

LAKE LIMERICK COUNTRY CLUB -WATER COMMITTEE MEETING

Minutes of February 11, 2023, 8:30 am – 1:45pm

Meeting Location: Online by Zoom for Committee & Community Members

Call to Order: Meeting called to order by the Chair Kelly Evans.

Members Attending: Chairman Kelly Evans Secretary Anne Moen, and Treasurer Don Bird.
Members - Sue Hearron, Dan Cossano and Wally Montz.

Board Members: John Ingemi, Dean Dyson & Pat Paradise.

Employees Attending: Water System Manager Chris McMullen, CAM- Roger Milliman, and Christy Smith

Guests: Dan Bussler 05/092, and Lou Jackson 2/55

APPROVAL OF MINUTES –JANUARY

*Motion made by Don Bird to approve January’s Minutes, seconded by Sue Hearron, and carried with no nays.

COMMENTS FROM THE CHAIR:

Kelly reviewed the purpose of the water committee, and the need to finish the draft of the Water System Plan. Don and Kelly will work on the final draft and submit to the Board by Monday February 13th.

Once approved by the Board,

1. If major edits are needed the Board will send back to the Water Committee to edit.
2. If major edits are not needed, the plan will be forwarded on to Northwest Water.
3. Northwest Water will compile it in preparation for DOH submittal. Northwest Water will not make edits to the plan.
4. Northwest Water will then send the report back to Lake Limerick Water Committee and the Board for approval.
5. If approved the report will be submitted to DOH.

Once the Water Plan has been approved, the Water Committee needs to use this document and update as we use it. It is a *working document*.

BRIEF CAM REPORT

Water CAM report 02.11.2023

Pat Paradise will assist the office with coordination of combining lots in the maintenance shop area for further projects.

COMMENTS / QUESTIONS FROM GUESTS

Dan C would like additional information from the CAM regarding liability information from the attorney and insurance companies in regard to the use of Lake Limerick fire hydrants. CAM (Roger) agreed to compile the responses from the attorney and insurance companies.

*Motion made by Dan Cossano to have LLCC CAM request and provide insurance quotes from industry to cover loss of property and/or life, in the event water system fails to provide fire flow defined for each hydrant. The quote should take into account the reliability, backup generators and redundancies. Evaluation should be based on similar sized communities. Seconded by Sue Hearron and carried with no nays.

FINANCIAL REPORT:

1) Budget to Actual / Receivable update – *See attached month end December 2022 & AR Cycle Ending 2/7/2023.*

- Meter reading went smoothy. So smooth there was a glitch in the billing software and billed some customers for two months. The office staff spent time with customers sorting out confusion and understanding the system to reduce the issue from happening again.
- Budget to actual looked great, minor expenses and the operating income is ahead. Chris is doing a great job keeping expenses down.
- Accounts over 90 days has reduced from \$15,000.00 to \$12,400 and only 142 accounts past due. Rhonda is doing a great job working with account holders to bring accounts into compliance.

2) Cash Accounts, CD & Money Market Review: *See attached Edward Jones Investments for Month ended December 2022*

- Reserves in Heritage have increased and money needs to be moved to the money markets.
- It is important to keep monies in the regular saving for unexpected costs.
- The following are acronyms on the water bill:
 - ✓ WCR = Water Capacity Reserves
 - ✓ MLR = Mainline Reserves

- There is a discrepancy in the water reserve account. Don Bird will have the report corrected.
- Edward Jones accounts are currently earning approximately 4.65% interest.

**Motion made by Don Bird to transfer:*

1. *\$50,000.00 from the Heritage Mainline account to the Edward Jones Mainline Reserve account, and*
2. *\$35,000.00 from the Heritage Water Capacity Reserve account to the Edward Jones Capacity Reserve account.*

Seconded by Sue Hearron and carried with no nays.

