

Monday, January 20, 2020 at 10:00 A.M.
REGULAR BOARD MEETING

These are the Minutes of the Regular Board Meeting of the Directors of the United Irrigation District, held in the Glenwood Office on January 20, 2020, commencing at 10:00 A.M

Present: Duane Nelson – Chairman
Daniel Hunsperger – Vice-Chairman
Jim Woolf – Board Member
Craig B. Smith – Board Member
Brandon Gibb – Board Member
Fred Rice – District Manager
Viera Ducky – Assistant Manager

Discussion and Acceptance of the December 16, 2019 Regular Meeting Minutes

Brandon Gibb MOVED to accept the December 16, 2019 Minutes; SECONDED by Craig B. Smith.
...CARRIED

Discussion and Acceptance of the December 2019 Payroll

Jim Woolf MOVED to accept the December 2019 Payroll; SECONDED by Brandon Gibb.
...CARRIED

Discussion and Acceptance of January 20, 2020 Accounts Payable

Brandon Gibb MOVED to accept the January 20, 2020 Accounts Payable; SECONDED by Duane Nelson.
...CARRIED

Discussion and Acceptance of the Financial Statement to January 20, 2020

Brandon Gibb MOVED to accept the January 20, 2020 Financial Statement; SECONDED by Daniel Hunsperger.
...CARRIED

RBC Investments

Dennis Chinner and Jessica Joss from Chinner Joss Wealth Advisory Group were invited to the meeting to provide the Board of the UID with the updated information about our investment portfolio in RBC in 2019. Year 2019 was far more successful with investments than in previous year. The investments not only recovered from unrealized loss in 2018 but acquired some more unrealized gain. UID's investments are very conservative with 47.44% asset allocation in equity, 36.50% in total fixed income and 16% in cash and cash equivalents. Investments are very well balanced. UID's funds are still in quality investments with 100% principal protection at maturity point. Current yield of dividends for the UID in 2019 was 3.15%. Even in some years we can see growth slowing but never recession, the Board would like to see more activities and moving money into funds with higher return.

ATB Investments

Darren Tanner from ATB Financial was also invited to present an update on our investment portfolio in ATB. Darren gave us general information about the situation on investment market first followed by the status reviewed of the UID Investment. From the Account Summary we can see that risk managing is very unbiased, we are a very conservative investor and funds are 100% liquid at any time. Unrealized return 5.07% in 2019 is the highest in last 6 years.

Darren pointed out that smart strategy is to invest with one company as we pay double Advisory fees now. Another recommendation was to invest into higher risk investments if we are not considering to use those funds soon. The Board agrees with his recommendation and will discuss again soon.

Edward Jones – Ken Doig, Financial Advisor

As some members of our Board have a very good experience investing with Edward Jones Company, Ken Doig, Financial Advisor was invited to make a brief presentation what he can offer us and how beneficial it could be for the UID. Mr. Doig introduced himself, suggested where our funds can be invested to gain as much as possible and still follow our Investment Policy, mentioned how much would be Advisory fee and answered questions from the Board. Brandon asked about foreign investments. Ken advised that we need to remember that we will deal also with currency exchange in this kind of investment. The Investment policy and moving funds will be discussed again.

Accounts Receivable

The Accounts receivable for rates from 2018 is \$5, 366.84 as of today and ratepayers who owe us are: Fox, Francis, Stephan.

The Accounts receivable for rates from 2019 is \$5,415.26 as of today and ratepayers who owe us are: Fox, Francis, McLeod, Stephan and Welch.

The Rate Enforcement needs to be filled out before March 1st, 2020 if rates from 2018 are not paid. Viera will contact those ratepayers again and will send them the letter informing about the Rate Enforcement.

Confined Feeding Operation

The Board wanted to compare rates for Confined Feeding Operation With some other district. Fred contacted Lethbridge Norther ID and their charges are: Capital surcharge of \$1,900 (one-time fee) & \$350/year for 3-acre feet of water + \$26/acre over 3-acre feet.

The Board will consider this information when rates will be discussed for this year.

Switching Terminable acres into Annual Acre Agreement

The district could consider to switch all Terminable acres into Annual Acre Agreement and then these acres could be replaced by Permanent acres and sold to those who are interested. The UID has 478.81 terminable acres and those are not included in formula for IRP funding. Fred came with this idea as RID did this last year.

Mitch Merrill bought additional irrigation assessed acres

Mitch Merrill bought 59.17 assessed acres from L&S Bishop Enterprises – Lynn Bishop. The Board has approved buying acres before.

Letter from Dave Layton

Dave Layton delivered the letter to the Board where he asked to transfer 6.4 irrigation assessed acres to the land owned by Virginia Layton.

Daniel Hunsperger MOVED to transfer 6.4 irrigation assessed acres from SE 1-5-27-W4 which belongs to Direct-Ag Services to NW 35-4-27-W4 which is owned by Virginia Layton; SECONDED by Brandon Gibb.

...CARRIED

Wages 2020

Wage increase for employees was discussed; however, it needs more discussion at the next meeting.

Bylaws 2020 for discussion

The rate increase was discussed during meeting. Fred and Viera will prepare budget with 3% and 4% increase on all rates and based on results, the bylaw will be prepared for further discussion.

Fraud issues or concerns

Fred brought up to the Board if they are aware about any fraud issues or concerns as this is one of the questions from the auditor for 2019. No concerns were raised.

Viera Ducky's summer vacation plan

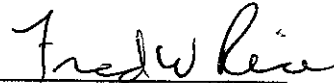
Viera asked the Board for permission to take three weeks vacation at the end of August and the beginning of September. The Board agree with it and dates needs to be set with Fred's approval.

Daniel Hunsperger MOVED that the meeting be adjourned at 2:15 P.M.

Next Regular Meeting: Monday, February 24, 2020 at 10:00 A.M



Chairman – Duane Nelson



District Manager – Fred Rice