

Alpensee Water District
Special Board Meeting Minutes
May 5, 2013

The following are the minutes from the Alpensee Water District (AWD) Board of Directors Special Meeting on May 5, 2013 at 6:30 p.m. 115 Omaha Dr, Breckenridge, CO. [Action items are in blue.](#)

Attendees

Directors

Dick Savidge
Don Skotty
Greg Poulter
Candace Winkle
Mark J Miller

Persons of Interest owning property in the AWD

none

1. Call to order/quorum verification
Director Savidge called the meeting to order and verified a quorum. 5 Directors were in attendance.
2. Disclosure of potential conflicts of interest
Directors Savidge, Skotty, Poulter, Winkle and Miller stated that they were water users and customers of the District. In addition, Director Poulter stated that his house was for sale.
3. Approval of minutes
 - a. from 4/7/2013 meeting. The minutes were not approved as more time was needed for review.
4. Treasurer's report
Director Skotty presented a Budget, Balance sheet and A/R aging summary. The AWD may exceed the budget on water testing and legal expenses; however accounting, audit, contract labor, repairs and maintenance are currently under budget. Barring excessive legal expenses, it is hopeful that the budget will balance by the end of the year. The \$29,000 in the loan payment fund and pledged revenue fund should cover the June loan payment. There is about \$22,000 in Bank of the West (operations fund) plus \$4800 not deposited. As the Emergency Water System Fee (EWSF) is collected, it will be split into its 3 components: the TABOR Emergency Reserve, the debt service fund, and the Operations fund for repairs. Director Skotty spoke with U.S. Bank about the \$1.4 million loan that is due in 2015 and was told that there should only be a nominal fee to refinance the loan when it is due. The audit exemption request has been sent to the State.
Upon motion duly made by Director Savidge, seconded by Director Poulter, and unanimously approved, the Board accepted the Treasurer's Report.
5. District Manager's Report (The AWD is managed by the AWD Board of Directors).
A State Sanitary Inspection was conducted recently. The report will be available in about 45 days. A few things that we can expect to see on the report are:

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- a. At one time a ditch was dug for an emergency drain, this would need to be dug deeper and the drain installed.
 - b. At the front of the pump house there is an outside pipe for the tank to breath that is missing a screen.
 - c. Rubber seals are needed on the access hatches to tank.
 - d. In addition, the State was under the impression that AWD had 84 full time users which result in a "community" status and additional requirements. Director Skotty is working with the State to calculate more accurate number of permanent and transient water users in the AWD.
 - e. It is possible that our shallow wells may be considered "under the influence of surface water". This would require the installation of filters.
6. Unfinished business
- a. Quote from Operator to fix shutoff valves on Alpensee Ct. [Need quote for asphalt.](#)
 - b. Emergency water system fee – part 2. List options and obtain cost for each.
For ii. below, 3 options have been identified:
 - 1) A gravity fed system which is the "ideal" system
 - 2) A backup generator sufficient for supplying drinking water pressure
 - 3) A backup generator sufficient for supply water for firefighting. A bid from Konrad Electric has been submitted for this. This bid is for \$50,794, NOT including a cement pad (the Board estimates \$3,000) and electrical permit. [The bid needs to be changed from diesel fuel to gas. We also need to obtain bids from Triangle Electric.](#)
 - i. Identify risks: engineering, fire department, loss of pressure, and penalties for non conformance
 - ii. List options and obtain costs for each. Include equipment, labor, land swap.
 - iii. Investigate funding options for each option such as grants and assessments.
 - iv. Hold reviews with fire department, homeowners, other interested parties.
- c. Emergency backup plan/pump house review. Bill Wallace, lot 26, has offered an easement through his lot to water storage in the National Forest in exchange for negotiating terms on payment of the EWSF.
Director Skotty brought a form to complete to apply for improvement funding.
[Director Winkle and her husband, David Flanigan, will complete the form which is due June 30.](#)
- d. [Stabilizing and setting direction the antenna](#) (Savidge).
 - e. [Setting up fees or insurance for residences outside of district, split of water and fire districts. Contact special district association.](#) (Winkle)
 - f. [Cell Module for alarm system.](#) (Skotty)
 - g. [Follow up with notification to title companies of contact information](#) (Skotty).
 - h. Fee schedule. The Board agreed that some data was needed prior to implementing a new rate structure based on use. *Director Poulter moved that in the interest of obtaining data for a possible new rate structure, that the AWD perform an initial meter reading, request quarterly readings from customers, then read the meters*

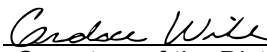
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again at end of one year. Director Miller seconded, and the motion was unanimously approved. Director Skotty offered to take photos and meter readings, and Director Miller offered to assist.

