

Upper Blue Sanitation District
Board of Directors Meeting
Thursday July 11, 2024 @ 5:30 PM

I. ROLL CALL:

Mr. Orwig called the meeting of the Upper Blue Sanitation District Board of Directors to order at 5:30 PM. Mrs. Signe Stimson, Mr. Dan Corwin, Mr. Rick Orwig and Mr. Robin Theobald answered "present" at roll call.

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

II. MINUTES:

June 13, 2024 minutes: Mr. Corwin made a motion to approve the June 13, 2024 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: None

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 of Directors.

VI. FINANCIAL REPORT:

Mr. Bill Flynn, CPA presented the 2023 audited financial statements to the Board of Directors during the work session. The 2023 audited financial statements were accepted by the Board of Directors.

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.

B. Manager Report:

-Iowa Hill modifications: The contract has been signed and the Notice to proceed has been issued. The work has begun and is progressing smoothly.

-The Peak Seven sewer replacement project has begun and is expected to go through September. Mr. Carlberg said that he has been working with Stan Miller Inc. on a few modifications that should provide cost savings.

-The Woodmoor cleaning and repair project has begun and is progressing smoothly. The contractor provided door hangers informing property owners of the project.

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-IWS lawsuit: The two-week trial concerning the malfunction of the South Blue River leach field was completed successfully. The Jury awarded the District \$1.99 Million, plus reimbursement of the District's litigation costs.

VIII. OLD BUSINESS:

IX. NEW BUSINESS:

D. QP Services Pay Request #2:

Mr. Carlberg said that QP Services is the contractor doing the Woodmoor sewer line cleaning and restoration project. QP Services has submitted pay request #2 in the amount of \$72,701.35. Mr. Carlberg said he recommends that the Board approve QP Services Pay Request #2 in the amount of \$72,701.35.

Mr. Corwin made a motion to approve QP Services Pay Request #2 in the amount of \$72,701.35. Mr. Theobald seconded the motion. The motion was passed unanimously by the Board of Directors.

X. CORRESPONDENCE:

XI. ADJOURN:

Mr. Theobald made a motion to adjourn the meeting at 5:50 PM. Mrs. Stimson seconded the motion. The motion was passed unanimously by the Board of Directors.



Mr. Rick Orwig, President



Mrs. Signe Stimson, Vice President

Upper Blue Sanitation District
Comparative Balance Sheet-UNAUDITED DRAFT
June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Current Assets:</u>			
Petty Cash	\$200	\$200	-
Checking-Wells Fargo Bank	10,461,889	11,082,304	(620,415)
Colotrust Plus	28,302,129	26,793,400	1,508,729
ColoTrust Prime	4,197,662	3,984,825	212,837
Total Cash and Equivalents	<u>42,961,880</u>	<u>41,860,729</u>	<u>1,101,151</u>
Investments			
Construction In Progress	4,205,564	400,703	3,804,861
Cert. of Deposit & Treasuries	-	-	-
Total Investments	<u>4,205,564</u>	<u>400,703</u>	<u>3,804,861</u>
Other Current Assets			
Receivables-Utility + Spec. Assessments	15,578	35,093	(19,515)
Developer/Contractor Escrow	189,723	189,723	-
Interest Receivable & Market Adjustments	-	-	-
Notes Receivable	19,774	35,061	(15,287)
Prepaid Expenses	95,586	85,791	9,795
Emp. Loan Assist. Notes Receivable	26,662	27,839	(1,177)
Total Other Assets	<u>347,323</u>	<u>373,507</u>	<u>(26,184)</u>
Total Current Assets:	<u>47,514,767</u>	<u>42,634,939</u>	<u>4,879,828</u>
Property Plant and Equipment:			
Land	868,609	868,609	-
Easements	98,254	98,254	-
Sewer Lines	23,848,825	20,778,793	3,070,032
Treatment Plants	84,403,473	83,357,771	1,045,702
Office Equipment	287,825	252,351	35,474
Other Machines & Equipment	573,511	573,511	-
Autos & Trucks	1,802,367	1,634,128	168,239
IH Administration Building	202,359	164,045	38,314
Upper Blue System Costs	9,334,400	9,334,400	-
Telemetry	440,929	440,929	-
Employee Housing	6,479,585	3,272,447	3,207,138
Total Property Plant and Equipment :	<u>128,340,137</u>	<u>120,775,238</u>	<u>7,564,899</u>
Less Accumulated Depreciation	<u>(54,936,313)</u>	<u>(52,229,382)</u>	<u>(2,706,931)</u>
Net Property Plant and Equipment :	<u>73,403,824</u>	<u>68,545,856</u>	<u>4,857,968</u>
Total Assets:	<u>120,918,591</u>	<u>111,180,795</u>	<u>9,737,796</u>

