

**Stone Gate Estates Improvement & Service District  
Regular Meeting  
MINUTES**

**Monday, May 13, 2019, 7:00 p.m.**

**Office of Cathey Consulting, 400 South Gillette Avenue, Suite 106, Gillette**

BOARD MEMBERS PRESENT: Dave Daigle, Charlotte Terry, Bobby Schmitz  
OTHERS PRESENT: Helenanne Cathey, Duaine Faucett, Kent Terry, Lisa Emmons

President Dave Daigle called the meeting to order at 7:00 p.m.

- I. There was discussion on a property that is being sold and the proposed plans for an indoor arena by the potential buyer of the property. They are proposing a Morton building that is 156' X 80' X 16' tall. A concern was expressed that the building could be used for commercial usage, but after discussion, the consensus was that this building probably isn't big enough for commercial purposes, so that doesn't seem to be an issue. Just a reminder that Stone Gate Estates covenants do not allow any commercial use. A majority of the people in Phase I would have to approve the plans. The construction approval packet was printed and provided to the landowner that is selling.
- II. **Water System Update** – Duaine Faucett from Water Guy reported that they will be flushing the water system tomorrow. Many of the readouts that were originally installed were faulty from the company that sold them to Water Guy. Water Guy went through and changed out all of the readouts on the meters at their cost. Water Guy hasn't passed on any of those replacement costs to the District. Duaine Faucett reported that the regional project just went to bid, and it is supposed to be in before this fall. Karen Farley at DEQ has indicated that a DEQ permit may be required, which will require an engineer, which could increase the cost by several thousand dollars. Bobby Schmitz and Charlotte Terry will follow up with Clark Melinkovich at the County regarding a permit that was approved and also with DOWL if needed. Duaine Faucett requested some rock for better access to the water system.
- III. **Minutes / Treasurer's Report** – Bobby Schmitz moved to approve the minutes for the March 11, 2019, regular meeting as presented. Charlotte Terry seconded. Motion carried unanimously.
- IV. **Treasurer's Report** – Charlotte Terry moved to accept the Treasurer's Report, pay the bills as presented for \$1,627.15 plus \$37.00 reimbursement for Bobby Schmitz and transfer \$1,650 from the money market account to the checking account. Bobby Schmitz seconded. Motion carried unanimously.

Money Market Account Balance end of last meeting:	\$104,675.10
03/31/19 Interest	\$62.58
04/08/19 Ck# 9023 – Transfer to Checking:	\$2,100.00
04/09/19 Deposit – Assessments	\$1,917.00
04/30/19 Interest	\$56.04
03/08/19 Deposit – Assessments	\$7,029.00
<b>Balance in Account Prior to Meeting:</b>	<b>\$111,639.72</b>
05/13/19 Ck# 9024 – Xfer to checking	\$1,650.00
<b>Ending Money Market Balance:</b>	<b>\$109,989.72</b>

Money Market Account – Infrastructure Fund end of last meeting:	\$158,882.57
03/31/19 Interest	\$82.54
04/30/19 Interest	\$84.95
<b>Ending Money Market – Infrastructure Fund Balance:</b>	<b>\$159,050.06</b>

Money Market Account – Pump Replacement end of last meeting:	\$5,285.68
03/31/19 Interest	\$1.35
04/30/19 Interest	\$1.30
<b>Ending Money Market – Pump Replacement Account Balance:</b>	<b>\$5,288.33</b>

Checking Account Balance end of last meeting:	\$6,895.34		
04/08/19 Ck# 9023 – Transfer from Money Mkt:	\$2,100.00		
<b>Check #</b>	<b>Payee</b>	<b>Purpose</b>	<b>Amount</b>

