



## BEATTY WATER AND SANITATION DISTRICT REGULAR MEETING MINUTES

DECEMBER 16, 2021

Amina Anderson – Board Chair  
Albert Verrilli – Vice-Chair  
Jeannie Ybarra – Secretary/Treasurer

Susie Henderson – Member  
Frank Jarvis – Member

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ITEM #	SUBJECT
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1. **CALL TO ORDER**

*5:45 pm. Board members present are Albert Verrilli, Susie Henderson, and Jeannie Ybarra present via telephone. Refer to sign in sheet for public attendees.*

*(Jeannie Ybarra mentions to skip ahead to Item 6 and table all other items. Albert Verrilli agrees.)*

2. **GENERAL PUBLIC COMMENT – Three-minute time limit per person for matters both on and off the agenda. No action will be taken by the Board.**

*None.*

3. **FOR POSSIBLE ACTION – Approval of the agenda for Beatty Water and Sanitation District Meeting December 16, 2021.**

*Tabled.*

4. **FOR POSSIBLE ACTION – Approval of the minutes for November 17, 2021.**

*Tabled.*

5. **OFFICE REPORT – General information and updates from the General Manager and/or Utilities Services, Inc. No action will be taken by the Board.**

*Lance said that Well 3 is reinstalled and will be doing sampling for it on Monday. Albert asked if there had been any more legal difficulties. Lance said no.*

6. **FOR POSSIBLE ACTION – Discussion, Deliberation and Possible Decision on approval for Fiscal Year 2020 audit report and all matters pertaining thereto.**

*Dan McArthur begins with saying that he has to let the Board know that there are estimates within the financial statements. One of them is Depreciation on Assets. Another one is Retiree Insurance, which is an estimated liability. The only one on there is Jimmy, and the longer he lives the more change in the estimate and that is how it works. There is*

*an estimate for the District, the statewide Pers, Retirement Liability. There were no difficulties performing the audit. Mistakes that were found were corrected, if not discussed. There were no issues with management. Page 9 Cash and Investments- \$171,625 at the end of year, Restricted assets - \$501,973. Between the two of those there is about \$672,000 of cash. Because of the grants that have come in over the years and the debt that the District has, there is a requirement to have money set aside for replacement of assets and that is what the \$501,000 relates to. Once these debts are paid off, most of the restricted assets will disappear. The most significant asset the District has is the water and sewer system. The biggest debt the district has is the facilities bond payable which is the building we are in (office building), sewer bond, OPEB, and net pension liability. On page 10, basically shows for the year, a loss of \$37,085 but that loss only exists because we have deducted the depreciation of 234,000, and if that were on here then it would show as a profit. From this perspective, it is a positive thing. Page 11, from a cash point of view we have net increase/decrease, from the beginning of the year to the end of the year it shows an increase of \$23,277. This is a real positive situation. If you see purchase of capital assets it shows a negative number of 131,000 and if that was not there it would show an increase profit of 150,000. Which are all good things. Page 23, because there is USDA debts in here, the USDA wants the water and sewer operation separated because they want to be able to see what's being generated and this is the page that shows all of that. You can see in depreciation the water side is at 195,000 and sewer at 38,000. If we bring depreciation into play at the bottom for change in net position it shows water losing 68,000 and sewer making 31,000. I know in the past there's been some discussion about if we needed to make some changes to the water rates, to me you still look terrific. Page 40, this is more of an NRS comment, the state requires of the budget and actual revenues. If you look at the numbers for water and sewer what was budgeted and what was the actual is pretty dang close. Really good budgeting. If you look at total operating expenses it was budgeted at 778,500 and the actual is at 727,486 making you 51,014 under budget. If you were over then we would have to make a comment as to why that is. Page 43 is the auditor's comment where we will bring anything to your attention for compliance. Dan mentions if there are any questions or concerns that he would be happy to talk about. Albert asks how the money we get for*

capitals is distinguished from the rest of the income? Does the money go automatically into the restricted accounts? Dan says no. Unless you mandate it to go into a restricted account it doesn't. Jeannie says that's what we do. We send the checks to the LGIP accounts. Albert asks if that is our choice? Jeannie says she believes so, I thought we could keep it into the general account for some of the expenses of the new service, but Amina said it had to go into the LGIP account so, that's what we've been doing. Dan said that this financial statement is prepared more for, not necessarily internal accounting, but for outside people to look at it. The restricted cash number that I have that's in here is driven by basically USDA and the State of Environmental Protection Agency. That number, 501,000 is driven by those outside requirements. You can put a higher number on here and put additional money into those state accounts, but that's your choice. Jeannie if I'm not mistaken, that's why on the budget there is this line item called Emergency Reserve checking and I think that was put in here so if you had to pull some money out of that state investment account. Jeannie said that is correct. When we bought the side-by-side we paid out of that account and pulled the money from the LGIP that is connected to that Emergency Reserve account. I also believe on our financial statements we created an account on there down towards the bottom since we are starting to see a lot more capital improvements done now. We are keeping it separated, just like we do for the water hauling. Dan said that is a good point. If you go back to page 10, what Jeannie is talking about if you look at the top of the page it shows water and sewer revenues and if you go half way down the page to nonoperating revenues you see there, water hauling is separated and is not part of the money coming in for operating revenues. Albert asked where it shows for the money we got for the water being sold to the mining company? Jeannie said that was \$60,000 and took place in November, that would go on next years. This one ended June 30, 2021. Albert asks if it will go into the nonoperating revenues? Dan said yes, it would go in the same place. Jeannie said she believes we created a different category under lease of water rights. Jeannie Ybarra motions to accept the audit as submitted, 2<sup>nd</sup> by Susie Henderson. 3 yeas.

7. **FOR POSSIBLE ACTION – Discussion, Deliberation and Decision to determine if Beatty Water and Sanitation District will require or abandon Easement/Right of Way between parcels 018-307-03 (300 N Irving St) and 018-307-04 (427 W Reibel St) and all matters pertaining thereto.**

*Tabled.*

8. **FOR POSSIBLE ACTION – Discussion, Deliberation and Re-Approval on adding new water rule number 20 detailing Utility tampering and obstruction for clarification purposes and all matters pertaining thereto.**

*Tabled.*

9. **FOR DISCUSSION – Discussion on protocol and payment for main line extensions, manholes, engineering fees, etc. for Will Serves and all matters pertaining thereto.**

*Tabled.*

10. **BOARD MEMBER REPORTS/COMMENTS – General information and updates from board members. Announcements or topics / issues proposed for future workshops and agendas. No action will be taken by the Board.**

*None.*

11. **FOR POSSIBLE ACTION – Schedule next Board of Trustees meeting date and time.**

*Teresa will look at the calendar to pick a date and notify board members if the date works for everyone.*

12. **GENERAL PUBLIC COMMENT – Three-minute time limit per person for matters both on and off the agenda. No action will be taken by the Board.**

*None.*

13. **ADJOURNMENT**

*Motion to adjourn by Jeannie Ybarra at 6:10 pm, 2<sup>nd</sup> by Susie Henderson. 3 yeas.*

Name: \_\_\_\_\_ Date: December 27, 2021

**Signature Approval of the Minutes**

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