

# Minutes

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## *July 1, 2020– Board Meeting - Reconvened*

On July 1, 2020, the Board of Trustees of the Lake County Public Water District met in a reconvened meeting, virtually, at the hour of 5:30 p.m. Chairman Topcik, General Manager White, and Administrative Assistant/Board Secretary Karen Johnston were physically present at the conference room of the District, 500 – 17th Street, Zion, Illinois. Present virtually were: Trustees Mitchell, Monk, Walsh, Ruchti, Moe, Jaeger, and Attorney Kucera. Present as a guest speaker was Ethan Poglese of Eder Casella & Co. Chairman Topcik opened the meeting at approximately 5:30 p.m.

Chairman Topcik started the meeting with the following statement: I have determined that an in-person meeting of the board of trustees is impractical and imprudent, due to the Covid-19 pandemic, and that related disaster declarations and orders issued by the governor, therefore this meeting of the board is being conducted by virtual protocol pursuant to authorizations by the governor and Public Act 101-640.

Chairman Topcik proceeded to a roll call:

Present: (7) Moe, Jaeger, Walsh, Monk, Mitchell, Ruchti, Topcik

Absent: None

Chairman Topcik turned the meeting over to guest speaker, Ethan Poglese of Eder Casella & Co.

Mr. Poglese directed the board's attention to the packet they were sent that consolidated all the audit documents.

Mr. Poglese started with the representation letter, which is the District's letter to the auditors, confirming that the District had these financial statements. This is standard reporting that is included in the representation letter, and there is nothing out of the ordinary.

He then presented the auditor's opinion, explaining that it was an unmodified opinion, which means that based on all of testing they were able to obtain reasonable assurance that the financial statements were fairly presented. He indicated that this is best opinion the District could have under accounting standards, and was the same as last year.

Mr. Poglese proceeded to go through each financial statement, explaining them, and pointing out the following highlights:

- The results of operations for the year resulted in an operating income of \$807,843. After considering interest and other income and expense, the net result for the year was a \$716,501 net income.
- The 2020 demand for water decreased 3.23% from 2019 levels to 855,169,000 gallons. The District had delivered 883,744,000 gallons in 2019.
- The District's net position increased during the year, which ended April 30, 2020 by \$716,501 from the 2019 balance of \$6,251,481 to the 2020 balance of \$6,967,982.
- Total revenue for 2020 of \$2,588,983 is \$11,767 more than the \$2,577,216 reported in 2019.
- Renewal and replacement charges decreasing by \$56,410 due to reduced renewal and replacement expenses.
- Miscellaneous Operating revenue increased due to a grant for \$100,000.

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- The 2021 delivery rate calculation is \$1.629 per 1,000 gallons.
- There is a refund of \$120,813, to be allocated to the customers based on delivered gallons of water actually billed.
- The amount needed to fully fund the R&R account is \$174,274. After credits for amounts paid in 2020, and additional debt service coverage, the amount to be contributed by the District's customers is \$53,040.

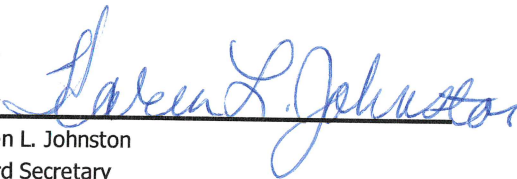
Mr. Poglese asked if there were any questions. There were none and Mr. Poglese left the meeting at 6:50.

Trustee Walsh made a motion to approve the audit report, which was seconded by Trustee Mitchell. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.

Trustee Jaeger made a motion to approve the pension contribution of 17% for fiscal year 2021, which was seconded by Trustee Mitchell. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.

Trustee Walsh made a motion to approve the fiscal year 2021 water rate of \$1.629, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.

Trustee Jaeger made a motion to adjourn, which was seconded by Trustee Mitchell.

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Karen L. Johnston  
Board Secretary