AUTO PAY	Powder River Energy	3126125 2/27/19 – 3/31/19	\$305.58
AUTO PAY	Powder River Energy	8443000 3/1/19 – 3/31/19	\$133.58
2282	Cathey Consulting	Inv. 4880 – Mar. Admin/Books/post.	\$451.10
2283	C N A Surety	Bond – Board	\$105.00
2284	Hawkins, Inc.	Inv. 4464731 – Chlorine	\$354.50
2285	One-Call of Wyoming	Inv. 51774 – Jan., Feb., Mar. locates	\$7.50
2286	Water Guy, LLC	Inv. 2019-269 – Mar. Oper.	\$690.50
TOTAL:			\$2,047.76
Checking Account Balance Prior to Current Meeting:			\$6,947.58
05/13/19	Ck# 9024 – Stone Gate – Deposit	\$1,650.00	
<u>Check #</u>	<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
AUTO PAY	Powder River Energy	3126125 3/31-4/29/19	\$288.61
AUTO PAY	Powder River Energy	8443000 3/31-4/29/19	\$110.29
2287	Cathey Consulting	Inv. 4929 – Apr. Admin/Books/post.	\$452.75
2288	Energy Laboratories	Inv. 226215 – CCR	\$75.00
2289	Hawkins, Inc.	Inv. 4470261 – Chlorine \$5.00	\$10.00
		Inv. 4486253 – Chlorine \$5.00	
2290	Water Guy, LLC	Inv. 2019-350 – Apr. Oper./Meters	\$690.50
2291	Bobby Schmitz	Reimburse fuel cost	\$37.00
TOTAL:			\$1,664.15
<b>Checking Account Balance End of Meeting:</b>			<b>\$6,933.43</b>

Receivables were reviewed.

#### V. Unfinished Business

- a. Review customer / construction issues – None.
- b. Road Work – The County approved the grant application as submitted on 4/2/19. The grant agreement was signed and returned to the County. Bobby Schmitz reported that he has contacted the contractor, and as soon as the weather cooperates, they will start the project. The County is willing to spread the rock with a week's notice. Dustbusters needs a week's notice to apply the mag chloride. The County is not offering any blading due to their budget constraints. Melgaard will come in and blade everything including the road that is getting new material. The County will help spread the rock and will also provide a water truck which will be followed by the mag chloride. The rock that will be put down will be a little different than used before. It is a crushed river rock, satisfying Grade W base gradation criteria, but the raw material is crushed river rock instead of crushed limestone. Bobby Schmitz, Dave Daigle and Kent Terry drove over to Johnson County and spent about a day examining alternative materials to come up with a solution for the complaints about red dirt on the roads.

A couple of e-mails were received regarding concerns on the road work. One landowner expressed concern about the work done on Stone Place. Bobby Schmitz and Dave Daigle both followed up with the landowner. Stone Place will be bladed and will have an application of mag water this year. All roads will be bladed and have mag water this year. Another landowner expressed concerns about an area on Stone Gate Avenue where it is eroding. Bobby Schmitz contacted Black Hills Energy, and this was fixed today.

Charlotte Terry moved to approve an additional amount up to \$3,500 for additional road work to be performed in the upcoming project to include extra material at the well location and the additional blading provided by Melgaard due to the County not providing that service any longer. Bobby Schmitz seconded. Motion carried unanimously.

- c. Reverse Dial system (Reverse 911) set up – Charlotte Terry is setting up this system.
- d. Preliminary Budget – The budget was reviewed. Charlotte Terry moved to approve the preliminary budget for 7/1/19 – 6/30/20 as presented. Bobby Schmitz seconded. Motion carried unanimously. The budget is attached to these minutes. The following legal ad will run at least a week prior to the budget hearing:

**LEGAL NOTICE OF PUBLIC BUDGET HEARING  
STONE GATE ESTATES IMPROVEMENT & SERVICE DISTRICT**

Stone Gate Estates Improvement and Service District will hold a public hearing to review the 7/1/19 – 6/30/20 budget followed by the regular District meeting to adopt the budget and conduct regular business at the office of Cathey Consulting at 400 South Gillette Avenue, Suite 106, Gillette, Wyoming, (City Hall Mall / K2 Technologies Building – entrance is on 4<sup>th</sup> Street across from Arrow Printing) on July 8, 2019, at 7:00 p.m. The budget is summarized below:

Administrative \$7,175 / Indirect \$3,355 / Operations & Misc. \$201,995 / To Reserves \$8,263  
Revenue and Rollover: \$220,788 / Reserves: \$164,338

The annual assessment will stay at \$1,278 per lot. The complete proposed budget is available online at [www.catheyconsulting.net](http://www.catheyconsulting.net) – Stone Gate meeting minutes for 05/13/19. To contact the District or to request special accommodations for the hearing, call Cathey Consulting at 307-685-8235.