Liabilities

	<u>2024</u>	<u>2023</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Current Liabilities:</u>			
Accounts Payable	27,831	115,658	(87,827)
Construction/Developer Escrow	189,723	189,723	-
Earned Employee Benefits	184,426	184,180	246
Unearned User Fees	-	-	-
Interest Payable	6,266	7,160	(894)
Loan Payable (Current Portion)	109,448	107,291	2,157
Retainage Payable-Construction in Progress	49,625	-	49,625
Retainage Payable-Blue River	-	-	-
Employee Housing Deposit Payable	2,822	1,822	1,000
Total Current Liabilities:	570,141	605,834	(35,693)
Long Term Liabilities:			
Loan Payable	642,494	751,942	(109,448)
Total Long Term Liabilities:	642,494	751,942	(109,448)
Total Liabilities	1,212,635	1,357,776	(145,141)
Net Assets			
Invested in Capital Assets, Net of Related Debt	76,429,746	67,938,529	8,491,217
Unrestricted Net Assets	23,276,210	21,884,490	1,391,720
Unrestricted Net Assets - Nutrient Reserve	20,000,000	20,000,000	-
Total Contributed Capital	119,705,956	109,823,019	9,882,937
Total Liabilities and Equity	120,918,591	111,180,795	9,737,796

Upper Blue Sanitation District
 Monthly Financial Statement-UNAUDITED DRAFT
 June 30, 2024

	2024 <u>June</u>	2024 <u>Year To Date</u>	2024 <u>Approved Budget</u>	2024 <u>Uncollected</u>	2024 <u>% Uncol/Col</u>
Operating Revenue					
Sewer User Fees	610,584	3,656,036	7,375,000	3,718,964	50
Tap Inspection Fees	300	5,300	4,000	(1,300)	(33)
Miscellaneous Revenue	0	0	5,000	5,000	100
CEBT Dividend	0	0	0	0	#DIV/0!
Camper Dump Fees	1,369	2,567	20,000	17,433	87
Late Fees	4,124	8,649	15,000	6,351	42
Line Extension Fees	15,435	57,311	100,000	42,689	43
Rental Income	9,750	59,425	116,000	56,575	49
Total Operating Revenue	641,562	3,789,288	7,635,000	3,845,712	50
Miscellaneous Revenue					
Interest on Loan Payments	67	2,900	4,000	1,100	28
Plant Investment Fees	127,431	2,023,076	2,027,176	4,100	0
Inclusion Fees	12,368	35,021	100,000	64,979	65
Interest on Investments	143,154	866,016	1,200,000	333,984	28
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	283,020	2,927,013	3,331,176	403,063	12
Total Revenue	924,582	6,716,301	10,966,176	4,249,875	39

