

Stone Gate Estates Improvement & Service District
Regular Meeting
MINUTES
Monday, May 23, 2022, 7:00 p.m.
Office of Cathey Consulting, 400 South Gillette Avenue, Suite 106, Gillette

BOARD MEMBERS PRESENT: Travis Given, Jodi Schilling, Bobby Schmitz
 OTHERS PRESENT: Helenanne Cathey, Tim Volk

Bobby Schmitz called the meeting to order at 9:02 a.m.

The meeting was originally scheduled for May 9th, but it was rescheduled for today's date.

- I. Water System Update** – The water system information was reviewed.
- II. Minutes / Treasurer's Report** – Travis Given moved to approve the minutes for the March 14, 2022 regular meeting, March 30, 2022, special meeting and March 31, 2022 special meeting. Jodi Schilling seconded. Motion carried unanimously.
- III. Treasurer's Report** – The financial information was reviewed. Travis Given moved to accept the Treasurer's Report and pay bills and transfer \$25,000 from the money market to checking account. Jodi Schilling seconded. Motion carried unanimously.

WyoStar I Account – Balance End of Last Meeting:	\$47,298.96
02/28/22 Interest	\$9.34
03/31/22 Interest	\$13.20
04/30/22 Interest	NO STATEMENT YET
Ending WyoStar Account Balance:	\$47,321.50

WyoStar II Account – Balance End of Last Meeting:	\$219,182.40
02/28/22 Interest	\$232.03
03/31/22 Interest	\$193.45
04/30/22 Interest	NO STATEMENT YET
Ending WyoStar II Account Balance:	\$219,607.88

Money Market Account Balance end of last meeting:	\$94,605.34
3/14-3/31/22 Deposits	\$227.50
03/31/22 Interest	\$13.21
4/1-4/30/22 Deposits - Water	\$0.00
04/11/22 Deposit – Assessments	\$1,278.00
04/30/22 Interest	\$9.45
05/07/22 Xpress Bill Pay	\$0.00
Balance in Account Prior to Meeting:	\$96,133.50*

05/23/22 Ck# 9052 – Stone Gate Estates – Transfer to Checking	\$25,000.00
Money Market Account Balance End of Meeting:	\$71,133.50

***Balance does not reflect any water overage payments since the end of the prior month
 Except for Xpress bill pay deposit (if applicable)**

Checking Account Balance end of last meeting: \$9,864.58

Bills Paid in April:

Check #	Payee	Purpose	Amount	Amount
AUTO PAY	Powder River Energy	Acct 3126125 2/28-4/1/22	\$146.00	\$591.09
AUTO PAY	Powder River Energy	Acct 8443000 12/1-1/1/22	\$445.09	
2474	Cathey Consulting	Inv. 6515 – Mar. Admin/Books/post.		\$600.00
2475	City of Gillette	Bill 1425630 – 3/2-4/4/22 Regional water/0 gal.		\$422.50
2476	C N A Surety	Inv. 71109754 – Bond / board 5/12/22-5/12/23		\$105.00

2477	One-Call of Wyoming	Inv. 63094 – Jan.-Mar. locate tickets/annual membership	\$31.00
2478	Water Guy, LLC	Inv. 2022-288 – Mar. Oper../Meters	\$938.50
TOTAL:			\$2,688.09
Checking Account Balance Prior to Meeting:			\$7,176.49
Bills Paid at Meeting:			
<u>Check #</u>	<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
AUTO PAY	Powder River Energy	3126125 – 4/1-5/1/22	\$141.71
AUTO PAY	Powder River Energy	8443000 – 4/1-5/1/22	\$476.02
2479	Cathey Consulting	Inv. 6554 – Apr.. Admin./Books/Postage	\$600.00
2480	City of Gillette	Bill 1442800 – Regional water 4/4-5/3/22 0 gal.	\$487.50
2481	Energy Laboratories	Inv. 469613 – Annual water quality report	\$125.00
2482	Hawkins, Inc.	Inv. 6163600 – Chlorine	\$10.00
2483	Water Guy, LLC	Inv. 2022-391 – Apr. Water Oper./billing	\$1,541.50
		Inv. 2022-426 – Office supplies	\$190.05
TOTAL:			\$3,571.78
05/23/22	Transfer from Money Market Account:		\$25,000.00
Checking Account Balance End of Meeting:			\$28,604.71
Receivables were reviewed.			

IV. Unfinished Business

- a. Review customer / construction issues – None
- b. No update on installing a system that will notify the District when the regional water kicks on. Travis Given reported that Visionary Communications is currently updating all of the equipment at the well site, so no update is available on this item.
- c. Director Election (March 22, 2022 – 2 directors for 4-year terms and 1 director for the remaining 2 years of a 4-year term) – Election results:

Votes for one director to serve a two-year term:

Jodi Schilling – 21 votes

Votes for two directors to serve four-year terms:

Travis Given – 21 votes

Bobby Schmitz – 21 votes

Oaths were completed as required.

