

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 15th, 2023

The August 15th, 2023 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: Mike McKenna, Jerry Weber, Kristy Wilsey, Heather Harty and Ron Armstead. Also present was Dan Fox of Astbury and Shelley Bell.

Mr. Jarnecke asked the Board if there were any additions or corrections with respect to the adoption of the August 15th, 2023 Agenda as previously published. Mr. McKenna made the motion to accept the agenda as published, Ms. Wilsey seconded, and upon vote, the Board unanimously approved the Agenda.

Next on the Agenda was the reading of the July 18th, 2023 Minutes. Mr. McKenna made the motion to accept the Minutes as presented, Mr. Weber seconded, and upon vote, the Board unanimously approved.

The first item of the Annual Meeting was the President's Annual Report. Mr. Jarnecke opened the meeting by thanking all the Board Members for their work and contributions during the previous year. He told them the Koontz Lake Sewer District is a sound operation physically and that the plant handles 60,000 gallons (plus or minus) each day.

Mr. Jarnecke said the successes of the previous year included implementing the Rate Adjustment, improvements at the plant, and the purchase of new grinders. He also mentioned the additional work to plan ahead and put in motion the needs of the district to keep things running smoothly for the years ahead.

Mr. Jarnecke also thanked Mr. McKenna for all the hard work he contributes as Treasurer as well as his leadership.

Mr. Jarnecke then thanked Ms. Bell for providing bookkeeping and administrative services to the Board and District.

Mr. Jarnecke also thanked Mr. Fox and Astbury for their hard work and assistance in providing the community quality service.

Mr. Jarnecke thanked JPR, Kenny Jones and Jennifer Ransbottom for their assistance and hard work to ensure the system is well thought out and for their billing services.

Mr. Jarnecke informed the Board that he has heard very few complaints this past year, including the rate increase which was determined necessary to plan ahead and provide funds for future needs of the District.

Mr. Jarnecke then wrapped up his report, once again thanking everyone and saying congratulations on a very good year.

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, 2022 to June 30, 2023

Finances

July 1, 2022 Starting Bank Balance		
Checking		\$353,654
Certificates of Deposit		\$1,011,808
STARTING CASH BALANCE (JULY 1, 2022)		\$1,365,462
TOTAL REVENUES	(July 2022 - June 2023)	\$747,803
TOTAL EXPENDITURES	(July 2022 - June 2023)	\$778,500
ENDING CASH BALANCE (JUNE 30, 2023)		\$1,334,765
June 30, 2023 Ending Bank Balance		
Checking		\$302,728
Certificates of Deposit		\$1,032,037
	Balance	\$1,334,765

Fund Balances

Operating Fund	\$100,000
Principal & Interest Reserve	\$125,000
Debt Service Reserve	\$250,000
Capital Improvement Reserve	\$859,765
Total Funds	\$1,334,765

Items of Note

The 2023 Business Plan (for January through June) shows the following:

Revenues are at 54% of projection
 Expenses are at 55% of projection.
 Operating Ratio is 1.15

These figures indicate that expenses are running a bit ahead of our 2022 Business Plan and revenues are also slightly ahead after the first 6 months of 2022.

Customer Accounts Receivable certified in lien stand at 2.6% of annual projected revenue which is a very comfortable level.

Using 2022 operational experience, Swan Lake rates were adjusted in April as provided by ordinance.

Overall, it is the Treasurers opinion that the District remains on firm financial ground. Although some expense catagories are feeling inflationary pressure, a 9% rate increase initiated in January was timely and necessary.

I hereby certify the above to be true and correct.

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Michael B. McKenna, Treasurer
 August 15, 2023

Mr. McKenna noted that while it may appear the District hasn't added to its reserves, we did spend on planned items, such as the purchase of 50 new grinders. He added that he feels the District is on sound financial ground.

Mr. McKenna then submitted the Treasurer's Annual Report for approval. Mr. Armstead seconded and upon vote, the Board unanimously approved.

Next was the Nomination of Officers. The first office was for President. Mr. Armstead nominated Mr. Jarnecke to this position. Mr. Weber seconded. There being no other nominations, upon vote, the Board unanimously re-elected Mr. Jarnecke with a vote of confidence.

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

Next were nominations for the office of Secretary. Mr. McKenna nominated Ms. Wilsey, with Mr. Armstead seconding 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, with Mr. Armstead seconding. 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. Jarnecke closed the 2023 Annual Meeting and opened the Regular Meeting.

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

First, the meeting turned to Monthly Reports.

The Nominating Committee referred to the elections of officers made during the Annual Meeting.

