

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

August 17th, 2021

The August 17th, 2021 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 Paul Warnke. Other board members present were: Mike McKenna, Jeff Jarnecke, Jerry Weber, Kristy Wilsey and Ron Armstead. Also present was Shelley Bell.

Mr. Warnke asked the Board if there were any additions or corrections with respect to the adoption of the August 17th, 2021 Agenda as previously published. Mr. Jarnecke made the motion to accept the agenda as published, Mr. McKenna seconded, and upon vote, the Board unanimously approved the Agenda.

Next on the Agenda was the reading of the July 20th, 2021 Minutes. Mr. McKenna amended the fourth page, 11th paragraph to read: "The homeowner's insurance was maxed out at \$25,000, however the District settlement offer is \$650 short." There being no further changes, Mr. McKenna made the motion to accept the Minutes as amended, Mr. Jarnecke seconded, and upon vote, the Board unanimously approved.

The first item of the Annual Meeting was the President's Annual Report. Mr. Warnke stated he did not have a formal report ready, but he expressed gratitude for Mr. Jarnecke no longer resigning and continuing his service with the KLRSD.

Next was the Treasurer's Annual Report.

The Treasurer delivered the Annual Treasurer's Report as follows:

Koontz Lake Regional Sewer District

P.O. Box 204

Walkerton, IN 46574

ANNUAL TREASURERS REPORT

Report Period: July 1, 2020 to June 30, 2021

Finances

July 1, 2020 Starting Bank Balance		
Checking	\$280,690	
Certificates of Deposit	\$982,273	
STARTING CASH BALANCE (JULY 1, 2020)		\$1,262,963
TOTAL REVENUES		\$718,507
TOTAL EXPENDITURES		\$631,908
ENDING CASH BALANCE (JUNE 30, 2021)		\$1,349,562
June 30, 2021 Ending Bank Balance		
Checking	\$357,043	
Certificates of Deposit	\$992,519	
Balance		\$1,349,562

Fund Balances

Operating Fund	\$100,000	
Principal & Interest Reserve	\$125,000	
Debt Service Reserve	\$250,000	
Capital Improvement Reserve	\$874,562	
Total Funds		\$1,349,562

Items of Note

The 2021 Business Plan (for January through June) shows the following:

Revenues are at 56% of projection

Expenses are at 51% of projection.

Operating Ratio is 1.15

These figures indicate that the Proposed Budget, adopted in November 2020, is very much on track after the first 6 months of 2021.

Customer accounts receivable certified in lien stand at 5.3% of annual revenue which is at the high end of where we want to be, but the total includes recently filed liens but does not include payments from the County Tax Collections that are normally paid in June but are late again this year.

Using 2020 operational experience, Swan Lake rates were adjusted in April as provided by ordinance. The Fixed Rate was adjusted down by 9% and Variable Rate was increased 25%.

Overall, it is the Treasurers opinion the the District remains on firm financial ground. Expenses remain under control and the District continues to build reserves. We recorded an increase of \$85,599 over the twelve months reported, which reverses the downward trend in revenue that we've see the last few years. We have significant expenses for grinder replacements in our near future and have asked JPR to help us define a plan. We have also asked JPR to assist us in applying for a grant through the State Water Infrastructure Fund to help pay for grinder replacements and a possible new sludge disposal plan.

I hereby certify the above to be true and correct.

Michael B. McKenna, Treasurer

August 17, 2021

Mr. Warnke stated that the report was as expected.

Next was the Nomination of Officers. The first office was for President. Mr. Armstead nominated Mr. Warnke to this position. Mr. Warnke nominated Mr. Jarnecke to this position. Upon vote, the Board unanimously elected Mr. Jarnecke for this position.

Next, the office of Vice President was open for nominations. Mr. Armstead nominated Mr. Weber. There were no other nominations. The Board voted a vote of confidence unanimously.

Next were nominations for the office of Secretary. Mr. Warnke nominated Ms. Wilsey, and there were no other nominations. The Board then voted with all in favor voting with a vote of confidence.

The next position for nomination was that of Treasurer. Mr. Weber nominated Mr. McKenna to continue as Treasurer. There were no other nominations. Upon unanimous vote, the Board approved with a vote of confidence.

The officers for the next 12 months for the KLRSD are:

President – Jeff Jarnecke
Vice President – Jerry Weber
Treasurer – Mike McKenna
Secretary – Kristy Wilsey

With this, Mr. Warnke made the motion to close the Annual Meeting and upon vote, the Board unanimously approved.

This also concluded the Annual Meeting of the Koontz Lake Regional Sewer District Board of Trustees for the years of 2021-2022.

The Regular Meeting of the Koontz Lake Regional Sewer District Board of Trustees began approximately 5:50 CST.

Next, the meeting turned to Monthly Reports.

There was nothing to report by the Nominating Committee.

