

DOVER EYOTA ST. CHARLES AREA SANITARY DISTRICT
Minutes of Board of Directors Regular Meeting

April 18, 2023

Members Present:

Wayne Getz
Ray Schuchard
David Kramer
Wes Bussell
Cheryle Ihrke

Staff:

John Brogan
Todd Tesch

Guests:

Monica Hauser, Hawkins Ash CPAs

Absent:

Eric Tyler
Tyrel Clark

1. Call to Order:

Chairman Wayne Getz called the meeting to order at 7:00 p.m.

2. Set Agenda:

Motion made by Wes Bussell to set agenda as presented. Seconded by Cheryle Ihrke. All voted in favor. Motion carried.

3. Monica Hauser, Hawkins Ash CPAs, to present 2022 audit report:

Monica Hauser introduced herself as the Hawkins Ash Partner in charge of the audit. She started with the financial statements. On page 3, their opinion states that it was basically a clean audit. In the Statement of Net Position she pointed out that assets increased by 6% mostly due to the purchase of two \$100,000 CD's. Lease receivables is a new item which represents the present value of future land rent payments made during the lease term. Capital Assets decreased due to the increase in depreciation. Deferred inflows/outflows and pension liability, these numbers are determined by an actuarial study done by the State. Current liabilities have increased due to the accounts payable invoices due to Kronebusch Waste Haulers and Automatic Systems. The total net position increased 3% or \$111,000.00. On page 8, the operating revenue increased 2%. Operating expenses were up 9%. The pension expense addition was \$18,487 and last year it was a credit of \$4,795. The maintenance and repairs expense increased due to the interceptor televising. The change in net position was a \$61,000 decrease from 2021. In the Notes to the Financial Statements, starting on page 10, nothing changed much. On page 13, Note #3 explains the lease receivable entries for the land rent. Note #6, on page 15, explains the new entries for the copier lease. On page 22, the comparison of budget to actual, we were under budget by \$456,000 due to the change in replacing equipment in the headworks building. In the other report, Independent Auditors' Report, there is nothing new that she needs to bring attention to. On page 3, referring to the "significant risks identified" David Kramer asked if there is something we should be doing regarding this? Monica stated that you don't since this Board reviews everything and the audit procedures are designed to look at these risks.

4. Approve Minutes of the March 21, 2023 Regular Meeting:

Motion made by Ray Schuchard, seconded by David Kramer to approve the regular meeting minutes of March 21, 2023. All voted in favor. Motion carried.

5. Approval of Receipts and Disbursement/Summary of Assets:

Motion made by David Kramer to approve Receipts and Disbursements/Summary of Assets. Seconded by Cheryle Ihrke. All voted in favor. Motion carried.

6. Plant Update:

- a) No violations for the month.
- b) We have completed the mercury and phosphorus plans required under the new permit and they have been submitted to the MPCA.
- c) We will be doing the toxicity testing next week. The company previously used has been bought out.
- d) Matt Backes, from GNE, will be here tomorrow to work on installing grit classifier.
- e) Will be switching ditches and clarifiers soon.
- f) Todd has covered all the remaining manholes that were left partially uncovered last fall due to cold weather setting in.
- g) TJ's has installed the new drain valve in the contact tank.
- h) MnTap has taken soil samples from the Ryan farm, our land where biosolids have been applied and land where biosolids have not been applied.
- i) There is another nitrogen stakeholder meeting scheduled for next Wednesday.
- j) MPCA has asked John, along with a few others, to do an interview to explain how the NPDES permit works. The MPCA is finding that there are too many city officials, council members, etc. that don't understand what these permits are saying.
- k) Still waiting on an update from Smart Covers regarding the meters.
- l) Need to work on door/hardware replacement, had a handle fall off one door. John asked if panic bars on the doors are required. Bowman's wants to charge \$3,400 for a single panic bar. David Kramer suggested calling CMS to find out if it is a requirement for this type of facility. Wes Bussell asked what happened to the Benike bid from last year. New quotes will be obtained for this work.

7. Other Business:

There is no other business.

There being no further business a motion was made by Wes Bussell, seconded by David Kramer, to adjourn the meeting at 7:34 pm. All voted in favor. Motion carried.

Respectfully Submitted,

Cathy Kennedy

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