FINANCIAL ADVISORY TEAM LIAISON REPORT – SUE HEARRON

- The focus of the group is on a legal process to collect overdue HOA fees and shut off water as needed as result of overdue unpaid HOA fees.
- They have also had discussions about the water billing cycle to help avoid possible billing issues in the future. It is up the Board, not the Water Committee to determine the billing cycle for the water bills.

**Motion made by Anne Moen to approve the November financials. Seconded by Dan Cossano and carried with no nays.*

WATER SYSTEM MANAGER’S REPORT: CHRIS MCMULLEN

1) Mangers Report & Consumption Spreadsheet – See attached – NO Report.

- Due to a computer glitch (blue screen) the water manager could not produce a report this month.
- Water consumption was better than it has been, Chris and his team are doing a great job with improving the whole system. Approximately 4 million gallons consumed and only 47,000 gallons unmetered.

1) Project Status:

- **Fence at Well #3** – Work on the fence has begun, fence posts have been set and hoping to have it completed next week.
- Chris is working on a water leak located on Penzance Rd. Chris has been in communications with the homes affected by the leak repairs regarding water usage and possible water shut off. The equipment he rented to perform the job needs repair and hoping to have water leak repairs done by mid-week.

2) Water Sample testing: January’s routine samples came back satisfactory.

3) Other:

- Discussion amongst meeting participants about the pull over on Saint Andrews where Cranberry Creek crosses. Concerns about heavy loads crushing the water pipes and possible solutions. This would need to be discussed more with the county due to infrastructure constraints.
- Chris had to padlock a water connection due to nonpayment. Lock was cut and was wanting to know about water staffs time and equipment reconciliation. John and Chris will work on next steps and specifics for where the money collected from the fine will be allocated.

MOTIONS TO THE BOARD:

Motions to the Board in January were all approved.

CORRESPONDECE FROM MEMBERS

No Correspondence this month.

UNFINISHED BUSINESS:

1) Water System Plan Completion-

- Attendees of the meeting spent quality time reviewing the Water System plan and the emergency response plan. Comments for grammar, formatting and content edits were suggested by all. Don Bird and Kelly Evans will meet and make the edits based on the feedback during the meeting.
- Any items over \$15,000.00 need to go in the reserve study.

2) Hydrant issues –

- The Cam is still in the process of compiling information on the legal side of the hydrant use and obligations
- In the interim of having a solid plan, the committee understand the need for an interim action plan.

*Motion made by Anne Moen to remove the plastic bags and paint the tops and caps black to signal they are not to be used. Seconded by Dan Cossano and carried with no nays.

If approved a notice will go out in the water billing to notify customers.

Announcements:

Next meeting: March 11, 2022 @8:30 AM

Location: Zoom for committee members and guests

Motion to adjourn to closed session if needed:

*Motion made by Sue Hearron to move to closed session to discuss legal and personnel issues. Seconded by Anne Moen and carried with no nays.

Motion to return to Open Session:

*Motion to return to open session by Anne Moen and seconded by Sue Hearron and carried with no nays.

Motions from closed session: No motions were made in closed session.

Adjourn:

*Motion made by Anne Moen to adjourn the meeting, seconded by Sue Hearron and carried with no nays.

Action Items

- Kelly should receive a DocuSign form to fill out form Heritage bank to become an authorized signer.
- Kelly to make sure an explanation to customers goes out in the water billing if motion is approved to paint hydrants black.
- There is a discrepancy in the water reserve account. Don Bird will have the report corrected.
- Chris will put together bulleted items he would like to see in the forgiveness letter.
- Chris and Rhonda to write a process for Meter Locks.
 - a. John and Chris will work on next steps and specifics for where the money collected from the fine will be allocated.

- Shauna will research a way to report interest earned on a monthly or quarterly basis.
- CAM (Roger) agreed to compile the responses from the attorney and insurance companies regarding liability for fire hydrants.
- Kelly continues to work on this project. Make refrigerator magnets with important phone numbers for community members.

