



Hungry Horse County Water & Sewer District

528 Colorado Boulevard, Hungry Horse, MT 59919 | 406-387-5694

Board of Directors Meeting

August 17th, 2023 | 6:00PM

A. CALL TO ORDER 6:01PM President Wagner called the meeting to order

B. ROLL CALL 6:02PM Present: President Wagner, Director Vivian Allen, Director Jamie Foster, Director Richard Hardesty, Director Brent Schmidt (**arrival at 6:31PM**). Staff: GMO Ben Shafer, Bookkeeper Cassie Ferguson, Secretary Raye Lynn Goodson

C. ADOPTION OF AGENDA 6:02PM - 6:08PM Allen made a **MOTION** to change the title of E3 on the agenda to "Timeline of Events Represented to the Public at the 20 April 2023 Meeting of the Board" AYE - Allen, Hardesty NAY - Wagner, ABSTENTION - Foster **MOTION CARRIED. SO RESOLVED.** Allen made a **MOTION** to delete the time-limits for F4 on the agenda. AYE - Allen NAY - Wagner, Foster. **MOTION REJECTED. SO RESOLVED.** Wagner made a **MOTION** to adopt the agenda. AYE - Unanimous **MOTION CARRIED. SO RESOLVED.**

D. PUBLIC COMMENT 6:08PM None

E. REPORTS 6:08PM - 7:30PM

1. BOOKKEEPER'S REPORT 6:08PM - 7:13PM

A. Financial Statements (Director's Reports) Shafer stated that the water loss increase is not as bad as reflected. Allen asked if the Past Due Over 60 Days is the number turned into the county and Ferguson stated that it is. Allen asked if we had sent out letter to HHCP and others that are 1 Year Past Due. Ferguson stated she has been in contact with HHCP. Foster asked if a letter was the official contact needed for 1 Year Past Due. Shafer & Allen stated they were not sure on that.

B. Bills Accurate Number of Costumers: 354. Electric Bill is up because we are pumping more water. Foster made a **MOTION** to pay the unpaid bills. AYE - Unanimous **MOTION CARRIED. SO RESOLVED.**

PROFIT & LOSS Allen asked if letters were to be sent from the Bookkeeper or Secretary. It was established the Bookkeeper sends letters and will begin working on them "this week". Allen asked why Bulk Water Sales ended up on Balance Sheet instead of Profit & Loss. Ferguson responded that this was based on preferences set forth at prior meetings. Allen stated that Bulk Water Sales had appeared on Profit & Loss in the past. Foster asked if Bulk Water Sales was an owed amount and it was established that it was. Allen stated that on the Balance Sheet there are 2 Accounts Receivable. Foster & Shafer stated that the total number is all line-items added together. Allen stated that she did not understand why Bulk Water Sales was no longer under Ordinary Income & Expenses. Ferguson stated it will be added on the next report. Foster asked where Water Sales is on the income part. Ferguson stated that it was under Accounts Receivable. Shafer stated that Bulk Water Sales is an asset and should not be on Profit & Loss because no income has been brought in yet, it is just a projection. Hardesty asked if it was bills yet to be paid and if that is why it is under assets and Ferguson said this is correct.

ADJUSTMENTS Allen asked about combining line-items on adjustments. Hardesty commenting on 2 duplicate line-items. Ferguson stated she will combine. Allen asked about the reconciliation discrepancy (\$578.34) on page 2 of Profit & Loss. Bookkeeper Ferguson stated that it was from 2019 and unaccounted for. She hopes to find it. Foster asked about duplicates being erased and the total number changing. Ferguson Stated this is correct.

BALANCE SHEET 6:29PM Ferguson stated that RD Reserve will be removed \$22069.40 will be removed. Allen asked for a corrected Balance Sheet. Allen asked why we still have account receivable for A/R Delinquent Taxes (2020 & 2021). Ferguson stated this is because they are still unpaid. 6:34PM Allen asked what System Improvements - Other (\$95046.86) includes. Hardesty also asked what System Improvements - Other includes. Ferguson will look into this. Allen asked if under Long Term Liabilities that RD will also go away, Ferguson said this is Correct. 6:36PM Allen asked about having 2 Credit Cards. Wagner stated each employee has there own. Ferguson will attach the last 4 of the cards to the line-item on the spreadsheet. 6:38PM Foster asked each employee needed a card instead of being reimbursed and this was agreed upon to see which employee is purchasing what. 6:39PM Allen asked for Employee Salary to be split out by Employee on Profit & Loss. Ferguson stated it will not show up on Profit & Loss but can supply a separate report.

ADJUSTMENTS 6:40PM Allen asked about Pastien's Account. Ferguson said this will be addressed during correspondence.

6:41PM Foster asked if Past Due Water Bills sent to the County come off the list next month. Shafer & Ferguson stated they come off when we get paid from the County. Allen asked if the list included accounts that had been turned off. Ferguson stated there were people that had been turned off and Shafer listed off who had been turned off. 6:42PM Ferguson asked if the board wanted a "turned-off" list. Allen asked for a list that has both Past Due & "Turned-Off" in one list with "Turned-Off" costumers specified. 6:45PM Foster asked if the majority of the "turned-off" customers is because they are not using water. Shafer stated that most of them is because no one is there. 6:46PM Hardesty stated he wouldn't mind 2 lists. 6:46PM Allen made a **MOTION** to carry the "past practice" of having 1 list with "a line through" "turned-off" customers. AYE - Unanimous **MOTION CARRIED. SO RESOLVED.**

CHECK DETAIL 6:48PM Wagner had a question about postage. Ferguson stated she will find out more.

USAGE & LOSS 6:49PM Allen asked about Average Customer Use (6,863) V. Average Use for Active Meters (11948). Shafer answered Allen's concerns & Ferguson stated she can provide more information.

