

MINUTES OF THE ELECTRONIC MEETING OF THE BOARD OF TRUSTEES, MIDVALLEY IMPROVEMENT DISTRICT, HELD AT 160 EAST 7800 SOUTH, MIDVALE UTAH 84047 ON MAY 12, 2021 AT THE TIME OF 12:00 NOON, PRUSUANT TO NOTICE.

BOARD OF TRUSTEES PRESENT (ELECTRONICALLY)

**SONDRA SMITH – CHAIR
BLAKE ROEMMICH – VICE-CHAIR
RONALD SPERRY - TRUSTEE**

OTHER PRESENT

**MARK BELL – ATTORNEY
BRAD M POWELL, DISTRICT MANAGER
CATHY KINGSBURY, TREASURER
BRENT E CHRISTENSEN, CHIEF FINANCIAL OFFICER, DISTRICT CLERK
RICK CECALA – OPERATIONS SUPERVISOR
STEVE ROWLEY – KEDDINGTON & CHRISTENSEN, LLC**

Meeting was called to order at 12:08 PM by Board Chair Sondra Smith. Ms. Smith reported the meeting is being held in person and electronically due to the Covid-19 virus. The anchor location for the meeting is at the Midvalley Improvement District office located at 160 East 7800 South Midvale Utah. The meeting was advertised as an electronic meeting to be held on Zoom with the information on how to attend the meeting using Zoom.

1. PUBLIC COMMENTS/CERMONIES/PRESENTATION

- a. No one attending electronically on Zoom or at the District office.

2. AUDITOR'S REPORT – STEVE ROWLEY CPA (Audit Partner)

- a. Ms. Smith welcomed Mr. Rowley with Keddington & Christensen, LLC to the meeting. Mr. Rowley stated Keddington & Christensen performed the financial statement audit for Midvalley Improvement District for the year ending 2020.

The Auditor's responsibility is to express opinions on the financial statements based on their audit. Mr. Rowley stated they performed their audit according to generally accepted audit standards and government audit standards which is detailed in his report. Mr. Rowley stated that his audit opinion expressed an unqualified opinion, or that the financial statements present fairly, in all material respects, the financial position of the District, the revenues and expenses, and the cash flows for the year.

Mr. Rowley stated in planning and performing the audit of the financial statements, they considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing the opinions on the financial statements, but not for the purpose

of expressing an opinion on the effectiveness of the District's internal control. The auditors expressed opinions, as found in the Supplement Report, on the District's internal control and compliance with laws and regulations.

There were no audit findings and no difficulties were encountered when conducting the audit, and the staff was very helpful in providing the auditors what was needed.

Mr. Rowley stated this was a very clean audit.

Mr. Rowley welcomed the Board to call him at any time if they have any concerns or questions.

The Board thanked Mr. Rowley for a great job and Mr. Christensen stated Mr. Rowley does a great job and is very thorough.

Upon motion made by Mr. Roemmich, Seconded by Mr. Sperry and passed unanimously, the Board accept the 2020 Financial Statements and Supplemental Reports.

3. MINUTES – APPROVAL

- a. **Upon motion** made by Mr. Sperry, Seconded by Mr. Roemmich and passed unanimously, the Board accepted the March 10, 2021 minutes as written. It should be noted that there was not an April 2021 meeting.

4. ATTORNEY REPORT

- a. Mr. Bell handed out a final Legislation Summary for the 2021 general session with highlighted bills that will affect the District. Mr. Bell reported on house bills and senate bills stating there are some bills that the District will need to take action on; example: Amendments to the procurement rules to ensure consistency.
- b. Mr. Bell conducted the 2021 Open & Public Meetings Annual Training. Mr. Bell reported on what is new for 2020-21; the law focus on emergency and electronic meetings, anchor locations and the exception to anchor location requirements. Mr. Bell stated along with the approved board meeting minutes there also needs to be posted all backup documentation that was presented at the meeting. Mr. Bell also reported on public meeting requirements, emergency meeting and minutes, recording requirement of all meetings, what minutes must include, closed meetings, electronic meetings, chance meeting-social gatherings, and criminal penalty for violations.

5. GENERAL MANAGER/ENGINEERING REPORT

- a. Mr. Powell reported on the vehicle status stating we received a new F150 with a diesel engine. The next vehicle that will be sold is the 2020 Ford F150 Lariat and there are two vehicles on order and should be built the week of June 14th and August 2, 2021. Mr.