Motions for the Board

* Motion made by Dan Cossano to have LLCC CAM request and provide insurance quotes from industry to cover loss of property and/or life, in the event water system fails to provide fire flow

defined for each hydrant. The quote should take into account the reliability, backup generators and redundancies. Evaluation should be based on similar sized communities. Seconded by Sue Hearn and carried with no nays.

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Lake Limerick
BUDGET TO ACTUAL
Month Ended Dec 31, 2022

Variance	Water HOA Budget	Water HOA Actual		Water HOA Actual	Water HOA Budget	Variance	Water HOA Budget	25%
Revenue								
\$ 6,152	\$ 49,500	\$ 55,652	Water Metered	\$ 170,238	\$ 168,000	\$ 2,238	\$ 721,800	
0	0	0	Meter Installation	0	0	0	15,000	
(10,988)	16,488	5,500	Water Reserves - Well	16,500	49,464	(32,964)	197,856	
11,000	0	11,000	Water Reserves - Main Line	33,000	0	33,000	0	
6,164	65,988	72,152	Total Revenue	219,738	217,464	2,274	934,656	24%
Cost of Goods Sold								
0	0	0	Total Cost of Goods Sold	0	0	0	0	
6,164	65,988	72,152	Gross Profit	219,738	217,464	2,274	934,656	24%
Operating Expenses								
(918)	1,167	249	Fuel/Gas Expense	2,150	3,497	(1,347)	14,000	15%
(375)	375	0	Auto Repairs & Maintenance	0	1,125	(1,125)	4,500	0%
(45)	80	35	Bank Service Charges	122	240	(118)	1,000	12%
0	0	0	Bad Debt Written off	(14)	0	(14)	500	-3%
(840)	1,000	160	Computer and Internet Expenses	522	3,000	(2,478)	12,000	4%
(250)	250	0	Dues and Subscriptions	0	750	(750)	3,000	0%
(625)	770	145	Employee Expense	466	1,960	(1,494)	8,310	6%
641	1,500	2,141	Equipment Rental	2,240	3,000	(760)	9,000	25%
(241)	3,400	3,159	Insurance Expense	7,656	9,750	(2,094)	41,970	18%
0	0	0	Interest Expense	0	816	(816)	816	0%
(891)	17,300	16,409	Labor	48,081	49,900	(1,819)	191,300	25%
(400)	400	0	Legal	0	1,225	(1,225)	5,000	0%
0	200	0	Licenses and Permits	70	600	(530)	2,400	3%
0	0	0	Meals & Entertainment	0	250	(250)	1,000	0%
(750)	750	0	Merchant Account Charges	1,724	2,250	(526)	9,000	19%
0	0	0	NSF Check Fees Returned Items	0	25	(25)	100	0%
(100)	100	0	Office Expense	0	300	(300)	1,200	0%
(90)	90	0	Office Supplies	77	270	(193)	1,100	7%
660	1,320	1,980	Payroll Expenses	4,948	3,805	1,143	14,580	34%
(47)	50	3	Payroll Tax Expense	11	150	(139)	600	2%
0	0	0	Postage and Delivery	0	675	(675)	2,700	0%
(4,023)	6,500	2,477	Professional Fees	10,415	20,500	(10,085)	84,000	12%
(5,000)	5,000	0	Repairs and Maintenance	438	15,000	(14,562)	60,000	1%
0	0	0	Tree Felling / Trimming	0	1,650	(1,650)	5,000	0%
1,661	0	1,661	Small Tools and Equipment	1,661	1,100	561	4,500	37%
(1,620)	2,000	380	Supplies	801	4,000	(3,199)	16,000	5%
283	2,700	2,983	Taxes - Public Utility	9,156	8,100	1,056	34,100	27%
(280)	335	55	Telecommunication Expense	520	985	(465)	4,000	13%
0	0	0	Travel Expense	0	850	(850)	3,400	0%
0	0	0	Uniforms	0	700	(700)	2,000	0%
774	1,740	2,514	Utilities	7,228	5,410	1,818	25,560	28%
(400)	400	0	Water Testing	0	1,200	(1,200)	5,000	0%
0	0	0	Miscellaneous Expense	0	18,123	(18,123)	18,123	0%
(13,076)	47,427	34,351	Total Operating Expenses	98,272	161,206	(62,934)	585,759	17%
19,240	18,561	37,801	Operating Income (Loss)	121,466	56,258	65,208	348,897	35%
Other Income								
8	0	8	Interest Income	26	0	26	10,000	0%
11	0	11	Water - Interest Income	26	0	26	0	
19,259	18,561	37,820	Income (Loss) Before Income Taxes	121,518	56,258	65,260	358,897	34%