C. Correspondence 6:53PM ACCOUNT #19 STEVE MORRIS Made a formal complaint about Allen being on the board regarding

an "illegal encroachment." 6:59PM Shafer asked how we should respond. This was the first time anyone on the board had seen the letter. 7:02PM Schmidt stated that it was sufficient to say we understand things are taking place and will see if we need to take action. **KAREN PASTIEN 7:07PM** Sent a reply to our proposition. She now carries a \$0 balance. 7:07PM Ferguson organized correspondence in a file system all organized by date. 7:08PM Schmidt asked for a Leak Adjustment File. 7:08PM Allen suggested operations have their own Customer Complaint File.

2. MANAGER'S REPORT 7:13PM - 7:30PM

A. Monthly Report SUMMARY OF ACTIVITIES 7:13PM Shafer covered New Service Installs. Shafer covered finishing project with Energy Smart (We use 29% less.) Foster asked if this takes into account the usage we got from installation. Shafer stated it does. He covered the project in detail and said we will receive a credit from Flathead Electric. We ramp to 60 HZ and maintain power. Both of our wells are running on less power. We will get a bonus from our Bulk Water Sales. Martin City let us borrow their hydrant meter for the summer. The noisy check valve on Well 3 is down the well shaft. We need to find a way to track the water loss before deciding to repair/replace the check valve.

B. Asset Management Update 7:21PM No Updates

C. Status of Water Service Record Instructions 7:21PM No Updates

QUESTIONS 7:22PM Wagner asked about a street valve that kids were messing with. Wagner asked if Shafer had been to the new residence on the corner. Shafer explained he helped them pick better tubing. Wagner asked if other new residence (corner of Mountain Drive) had water turned-on. Shafer stated they asked if a "shack" had water but that was the only correspondence. Wagner asked if we change tank levels during this time of year. Shafer stated the generator is efficient and he would prefer we keep fresh water. Allen asked about "Rob's Trailer Court" and Shafer responded. Allen asked about a remote & T-post being knocked over, Shafer responded. Wagner asked about sprinkler heads, Shafer said school district is taking care of it.

3. VP EXPLANATION OF TIMELINE OF EVENTS DISCUSSED AT 5/20/2023 MEETING 7:31PM - 7:45PM Allen made a **MOTION** to have Hardesty Chair this portion of the meeting. AYE - Unanimous **MOTION CARRIED. SO RESOLVED.** 7:32PM Wagner made a **MOTION** to reject the report entirely. AYE - Wagner, Foster, Schmidt NAY - Hardesty, Allen **MOTION CARRIED. SO RESOLVED.** Wagner apologized & retracted statements publicly.

F. UNFINISHED BUSINESS 7:46PM Wagner asked if there was anything further to review on the budget. Ferguson stated that everything other than the \$13,000 everything is set. Wagner stated that we have \$298.92 on retainer with the attorney.

1. BANK/CU POLICY CHANGE 7:48PM We are only required to have 1 signature. 7:51PM Allen made a **MOTION** to maintain requiring 2 signatures for the Glacier Bank Account. AYE - Unanimous **MOTION CARRIED. SO RESOLVED.**

A. 2024 Final Budget Discussion 7:53PM Allen asked if the State Fund Dividend will be going under Other Income. Allen asked about Work Comp, Ferguson stated it is correct and that she had spoke with the state. Allen asked about it going up with Goodson on staff and Ferguson said most likely not. Allen asked about Interest Expense. 8:00PM Wagner made a **MOTION** to table everything else on the agenda (except Task Review) AYE - Unanimous **MOTION CARRIED. SO RESOLVED.** 8:01PM Foster made a **MOTION** to extend the meeting for 5 minutes. AYE - Unanimous **MOTION CARRIED. SO RESOLVED.** 8:02PM Schmidt made a **MOTION** to accept the 2024 Budget. AYE - Unanimous **MOTION CARRIED. SO RESOLVED.**

B. \$2.10 base rate reduction motion, vote & public Tabled for next meeting

2. POLICY COMMITTEE UPDATE Tabled for next meeting

A. Leak Adjustment Policy Language (corrected copy) Tabled for next meeting

3. CSKT UPDATE ON MEETING WITH ATTORNEY AND MEDIATOR. Tabled for next meeting

4. MINUTES 11/25/22, 4/20/23, 5/15/23, A & C'S (10 minutes time-limit per set of minutes) Tabled for next meeting

G. NEW BUSINESS

1. FEBRUARY FINANCIAL MATERIALS FROM COUNTY Tabled for next meeting

2. NEWSLETTER DISCUSSION Tabled for next meeting

3. TASK REVIEW 8:02PM

SHAFFER 8:02PM will correct the description of E3, He will create a specific folder for Leak Adjustments.

FERGUSON 8:04PM will finish the budget, she will write letters to Past Due Customers (she will read the resolutions for wording), work on Bulk Water, check on the \$13000, combine "Repair & Maintenance - Others", find the discrepancy from 2019, fix duplicates, and add a number the bank card line-item. She will also put "lines through" customers that have been turned off on the Past Due list. Ferguson is going to look into Bulk Postage.

GOODSON 8:07PM will correspond with Account 19, transcribe the notes and recording to official meeting minutes from this meeting and any other meetings she receives recordings for. Shafer noted he will assist with the "Motion Register".

HARDESTY 8:08PM will fix and re-write the corrected language for the Leak Adjustment Policy

H. ADJOURNMENT (8:00PM or sooner) 8:09PM Wagner made a **MOTION** to adjourn. AYE - Unanimous **MOTION CARRIED. SO RESOLVED.**

Signed _____ Date _____
Douglas T. Wagner, President

Attested _____ Date _____
Ben Shafer, General Manager