

Stone Gate Estates Improvement & Service District
Regular Meeting
MINUTES
Monday, May 14, 2018, 7:00 p.m.
Office of Cathey Consulting, 400 South Gillette Avenue, Suite 106, Gillette
Revised 5/16/18

BOARD MEMBERS PRESENT: Dave Daigle, Bobby Schmitz, Charlotte Terry
OTHERS PRESENT: Helenanne Cathey

President Dave Daigle called the meeting to order at 7:00 p.m. The agenda was reviewed, and a couple of items were added.

- I. Water System Update** – The water system information was reviewed and discussed. Water Guy is installing new meter equipment. A letter was reviewed to distribute to landowners regarding an automated calling system. The letter will gather data of Stone Gate residents in order to notify people of water emergencies or other events. The consensus is to have Water Guy set up to send messages when needed. Bobby Schmitz also volunteered to be a backup for sending out messages if needed. A reminder that people can check Water Guy’s website and Facebook page for updates on the water system.
- II. Minutes / Treasurer’s Report** – Bobby Schmitz moved to accept the minutes for the March 12, 2018, regular meeting as presented. Charlotte Terry seconded. Motion carried unanimously.
- III. Treasurer’s Report** – Bobby Schmitz moved to accept the Treasurer’s Report and pay bills as presented for \$2,965.87 and transfer \$3,000 from the money market account to the checking account. Charlotte Terry seconded. Motion carried unanimously.

Money Market Account Balance end of last meeting:	\$118,888.28
03/31/18 Interest	\$23.36
04/10/18 Ck# 9010 – Transfer to Checking:	\$1,900.00
04/30/18 Interest	\$25.07
05/10/18 Deposit – Assessments	\$17,319.53
Balance in Account Prior to Meeting:	\$134,356.24
05/14/18 Ck# 9011 – Xfer to checking	\$3,000.00
Ending Money Market Balance:	\$131,356.24

Money Market Account – Infrastructure Fund end of last meeting:	\$134,025.88
03/31/18 Interest	\$26.18
04/30/18 Interest	\$28.54
Ending Money Market – Infrastructure Fund Balance:	\$134,080.60

Money Market Account – Pump Replacement end of last meeting:	\$5,273.57
03/31/18 Interest	\$0.54
04/30/18 Interest	\$0.65
Ending Money Market – Pump Replacement Account Balance:	\$5,274.76

Checking Account Balance end of last meeting:	\$7,522.10		
04/10/18 Ck# 9010 – Stone Gate (February bills) – Deposit	\$1,900.00		
<u>Check #</u>	<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
AUTO PAY	Powder River Energy	3126125 2/26/18-3/31/18	\$263.69
AUTO PAY	Powder River Energy	8443000 2/26/18-3/31/18	\$134.94
2233	Cathey Consulting	Inv. 4368 – Mar. Admin/Books/postage	\$427.00
2234	C N A Surety	Bond – Board	\$105.00
2235	One Call of Wyoming	Inv. 48224 – Jan-Mar Locate Tickets	\$12.75
2236	Water Guy, LLC	Inv. 2018-255 – Mar. Oper./Meters	\$938.50
TOTAL:			\$1,881.88
Checking Account Balance Prior to Current Meeting:	\$7,540.22		
Bills Paid at Current meeting:			

Check #	Payee	Purpose	Amount
AUTO PAY	Powder River Energy	3126125 3/31/18-4/29/18	\$232.87
AUTO PAY	Powder River Energy	8443000 3/31/18-4/29/18	\$116.00
2237	Cathey Consulting	Inv. 4410 – Apr. Admin/Books/postage	\$426.50
2238	Energy Laboratories	Inv. 148767 – Testing	\$1,232.00
2239	Hawkins, Inc.	Inv. 4254068 – chlorine \$10.00	\$20.00
		Inv. 4269635 – chlorine \$10.00	
2240	Water Guy, LLC	Inv. 2018-359 – Apr. Oper./Meters	\$938.50
TOTAL:			\$2,965.87
05/14/18	Ck# 9011 – Stone Gate – Deposit		\$3,000.00
Checking Account Balance End of Meeting:			\$7,574.35

Receivables were reviewed and discussed.