- d. Officer Elections – Jodi Schilling moves to keep officers the same for the next year (Bobby Schmitz, President / Travis Given, Treasurer / Jodi Schilling, Secretary). Travis Given seconded. Motion carried unanimously.
- e. Road work – Blading, mag water and additional crushed limestone was included in a grant application that was approved by the County (Project cost estimates: \$57,133 / Grant amount: \$14,283.25). . The blading was completed, and the contractor will be putting mag water on the roads today. The rock was budgeted at about \$40,000 Stone Gate, but because the roads are in such good shape, the consensus is not to add rock at this time. The grant is good for a year, so if conditions change, rock can still be added. Melgaard Construction sent a notice that a fuel surcharge is being added to their billing. This is becoming common with all contractors right now. The County continues to remain too busy to assist with blading. A concern was noted that the washboard has come back so soon after blading. A homeowner suggested ripping the road in addition to blading because blading is only going to fill in the potholes but won't fix them. Bobby Schmitz reported that he talked to Melgaard Construction before they bladed to ask if he would scarify the road. Melgaard Construction said they try to cut the road down to the bottom of the pothole and then lay the rock back. Melgaard Construction went and drove the roads after the blading and called Bobby Schmitz and commented on the washboard that was already coming back on the hill. Gravel roads and hills – not too uncommon to have washboard like this on hills. There was discussion on the issue. The roads could be bladed more often, but once the mag chloride is put down, if you blade it, you lose the dust control on it. There were a number of dump trucks that came down the roads right after they were bladed which didn't help. A concern was expressed about people speeding on the roads. A reminder to drivers to slow down on the roads – people will be out walking, riding bikes, etc. on the roads now that the weather is nicer. Jodi

Schilling will contact the Sheriff's Office to see if they can put up the electronic sign that shows when a person is speeding on the road and flashes "Slow Down". There is a lot of traffic coming from Red Hills. There is also a lot of heavy trucks using the road.

The mag chloride is being applied this week.

- f. Budget for 7/1/22 – 6/30/23 – The budget was reviewed. Jodi Schilling moved to approve the proposed budget. Travis Given seconded. The annual assessment will increase to \$1,440 per lot which is to offset the increase in costs. Motion carried unanimously. The budget is attached to these minutes. The following legal ad will run in the News-Record on June 28, 2022:

**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 7/1/22 – 6/30/23 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 11, 2022, at 9:00 a.m. The budget is summarized below:

Administrative \$8,875 / Indirect \$3,355 Operations \$210,815 / To Reserves: \$25,000
Revenue (\$170,613) / Rollover (\$77,432) / Reserves end of Year (\$272,000): \$520,045

The annual assessment will increase to \$1,440 per lot. The complete proposed budget is available online at www.catheyconsulting.net – Stone Gate meeting minutes for 05/23/22. To contact the District or to request special accommodations for the hearing, call Cathey Consulting at 307-685-8235.

V. New Business

- a. The insurance renewal form was signed and will be returned to renew the insurance.
- b. Bobby Schmitz talked to Clark Melinkovich at the County to discuss paving the roads. Clark worked up an estimate, based on what the County is experiencing, for what it would cost to pave the roads. The cost would be around \$3.5 million which is about \$52,000 per lot. There was discussion. Paved roads would be nice and people like the idea, but there is also a drawback in that people would likely speed more and there are concerns on the heavy truck traffic and especially the cost. There are some state grant programs that could assist in the cost of such a project. Bobby Schmitz will follow up with the County regarding funding availability.
- c. There was discussion on meeting times, and the consensus is to switch meeting times to 9:00 a.m. instead of 7:00 p.m. the second Monday of every other month starting with the July 11th meeting.
- d. A homeowner asked about adding a greenhouse and small building and putting an archway over their driveway. The consensus of the board is that the archway shouldn't require any approval. Any structure would require plans drawn up and a petition signed by the majority of the owners in the phase which are submitted to the District for review, and the Board, after reviewing the information, notifies the County that information was received and they can go ahead with the permitting process.

VI. Upcoming Meetings –

Regular Meetings: Monday, July 11, 2022, 9:00 a.m. /

Monday, September 12, 2022, 9:00 a.m. / Monday, November 14, 2022, 9:00 a.m.

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

Location: Office of Cathey Consulting, 400 South Gillette Avenue, Suite 106

(K² Technologies Building, Suite 106) – Entrance is on 4th Street

- VII. Meeting adjourn –** Travis Given moved to adjourn the meeting. Jodi Schilling seconded. The meeting adjourned at 9:45 a.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.wateryuywoming.com for a link and for other information.**

Respectfully submitted,
Helenanne Cathey, Assistant to the Board of Directors

Robert (Bobby) Schmitz, President (680-4920)

