

MINUTES

The annual meeting of Renner Sanitary District Board of Trustees was held on Tuesday, November 20, 2018 at 1:00 PM. Present were Board Members Erick Anderson, Lori Jasper, Nancy Rasmussen, and Clerk Judy Peltier. Also present Ray Pierson, Engineering Consultant, Todd Meierhenry, Attorney of Record, and the attached list of district members.

Lori asked anyone who wanted to comment or make a statement to please raise their hand and state their name and address. She informed them that they would have 3 minutes to speak.

Lori made a MOTION to open the meeting, and Erick SECONDED.


Judy reviewed the attached agenda.

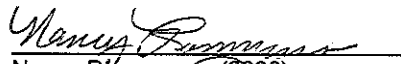
BUSINESS:

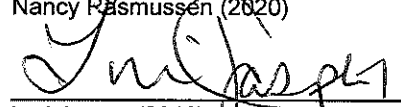
- A. Judy read Minutes from Previous Year's Meeting. Lori made a MOTION to accept Minutes from last year's meeting as written. Erick SECONDED, and Minutes were UNANIMOUSLY accepted.
- B. Judy read the P & L. Erick made a MOTION to accept the Profit and Loss, as written. Nancy SECONDED the MOTION, and MOTION carried. P & L showed a net loss of \$13,659.82 (Unaudited).
- C. Annual Report was read by Judy. MOTION made by Erick to accept the Annual Report, as presented, SECONDED by Lori AND UNANIMOUSLY ACCEPTED.

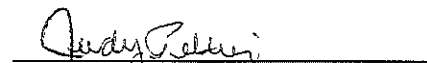
Erick made a MOTION to adjourn the meeting, Lori SECONDED, and the MOTION UNANIMOUSLY CARRIED.

Dated at Renner, South Dakota this 20th day of November, 2018.



Erick Anderson (2021)

Nancy Rasmussen (2020)

Lori Jasper (2019)

Judy Peltier, Clerk/Secretary/Treasurer

AGENDA FOR ANNUAL MEETING

November 20, 2018

Lori calls meeting is called to order:

If you would like to bring any statements or comments, please raise your hand and give your name. You have 3 minutes to speak."

Lori moves back to the Agenda: The rest of the Agenda will be presented by our Clerk and Financial Treasurer, Judy Peltier.

1. Old Business: None
2. New Business:
 - A. Review Minutes from last year's annual meeting.
 - B. Present and Review Financial Reports for 2017-2018
 - C. Annual Report Presented.
 - D. Lori Adjourns.

Renner Sanitary District

Date: 11-20-18 1:00 Annual

	Name (Print)	Address	Phone Number	E-Mail
29.	Will Rishlues	200 W 72nd St North	371-6019	W.Rishlues@sanitary.com
30.	Ryan Farsdale	6616 N Angel Ave SF SD	376-2645	coderedbud@gmail.com
31.	Steven Schmitz	1500 E Beverly St		
32.	Don Anschlag	6705 North 10th Ave	359-2044	donanschlag@stark.com
33.	Cal Plenis	6405 N 10th Ave	334-5503	TOPHEN@GMAIL.COM
34.	JoAnn Plenis	"	"	
35.	Theresa Schmitz	1500 E Beverly St		
36.	Ron Jensen Jensen Electric Inc	25804 Lindbush Ave	310-1569	ron.jensen@jensen-electric.com
37.				
38.				
39.				
40.				
41.				
42.				

MINUTES

The annual meeting of Renner Sanitary District Board of Trustees was held on Tuesday, November 21, 2017 at 1:00 PM. Present were Board Members Erick Anderson, Lori Jasper, and Clerk Judy Peltier. Also present Ray Pierson, Engineering Consultant.

Lori made a MOTION to open the meeting, and Erick SECONDED.

Judy reviewed the attached agenda.

