

Mesa Cortina Water & Sanitation District

Board of Directors Meeting

Tuesday, July 12, 4:30PM

Stan's Driveway, 36 Spring Beauty Dr

Attendance **Board:** Greg O'Neill, Stan Wagon, Randy Rehn, Jon Whinston
Public: Karl Fauland, Kyle Logan of Logan & Associates CPA
Staff: Jeff Leigh, Manager; Kelsey Andersen, Assistant Manager; Michael Kurth, Bookkeeper

Meeting was called to order at 4:38PM

Minutes: *A motion was made by Stan Wagon to approve the minutes of the June 2, 2022 meeting, seconded by Greg O'Neill. Motion approved.*

Financials: Financial reports through the end of May, 2022, were emailed to the Board. Year to date income is at \$116,893 and is \$7,871 above budget. Operating expenses are \$113,723 and are \$44,607 below budget. Operating year to date net income is \$3,170 and is \$52,477 above budget.

Business:

- Kyle Logan of Logan & Associates presented the audit as prepared for the year ending December 31, 2021. Since MCW&S exceeded the \$750,000 single audit threshold as set by the State and the Feds, the District was required to complete an audit of the financial records in 2021. Logan issued an unmodified or "clean opinion" on the status of the financial records. Kyle reviewed financial reports including the assets and liabilities of the District as of 12-31-21 as well as the statement of revenue and expense for the year ending December 31, 2021.
- Karl Fauland was in attendance to discuss the agreement related to Well #4 and a waterline which passes under his driveway. Karl is planning to pave his driveway this summer. He would like assurance that in the event of a water line failure in that area, the District would either re-pave his driveway or re-route the line to the Forest Service easement area to avoid digging up the pavement. Karl presented the Board with an agreement with the MCW&S Board. After some discussion it was agreed to ask Tim Flynn to review the proposed agreement as prepared by Mark Richmond.
- Jeff informed the Board that the JSA is on track for the approval of the 10% "paper" planet expansion. It anticipated that a decision would be made by the end of the year. The paper expansion would increase the current EQR allotment for MCW&S by 27.3 EQRs to 300.3 EQRs.
- There was also discussion of the possibility of placing a cap of 1.2 EQRs per lot going forward. Once the paper expansion is completed, the Board will consider a cap at a future meeting.
- Randy informed the Board, that the District is looking into purchasing some fire hosing to perform in-district maintenance. The annual maintenance and exercising of the fire hydrants has been completed.
- RKR will resume construction of the waterline project in next few weeks. Temporary water supply is currently being laid out for affected homeowners.

-The EQR agreement with the Murray's may be unnecessary and is currently on hold in light the of the potential paper expansion.

Next Meeting: The next meeting is scheduled for Thursday August 11, at 4:30PM, Stan Wagon's driveway, 36 Spring Beauty Dr.

Adjourned at 7:10 PM