Administration Expense	2024 June	2024 Year to Date	2024 Approved Budget	2024 Available	2024 % Available
Payroll & Employee Benefits					
Salaries	144,558	842,874	1,900,000	1,057,126	56
Overtime	932	14,786	45,000	30,214	67
FICA-Admn	8,993	53,004	120,590	67,586	56
Medicare-Admin	2,103	12,396	28,203	15,807	56
401K Contributions	9,733	59,343	145,875	86,532	59
Worker's Compensation Insurance	2,072	8,950	20,000	11,050	55
Health Insurance	27,609	174,477	375,000	200,523	53
Total	196,000	1,165,830	2,634,668	1,468,838	56
Office Supplies	0	916	5,000	4,084	82
Telephone	653	5,824	25,000	19,176	77
Business Expenses	3,347	54,195	50,000	(4,195)	(8)
Bank Service Fees - Admin	0	343	12,000	11,657	97
Legal Counsel	11,123	100,804	100,000	(604)	(1)
Education	68	8,275	25,000	16,725	67
Audit & Accounting	0	0	12,000	12,000	100
Legal Publications	52	229	5,000	4,771	95
Board Members	500	3,000	6,000	3,000	50
Elections	0	0	5,000	5,000	100
Computer Expenses	0	18,889	40,000	21,111	53
Copy Machine & Supply	0	1,001	1,000	(1)	(0)
Postage & Meter Rent	1,294	9,972	17,000	7,028	41
Insurance - General	14,724	88,346	175,000	86,654	50
Insurance - Deductible	0	0	1,000	1,000	100
Engineering	1,980	41,381	75,000	33,619	45
Tools	125	1,575	2,500	925	37
Vehicle Expense	0	0	500	500	100
Dues & Memberships	3,800	5,300	15,000	9,700	65
Safety	1,542	6,303	5,000	(1,303)	(26)
Summit Water Quality	0	18,531	22,000	3,469	16
Building Maintenance	8,356	25,274	27,000	1,726	6
Employee Housing Maintenance	1,166	15,119	35,000	19,881	57
Employee Housing Utilities	1,063	13,977	24,000	10,023	42
Total Administration	245,793	1,584,884	3,319,668	1,734,784	52
Iowa Hill Plant Expenses					
Utilities					
Gas	1,306	9,611	65,000	55,389	85
Electric	1,134	5,692	170,000	164,308	97
Freight	25	1,380	15,000	13,620	91
Equipment Repairs	2,337	3,339	30,000	26,661	89
Chemicals	0	0	100,000	100,000	100
Supplies	653	4,391	10,000	5,609	56
Contracted Repairs	2,995	46,796	60,000	13,204	22
Laboratory Supplies	439	12,301	15,000	2,699	18
Biomonitoring	0	0	0	0	#DIV/0!
Discharge Permit	0	0	10,000	10,000	100
Site Monitoring	1,030	2,567	15,000	12,433	83
Total Iowa Hill	9,919	86,077	490,000	403,923	82

June Financial Statement Cont.