BUSINESS:

- A. Lori made a MOTION to accept Minutes from last year's meeting as written. Erick SECONDED, and Minutes were UNANIMOUSLY accepted.
- B. Erick made a MOTION to accept the Profit and Loss and Balance Sheet for last, as written. Lori SECONDED the MOTION, and MOTION carried. P & L showed a net loss of \$39,133.47 (Unaudited).
- C. Annual Report was read. MOTION made by Erick to accept the Annual Report, as presented, SECONDED by Lori AND UNANIMOUSLY ACCEPTED.

Erick made a MOTION to adjourn the meeting, Lori SECONDED, and the MOTION UNANIMOUSLY CARRIED.

Dated at Renner, South Dakota this 21st day of November, 2017.

Erick Anderson (2018)

Lori Jasper (2019)

Judy Peltier, Clerk/Secretary/Treasurer

RENNER SANITARY DISTRICT ANNUAL REPORT

We are happy to report that the 2016-2017 fiscal year has been very busy for Renner Sanitary District.

MAINTENANCE: We have officially been operating our maintenance independent from the City of Sioux Falls since June, 2016. The independent contractor we are using, Infra Track, has been working to our satisfaction and we renewed our contract with them for another year.

FLOWS: The summer of 2017 was of a dry to normal nature. Our average flow for this fiscal year was 68,310 gpd, as compared to last fiscal year of 72,500 gpd. Considering we have added 4 new homes, this is really good news. We are thankful to everyone for making a conscientious effort to keep flows to a minimum and, along with the efforts the District, inflow and infiltration (I&I) has remained minimal.

RATES: Rates will remain the same! We have performed preventative maintenance and had large expenses, but we are able to remain stable in our rates.

BACKUP: Unfortunately, we had a major backup occur this year near the area of the lift station that pumps to the City of Sioux Falls' sewer system. The cause was a failure of the power that leads to the pump controller in the lift station. Specifically, the surge protector was activated because of a power surge and the surge protector battery backup went out without setting off our alarm warning because the same pump controller operates the high wet well level alarm. Consequently, the alarms and the pumps did not work for a few hours. The wet well at the lift station filled and then the sewage backed up into the pipe lines and eventually three homes before it was discovered and the pumps were turned back on. To minimize the effect of this type of failure in the future, we hired a company, Dakota Pump and Control, to review the lift station alarm set up and add any alarms that would notify us of this power failure in the future. That update was completed in October.

PREVENTATIVE MAINTENANCE: This year, during the annual video inspection and manhole inspection, it was found that three manholes were deteriorating badly and needed to be repaired to make the manholes solid again and eliminate infiltration at those manholes. Those manholes will have a fiberglass liner installed and concrete poured around the liner to rehab the manhole walls. This will take place yet this year. No other major deficiencies were found during the inspections of the pipeline or the manholes but there were some deficiencies that will be monitored and repaired at a future time, if needed.

STUDY: Because of the amount of time that has passed since a flow study was completed, over 10 years, and more homes have been added to our system, the board has given our Maintenance Consultant the go ahead to provide an updated flow study. This will give us updated data to use to determine if we can allow additional customers when new requests are brought to the board.

PERMIT FEES: The City of Sioux Falls has not made us aware of any rate increases for 'SDC' charges or what we refer to as a Permit Fees for each additional user. For a residential home, this fee is currently \$2,391, which we have to collect and send to the City. We will not be adding any handling fee or additional charge.

As we move into a new fiscal year, rest assured that we continue to strive to furnish our members the best service at the lowest rates possible.