IV. Unfinished Business

- a. No customer construction requests at this time.
- b. Road Work – Bobby Schmitz is getting estimates for road work. A grant application will be submitted. There was discussion on having a contractor do some blading on the roads to reshape / crown the roads. This will be added to the budget.
- c. Director Election (March 20, 2018 – Daigle, Schmitz) – Election results:
 Votes for 2 directors to serve four year terms:
 Dave Daigle – 29 votes
 Robert Schmitz – 28 votes
 Kent Terry – 1 vote
 Congratulations to Dave and Bobby for your re-election. Oaths were completed as required.
- d. Budget – There was discussion on sending an invoice to Carbon Creek who is the last company that paid the \$5,000 for the road use agreement. The Board asked Helenanne Cathey to send them a bill for the past two years. A note will be included reminding them that “as per the contractual agreement, the District hasn’t received payment for 2017 or 2018.”

There was discussion on the annual assessment. The assessment has been at \$960 since 2005. If the rate is increased to \$1,200, it is a 1.7% annual inflation increase since 2005.

Charlotte Terry moved to approve the preliminary budget as presented (\$278,428). Bobby Schmitz seconded. The budget is attached to these minutes. Motion carried unanimously. The following legal ad will be run in the News-Record 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 7/1/18 – 6/30/19 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 4th Street across from Arrow Printing) on July 9, 2018, at 7:00 p.m. The budget is summarized below:

Administrative \$7,175 / Indirect \$3,355 / Operations & Misc. \$247,254 / Reserves \$20,644
 Revenue and Rollover: \$278,428

The annual assessment will increase to \$1,278 per lot. The complete proposed budget is available online at www.catheyconsulting.net – Stone Gate meeting minutes for 05/14/18. To contact the District or to request special accommodations for the hearing, call Cathey Consulting at 307-685-8235.

V. New Business

- a. Officer elections – Charlotte Terry moved to preserve the officers as stated (Dave Daigle, President / Charlotte Terry, Treasurer / Bobby Schmitz, Secretary). Bobby Schmitz seconded. Motion carried with Bobby Schmitz and Charlotte Terry voting aye. Dave Daigle voted nay.

- b. Address homeowner complaint – Dave Daigle reported that a homeowner had reported a significant amount of gravel had been removed from Stone Crest. Someone saw the person using a backhoe to dig the rock up from the road and haul it onto their personal property. A Board member will follow up on the report by meeting with the homeowner reporting the incident. If it is determined that a theft has occurred the Sheriff's office will be contacted.
- c. Bobby Schmitz moved to double the board member salaries for the next fiscal year. Charlotte Terry seconded. Motion carried unanimously.

VI. **Date for next regular meeting** – Monday, July 9, 2018, 7:00 p.m. (Budget Hearing and Regular Meeting)

VII. **Meeting adjourn** – Charlotte Terry moved to adjourn the meeting. Bobby Schmitz seconded. The meeting adjourned at 8:28 p.m.

**MEETINGS ARE NORMALLY HELD ON THE 2ND MONDAY OF EVERY OTHER MONTH
UPCOMING MEETINGS:**

BUDGET HEARING / REGULAR MEETING: MONDAY, JULY 9, 2018, 7:00 P.M.

**Location: Office of Cathey Consulting, 400 South Gillette Avenue, Suite 106 (K² Technologies Building, Suite 106) –
Entrance is on 4th Street**