## VI. New Business

- a. E-mail and attachments from realtor for 5200 Stone Gate – This was discussed at the start of meeting.
- b. Election of officers – Currently Dave Daigle, President / Charlotte Terry, Treasurer / Bobby Schmitz, Secretary. Bobby Schmitz moved to keep the same slate of officers. Charlotte Terry seconded. Motion carried with Bobby Schmitz and Charlotte Terry voting aye. Dave Daigle opposed.
- c. The Annual Water Quality Report / Consumer Confidence Report is available. The following information will be mailed to residents on a postcard:

Attention Stone Gate Estates I & S District Water Customer,

Your Stone Gate Estates I & S District 2018 Consumer Confidence Report (water quality report) is now available on Water Guy's website at [www.wateryguywyoming.com](http://www.wateryguywyoming.com). Under Water Systems choose the file labeled Stone Gate Estates I & S District, then select 2018 CCR. You may also request a paper copy from Water Guy's office at 512 State Hwy 50 Gillette Wyoming 82718

Remember to contact Water Guy at 307-299-3544 if you have any concerns on the water system and be sure to follow Water Guy on Facebook - [www.facebook.com/wateryguywyoming](https://www.facebook.com/wateryguywyoming).

If you aren't receiving the minutes via e-mail, call Helenanne Cathey at 307-685-8235 to get added to the e-mail list.

- d. A Wyoming Association of Special Districts Newsletter was reviewed. The organization was created a couple of years ago to help monitor and lobby on legislation for special districts.
- e. Charlotte Terry moved to designate Helenanne Cathey as the public records person for the Stone Gate Estates Improvement and Service District. Bobby Schmitz seconded. Motion carried unanimously. A form was completed and will be submitted as required.
- f. Bobby Schmitz reported on a presentation he attended in Gillette regarding the WyoStar program. The WyoStar program has two different funds available for public entities. Public funds cannot be invested just anywhere, but these are two programs allowed for special districts and other governmental entities. The City and County both utilize the WyoStar program. The two programs within the WyoStar program have very low risk, and they have historical earnings much higher than what is currently earned at First National Bank. The WyoStar II program has a little more risk and has a few more requirements (a minimum amount, certain duration to leave funds invested). The WyoStar I program allows funds to be deposited and withdrawn on a daily basis if desired. The District currently earns about .65% from the bank. WyoStar I is currently at 2.305% and WyoStar II is currently at 3.269%. There was discussion on the programs.

Charlotte Terry moved to dissolve the pump replacement fund and move that money to the Infrastructure Fund. Bobby Schmitz seconded. The fund's current balance is \$5,288.33. Motion carried unanimously. In the past, the \$5,000 annual surface use payments that the District received were transferred to this fund. The District no longer receives those payments.

Charlotte Terry moved to transfer \$100,000 from the Money Market Account to the WyoStar I account and move the Infrastructure Fund balance to WyoStar II. Bobby Schmitz seconded. Motion carried unanimously. Helenanne Cathey will draw up the paperwork. These minutes do not reflect these transfers. The final amounts and transfers will be included in the next meeting agenda and minutes.

- VII. Date for next meeting – Monday, July 8, 2019, 7:00 p.m. (Budget Hearing / Regular Meeting)**  
**2019 meetings: Monday, September 9, 2019, 7:00 p.m. / Monday, November 11, 2019, 7:00 p.m.**  
MEETINGS ARE NORMALLY HELD ON THE 2<sup>ND</sup> MONDAY OF EVERY OTHER MONTH  
Location: Office of Cathey Consulting, 400 South Gillette Avenue, Suite 106  
(K<sup>2</sup> Technologies Building, Suite 106) – Entrance is on 4<sup>th</sup> Street

- VIII. Meeting adjourn** – Bobby Schmitz moved to adjourn the meeting. Charlotte Terry seconded. The meeting adjourned at 8:16 p.m.

