

**RED HILLS IMPROVEMENT & SERVICE DISTRICT
REGULAR MEETING
MINUTES**

**Wednesday, December 10, 2025, 5:30 p.m.
400 South Gillette Avenue, Suite 106 (Office of Cathey Consulting, LLC)**

BOARD MEMBERS PRESENT: Jami Johnson, Amy Muzzarelli
BOARD MEMBERS APPROVED ABSENT: Bryan Garland
OTHERS PRESENT: Helenanne Cathey

Jami Johnson called the meeting to order at 5:30 p.m.

- I. Minutes Approval** – Jami Johnson moved to approve the November 25, 2025, regular meeting minutes as presented. Amy Muzzarelli seconded. Motion carried by unanimous consent.
- II. Treasurer’s Report Acceptance (Motion to accept treasurer’s report and pay bills) -**
Bank statements and bills were reviewed. The HOA account will be transferred to the road account and closed in the next month or two. Jami Johnson moved to accept the treasurer’s report and pay bills as presented. Amy Muzzarelli seconded. Motion carried by unanimous consent.

Financial Summary:

Red Hills HOA Account (Ending in 338) Balance forward from last meeting: \$29,866.69
Ending Balance in Red Hills HOA Account: \$29,866.69

Red Hills Roads – Savings (Ending in 573) Balance forward from last meeting: \$441,803.10
11/30/25 Interest \$366.90
Ending Balance in Red Hills Roads – Savings Account: \$442,170.00

Red Hills Water – Savings (Ending in 581) Balance forward from last meeting: \$147,193.02
11/30/25 Interest \$122.24
Ending Balance in Red Hills Roads – Savings Account: \$147,315.26

Red Hills Operations – General Fund (Ending in 565) Balance forward fr. last mtg.: \$74,367.67
11/1-11/25/25 Deposits – Water \$6,053.03
Adjusted Balance Forward: \$80,420.70
11/26-11/30/25 Deposits – Water \$190.31
11/30/25 Interest \$30.51
12/05/25 Deposit – Xpress bill pay \$9,507.04
Account Balance Prior to Paying Bills: \$90,148.56

Bills paid this meeting:

<u>Ck#</u>	<u>Name</u>	<u>Description</u>	<u>Amount</u>
AUTO	Powder River Energy	Acct 12406203 11/1-12/1/25 Electricity	\$43.25
AUTO	Powder River Energy	Acct 11826902 11/1-12/1/25 Electricity	\$82.27
AUTO	City of Gillette	Inv. 2182726 water 11/4-12/2/25 441,000 gallons	\$1,917.69
1016	Cathey Consulting	Inv. 8431 – November Admin./Bookkeeping / Compliance.	\$1,000.00
1017	Water Guy	Inv. 2025-1421 – Nov water operator, bacteria sample, locating management, meter rdg., water billing	\$955.80
Total Bills			\$3,999.01
Ending Balance in Operations Account:			\$86,149.55*

*Does not include any deposits from Water Guy for current month (except Xpress bill pay)
Accounts Receivable Balance end of prior month: \$24,991.56

III. Water System Review

- a. Water Guy reports, meter readings, meter reading history and billing were reviewed. Jami Johnson e-mailed Water Guy regarding the 0 usages on the meter reading spreadsheet but hasn't heard back from them. There was discussion on past due accounts.

IV. Unfinished Business

- a. Road project –No update on the PCA Engineering pavement study. The consensus is to have someone from PCA Engineering attend an upcoming meeting to review the options and assist the Board in developing a plan for the roads. Jami Johnson asked PCA Engineering for potential dates that they could attend a meeting in January, but they did not respond.
- b. Signs have not been installed yet. Signs and posts, brackets and hardware will be picked up at the City's warehouse facility. (An additional stop sign and two street signs – Stone View Court and Stone Place Avenue)
- c. Natural Gas – Amy Muzzarelli reported that she called Black Hills Energy again and has not heard back from them. This item will be removed from the agenda.
- d. Water Guy to change out old style radios for approximately 20 meters – Water Guy to provide free labor / cost of \$136.50 each. 9/24/25 approved. No update.
- e. Transfer of assets from the HOA to the ISD / Pat Carpenter – No update.

V. New Business

- a. The following e-mail was received from Hailey Lazarus at Water Guy on 12/5/25: "I had a customer come in today wanting to know how the maintenance of the roads worked out in Red Hills. I read through the covenants but I was under the impression that part of the initial tap fee covered part of the roads. If you wouldn't mind asking Red Hills at their next meeting about how the road repairs work for me and I can let the customer know? I appreciate any help you can provide, thank you!" Amy Muzzarelli will contact Hailey Lazarus at Water Guy.
- b. There was discussion on assessing the base billing next year (\$100 monthly fee for roads and \$35 monthly fee for water). The consensus is to work assessments during the budget process starting in March or April and submit assessments to the County Assessor in June or July after the budget is adopted. The District will also start assessing past due balances. Anyone with a past due balance needs to get their bill caught up! Jami Johnson will work on a letter to send out to homeowners.

VI. Next meeting date/time: Wednesday, January 14, 2026, 3:30 p.m.

The District holds regular, monthly meetings and will schedule the next meeting at each meeting. Meetings are held at the office of Cathey Consulting, 400 South Gillette Avenue, Suite 106, Gillette (office is in the K2 Technologies building / entrance is on 4th Street across from Arrow Printing)

VII. Adjourn – Jami Johnson moved to adjourn. Amy Muzzarelli seconded. The meeting was adjourned at 5:51 p.m.

NOTES:

Fee Schedule (public records) – Approved Cathey Consulting Fee Schedule 6/11/25

Respectfully submitted,

Helennae Cathey, Assistant to the Board

Signature

Bryan Garland

Printed Name

1/14/26

Date

Signature

Amy Muzzarelli

Printed Name

1/14/25

Date

Red Hills Improvement & Service District Board of Directors
Jami Johnson, President / Bryan Garland, Vice President / Amy Muzzarelli, Secretary/Treasurer