Travis Given, Treasurer

Jodi Schilling, Secretary

Budget - Stone Gate Estates I & S District - 7/1/2022 - 6/30/2023				
Budget Hearing July 11, 2022, 9:00 a.m. at office of Cathey Consulting / PO Box 992, Gillette, WY 82717				
	Actual (F32)	Budget	Actual - EST	Budget
	7/1/20 - 6/30/21	7/1/21 - 6/30/22	7/1/21 - 6/30/22	7/1/22 - 6/30/23
Revenue				
Assessments	84,348	84,348	84,348	95,040
Assessments - Interest	289	50	79	
Water Overages from prior FY - Assessed	386	386	0	
Water Overages from prior FY - Credited	-386	-386	0	
Other Property Fees (Outside District)	1,560	1,560	1,560	1,755
Grant - County - Roads	15,024	16,250	14,283	16,250
Insurance claim (property - sign damage)	6,119			
Interest	3,865	4,000	2,318	4,000
Other Fees (Late, Coll., Tap, etc.)		1,200		500
Water Overages	23,102	15,525	25,000	33,068
Water Usage - City / Regional Water Billed	4,120	3,010	9,346	
From Reserves		20,000		20,000
Receivables End of Prior Yr		24,699		0
TOTAL REVENUE	138,427	170,642	136,934	170,613
CASH CARRYOVER	68,124	127,028	127,029	77,432
TOTAL BUDGET AMOUNT (ADD IN RESERVES)	206,551	297,670	263,963	248,045
Expenditures				
Administrative				
Contract Admin./Bookkeeping	7,700	7,700	7,700	7,700
Contract Legal	0	300	0	300
Office / Postage / Advertising / Other	409	800	1,200	800
Travel	0	75	0	75
TOTAL ADMINSTRATIVE	8,109	8,875	8,900	8,875
Indirect				
Insurance - Liab., Bonding	105	105	105	105
Insurance - Property	2,558	3,250	2,600	3,250
TOTAL INDIRECT COSTS	2,663	3,355	2,705	3,355
Operations				
Misc (Cash Carryover less reserves)		81,816		77,432
Regional Water Base	5,070	5,070	5,070	5,850
Regional Water Usage	4,121	3,010	9,346	9,270
Water Operator / Meter Reading / Billing	11,262	12,000	13,674	20,155
Water System Chemicals (Chlorine)	1,781	1,500	1,700	1,500
Water System Electricity	12,173	13,500	11,000	13,500
Water System Repairs & Maintenance	956	3,650	5,524	3,650
Water System Maintenance/Upgrades		11,077		11,077
Water System Testing	1,770	1,200	1,117	1,200
Water Tank Cleaning & Inspection	0	1,061	0	1,061
Water System - Other Items	343	1,120	0	1,120
Roads - blading, rock, dust control	62,615	65,000	57,200	65,000
Roads - fencing, signs	6,574			
Payables End of Prior Yr		69,912		0
TOTAL OPERATIONS COSTS	106,665	269,916	104,631	210,815
TOTAL EXPENDITURES	117,437	282,146	116,236	223,045
Capital Improvements / Reserves				
Deposits into Reserves	16,698	23,102	23,102	25,000
Payments from Reserves	0	20,000	0	20,000
TOTAL DEPOSITS TO RESERVES	16,698	3,102	23,102	5,000
TOTAL EXP. PLUS NET RESERVES	134,135	305,248	139,338	248,045
Receivables Start of FY	13,571		24,699	
Payables Balance Start of FY	4,016		69,912	
	6/30/2020	6/30/2021 (EST)	6/30/2021	6/30/2022 (EST)
BEGINNING OF FISCAL YEAR BALANCES				
GENERAL FUNDS	68,124	127,028	127,029	77,432
RESERVES BALANCES	225,064	242,200	241,918	267,000
RESTRICTED FUND BALANCES				
TOTAL FUNDS BEGINNING OF YEAR	293,188	369,228	368,947	344,432
Receivables Balance End of FY	24,699			
Payables Balance End of FY (ESTIMATED)	69,912			
End of Year Bank Balance	368,946		344,432	

was \$1,278
 \$1,350 + 90 = \$1,440 X 66
 (\$90 = \$7.50 regional X 12)
 877.50 X 2 lots (65% of \$1,350)
 25% of Road Project

\$600/mo. + \$500 self-audit

cash carryover
 \$7.50 per tap per mo. X65=\$487.50
 3,000,000 * 3.09
 \$1,679.60 per mo.

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

Prior FY Overages

Cash Carryover (FNB)
 (WyoStar I & II)

Total Budget (Total Exp +
 End of Yr. Reserves) 520,045

Net per yr (Revenue minus Expenses - to Reser)	20,990	-52,790	20,698	0
Net (including cash carryover)	72,416	-7,578	124,625	0

Budget Message: The District manages the roads and water and covenants. The amount billed for meter readings each fiscal year is transferred to reserves in July or September for capital improvements and major repairs. \$20,000 is budgeted from reserves if needed for well repairs or other emergencies. The annual assessment is increasing by \$162 due to rising costs (regional water, Water Guy) and for an increase in services for Water Guy to begin water meter billing and receivables/collections starting in April, 2022. Meter reading billing rates also changed.

Board Member Signature _____ Board Member Signature _____

Directors: Bobby Schmitz (Pres.) and Travis Given (Treasurer) terms end Mar., 2026 / Jodi Schilling (Secretary) term ends 2024
 Meetings are held on the second Monday of every other odd month at 400 S Gillette Ave., Suite 106, Gillette, at 9:00 a.m.
 Records are stored at 400 S Gillette Ae, Suite 106, Gillette.