



# Lost Lake Utility District

## Regular Meeting Minutes

### 404 Lake Court, Dixon IL at 6:00 PM

### October 17, 2023

**Trustees Present:** Cheri Kemp, Chair, Hal Warren, Vice Chair; Joe Bajko, Trustee; Anne Harms, Trustee; Rick Reardon, Trustee

**Staff Present:** Beth Caudill, Office Manager; Julie Peters, Treasurer; Chad Judd, Certified Operator

**Absent:** Ray Ford, Trustee

**Guest:** Clark Cameron, Illinois Rural Water Association

- I. **Call to Order and Roll Call:** Cheri Kemp called the meeting to order at 6:00 pm.
- II. **Pledge of Allegiance**
- III. **Approval of the Agenda:** Anne made a motion to approve the agenda, and Rick seconded the motion. The motion was approved by unanimous vote. [10-17-23-1]
- IV. **Guest/Public Opinion**
- V. **Approval of the September 19, 2023 Regular Meeting Minutes:** Hal made a motion to approve the September 19, 2023 Regular Meeting Minutes and Joe seconded the motion. The motion was approved by unanimous vote. [10-17-23-2]
- VI. **Treasurer's Report:** Julie provided financial reports to the Board and read into the record the report for period ending September 30, 2023.

*Operating Account:* beginning balance \$170,973.58; receipts \$20,887.73; expenditures \$37,626.64; ending balance \$154,223.67. *Project Fund:* beginning balance \$3,558.99; receipts \$4.39; expenditures \$0; ending balance \$3,563.38. *Debt Service Bond Fund:* beginning balance \$207,756.63; receipts \$16,169.48; expenditures \$435.00; ending balance \$223,491.11. *Money Market Fund:* beginning balance \$72,887.07; receipts \$173.95; ending balance \$73,061.02. *Equipment Replacement Fund:* beginning balance \$13,587.04; receipts \$16.75; ending balance \$13,603.79. *IMRF Fund:* beginning balance \$9,339.43; receipts \$5,517.14; expenditures \$2,425.45; ending balance \$12,431.12.

The Treasurer's Report was approved by unanimous roll-call vote. [10-17-23-3]

Our Central Bank Line of Credit funds were transferred to a CD that was signed by Julie and Cheri for 7 months at 4.85% APR. The CD matures on May 17, 2024 and will auto-renew for 6 months unless the funds are pulled out. These funds will help pay for our water tower painting next year.

- VII. **Office Manager's Report**
  - **A/R Aging Accounts:** Past due accounts currently total \$36,630.62. Past Due Statements, 12 new Prelien Notices and 15 repeat Prelien Notices were sent out yesterday (27 total Prelien Notices).
  - **PSN:** Payment Service Network, our online payment service, offers additional resources that will be explored: migrate bank-issued checks to e-payments, upload and send e-bills, and the use of outbound auto-call messages for notification of past due accounts.
- VIII. **Old Business**
  - **Water System Update:** Every 3 years, we are required to ask homeowners about RPZ valves. An inspection was completed by a plumber at the 3 homes that said they had these valves. The plumber's report indicated no functioning valves, so this information was sent to the EPA.
  - **WWTP Update:** The WWTP is running clean 2 months in a row with almost perfect ammonia levels.

- **Budget Committee Update:** A proposed 2024 budget has been prepared, and a notice has been posted for public inspection. The budget will be voted on at the next meeting.
- **Homestead Rate Committee Update:** Cheri is working with our attorney on Ordinance clarification.
- **Water & Sewer Rates for 2024:** Cheri introduced Clark Cameron from Illinois Rural Water Association. Clark presented his rate study findings to the Board and explained the report in detail. We seem to be operating at a deep loss and have been advised to increase rates for 2024 to catch up with our expenditures. Clark recommends adding a Debt Retirement Fee until our largest debt is paid off. He also recommends reducing the base rate consumption from 10,000 gallons to 4,000 gallons and increasing the overage fees from \$4 per 1,000 gallons to \$10 per 1,000 gallons. The Board noticed some differences between our numbers and Clark's numbers used to calculate 2024 proposed rates. Clark will look into this and provide additional information to the Board. In addition, Clark recommended to include an automatic 3% increase every year, at minimum. Clark also mentioned that he will prepare a summary report and that this IRWA Rate Study can be used as our financial statement when applying for grants with IEPA.
- **Application for Services / Online Utility Exchange:** The drafted service application was discussed. The Board would like 2 applications to be created: one for a homeowner, and one for a lot owner. The Board also wishes for the application to be a bit more simplified. Beth will work on these changes and present to the Board at the next meeting. The use of the Online Utility Exchange will also be discussed further at the next meeting.

#### **IX. New Business**

- **2022 Audit:** Johnson CPA has filed our Comptroller Report but has not yet finalized our audit. The audit must be completed by the 26<sup>th</sup> for our Bond Review. Johnson's second bill will put us over budget, so Julie will be inquiring about the overage. Julie did mention that first year audits take more time than following years and that the CPA was doing something with cash vs. accrual accounting methods.
- **Snowplow Bid:** The Board would like to use Sauk Valley Lawn & Landscaping again. Beth will reach out to them for a quote for this season.
- **Other:** Chad will be on vacation next week 10/23-10/27 and 11/1-11/3. Jeff Winterland will assist with water testings and emergencies during Chad's absence.

- X. Adjournment:** Anne made a motion to adjourn the meeting at 7:38 pm and Joe seconded the motion. The motion was approved by unanimous vote. [10-17-23-4]

**The next Regular Meeting will be held on November 21, 2023 at 6:00 PM.**

#### **October 17, 2023 Motion List**

**10-17-23-1 Approval of the Agenda:** Anne made a motion to approve the agenda, and Rick seconded the motion. The motion was approved by unanimous vote. [10-17-23-1]

**10-17-23-2 Approval of the September 19, 2023 Regular Meeting Minutes:** Hal made a motion to approve the September 19, 2023 Regular Meeting Minutes and Joe seconded the motion. The motion was approved by unanimous vote. [10-17-23-2]

**10-17-23-3 Treasurer's Report:** The Treasurer's Report was approved by unanimous roll-call vote. [10-17-23-3]

**10-17-23-4 Adjournment:** Anne made a motion to adjourn the meeting at 7:38 pm and Joe seconded the motion. The motion was approved by unanimous vote. [10-17-23-4]