

KOONTZ LAKE REGIONAL SEWER DISTRICT

P.O. Box 204
Walkerton, IN 46574

MINUTES OF ANNUAL MEETING OF BOARD OF TRUSTEES OF KOONTZ LAKE REGIONAL SEWER DISTRICT

January 20th, 2026

The January 20th, 2026 Annual meeting of the Board of Trustees of the Koontz Lake Regional Sewer District was held at 5:30 p.m., local central time, at the KLRSD Administrative Building, 10625 East Prairie Avenue, Walkerton, Indiana 46574. The meeting was called to order by Jeff Jarnecke. Other board members present were: Steve Giese, Kristy Wilsey, Heather Harty and Ron Armstead. Jerry Weber attended by telecom and Shelley Bell was also present.

Mr. Jarnecke asked the Board if there were any additions or corrections with respect to the adoption of the January 20th, 2026 Agenda as previously published. Ms. Harty made the motion to accept the agenda as published, Mr. Giese seconded, and upon vote, the Board unanimously approved the Agenda.

Next on the Agenda was the reading of the December 16th, 2025 Minutes. Ms. Wilsey made the motion to accept the Minutes as presented, Ms. Harty seconded, and upon vote, the Board unanimously approved.

The first item of the Annual Meeting was the President's Annual Report.

Mr. Jarnecke said the Board has been monitoring its capital for improvements and upcoming maintenance. The District is good operationally and financially.

Mr. Jarnecke reminded the Board that Paul Warnke officially resigned.

Mr. Jarnecke thanked all the Board Members for their work and contributions during the previous year. He also thanked JPR and Astbury for their services with a special acknowledgement for the work Dan Fox of Astbury does for the District. He also thanked Shelley Bell for the work she does for the District.

Next was the Treasurer's Annual Report. Ms. Harty informed the Board the report is posted in the Google Drive they all have access to online.

Ms. Harty said the District is about 20% over budget and that revenues are not keeping up with expenses, leaving a less than 1.0 operating ratio. The District has 1.2 million dollars in Savings adding that \$250,000 is the absolute minimum requirement from the USDA because of the loan. The District makes about \$30,000 in CD's. It also brings in \$200,000 per month in Revenue. There is about \$250,000 debt service every year and \$46,000 in expenses per month usually.

Mr. Jarnecke added that much of the expenses are due to equipment failures and repair and maintenance, \$25,000 annually for Baker Tilly accounting services, and Sludge Hauling and Power charges.

Mr. Jarnecke and Ms. Harty will look at what the District is charging Swan Lake for its portion of capital repairs.

Mr. Jarnecke then closed the Annual 2026 Board Meeting and opened the January 2026 Monthly Meeting.

The Regular Meeting of the Koontz Lake Regional Sewer District Board of Trustees began approximately 5:47 pm CST.

There was nothing to report by the Nominations Committee.

The Provisional Treasurer's Report followed.

Treasurer's Report continues on next page:

KOONTZ LAKE REGIONAL SEWER DISTRICT

CASH

1 st Source Bank Checking Account	
Balance as of November 30, 2025:	\$178,060.63
Checks, withdrawals, debits	-\$37,530.87
Service charges	-\$51.07
Deposits and credits	\$69,479.28
Interest earned	\$467.19
Statement balance as of December 31, 2025:	<u>\$210,425.16</u>
Checks written but not cleared	\$0.00

Available balance in checking: \$210,425.16

Certificates of Deposit: \$1,185,046.63

Total funds \$1,395,471.79

RECEIVABLES

Reported by Astbury as of 11/19/25 **\$42,685.48** (see Note 1)

CLAIMS

The following invoices and claims are presented:

NIPSCO	gas cwp	\$109.97 *1
NIPSCO	elec cwp	\$6,801.89 *1
NIPSCO	Admn Bldg	\$282.00 *1
NIPSCO	grinders	\$815.55 *1
Republic Services		\$0.00 *1
Brightspeed		\$279.15 *1
Marshall Co REMC		\$227.00 *1
First Source		\$51.07 *1
Astbury		\$14,471.39
Lawrence Landscape		\$525.00
Bill.com		\$130.16 *1
IUPPS		\$174.80
USDA		\$123,770.00 *1
Hill Excavating		\$1,600.00
Universal Security		\$135.00
JPR		\$393.75
	Total claims	<u>\$149,766.73</u>

* Footnotes to Claims:

- *1 Preapproved for automatic payment.
- *2 Debit Card
- *3 Contract services plus SLR services, numerous service calls and repairs.
- *4 Contract services.

Note 1: Receivable aging:	0-30 days	\$42,383.40
	31-60 days	\$3,581.43
	61-90 days	\$312.66
	91-120 days	-\$328.09
	121+ days	-\$2,598.45
	Liens	-\$665.47
	Total	<u>\$42,685.48</u>

Note 2: The Treasurer recommends approval to pay all claims listed above.

There being no discussion on the Treasurer's Report, Ms. Harty made the motion to approve and pay all January 2026 bills, Mr. Giese seconded, and upon vote, the Board unanimously approved.

There was nothing to report under Asset Management.

For Billing, it was reported that we are making progress and Astbury is doing good at working with the liens. Ms. Harty noted that the liens fees seem high. Mr. Jarnecke said the liens come off when it gets paid.

For Engineering, Astbury reports we are at a low (22%) utilization rate. There have not been as many call outs and Astbury has been very responsive.

Astbury also reported they are working with Hill Excavating on the Pottawatomie issue.

Operations are normal according to the Operating Report.

For System Management, Mr. Armstead said he is impressed and there was nothing waiting to be fixed. The CWP is swept up and tidy. There was some concern about ammonia because of the deep freeze temperatures.

Building Management reported it might look into a different option for cleaning. Lawrence Lawn Care is doing a good job with the snow removal.

There was nothing to discuss on:

- Website
- Compliance
- Contract Administration
- P & P Committee
- Records Management

Under Old Business, Mr. Jarnecke reported the Baker Tilly Proposal is similar to the one from two years ago with a Not To Exceed \$35,000.

Ms. Harty noted that monthly prep is still much last minute with one or two days a month unless they are doing reports.

There was no New Business to be discussed.

There was no correspondence.

There were no other members of the public present at the meeting who wished to speak.

There being no further business to come before the Board, Mr. Giese made the motion to adjourn, Ms. Wilsey seconded and the meeting of the KLRSD Board for Jan 20th, 2026 was adjourned at approximately 6:00 PM CST. at

Respectfully submitted by Shelley K. Bell, KLRSD Bookkeeper

January 20th, 2026 KLRSD Annual Board Meeting Minutes approved by:

Steve Giese

Kristy Wilsey

Gerald Weber

Paul Warnke

Ronald Armstead

Jeff Jarnecke

Heather Harty