Next was the Treasurer's Report:

KOONTZ LAKE REGIONAL SEWER DISTRICT				
TREASURERS REPORT		Page 1 of 1		August 15, 2023
CASH				
1 st Source Bank Checking Account				
Balance as of June 30, 2023:				\$302,727.63
Checks, withdrawals, debits				-\$30,502.71
Service charges				-\$57.87
Deposits and credits				\$60,699.44
Interest earned				\$90.56
Statement balance as of July 31, 2023:				\$332,957.05
Checks written but not cleared				-\$709.00
Available balance in checking:				\$332,248.05
Certificates of Deposit:				\$1,039,455.27
Total funds				\$1,371,703.32
RECEIVABLES				
Reported by JPR as of 7/12/2023				\$95,073.91 (see Note 1)
CLAIMS				
The following invoices and claims are presented:				
NIPSCO	CWP gas			\$72.85 *1
NIPSCO	CWP electric			\$4,528.58 *1
NIPSCO	OB gas & electric			\$159.16 *1
NIPSCO	CS grinder electric			\$1,371.36 *1
Republic Svcs	sludge hauling			\$2,849.90 *1
Brightspeed (CenturyLink)	Phone Svc			\$205.84 *1
Marshall County REMC	SLR electric			\$269.00 *1
Selective Insurance	Fidelity insurance			\$381.00
USDA	loan payment			\$122,853.34
Astbury Water Tech	Operator services			\$5,818.30 *3
Jones Petrie	billing and engineering			\$7,675.14 *4
Personnel Partners	staffing services			\$740.25
Jerry Weber	supplies			\$203.69
Total claims				\$147,128.41
* 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:	Current	\$51,398.41	
		30 days	\$5,424.78	
		60 days	\$3,667.25	
		90+	\$15,993.33	
		Lien	\$18,590.14	2.6% (percent of annual revenue)
		Total	\$95,073.91	
Note 2:	The Treasurer recommends approval to pay all claims listed above.			

Mr. Jarnecke asked if the Business Report was just a snap shot of where the District is and Mr. McKenna affirmed that.

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

There was nothing to report by Asset Management.

For JPR's Billing Report, Mr. McKenna told the Board there was a minor issue due to a property owner who had passed away with a credit balance of \$400 on their account about which he wasn't sure what to do. Mr. Jarnecke volunteered to look into this.

Mr. Jarnecke also found it reassuring that so many liens have been caught up.

There was no discussion of JPR's Engineering Report.

For Astbury, it was reported that Mr. Fox and Selge Construction met with Swan Lake today and looked at the situation there.

He told the Board the airline system failure has been corrected but the CWP does not seem to do as well being run only half of the plant at a time. He noted that the CWP is back up and running as it was before.

Mr. Fox has found a dumpster with a built-in screen, which is about half the cost of IRT and doesn't require bags.

Mr. Fox noted that Shoemaker Welding is interested in building a bar screen but this may take a while as they are currently very busy.

Quotes for Swan Lake are also currently in the works. Mr. Jarnecke is working with Mr. Fox on this.

Mr. Jarnecke said the new street cover rings are in to help eliminate the road hazards due to covers not being flush with the newly black-topped roads. Selge Construction will pick them up.

Mr. Fox told the Board he has recently hired another person to help with grinder repairs. There are 15 new pumps that have yet to be placed in use. Most of the current pulled pumps are being repaired, unless they are too far gone, then they get scrapped out.

The System Manager reported everything is looking good.

There was nothing to report by the Building Manager.

Mr. McKenna told the Board he has yet to hear from the election board regarding use of the Administration Building as a polling place. Mr. Jarnecke said we are waiting for the election board to sign off and once they do, we will be an election location.

There was nothing to report by the Contract Manager.

There was nothing to report by the Key Control Manager.

There was no P & P Report.

There was nothing to report by the Records Manager.

Under Old Business, Mr. Jarnecke told the Board he has been trying to reach Republic Services regarding rate negotiations but has yet to receive a response. He will keep trying a little longer, but if he does not receive an answer, he will start looking at other services.

Mr. McKenna feels if the District has other quotes for service, we might have better luck getting the rates reduced by Republic Services. Mr. Fox noted that Republic Services is hard to reach.

There was no New Business to discuss.

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, Ms. Harty motioned for the meeting to be adjourned, Ms. Wilsey seconded, and upon vote, the Board unanimously approved. The August 15th, 2023 Annual Meeting of the Koontz Lake Regional Sewer District Board of Trustees was adjourned at approximately 6:07 p.m. local Central Time.

Respectfully submitted by Shelley K. Bell, KLRSD Bookkeeper

August 15th, 2023 KLRSD Annual Board Meeting Minutes approved by:

Michael McKenna

Kristy Wilsey

Gerald Weber

Paul Warnke

Ronald Armstead

Jeff Jarnecke

Heather Harty