Next was the Treasurer's Report:

KOONTZ LAKE REGIONAL SEWER DISTRICT			
TREASURERS REPORT	Page 1 of 1		August 17, 2021
<u>CASH</u>			
1 st Source Bank Checking Account			
	Balance as of June 30, 2021:		\$357,043.18
	Checks, withdrawals, debits		-\$58,004.85
	Service charges		-\$30.73
	Deposits and credits		\$57,711.56
	Interest earned		\$31.63
	Statement balance as of July 31, 2021:		\$356,750.79
	Checks written but not cleared		-\$165.48
	Available balance in checking:		<u>\$356,585.31</u>
		Certificates of Deposit:	<u>\$995,372.27</u>
		Total funds	\$1,351,957.58
<u>RECEIVABLES</u>			
	Reported by JPR as of 8/16/2021		<u>\$97,350.98</u> (see Note 1)

Treasurer's Report continues on next page:

CLAIMS			
The following invoices and claims are presented:			
	NIPSCO	CWP gas	\$91.31 *1
	NIPSCO	CWP electric	\$5,352.09 *1
	NIPSCO	OB gas & electric	\$117.75 *1
	NIPSCO	CS grinder electric	\$1,452.75 *1
	Republic Svcs	sludge hauling	\$2,024.45 *1
	CenturyLink	Phone Svc	\$258.59 *1
	Marshall County REMC	SLR electric	\$296.00 *1
	USDA	loan payment	\$123,120.00 *1
	Astbury Water Tech	Operator services	\$11,501.36 *2
	Jones Petrie	billing services	\$4,259.78 *3
	Jones Petrie	locate services	\$1,955.00 *3
	Jones Petrie	engineering	\$1,670.00 *3
	Jones Petrie	inspection services	\$0.00 *3
	Jones Petrie	reimbursables	\$0.00 *3
	Personnel Partners	staffing services	\$645.75
	Shelley Bell	bookkeeping expenses	\$147.36
	James Melton	refund	\$66.02
	Josh Stark	reimbursement claim	\$329.00
	Rhonda Tomblin	cleaning svc	\$50.00
		Total claims	\$153,337.21
* Footnotes to Claims:			
	*1	Preapproved for automatic payment.	
	*2	Contract services plus SLR services, numerous service calls and repairs.	
	*3	Contract services.	
Note 1:	Receivable aging:	Current	\$41,963.14
		30 days	\$4,067.22
		60 days	\$3,991.64
		90+	\$13,084.51
		Lien	\$34,244.47
		Total	\$97,350.98
			5.3% (percent of annual revenue)
Note 2: The Treasurer recommends approval to pay all claims listed above.			

There being no further discussion regarding the Treasurer's Report, Mr. Weber made the motion to accept the Treasurer's Report as presented, Mr. Armstead seconded, and upon vote, the Board unanimously approved.

There was nothing to report by Asset Management.

Next was JPR's Report: Mr. McKenna and Mr. Jarnecke have a proposal to do a study and Cost Analysis by JPR which the Board will discuss at the next meeting.

There was no report by Astbury to be discussed.

The System Manager reported everything is running okay but there are still several pumps needing to be fixed. Mr. McKenna added that he had met with Kenny Jones of JPR who told him that our system looks good and clean.

Next, the Building Manager also reported everything was okay.

Mr. McKenna told the Board the cleaner had come in yesterday and noticed a powdery mildew on chairs and tables in the meeting room, which she wiped down with a bleach mixture. He noticed the thermostat was set on "heat". Mr. McKenna said we will need to watch the temperature in the building.

Mr. Warnke told the Board that Universal Security had called about the power outage.

There was nothing to discuss under Contract Management. Mr. McKenna said we will need to check JPR's and Astbury's contracts. Mr. Warnke said he would look into these.

There was nothing to report by Key Control.

The P & P Committee had nothing to report.

There was no Records Management report.

There was no Old Business to be discussed.

For New Business, the KLA has asked the KLRSD if they would post notice posters in the KLRSD kiosck.

There were no appeals.

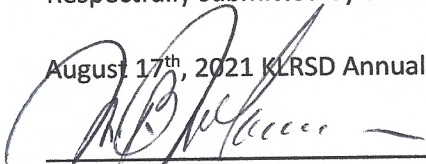
There was no correspondence.

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

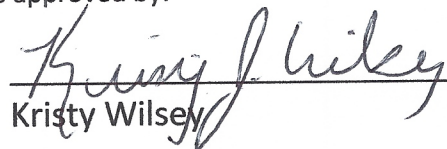
There being no further business to come before the Board, Mr. McKenna motioned for the meeting to be adjourned, Mr. Jarnecke seconded, and upon vote, the Board unanimously approved. August 17th, 2021 Annual Meeting of the Koontz Lake Regional Sewer District Board of Trustees was adjourned at approximately 6:17 p.m. local Central Time.

Respectfully submitted by Shelley K. Bell, KLRSD Bookkeeper

August 17th, 2021 KLRSD Annual Board Meeting Minutes approved by:



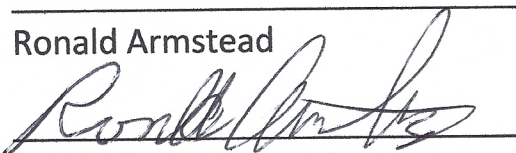
Michael McKenna

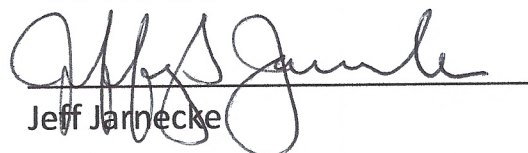


Kristy Wilsey

Gerald Weber

Paul Warnke

Ronald Armstead




Jeff Jarnecke