**NOTES:** The board reminds homeowners of the following:

- a. Water meter repair costs are to be split equally between the District and the homeowner.
- b. Only authorized people are to be opening water meter pits. Any damages that occur because of an unauthorized person entering the meter pit will be 100% the homeowner's responsibility.
- c. Keep the area mowed and/or free of debris around meter pits and readouts. If necessary, the District will hire someone to mow and/or clean it up and the homeowner will be billed.
- d. If you see the red light flashing on the water tank, please call Water Guy at 307-299-9911.
- e. **Check out Water Guy's Facebook page for information regarding water system issues. They will post information there when they are working on projects and when they are having issues with water systems. Go to [www.wateryuywyoming.com](http://www.wateryuywyoming.com) for a link and for other information.**

Respectfully submitted,

Helenanne Cathey, Assistant to the Board of Directors, Stone Gate Estates Improvement & Service District

---

Dave Daigle, President (687-1785)

---

Charlotte Terry, Treasurer (406-586-6456)

---

Robert (Bobby) Schmitz, Secretary (686-0991)

Budget - Stone Gate Estates I & S District - 7/1/2019 - 6/30/2020				
Budget Hearing July 8, 2019, 7:00 p.m. at office of Cathey Consulting / PO Box 992, Gillette, WY 82717				
	Actual	Budget	Actual - EST	Budget
	7/1/17 - 6/30/18	7/1/18 - 6/30/19	7/1/18 - 6/30/19	7/1/19 - 6/30/20
<b>Revenue</b>				
Assessments	63,360	84,348	84,348	84,348
Assessments - Interest	132	50	95	50
Other Property Assessments	1,248	1,560	1,560	1,560
Water Overages from prior FY - Assessed		37	37	100
Water Overages from prior FY - Credited		-37	-37	-100
Grant - County - Roads	0	31,672	30,899	16,250
Grant - County - Roads (spring, 2019 project)			15,097	
Grant - Count-Dist. Meter (33%)	0		0	
Interest	539	200	1,092	1,100
Methane Company Surface Use Payment				
Other Fees (Late, Coll., Tap, etc.)	1,003		1,431	1,200
Water Overages	24,304	24,304	8,263	8,263
Water Usage - City				3,010
From Reserves		20,000		20,000
Receivables End of Prior Yr		4,656		0
<b>TOTAL REVENUE</b>	<b>90,586</b>	<b>166,790</b>	<b>142,785</b>	<b>135,781</b>
<b>CASH CARRYOVER</b>	<b>107,682</b>	<b>146,660</b>	<b>146,660</b>	<b>85,007</b>
<b>TOTAL REVENUE PLUS CASH CARRYOVER</b>	<b>198,268</b>	<b>313,450</b>	<b>289,445</b>	<b>220,788</b>
<b>Expenditures</b>				
<b>Administrative</b>				
Contract Admin./Bookkeeping	6,175	6,000	6,175	6,000
Contract Legal	0	300	0	300
Office / Postage / Advertising / Other	760	800	760	800
Travel	0	75	0	75
<b>TOTAL ADMINISTRATIVE</b>	<b>6,935</b>	<b>7,175</b>	<b>6,935</b>	<b>7,175</b>
<b>Indirect</b>				
Insurance - Liab., Bonding	105	105	105	105
Insurance - Property	2,438	3,250	2,438	3,250
<b>TOTAL INDIRECT COSTS</b>	<b>2,543</b>	<b>3,355</b>	<b>2,543</b>	<b>3,355</b>
<b>Operations</b>				
Misc (Cash Carryover less reserves)		146,660		85,007
Regional Water Base		5,148		5,148
Regional Water Usage				3,010
Water Operator / Meter Reading	11,250	12,000	11,262	12,000
Water Purchases				
Water System Chemicals (Chlorine)	1,454	1,500	1,500	1,500
Water System Electricity	13,358	13,500	13,358	13,500
Water System Repairs & Maintenance	1,207	3,650	159	3,650
Water System Maintenance/Upgrades		9,799		9,799
Water System Testing	1,881	1,200	500	1,200
Water Tank Cleaning & Inspection	0	1,061	0	1,061
Water System - Other Items	638	5,031	500	1,120
Roads	0	72,950	80,741	65,000
Roads - Spring, 2019 project			60,388	
Payables End of Prior Yr		6,288		0
<b>TOTAL OPERATIONS COSTS</b>	<b>29,788</b>	<b>278,787</b>	<b>168,408</b>	<b>201,995</b>
<b>TOTAL EXPENDITURES</b>	<b>39,266</b>	<b>289,317</b>	<b>177,886</b>	<b>212,525</b>
<b>Capital Improvements / Reserves</b>				
Deposits into Reserves	8,494	24,304	24,304	8,263
Payments from Reserves	0	20,000	0	20,000
<b>TOTAL DEPOSITS TO RESERVES</b>	<b>8,494</b>	<b>4,304</b>	<b>24,304</b>	<b>-11,737</b>
<b>TOTAL EXP. PLUS NET RESERVES</b>	<b>47,760</b>	<b>313,621</b>	<b>202,190</b>	<b>220,788</b>
Receivables Start of FY	9,473		4,656	
Payables Balance Start of FY	14,648		6,288	
	<b>6/30/2017</b>	<b>6/30/2018</b>	<b>6/30/2018</b>	<b>6/30/2019</b>
<b>BEGINNING OF FISCAL YEAR BALANCES</b>				
GENERAL FUNDS	107,682	146,660	146,660	85,007
RESERVES BALANCES	130,618	139,418	139,418	164,338
RESTRICTED FUND BALANCES				
<b>TOTAL FUNDS BEGINNING OF YEAR</b>	<b>238,300</b>	<b>286,078</b>	<b>286,078</b>	<b>249,345</b>
Receivables Balance End of FY	4,656			
Payables Balance End of FY (ESTIMATED)	6,288			
End of Year Bank Balance	286,077		249,345	
	<b>6/30/2017</b>	<b>6/30/2018</b>	<b>6/30/2018</b>	<b>6/30/2019</b>
<b>END OF YEAR PROJECTED AMOUNT</b>				
GENERAL FUNDS				
RESERVES BALANCES	139,112	143,722	163,722	152,601
<b>TOTAL FUNDS END OF YEAR</b>	<b>139,112</b>	<b>143,722</b>	<b>163,722</b>	<b>152,601</b>