- i. *Talk to Joel Cochran (emergency manager for county) about finding someone who writes grants, penalties for bringing up a water system after loss of pressure (Mary Probst).*
 - j. *Talk to fire department about potential loss of home. What does fire department consider an acceptable risk? (Winkle).*
7. New Business
- a. Bank reporting dates: All tasks are on schedule.
 - Jan 31: annual budget and certified copy of mill levy.
 - March 31: audit exemption request.
 - July 31: Audit due, or if the AWD has been given an exemption, that letter. Also required is the Letter of certification that AWD is complying.
 - Sept 1: Preliminary assessed value of property
 - December 31: Final certified assessed valuation.
 - b. Credit Card use / terms for EWSF. Credit cards can be tied into the accounting package directly. The first 2 months are free, then \$20/month plus 2.5% per transaction. This would make Director Skotty's accounting job much easier. *Upon motion duly made by Director Skotty, seconded by Director Poulter and unanimously approved, the Board agreed that Intuit credit card processing shall be initiated, with a 2.5 percent convenience fee per transaction, cost effectiveness to be evaluated at end of one year.*
 - c. Accept 2012 Compilation. *Upon motion duly made by Director Skotty, seconded by Director Savidge and unanimously approved, the 2012 Compilation was accepted.*
 - d. Emergency fee. *Upon motion duly made by Director Skotty, seconded by Director Poulter and unanimously approved, the EWSF Resolution was amended to extend the due date for the fee to June 30.*
8. Next Meeting , June 2, 6:30 pm. Director Skotty advised the Board that he would not be able to attend the June meeting due to a family conflict. He will provide financial statements in advance of the June meeting.
9. Continuation / Adjournment. *Upon motion duly made by Director Winkle, seconded by Director Savidge and unanimously approved, the meeting was adjourned.*

Dated this 5th day of May, 2013

The foregoing minutes constitutes a true and correct copy of the minutes of the above referenced meeting and was approved by the Board of Directors of the Alpensee Water District.


Secretary of the District

3:46 PM

05/05/13

Alpensee Water District
A/R Aging Summary
As of May 5, 2013

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Alp 3 COA	0.00	4,760.00	0.00	0.00	0.00	4,760.00
Corsette	0.00	682.22	0.00	0.00	0.00	682.22
FKI	193.00	21,024.64	0.00	0.00	6,750.00	27,967.64
Hart	0.00	680.00	0.00	0.00	0.00	680.00
Hopper	0.00	1,360.00	0.00	0.00	0.00	1,360.00
Kartz	0.00	830.00	0.00	0.00	0.00	830.00
Paddock	0.00	680.00	0.00	0.00	0.00	680.00
Pannomarew	0.00	680.00	0.00	0.00	0.00	680.00
Schaub	0.00	680.00	0.00	0.00	0.00	680.00
Schlessman	0.00	680.00	0.00	0.00	0.00	680.00
Wallace	0.00	680.00	0.00	0.00	0.00	680.00
TOTAL	<u>193.00</u>	<u>32,736.86</u>	<u>0.00</u>	<u>0.00</u>	<u>6,750.00</u>	<u>39,679.86</u>

4:13 PM
05/05/13
Accrual Basis

Alpensee Water District
Balance Sheet
As of May 5, 2013

	<u>May 5, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
USBank - Loan Payment Fund	26,564.72
USBank - Pledged Revenue Fund	2,741.53
USBank Reseve Fund	52,506.89
BOW - Operations	22,700.67
Total Checking/Savings	<u>104,513.81</u>
Accounts Receivable	
*Accounts Receivable	39,679.86
Total Accounts Receivable	<u>39,679.86</u>
Other Current Assets	
Undeposited Funds	4,837.50
Accounts Receivable	480.00
Total Other Current Assets	<u>5,317.50</u>
Total Current Assets	<u>149,511.17</u>
TOTAL ASSETS	<u>149,511.17</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	-600.00
Total Accounts Payable	<u>-600.00</u>
Other Current Liabilities	
US Bank Series 2011 Bond	1,439,900.00
accrued expenses	-277.88
Total Other Current Liabilities	<u>1,439,622.12</u>
Total Current Liabilities	1,439,022.12
Long Term Liabilities	
Subordinate Bond	90,464.72
Total Long Term Liabilities	<u>90,464.72</u>
Total Liabilities	1,529,486.84
Equity	
Accumulated Bond Principal	-21,900.00
Opening Bal Equity	-1,510,987.91
Retained Earnings	73,675.37
Net Income	79,236.87
Total Equity	<u>-1,379,975.67</u>
TOTAL LIABILITIES & EQUITY	<u>149,511.17</u>

Alpensee Water District Profit & Loss Budget vs. Actual January 1 through May 5, 2013

	Jan 1 - May 5, 13	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Emergency Water System Fee	41,480.00	0.00	41,480.00	100.0%
Late fees	1,731.36	0.00	1,731.36	100.0%
Interest Income	5.65	125.00	-119.35	4.5%
Water Revenue	18,600.00	34,800.00	-16,200.00	53.4%
Property Taxes	37,595.79	132,262.00	-94,666.21	28.4%
Specific Ownership Taxes	1,493.00	5,000.00	-3,507.00	29.9%
Total Income	100,905.80	172,187.00	-71,281.20	58.6%
Expense				
Banking	18.00	0.00	18.00	100.0%
Communications	194.60	0.00	194.60	100.0%
Repair and Maintenance	2,600.00	12,000.00	-9,400.00	21.7%
Contract Labor	5,120.80	13,200.00	-8,079.20	38.8%
Accounting and Auditing	857.50	3,650.00	-2,792.50	23.5%
Dues	557.25	650.00	-92.75	85.7%
Insurance	4,404.66	4,400.00	4.66	100.1%
Legal	2,707.67	6,000.00	-3,292.33	45.1%
Office and Office Supplies	0.00	550.00	-550.00	0.0%
Utilities	2,861.16	8,000.00	-5,138.84	35.8%
Treasurers Fees	1,879.79	8,000.00	-6,120.21	23.5%
Water Testing	467.50	800.00	-332.50	58.4%
Contingency	0.00	2,000.00	-2,000.00	0.0%
Total Expense	21,688.93	59,250.00	-37,561.07	36.6%
Net Ordinary Income	79,236.87	112,937.00	-33,700.13	70.2%
Net Income	79,236.87	112,937.00	-33,700.13	70.2%