	2024 <u>June</u>	2024 <u>Year to Date</u>	2024 <u>Approved Budget</u>	2024 <u>Available</u>	2024 <u>% Available</u>
Farmers Korner Expenses					
Utilities					
Gas	0	30,449	115,000	84,551	74
Electric	40,804	240,480	750,000	509,520	68
Freight	0	223	60,000	59,777	100
Equipment Repairs	276	12,894	115,000	102,106	89
Chemicals	31,849	305,586	600,000	294,414	49
Supplies	0	4,778	10,500	5,722	54
Contracted Repairs	6,030	53,824	150,000	96,176	64
Dumpster Charges	1,100	6,600	18,000	11,400	63
Biomonitoring	0	0	7,800	7,800	100
Discharge Permit	0	1,797	20,000	18,203	91
Composting	7,253	56,424	165,000	108,576	66
Site Monitoring	317	4,018	40,000	35,982	90
Sludge Hauling Costs	5,500	45,000	105,000	60,000	57
State Health Fees	0	90	2,500	2,410	96
Total Farmers Korner	93,129	762,163	2,158,800	1,396,637	65
South Blue Expenses					
Utilities					
Gas	426	7,514	17,000	9,486	56
Electric	4,261	20,075	60,000	39,925	67
Equipment Repairs	4,357	8,228	6,000	(2,228)	(37)
Supplies	0	0	1,000	1,000	100
Contracted Repairs	3,200	5,140	8,000	2,860	36
Discharge Permit	0	0	4,500	4,500	100
Site Monitoring	588	3,731	12,000	8,269	69
Total South Blue	12,832	44,688	108,500	63,812	59
Collection Expenses					
Utilities	1,861	10,239	28,000	17,761	63
Vehicle Expense	3,475	19,799	60,000	40,201	67
Line Cleaner Expenses	375	446	12,000	11,554	96
Manhole Repairs/Line Repairs	32,296	73,311	160,000	86,689	54
Equipment Repairs	66	5,321	20,000	14,679	73
CCTV Expense	0	0	7,500	7,500	100
Total Collection	38,073	109,116	287,500	178,384	62
Total Operating Expenditures	399,746	2,586,928	6,364,468	3,777,540	59
Net Cash from Operations	241,816	1,202,360	1,270,533	68,173	5
Replacement Capital					
Administration	0	17,832	50,000	32,168	64
Employee Housing	0	0	0	0	#DIV/0!
Plant:					
IH	34,504	91,858	7,500,000	7,408,142	99
FK	24,731	41,704	935,000	893,296	96
South Blue	0	0	75,000	75,000	100
Collection					
Misc.	78,971	136,564	1,410,000	1,273,436	90
Vehicle	0	0	0	0	#DIV/0!
Total Replacement Capital	138,206	287,958	9,970,000	9,682,042	97
Non Operating Expenses					
Bond Principal	0	54,452	107,000	52,548	49
Bond Interest	0	7,519	26,813	19,294	72
Total Non Operating	0	61,971	133,813	71,842	54

June Financial Statement Cont.

	<u>2024 June</u>	<u>2024 Year to Date</u>	<u>2024 Approved Budget</u>	<u>2024 Available</u>	<u>2024 % Available</u>
Capital Outlay					
Plant:					
IH	7,995	128,274	7,500,000	7,371,726	98
FK	0	806,198	3,950,000	3,143,802	80
South Blue	0	0	2,000,000	2,000,000	0
Employee Housing	0	0	1,600,000	1,600,000	100
Collection	495	42,295	1,950,000	1,907,705	98
Land					
Administration	0	0	50,000	50,000	100
Total Capital Outlay	<u>8,490</u>	<u>976,767</u>	<u>17,050,000</u>	<u>16,073,233</u>	<u>94</u>
Total Expenses	<u>546,442</u>	<u>3,913,624</u>	<u>33,518,280</u>	<u>29,604,656</u>	<u>88</u>
Total Revenue - Total Expenses	<u>378,140</u>	<u>2,802,677</u>			

Upper Blue Sanitation District
 Comparative Financial Statement-UNAUDITED DRAFT
 June 30, 2024 vs. June 30, 2023

	2024 June	2023 June	2024 Year To Date	2023 Year to Date	Increase (Decrease)
Operating Revenue					
Sewer User Fees	610,584	583,271	3,656,036	3,490,130	165,906
Tap Inspection Fees	300	400	5,300	1,700	3,600
Miscellaneous Revenue	0	0	0	0	0
CEBT Dividend	0	0	0	0	0
Camper Dump Fees	1,369	2,532	2,567	4,483	(1,916)
Late Fees	4,124	2,301	8,649	7,816	833
Line Extension Fees	15,435	15,938	57,311	72,029	(14,718)
Rental Income	9,750	8,800	59,425	52,800	6,625
Total Operating Revenue	641,562	613,242	3,789,288	3,628,958	160,330
Miscellaneous Revenue					
Interest on Loan Payments	67	70	2,900	1,511	1,389
Plant Investment Fees	127,431	132,965	2,023,076	770,265	1,252,811
Inclusion Fees	12,368	12,226	35,021	44,132	(9,111)
Interest on Investments	143,154	130,887	866,016	736,021	129,995
Transfer from Reserve	0	0	0	0	0
Total Miscellaneous Revenue	283,020	276,148	2,927,013	1,551,929	1,373,695
Total Revenue	924,582	889,390	6,716,301	5,180,887	1,535,414

June Comparative Statement Cont.

