

**South Douglas Highway Water & Sewer District  
Budget Hearing and Regular Meeting Minutes  
Wednesday, June 24, 2020, 12:00 p.m.**

**Conference Room / K2 Technologies – 400 South Gillette Avenue, Gillette, Wyoming**

**Board Members Present:** Bill Edenfield, Arlyn Magnuson, David Riley, Dennis Stillman  
**Board Members Approved Absent:** Dan King  
**Others Present:** Helenanne Cathey

**BUDGET HEARING**

David Riley called the budget hearing to order at 12:00 p.m. There have been no changes to the proposed budget since it was approved in April. There was an opportunity for public comment. David Riley adjourned the budget hearing at 12:02 p.m.

**REGULAR MEETING**

David Riley called the regular meeting to order at 12:02 p.m.

**Meeting Minutes**

It was moved by Bill Edenfield and seconded by Arlyn Magnuson to approve the minutes for the regular meeting on May 27, 2020, as presented. Motion carried unanimously.

**Financial Information / Treasurer's Report / Bill Payments / Quarterly Reports**

The financial information was reviewed, including the Treasurer's Report and List of Bills and Claims. It was moved by Dennis Stillman and seconded by Arlyn Magnuson to accept the Treasurer's Report and pay the bills and claims as presented. Motion carried unanimously. The following checks were approved:

Ck#	Vendor	Description	Amount
2961	Cathey Consulting	Inv. 5500 - May Admin./Bookkeeping/Compliance/Postage	\$403.50
2962	DESK Holdings, LLC	Rent	\$375.00
2963	Gillette News-Record	Ad 00360980 - Budget hearing ad	\$322.89
EFT	Wyo-Star II	05/31/20 Assessments to WyoStar II Accounts (Phase I)	\$94,735.20
EFT	Wyo-Star II	05/31/20 Assessments to WyoStar II Accounts (SID 1)	\$3,593.21
EFT	Wyo-Star II	05/31/20 Assessments to WyoStar II Accounts (SID 2)	\$5,193.56
<b>TOTAL CHECKS</b>			<b>\$104,623.36</b>

**Unfinished Business**

- a. Budget – It was moved by Bill Edenfield and seconded by Arlyn Magnuson to adopt the budget for 7/1/20 – 6/30/21 for an amount of \$1,364,203. Motion carried unanimously. The budget is attached to these minutes.

**New Business**

- a. Two board members signed the Public Records notice to submit to the County indicating that the District's records are stored at the office of Cathey Consulting (400 S Gillette Avenue, Suite 106, Gillette). There was discussion on the records storage. Although the notice states that records are stored at Cathey Consulting, Cathey Consulting really only stores current year and prior year records at her office. All past year records are stored in the K2 Building that are not in Cathey Consulting's office, but Helenanne Cathey is the contact for the public to view District records and has access to those records. The District pays rent for the office that stores South Douglas Highway Water and Sewer District records and files/filing cabinets, etc. The District has numerous boxes for past years' records, especially due to the sewer project. Helenanne Cathey does not at the current time have space for all of South Douglas Highway's records in her office.
- b. One Board member signed the letter for Bennett, Weber & Hermstad to submit to the State Loan and Investment Board requesting loan balance information as part of the CPA review for 6/30/20.
- c. It was moved by Arlyn Magnuson and seconded by Bill Edenfield to submit memos to the State Treasurer for loan payments as listed below. Motion carried unanimously.

CWSRF-051 (Phase I)

Debit Funds:	WYOSTAR Account # 7016-3280	Loan Payment
Credit Funds:	SRF Loan Payment CWSRF-051	\$313,013.08
	Amount: \$313,013.08	
	Effective Date: Monday, July 6, 2020	
CWSRF-073 (Phase II Construction)		

Debit Funds:	WYOSTAR Account # 7017-3281 (SID 1):	Loan Payment
	WYOSTAR Account # 7018-3282 (SID 2):	\$28,721.73
	WYOSTAR Account # 7019-3283 (SID 3):	\$19,440.67
	<u>WYOSTAR Account # 7019-3283 (SID 3):</u>	<u>\$14,019.29</u>
	Total Debit Funds:	\$62,181.69
Credit Funds:	SRF Loan Payment CWSRF-073	
	Amount: \$62,181.69	
	Effective Date: Monday, July 6, 2020	

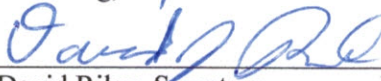
- d. Legal ads – There was discussion on the cost for legal ads, and a suggestion was made to send a letter to someone regarding the costs of printed legal ads and doing away with that requirement. An alternative may be a state website that every District can post to or some sort of electronic posting service. The Board requested a letter be sent to local legislators. Helenanne Cathey will draft a letter for the Board to review at the next meeting.

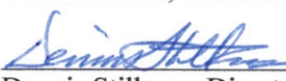
**Adjourn**

David Riley adjourned the meeting at 12:16 p.m.