\$1,278 X 66 (\$1,200 + \$78)  
 (\$78 = \$6.50 regional X 12)  
 780 X 2 lots (65% of \$1,200)  
 25% of Road Project  
 \$3.01 per 1,000 / 1,000,000 gal

\$450 per month

cash carryover  
 \$6.50 per tap per month.  
 (Same as Revenue)  
 \$690.50 + \$248 per mo.

4/17/18 SOQ/VOC \$1,232  
 3/21/17 \$1,500 last cleaning

Overages

CASH CARRYOVER

Net per yr (Revenue minus Expenses - to Reser) 51,320 -171 -35,101 0  
 Net (including cash carryover) 150,508 -171 87,255 0

Budget Message: The District manages the roads and water and covenants. The regional water system should be connected this next fiscal year. The District transfers the amount billed for meter readings to reserves each year for capital improvements and major repairs. \$20,000 is budgeted from reserves if needed for well repairs or hauling water this year.

Board Member Signature

Board Member Signature

Directors: Dave Daigle (Pres.) and Bobby Schmitz (Secretary) terms end March, 2022 / Charlotte Terry (Treasurer) term ends March, 2020.  
 Meetings are held on the second Monday of every other odd month at 400 S Gillette Ave., Suite 106, Gillette, at 7:00 p.m.  
 Records are stored at 400 S Gillette Ae, Suite 106, Gillette.