Respectfully submitted,
Renner Sanitary District Board of Trustees
rennersanitarydistrict@live.com
605-330-4189
P. O Box 89907
Sioux Falls SD 57109
Lori Jasper, President
Erick Anderson, Trustee
Nancy Rasmussen, Trustee
Judy Peltier, Clerk

Renner Sanitary District
Profit & Loss
November 2017 through October 2018

Unaudited

	<u>Nov '17 - Oct 18</u>
Ordinary Income/Expense	
Income	
4060 · Regular Sewer Sales	294,063.00
4070 · Double Sewer Service/Duplexes	4,824.00
4071 · Nonresidential Sewer Service	37,390.00
Total Income	<u>336,277.00</u>
Cost of Goods Sold	
5000 · Water COS	159,644.32
5011 · COS-Electricity #1 (6319)	2,406.41
5012 · COS-Electricity #2 (7315)	1,533.15
5013 · COS-Electricity #3 (47492/16080)	1,502.97
5014 · COS-Electricity #4 (25775)	1,377.45
5015 · COS-Electricity #5 (47419)	1,354.04
5020 · COS - Fuel for Generators	1,571.68
Total COGS	<u>169,390.02</u>
Gross Profit	166,886.98
Expense	
6120 · Bank Service Charges	314.40
6150 · Depreciation Expense	58,330.92
6180 · Insurance	3,116.11
6210 · Finance Charge	99.01
6250 · Postage and Delivery	1,456.00
6260 · Publication Fees	228.05
6270 · Accounting/Audit Fees	1,250.00
6285 · Bookkeeping	27,690.67
6290 · Locates & Inspections	1,800.00
6310 · Generator Maintenance	2,518.45
6320 · Computer Repairs	1,328.74
6330 · Equipment Repairs	24,099.75
6335 · Maintenance Exp/Clean & Video	10,753.13
6336 · Lift Station Maint & Wet Well C	44,410.32
6340 · Telephone - Regular Line	1,044.28
6345 · Wireless Phones for Lift Statio	1,200.00
6390 · Internet	469.56
6500 · Supplies	727.57
6550 · Office Supplies	522.17
6610 · Election Expense	46.91
6630 · Professional Development	5,625.38
6650 · Director Fees	2,880.00
6750 · Storage Fees-Casco	516.00
6830 · Payroll Taxes	220.32
Total Expense	<u>190,647.74</u>
Net Ordinary Income	-23,760.76
Other Income/Expense	
Other Income	
7010 · Interest Income	1,643.40
7020 · Late Charges	8,457.54
Total Other Income	<u>10,100.94</u>
Net Other Income	<u>10,100.94</u>
Net Income	<u>-13,659.82</u>

Renner Sanitary District
Balance Sheet
 As of October 31, 2018

Un audited

	<u>Oct 31, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 - Great Western	32,505.06
1020 - Great Western MM Retirement Acc	170,174.76
1195 - Investments	
1044 - Great Western CD-Emergency	33,244.00
1047 - Great Western CD-3 Cash Reserve	81,202.84
1048 - Great Western-3 Mo Op Reserve	81,202.84
Total 1195 - Investments	<u>195,649.68</u>
Total Checking/Savings	398,329.50
Accounts Receivable	
1200 - Accounts Receivable	30,896.30
1210 - Accounts Receivable-Tax Assign	32,981.86
Total Accounts Receivable	<u>63,878.16</u>
Total Current Assets	462,207.66
Fixed Assets	
1500 - Sewer System	1,009,975.00
1505 - Repairs & Maintenance Project	32,846.90
1506 - Capitol Expenditure 2006-02	44,629.63
1507 - 2009 Repairs	25,800.00
1508 - 2015 Generator Project	128,349.00
1509 - Reline Manholes/84th & Ashland	14,628.00
1510 - LS #1 Pumps/Motors 2010	19,183.71
1520 - New Pumps & Motors-2011	23,078.11
1525 - Grant/Loan Project-2012	105,367.04
1530 - Pipe Relining	9,890.00
1550 - Office Equipment	10,728.46
1601 - Lift Station #1-6319 N 10th	2,205.00
1602 - Lift Station #2-7315 N Cliff	2,205.00
1603 - Lift Station #3-47492 Berry Lan	2,205.00
1604 - Lift Station #4-25775 Lindburg	2,205.00
1605 - Lift Station #5-47419 258th St	2,205.00
1650 - Generator	13,000.00
1655 - 2004 & 2005 Kohler 33KW Gens	22,700.00
1660 - Alarm System	17,511.41
1680 - Oxydizing Air Scrubber	3,000.00
1700 - Accum. Depreciation	<u>-1,085,253.57</u>
Total Fixed Assets	<u>406,458.69</u>
TOTAL ASSETS	<u><u>868,666.35</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	41,257.00
Total Accounts Payable	<u>41,257.00</u>
Other Current Liabilities	
2700 - SDC Charges Due Sioux Falls	2,391.00
Total Other Current Liabilities	<u>2,391.00</u>
Total Current Liabilities	<u>43,648.00</u>
Total Liabilities	43,648.00
Equity	
3000 - Opening Bal Equity	534,940.15
3900 - Retained Earnings	303,738.02
Net Income	<u>-13,559.82</u>
Total Equity	<u>825,018.35</u>
TOTAL LIABILITIES & EQUITY	<u><u>868,666.35</u></u>