**Next Meeting: Wed., July 22, 2020, 12:00 p.m. – Regular Meeting / Conference Room at K2 Technologies.**

Respectfully submitted,  
Helenanne Cathey, Assistant to the Board

_____ Dan King, President	_____ Date
	7/23/20
_____ David Riley, Secretary	_____ Date

_____ Bill Edenfield, Director	_____ Date
	July 22, 2020
_____ Dennis Stillman, Director	_____ Date

_____ Arlyn Magnuson, Treasurer	_____ Date
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South Douglas Highway Water & Sewer District  
Budget - 7/1/20 - 6/30/21

Budget Hearing Date: June 24, 2020, 12:00 p.m.  
at 400 South Gillette Avenue, Gillette


Mailing Address: PO Box 2245, Gillette, WY 82717


	Previous Year 7/1/18 - 6/30/19 (From QB Accruals Bal Sheet & P & L)	F32 Numbers	FY 19-20 Special Fund	FY 19-20 Budget General Fund (0 mil)	Total FY 19-20 Entity Budget	Current Year Accrual (ESTIMATED) 7/1/19 - 6/30/20	FY 20-21 Special Fund	FY 20-21 Budget General Fund (0 mil)	Total FY 20-21 Entity Budget
<b>ESTIMATED BEGINNING BALANCE</b>	\$1,517,637	\$1,528,183	\$757,028	\$151,501	\$908,529	\$924,193	\$811,000	\$152,886	\$963,886
<b>REVENUES</b>									
Taxes and assessments		\$388,743		\$0	\$0			\$0	\$0
Special Assessments									
Phase 1 - Antelope Valley + 310 X 984 + 4387.74 + 4619.70	\$314,027		\$314,027		\$314,027	\$314,027	\$314,027		\$314,027
36X 1000 Phase 2 - SID 1	\$36,326		\$36,000		\$36,000	\$36,326	\$36,000		\$36,000
22 X 1020 Phase 2 - SID 2	\$22,440		\$22,440		\$22,440	\$22,440	\$22,440		\$22,440
11 X 1450 Phase 2 - SID 3	\$15,950		\$15,950		\$15,950	\$15,950	\$15,950		\$15,950
<b>Total Special Assessments</b>	<b>\$388,743</b>		<b>\$388,417</b>		<b>\$388,417</b>	<b>\$388,743</b>	<b>\$388,417</b>		<b>\$388,417</b>
Interest - Special Assessments	\$1,787	\$1,798	\$700		\$700	\$1,054	\$700		\$700
Plant Investment Fees	\$14,000	\$14,000				\$0			
Miscellaneous						\$4			
Interest on General Fund and Reserves	\$19,199	\$19,199	\$10,000	\$100	\$10,100	\$14,995	\$10,000	\$1,200	\$11,200
Sewer Connections									
<b>TOTAL REVENUES</b>	<b>\$423,729</b>	<b>\$423,740</b>	<b>\$399,117</b>	<b>\$0</b>	<b>\$399,217</b>	<b>\$404,796</b>	<b>\$399,117</b>	<b>\$0</b>	<b>\$400,317</b>
<b>TOTAL BEGINNING BALANCE PLUS REVENUES</b>	<b>\$1,941,366</b>		<b>\$1,156,145</b>	<b>\$151,501</b>	<b>\$1,307,746</b>		<b>\$1,210,117</b>	<b>\$152,886</b>	<b>\$1,364,203</b>
<b>OPERATING EXPENSES</b>									
<b>Contractual Services</b>									
Legal Services	\$250			\$1,000	\$1,000	\$0		\$1,000	\$1,000
Accounting and Auditing Services	\$5,750			\$4,500	\$4,500	\$5,125		\$5,500	\$5,500
Consultant Administrative Services	\$4,946			\$6,000	\$6,000	\$300		\$2,500	\$2,500
Administrative Support Services	\$4,880			\$5,300	\$5,300	\$4,800		\$5,300	\$5,300
Sewer Locating Services	\$496			\$2,000	\$2,000	\$0		\$2,000	\$2,000
<b>Total Contractual Services</b>	<b>\$16,322</b>	<b>\$16,694</b>		<b>\$18,800</b>	<b>\$18,800</b>	<b>\$10,225</b>		<b>\$16,300</b>	<b>\$16,300</b>
<b>Office Expenses</b>									
Postage	\$177			\$600	\$600	\$180		\$600	\$600
Advertising/Public Notices	\$293			\$600	\$600	\$350		\$600	\$600
Election Expenses	\$0			\$800	\$800	\$862		\$800	\$800
Office Rent	\$4,500			\$4,500	\$4,500	\$4,500		\$4,500	\$4,500
Other				\$100	\$100	\$100		\$100	\$100
E-mail	\$98			\$150	\$150	\$98		\$150	\$150