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.wateryuyvoming.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 - 7/1/18 - 6/30/19				
Budget Hearing July 9, 2018, 7:00 p.m. at office of Cathey Consulting / PO Box 992, Gillette, WY 82717				
	Actual	Budget	Actual - EST	Budget
	7/1/16 - 6/30/17	7/1/17 - 6/30/18	7/1/17 - 6/30/18	7/1/18 - 6/30/19
Revenue				
Assessments	63,360	63,360	63,360	84,348
Assessments - Interest	128	50	56	50
Other Property Assessments		1,248	1,248	1,560
Grant - County - Roads	11,460	3,000	0	19,000
Grant - Count- Dist. Meter (33%)	2,891		0	
Interest	317	200	550	200
Methane Company Surface Use Payment		5,000		
Other Fees (Late, Coll., Tap, etc.)	1,195	2,000	1,003	
Water Overages	8,494	10,000	20,644	20,644
From Reserves				20,000
Receivables End of Prior Yr				5,702
TOTAL REVENUE	87,845	84,858	86,861	151,504
CASH CARRYOVER	162,407	107,682	107,682	126,924
TOTAL REVENUE PLUS CASH CARRYOVER	250,252	192,540	194,543	278,428
Expenditures				
Administrative				
Contract Admin./Bookkeeping	5,850	6,000	6,155	6,000
Contract Legal	167	300	0	300
Office / Postage / Advertising / Other	421	250	800	800
Travel	69	75	0	75
TOTAL ADMINSTRATIVE	6,507	6,625	6,955	7,175
Indirect				
Insurance - Liab., Bonding	105	105	105	105
Insurance - Property	3,008	3,250	3,008	3,250
TOTAL INDIRECT COSTS	3,113	3,355	3,113	3,355
Operations				
Misc (Cash Carryover less reserves)		107,682		126,924
Regional Water				5,148
Water Operator / Meter Reading	12,175	17,350	11,250	12,000
Water Purchases				
Water System Chemicals (Chlorine)	1,400	1,500	2,000	1,500
Water System Electricity	10,882	13,500	13,000	13,500
Water System Repairs & Maintenance	52,098	3,650	1,207	3,650
Water System Maintenance/Upgrades	8,760	7,240		27,240
Water System Testing	2,015	1,600	1,707	1,200
Water Tank Cleaning & Inspection	1,500	1,500	0	1,061
Water System - Other Items	2,475	2,000	248	5,031
Roads	45,846	12,000	0	50,000
Payables End of Prior Yr				0
TOTAL OPERATIONS COSTS	137,151	168,022	29,412	247,254
TOTAL EXPENDITURES	146,771	178,002	39,480	257,784
Capital Improvements / Reserves				
Deposits into Reserves	23,070	14,538	8,494	20,644
Payments from Reserves	20,000		0	20,000
TOTAL DEPOSITS TO RESERVES	3,070	14,538	8,494	644
TOTAL EXP. PLUS NET RESERVES	149,841	192,540	47,974	278,428
Receivables Start of FY	3,652		947	
Payables Balance Start of FY	1,363		14,648	
	7/1/2016	7/1/2017	7/1/2017	7/1/2018
BEGINNING OF FISCAL YEAR BALANCES				
GENERAL FUNDS	162,407	107,682	107,682	126,924
RESERVES BALANCES	127,355	130,618	130,618	139,354
RESTRICTED FUND BALANCES				
TOTAL FUNDS BEGINNING OF YEAR	289,762	238,300	238,300	266,278
Receivables Balance End of FY	9,473		5,702	
Payables Balance End of FY	14,648		0	
End of Year Bank Balance	238,300		266,278	
	6/30/2016	6/30/2017	6/30/2017	6/30/2018
END OF YEAR PROJECTED AMOUNT				
GENERAL FUNDS				
RESERVES BALANCES	130,425	145,156	139,112	139,998
TOTAL FUNDS END OF YEAR	130,425	145,156	139,112	139,998

Net per yr (Revenue minus Expenses - to Reser) -58,926 14,538 47,381 0
Net (including cash carryover) 100,411 0 146,569 0

Budget Message: The District manages the roads and water and covenants. Rates will increase this year at a rate of 1.7% over the last 14 years (rates haven't increased since 2005) to \$1,200 plus the regional monthly fee of \$6.50 per month (\$78 per year) making the annual assessment \$1,278 per year per lot. Homeowners have indicated they want more money spent on roads so the road budget increased to \$50,000. The District transfers the amount billed for meter readings to reserves. The methane company has not been paying the surface use agreement amount, so that amount will be removed from the budget. \$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.