RENNER SANITARY DISTRICT ANNUAL REPORT

We report 2017-2018 as follows:

PREVENTATIVE MAINTENANCE: This year video inspection was performed on the mainline sewer on the west side of Cliff Avenue and south of 78th Street. After review of the video inspection reports and visual inspection of manholes from this area, it was determined that a few repairs were needed to prevent future problems and eliminate visible infiltration in that area. Hydro Klean was selected as the contractor to repair 3 manholes that are deteriorating badly from sewer gases. First Rate Excavate was selected to repair a leak at one of the force mains and another repair at a service connection that was allowing groundwater into the sewer. Additionally, there are a few manholes that have visible infiltration and they will have a grout injected into the manhole wall to stop the leak. All these repairs will run about \$45,000.

FLOWS: The summer of 2018 started out normal but as the large rains came in the end of June the summer turned to very wet. With the year being one of the wettest on record, the average daily flow was much higher than recent years due to Inflow and Infiltration (I&I) from high groundwater levels from July through the end of the year. Our average flow for this fiscal year was 82,530 gpd, as compared to last fiscal year of 72,500 gpd. We expect normal daily flows to be about 70,000 to 75,000 gpd.

IMPORTANT NOTE: Remember that any connection of sump pumps to the sanitary sewer or allowing any groundwater to enter the system is illegal and a fine can be administered for each violation. Extra water entering the sewer is costly because every 1,000 gallons of water sent to the City of Sioux Falls costs the District customers over \$5. In many cases this adds up to be about \$300 in extra processing costs per month for each location so please do whatever you can to stop extraneous flows from entering the sewer. Extra flows during the last year cost the members of the District over \$20,000.

RATES: We are hoping that sewer rates will remain the same. We have performed preventative maintenance and had large expenses, but we are able to remain stable in our rates as far as this goes. There are a few administrative expenses that are still being negotiated that could increase rates, however, the Board is doing its best to keep costs at a minimum.

WEBSITE: Please note that we have a website now that is to be completed any day. This site will service as a virtual office and be used to review and download organizational documents, minutes, notices of meetings and elections, etc. There will be no financial information available on the site, and no options for on line payments for security reasons.

STUDY: High flows are always a concern and when they last throughout the summer we want to try and determine the cause. We evaluate the mainline sewer and any suspicious flows from service laterals. During these inspections we may determine that it is necessary to inspect homes to verify that extraneous groundwater is not entering the sewer. Thank you for your cooperation in this matter.

PERMIT FEES: The City of Sioux Falls has not made us aware of any rate increases for 'SDC' charges or what we refer to as a Permit Fees for each additional user. For a residential home, this fee is currently \$2,391, which we have to collect and send to the City. We will not be adding any handling fee or additional charge.

As we move into a new fiscal year, rest assured that we continue to strive to furnish our members the best service at the lowest rates possible.

Respectfully submitted,
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