<b>Total Office Expenses</b>	<b>\$5,068</b>	<b>\$5,442</b>		<b>\$6,750</b>	<b>\$6,750</b>	<b>\$5,990</b>		<b>\$6,750</b>	<b>\$6,750</b>
<b>Indirect Costs</b>									
Insurance & Bond Expense	\$750	\$750		\$1,000	\$1,000	\$750		\$1,000	\$1,000
Board Expenses	\$746			\$750	\$750	\$472		\$750	\$750
<b>Total Indirect Costs</b>	<b>\$1,496</b>	<b>\$750</b>		<b>\$1,750</b>	<b>\$1,750</b>	<b>\$1,222</b>		<b>\$1,750</b>	<b>\$1,750</b>
<b>Operating / Miscellaneous Costs</b>									
Tap Fees									
Miscellaneous Repairs				\$0	\$0	\$0		\$0	\$0
<b>Total Operating / Misc. Costs</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$22,886</b>	<b>\$22,886</b>		<b>\$27,300</b>	<b>\$27,300</b>	<b>\$17,437</b>		<b>\$24,800</b>	<b>\$24,800</b>
<b>MISCELLANEOUS EXPENSES</b>									
From Cash Reserve for Misc. Exp.				\$15,000	\$15,000	\$0		\$15,000	\$15,000
<b>TOTAL CAPITAL EXPENSE</b>				<b>\$0</b>	<b>\$0</b>			<b>\$0</b>	<b>\$0</b>
<b>DEBT SERVICE ON PHASE 1 (051)</b>									
Principal	\$549,446	\$916,704	\$250,638		\$250,638	\$265,710	\$265,710		\$265,710
Interest	\$49,312	\$55,426	\$62,375		\$62,375	\$42,252	\$47,303		\$47,303
	\$598,758	\$972,130	\$313,013	\$0	\$313,013	\$307,962	\$313,013	\$0	\$313,013
<b>DEBT SERVICE ON PHASE 2 (073)</b>									
Principal	\$367,258		\$55,181		\$55,181	\$56,801	\$56,801		\$56,801
Interest	\$6,027	included above	\$7,000		\$7,000	\$4,243	\$5,380		\$5,380
	\$373,285		\$62,181	\$0	\$62,181	\$61,044	\$62,181	\$0	\$62,181
<b>TOTAL DEBT SERVICE</b>	<b>\$972,043</b>	<b>\$972,130</b>	<b>\$375,194</b>	<b>\$0</b>	<b>\$375,194</b>	<b>\$369,006</b>	<b>\$375,194</b>	<b>\$0</b>	<b>\$375,194</b>
<b>TOTAL OPERATING, CAPITAL AND DEBT SERVICE EXPENSE</b>	<b>\$994,929</b>	<b>\$995,016</b>	<b>\$375,194</b>	<b>\$42,300</b>	<b>\$417,494</b>	<b>\$386,443</b>	<b>\$375,194</b>	<b>\$39,800</b>	<b>\$414,994</b>
<b>ESTIMATED ENDING BALANCE</b>	<b>\$946,437</b>	<b>\$956,907</b>	<b>\$780,951</b>	<b>\$109,201</b>	<b>\$890,252</b>	<b>\$942,546</b>	<b>\$834,923</b>	<b>\$113,086</b>	<b>\$949,209</b>
<b>CASH ON HAND START OF FY</b>	<b>6/30/2018</b>	<b>6/30/18 (F32)</b>			<b>6/30/2019 (QB)</b>	<b>6/30/2020 (EST)</b>			
General Fund	106,561.00	143,811.00			105,778.00	90,340.00			
Unenc. Reserves (WyoStar)	457,397.00	459,390.00			60,979.00	62,546.00			
Debt Service - Phase 1	663,410.00				678,728.00	696,000.00			
Debt Service - SID 1	115,364.00				34,941.00	55,000.00			
Debt Service - SID 2	108,891.00				26,319.00	35,000.00			
Debt Service - SID 3	66,014.00	924,982.00			17,448.00	25,000.00			
<b>TOTAL</b>	<b>1,517,637.00</b>	<b>1,528,183.00</b>			<b>924,193.00</b>	<b>963,886.00</b>			

CWSRF#051 Loan Prin. 7/18/19: \$1,679,676.30  
CWSRF#073 Loan Prin. 7/18/19: \$168,024.47

**Budget Message**

The District's revenue will stay the same as last year with no mil levy again this year. All services are contracted so no staff are employed by the District. The District maintains an Unencumbered Reserves Balance which will be used in the coming years to manage the District until the District dissolves, which will occur as soon as the debt is paid off. The majority of the District has been annexed into the City of Gillette, so bills are minimal. There is only one small section of sewer line serving Stroup Mobile Home Park that is still in the District.

  
David Riley, Secretary

  
Arlyn Magnuson, Treasurer