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	2024 <u>June</u>	2023 <u>June</u>	2024 <u>Year to Date</u>	2023 <u>Year to Date</u>	Increase <u>(Decrease)</u>
Administration Expense					
Payroll & Employee Benefits					
Salaries	144,558	125,006	842,874	749,350	93,524
Overtime	932	3,945	14,786	17,812	(3,026)
FICA-Admn	8,993	7,920	53,004	47,101	5,903
Medicare-Admin	2,103	1,852	12,396	11,015	1,381
401K Contributions	9,733	9,302	59,343	55,546	3,797
Worker's Compensation Insur	2,072	1,755	8,950	8,581	369
Health Insurance	27,609	27,383	174,477	154,342	20,135
Total	196,000	177,163	1,165,830	1,043,747	122,083
Office Supplies	0	0	916	1,006	(90)
Telephone	653	1,428	5,824	10,442	(4,618)
Business Expenses	3,347	2,658	54,195	28,516	25,679
Bank Service Fees - Admin	0	0	343	0	343
Legal Counsel	11,123	3,811	100,604	103,853	(3,249)
Education	68	600	8,275	10,177	(1,902)
Audit & Accounting	0	0	0	9,000	(9,000)
Legal Publications	52	31	229	1,819	(1,590)
Board Members	500	500	3,000	2,800	200
Elections	0	0	0	1,611	(1,611)
Computer Expenses	0	4,456	18,889	28,320	(9,431)
Copy Machine & Supply	0	0	1,001	508	493
Postage & Meter Rent	1,294	619	9,972	7,814	2,158
Insurance - General	14,724	15,550	88,346	82,745	5,601
Insurance - Deductible	0	0	0	0	0
Engineering	1,980	23,131	41,381	60,952	(19,571)
Tools	125	27	1,575	3,107	(1,532)
Vehicle Expense	0	0	0	0	0
Dues & Memberships	3,800	3,800	5,300	7,586	(2,286)
Safety	1,542	711	6,303	1,539	4,764
Summit Water Quality	0	0	18,531	0	18,531
Building Maintenance	8,356	1,404	25,274	18,362	6,912
Employee Housing Maintenan	1,166	10,934	15,119	17,858	(2,739)
Employee Housing Utilities	1,063	1,595	13,977	7,154	6,823
Total Administration	245,793	248,218	1,584,884	1,448,916	135,968
Iowa Hill Plant Expenses					
Utilities					
Gas	1,306	863	9,811	13,788	(4,177)
Electric	1,134	974	5,692	4,675	1,017
Freight	25	225	1,380	912	468
Equipment Repairs	2,337	2,990	3,339	3,759	(420)
Chemicals	0	0	0	0	0
Contracted Repairs	653	3,496	4,391	26,809	(22,418)
Laboratory Supplies	2,995	550	46,796	6,750	40,046
Biomonitoring	439	0	12,301	0	12,301
Discharge Permit	0	0	0	0	0
Supplies	0	182	0	1,834	(1,834)
Site Monitoring	1,030	128	2,567	768	1,799
Total Iowa Hill	9,919	9,408	86,077	59,285	26,782

June Comparative Statement Cont.

