contributions	8,373	7,615	81,594	66,898	14,696
Worker's Compensation Insur	930	779	13,837	9,191	4,646
Health Insurance	23,355	20,828	232,375	238,089	(5,714)
Total	155,034	148,099	1,556,546	1,339,500	217,046
Office Supplies	0	0	1,292	1,840	(548)
Telephone	1,427	1,433	13,898	20,520	(6,622)
Business Expenses	5,361	19,363	28,177	23,438	4,739
Bank Service Fees - Admin	0	331	6,517	12,684	(6,167)
Legal Counsel	0	14,550	86,619	21,288	65,331
Education	1,502	1,621	12,038	5,323	6,715
Audit & Accounting	0	0	10,400	9,950	450
Legal Publications	0	1,266	3,900	10,487	(6,587)
Board Members	500	500	5,000	4,500	500
Elections	0	0	0	0	0
Computer Expenses	0	4,736	21,130	38,379	(17,249)
Copy Machine & Supply	107	72	731	445	286
Postage & Meter Rent	2,301	2,069	12,858	9,815	3,043
Insurance - General	11,267	10,298	113,468	92,678	20,790
Insurance - Deductible	0	0	0	1,000	(1,000)
Engineering	72,039	3,324	137,866	21,152	116,714
Tools	140	0	1,576	2,079	(503)
Vehicle Expense	0	0	0	0	0
Dues & Memberships	0	205	7,727	5,724	2,003
Safety	248	2,037	10,903	9,778	1,125
Summit Water Quality	0	0	18,531	9,356	9,175
Building Maintenance	1,695	2,931	23,188	29,735	(6,547)
Employee Housing Maintenan	449	0	14,503	5,184	9,319
Employee Housing Utilities	67	0	4,639	1,240	3,399
Total Administration	252,137	212,835	2,091,507	1,676,095	415,412
Iowa Hill Plant Expenses					
Utilities					
Gas	965	272	10,268	9,233	1,035
Electric	739	672	6,912	5,958	954
Freight	65	134	1,394	688	706
Equipment Repairs	0	982	11,436	9,772	1,664
Chemicals	0	0	1,133	0	1,133
Contracted Repairs	239	6,444	7,525	36,310	(28,785)
Laboratory Supplies	442	110	29,736	14,098	15,638
Biomonitoring	0	0	9,247	0	9,247
Discharge Permit	0	7,529	0	1,857	(1,857)
Supplies	0	321	46,441	7,602	38,839
Site Monitoring	128	120	11,887	1,157	10,730
Total Iowa Hill	2,578	16,584	135,979	86,675	49,304

October Comparative Statement Cont.

	2022 <u>October</u>	2021 <u>October</u>	2022 <u>Year to Date</u>	2021 <u>Year to Date</u>	Increase <u>(Decrease)</u>
Farmers Korner					
Utilities					
Gas	0	1,320	55,833	48,401	7,432
Electric	42,697	37,483	445,930	330,073	115,857
Freight	32	73	30,418	10,562	19,856
Equipment Repairs	402	1,950	54,544	21,512	33,032
Chemicals	35,002	14,183	339,231	341,683	(2,452)
Supplies	173	781	5,418	8,834	(3,416)
Contracted Repairs	764	8,138	60,402	46,354	14,048
Dumpster Charges	0	1,100	9,900	11,235	(1,335)
Biomonitoring	0	0	3,890	1,684	2,206
Discharge Permit	0	14,035	14,035	1,728	12,307
Composting	5,859	7,194	104,519	79,088	25,431
Site Monitoring	321	504	14,767	6,420	8,347
Sludge Hauling Costs	0	4,500	77,400	50,175	27,225
State Health Fees	0	0	1,627	80	1,547
Total Farmers Korner	85,250	91,261	1,217,914	957,829	260,085
South Blue Expenses					
Utilities					
Gas	737	194	8,438	6,087	2,351
Electric	2,690	2,840	33,430	24,768	8,662
Equipment Repairs	0	80	982	6,353	(5,371)
Contracted Repairs	0	195	0	3,179	(3,179)
Supplies	0	0	390	462	(72)
Discharge Permit	0	976	976	0	976
Site Monitoring	588	594	6,045	5,288	757
Total South Blue	4,015	4,879	50,261	46,137	4,124
Collection Expenses					
Utilities					
Gas	1,216	1,015	12,053	10,480	1,573
Vehicle Expense	2,870	3,315	39,848	28,086	11,762
Line Cleaner Expenses	0	0	9,552	1,722	7,830
Manhole Repairs/Line Repair	19,052	16,733	78,567	98,195	(19,628)
Equipment Repairs	2,210	3,925	21,676	26,667	(4,991)
CCTV Expense	0	0	4,665	120	4,545
Total Collection	25,348	24,988	166,361	165,270	1,091
Total Operating Expenditur	369,328	350,547	3,662,022	2,932,006	730,016
Net Cash from Operations	205,125	200,415	2,069,007	2,547,164	(478,157)
Replacement Capital					
Administration					
Administration	0	0	0	0	-
Employee Housing					
Employee Housing	0	0	2,562	0	-
Plant:					
IH					
IH	0	0	178,391	0	178,391
FK					
FK	11,841	6,761	666,146	166,960	499,186
South Blue					
South Blue	0	0	52,096	0	52,096
Collection					
Collection	0	0	0	0	0
Misc.					
Misc.	0	375	258,775	454,436	(195,661)
Vehicle					
Vehicle	0	0	0	17,017	(17,017)
Total Replacement Capital	11,841	7,136	1,157,970	638,413	519,557
Non Operating Expenses					
CWRPDA Loan Principal					
CWRPDA Loan Principal	0	0	105,177	103,105	2,072
Loan Interest					
Loan Interest	0	0	18,765	20,837	(2,072)
Total Non Operating	0	0	123,942	123,942	0

October Comparative Statement Cont.

	<u>2022</u> <u>October</u>	<u>2021</u> <u>October</u>	<u>2022</u> <u>Year to Date</u>	<u>2021</u> <u>Year to Date</u>	
Capital Outlay					
Plant-IH-CO	0	31,406	178,391	36,117	142,274
Plant-FK-CO	0	4,785	85,756	7,871	77,885
Plant-South Blue-CO	0	34,455	0	0	0
Employee Housing	0	659,428	598,696	389,457	209,239
Collection	234,335	0	1,161,144	59,767	1,101,377
Land	0	0	0	0	0
Administration	0	0	0	0	0
Total Capital Outlay	234,335	730,074	2,023,987	493,212	1,530,775
Total Expenses	615,504	1,087,757	6,967,921	4,187,573	2,780,348
Revenue Less Expenses	216,399	(251,422)	3,991,625	4,661,135	(669,510)