Powell reported, with depreciation, we are cash flow ahead with the purchase and sell of vehicles for \$51,000.

- b. Mr. Powell reported Miller Paving began working on our site improvement project on April 1, 2021. We have received the building permit from Midvale City. The project is moving along with the installation of the new storm drain system with the new catch basin and the installed storm water underground detention system which has been tied into the existing Midvale City storm drain/irrigation line.

Mr. Powell stated there has been three change orders from Miller Paving that total \$37,408. Miller Paving submitted a pay request on April 22, 2021 for approximately 1/3 of the project. Meridian Engineering reviewed the request and found it to be acceptable. The amount was \$187,645.42.

- c. Peak Alarm has updated our old alarm equipment for newer equipment and added motion detectors where needed. This also included the installation of two cameras: One with wide angle range and a second camera to focus specifically on the dump station.

6. REVIEW, APPROVE AND RATIFY CASH DISBURSEMENTS

- a. **Upon Motion** made by Mr. Sperry, Seconded by Mr. Roemmich and passed unanimously, the Board ratified the March 2021 cash disbursements for \$208,746.28.

Upon Motion made by Mr. Sperry, Seconded by Mr. Roemmich and passed unanimously, the Board ratified the March 2021 employee earnings for \$76,123.

- b. **Upon Motion** made by Mr. Sperry, Seconded by Mr. Roemmich and passed unanimously, the Board ratified the April 2021 cash disbursements for \$485,968.43.

Upon Motion made by Mr. Sperry, Seconded by Mr. Roemmich and passed unanimously, the Board ratified the April 2021 employee earnings for \$72,372.54.

7. OFFICE REPORT

- a. Ms. Kingsbury reported a contract has been signed with Salt Lake County to conduct the District's election. The amount of the contract is \$20,200 but if the District does not have more than two candidates sign up to run for Trustee we can cancel the contract. Ms. Kingsbury also reported, under Utah Code 17B-1-306, the District's election notice for declaration of candidacy must be posted in at least five public places within the local district at least 10 before the first day of filing. The declaration of candidacy must also be posted on the District's website and the State's website, Ms. Kingsbury reported all election notices have been posted.

8. CHIEF FINANCIAL OFFICER REPORT

Mr. Christensen stated that the Trustees have, previous to the meeting, received (by email and hand delivery) the reports he will be discussing.

- a. Mr. Christensen presented the balance sheet as of March 31, 2021. Mr. Christensen included the prior year balances for comparative purposes. Mr. Christensen stated under "Fixed Assets CIP" (Construction-In-Progress) the District will spend another \$600,000 on the Parking Lot Project.

Mr. Christensen reported the District's investments have dropped from \$7,000,000 to \$4,600,000 due to the District's construction projects and payments to the treatment plant to pay for the District's share of construction costs to update the plant.

- b. Mr. Christensen reported on the Profit & Loss – Comparison to Prior Year report for January to March 2021. Mr. Christensen stated on the report he has lined up 2021 first quarter with 2020 first quarter of last year for comparison. Mr. Christensen stated that he has notated in the report all changes greater than \$10,000 and more than 10 percent.
 - Mr. Christensen stated sewer service fees went up last year 5% and this is reflected on the report. This increase was anticipated as the District raised fees by 5% last year.
 - The increase in depreciation expense shows a little higher than last year due to completing the 7200 South Project at the end of last year and this year has a full three months of depreciation expense.
 - The pipe lining project has not taken place this year and that is why that line item shows less than last year.
- c. Mr. Christensen reported on the Profit & Loss - Budget vs Actual report for January to March 2021. Mr. Christensen reported on a few of the major difference from the budget and one is legal fees; legal cost that were anticipated for this year did not occur and the District has received less impact fees than were budgeted.
- d. Mr. Christensen reported he will bring the certified tax rate adjustment that will need to be adopted by the board members to the June board meeting.

9. SUPERVISOR'S REPORT

- a. Mr. Cecala reported construction in the District is going well but some contractors are having trouble getting materials and that is causing some slowing on completing the construction.

10. TRUSTEES

- a. Ms. Smith stated she will be attending the June 9, 2021 meeting by Zoom.

11. CLOSED MEETING

- a. No Closed Meeting

ADJOURN: Upon unanimous vote by the Board, the meeting was adjourned at 1:23 PM. The next Board meeting is June 9, 2021 at Noon.