

FOUR CORNERS WATER AND SEWER DISTRICT MINUTES

August 4, 2010

1. Call to Order

There being a quorum present, Vice President Flikkema called the meeting to order at 6:30 pm, in the library of Monforton School at 6001 Monforton School Road, Bozeman, Montana.

Present: Vice President Nancy Flikkema, Treasurer Ed Schmidt and Cory Klumb.

Public: Tara DePuy, Erin McHenry, Marty Gagnon, Barb Campbell, Trevor Campbell and members of the public –refer to sign in.

2. Approval of minutes from July 21, 2010 meeting.

MOTION: Treasurer Schmidt made a motion, Corey Klumb seconded, to approve the minutes from the July 21, 2010 meeting. The motion carried 3-0.

3. Consideration of financial reports

a. Approval of financial reports.

The Board agreed to only pay some of the outstanding bill as they had not received a bill from Utility Solutions.

MOTION: Treasurer Schmidt made a motion, Mr. Klumb seconded to pay Jan Klotthor, Postmaster and the Montana Association of Counties. The motion carried 3-0.

b. Discussion of financial issues

None

c. Presentation of annual financial report

Report was presented by Rosie Barndt She drew attention to the last page of the independent auditors report. The recommendation for the need for a separate billing entity would require a letter from the Board stating their intention to contract out for this service. The Board previously agreed to this so it should not be a problem. She asked the Board to review her explanations and make any necessary corrections. As none were found she drew attention to the recommendations on the last page. The Board will have to have one member review the monthly bank statements as an additional control. As previously mentioned the billing and collection should be done by the District or an independent contractor. She requested input from the board in regards to compliance as the out of district service income is not justifiably allowed to district as income. There will need to be an agreement of annexation or some explanation. The Board advised all annexations were on hold during discussion of annexation but will move forward now that

purchase is abandon. She will attach comments to journal entries stating response.

4. Business

a. Consideration, Discussion and possible adoption of Resolution calling for tax levy

The rates presented were based on the per lot allocation. Vice President Flikkema would have preferred the EDU method but had misunderstood the motion. Vice President Flikkema read aloud the resolution. The Board agreed there could be opposition to the EDU method and it could be harder to defend. It was agreed a compromise could be had by lengthening the terms but staying with the per lot method.

MOTION: Treasurer Schmidt made a motion, Corey Klumb seconded, to adopt the 2010-02 resolution. The motion failed 2-1.

The Board discussed the options for drawing out the terms and how that could effect the EDU and per lot computations.

MOTION: Member Klumb made a motion, Treasurer Schmidt seconded, revisit Exhibit A with the EDU method over a period of 2 years. The motion carried 3-0.

The Board agreed it would be good to see the options before adoption as they would have to be presented to the county commission.

MOTION: Treasurer Schmidt made a motion, Corey Klumb seconded, create a contingency with the per lot method over a period of 4 years. The motion carried 3-0.

MOTION: Treasurer Schmidt made a motion, Corey Klumb seconded, to reintroduce the 2010-02 resolution as an additional option. The motion carried 3-0.

MOTION: Member Klumb made a motion, Treasurer Schmidt seconded, to create an exhibit with the EDU method over a period of 4 years. The motion carried 3-0.

The request was made to clarify the directive agreed upon for disbursement of future funds collected. The District would keep the first \$67,000 for operating and the additional monies collected would be paid to Utility Solutions for service.

b. Discussion of draft agreement with Utility Solution

Discussed prior

c. Annexation Requests

1. Monforton School

Second reading.

2. Request for board instruction on holding annexation election for non-contiguous properties.

There was unanimous direction for Mrs. Swimley to start working on the process for annexation of noncontiguous properties.

- d. Policy issues

1. Out of District use of fire hydrants /water

On hold.

5. Public Participation

None.

6. Board member issues

Member Pearson resigned and nominations are requested for the next meeting.

The Board would need another signer on the bank account due to Member Pearson resigning. Vice President Flikkema offered.

A special meeting will need to be held on Tuesday the 10th or Thursday the 12th to agree on the method and length of tax levy.

7. Adjourn Meeting

There being no further business before the Board, the Four Corners Water/Sewer District meeting of August 4, 2010 was adjourned at 8:10 p.m.

Respectfully Submitted,

Erin McHenry, Recording Secretary