	2024 <u>June</u>	2023 <u>June</u>	2024 <u>Year to Date</u>	2023 <u>Year to Date</u>	Increase <u>(Decrease)</u>
Farmers Korner					
Utilities					
Gas	0	0	30,449	47,098	(16,649)
Electric	40,804	34,691	240,480	283,770	(43,290)
Freight	0	3,604	223	38,347	(38,124)
Equipment Repairs	276	2,251	12,894	29,027	(16,133)
Chemicals	31,849	62,990	305,586	307,272	(1,686)
Supplies	0	338	4,778	3,904	874
Contracted Repairs	6,030	6,404	53,824	48,372	5,452
Dumpster Charges	1,100	1,100	6,600	8,830	(2,230)
Biomonitoring	0	0	0	0	-
Discharge Permit	0	0	1,797	1,938	(141)
Composting	7,253	8,482	56,424	62,129	(5,705)
Site Monitoring	317	866	4,018	6,079	(2,061)
Sludge Hauling Costs	5,500	6,250	45,000	50,250	(5,250)
State Health Fees	0	0	90	0	90
Total Farmers Korner	93,129	126,976	762,163	887,016	(124,853)
South Blue Expenses					
Utilities					
Gas	426	1,250	7,514	7,693	(179)
Electric	4,261	3,819	20,075	23,604	(3,529)
Equipment Repairs	4,357	0	8,228	0	8,228
Contracted Repairs	0	0	0	385	(385)
Supplies	3,200	0	5,140	0	5,140
Discharge Permit	0	0	0	0	-
Site Monitoring	588	588	3,731	3,528	203
Total South Blue	12,832	5,657	44,688	35,210	9,478
Collection Expenses					
Utilities	1,861	1,777	10,239	8,110	2,129
Vehicle Expense	3,475	2,807	19,799	17,782	2,017
Line Cleaner Expenses	375	0	446	2,426	(1,980)
Manhole Repairs/Line Repair	32,296	4,310	73,311	32,529	40,782
Equipment Repairs	66	53	5,321	13,838	(8,517)
CCTV Expense	0	1,079	0	2,170	(2,170)
Total Collection	38,073	10,026	109,116	76,855	32,261
Total Operating Expenditure	399,746	400,285	2,586,928	2,507,292	79,636
Net Cash from Operations	241,816	212,957	1,202,360	1,121,666	80,694
Replacement Capital					
Administration	0	0	17,832	0	17,832
Employee Housing	0	0	0	0	-
Plant:					
IH	34,504	340,341	91,858	363,344	(271,486)
FK	24,731	0	41,704	109,772	(68,068)
South Blue	0	0	0	0	-
Collection	0	0	0	0	-
Misc.	78,971	150,530	136,564	190,631	(54,067)
Vehicle	0	0	0	65,490	(65,490)
Total Replacement Capital	138,206	490,871	287,958	729,237	(441,279)
Non Operating Expenses					
CWRPDA Loan Principal	0	0	54,452	53,379	1,073
Loan Interest	0	0	7,519	8,592	(1,073)
Total Non Operating	0	0	61,971	61,971	0

June Comparative Statement Cont.

	<u>2024</u> <u>June</u>	<u>2023</u> <u>June</u>	<u>2024</u> <u>Year to Date</u>	<u>2023</u> <u>Year to Date</u>	
Capital Outlay					
Plant-IH-CO	7,995	340,341	128,274	363,344	(235,070)
Plant-FK-CO	0	165,074	806,198	317,693	488,505
Plant-South Blue-CO	0	0	0	0	0
Employee Housing	0	863,799	0	3,207,138	(3,207,138)
Collection	495	330	42,295	21,639	20,656
Land		0		0	0
Administration	0	0	0	0	0
Total Capital Outlay	8,490	1,369,544	976,767	3,909,814	(2,933,047)
Total Expenses	546,442	2,260,700	3,913,624	7,208,314	(3,294,690)
Revenue Less Expenses	378,140	(1,371,310)	2,802,677	(2,027,427)	4,785,709