CASH ACCOUNTS

December 2022

Location	Type	Name	Balance	Operating	Savings	Reserve
<u>WATER</u>						
Heritage	Checking-8937	Water Operating	\$ 295,386.67	\$ 295,386.67		
	Money Market-8953	Water Mainline	\$ 64,373.58			\$ 64,373.58
	Money Market-8945	Well #6 Reserves	\$ 50,248.92			\$ 50,248.92
OCCU	Checking-0216S50	Water Committee	\$ 76,725.87	\$ 76,725.87		
	Savings-0216S7	Water Committee	\$ 102,469.75		\$ 102,469.75	
Edward Jones #11177	various length investments	LLWS Mainline Reserve	\$ 589,207.28			\$ 589,207.28
Edward Jones #20044	various length investments	LLWS Capacity Reserve	\$ 323,326.44			\$ 323,326.44
Edward Jones #22968	Savings Account	LLWS	\$ 124,665.75		\$ 124,665.75	
Upcoming Accounts Payable			\$88,045.61			
Total Water			\$ 1,626,404.26	\$ 372,112.54	\$ 227,135.50	\$ 1,027,156.22
TOTAL:			\$ 3,113,109.96	\$ 621,387.55	\$ 227,135.50	\$ 2,264,586.91

LAKE LIMERICK WATER SYSTEM

AR

As Of Period Ending 2/7/2023

Cycle: 1

Sorted By: Account Number

Subtotaled By: Customer Type, Classification (AccountClass), Service Type

Unfinalized transactions exist. Changes to these transactions may alter this report.

	1/8/2023 - 2/7/2023	12/8/2022 - 1/7/2023	11/8/2022 - 12/7/2022	11/7/2022 - Older	Balance
Commercial					
AccountClass - None					
WATER Totals	17.00	24.82	17.00	133.32	192.14
WATER Number of Accounts	1	1	1	4	4
WCR Totals	0.00	0.00	0.00	-8.00	-8.00
WCR Number of Accounts	0	0	0	1	1
AccountClass - None Totals	17.00	24.82	17.00	125.32	184.14
AccountClass - None Number of Accounts	1	1	1	4	4
Commercial Totals	17.00	24.82	17.00	125.32	184.14
Commercial Number of Accounts	1	1	1	4	4
Residential					
AccountClass - None					
MLRR Totals	8,599.66	2,020.69	1,037.08	2,453.99	14,111.42
MLRR Number of Accounts	1,249	391	172	112	1,282
WATER Totals	39,631.12	8,171.69	4,776.71	8,463.43	61,042.95
WATER Number of Accounts	1,223	368	160	126	1,281
WCR Totals	4,150.23	911.62	488.58	1,443.34	6,993.77
WCR Number of Accounts	1,246	391	173	113	1,283
AccountClass - None Totals	52,381.01	11,104.00	6,302.37	12,360.76	82,148.14
AccountClass - None Number of Accounts	1,258	419	190	138	1,284
Residential Totals	52,381.01	11,104.00	6,302.37	12,360.76	82,148.14
Residential Number of Accounts	1,258	419	190	138	1,284
Grand Total	52,398.01	11,128.82	6,319.37	12,486.08	82,332.28
Grand Total Counts	1,259	420	191	142	1,288