

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE SALT CREEK SANITARY DISTRICT HELD AT 201 S. ROUTE 83, VILLA PARK, IL ON FEBRUARY 15, 2021.**

**The special meeting was called to order by President Hensley at 10:00 a.m.** Present: Trustees: Raymond Hensley - President, Robert Taglia – Vice President and Troy Clampit – Clerk. Also present: Manager Jim Listwan and Business Administrator Ray Hoving.

**Public Participation:** No one from the public was present.

**2020– 2021 Budget Update:**

Business Administrator presented an in depth look at the current fiscal year budget progress. He stated that expenses were projected to be down across all departments and that barring any unforeseen emergencies at the plant he expects that in sum expenses will be approximately \$300,000 lower than the 2020 – 2021 appropriation. Mr. Hoving highlighted for the trustees the areas where the greatest amount of savings occurred including the cost of health care, wages, and commodities such as electricity and natural gas. He also stated that a great deal of savings was realized by using very little of the contingency expenses that were budgeted. On the revenue side he projected little change from the \$3,194,000.00 that was appropriated. He stated that the user charge which makes up the vast majority of the revenue and is based on resident water usage was only slightly higher than budget. Mr. Hoving highlighted the many challenges that the district faced in the past year as well as the many accomplishments the district achieved.

**2021 – 2022 Proposed Budget**

Mr. Hoving thanked the board for their time coming to the district on a weekend morning. He stated that he was happy to present that this year's budget was the first proposed balanced budget in many years. There was then a lengthy discussion regarding the following

**Billable Flow:** Business Administrator Hoving projected that billable flow or the water consumed by the residents of Villa Park will remain flat for the next fiscal year at around 500 million gallons. He presented a history of billable flow which despite an increase in 2017-2018 has seen a steady decline over the past twelve years. The decline appears to have stabilized however. He also displayed a chart showing the amount of water treated month by month versus what was billable. In calendar year 2020 Salt Creek treated over 1.17 billion gallons of water prior to its release into the Salt Creek. This represented a decrease of approximately 310 million gallons of flow.

**User Rates:** Business Administrator Hoving and Manager Listwan recommended a \$0.10 increase to the user charge for 2021 – 2022. The \$0.10 represents a 1.7% increase from FY 2020/2021. Mr. Hoving showed a chart depicting from where the districts revenue is derived.

A draft of Revenue and Expenses for Fiscal Year 2021 - 2022 were presented to the board. Business Administrator Hoving and Manager Listwan presented and explained line item by line item the proposed budget.

**Revenues:** The user charge is projected to rise by \$50,000 in FY 2021-2022. This is directly related to the increase in the user fee. Revenue from other sources is projected to decrease by \$9,000.

Revenues from interest is expected to decrease by \$4,000 and is related to the low interest rates on the districts investments. The replacement tax income is projected to decrease by \$5,000. There are no increases in FY 21-22 to the capital improvement fees that are used to pay the Phase 3, 4 & 5 loans.

Expenses: Mr. Hoving stated that departmental expenses are projected to be approximately \$42,000 higher than FY 20-21 budget amount but overall expenses which include transfers to various funds is down by over \$57,000. He continued that the Administrative Department expenses have a proposed decrease of \$16,760, the operations department has a proposed increase of \$36,000, Maintenance proposed increase of \$31,000 and lab a proposed decrease of \$7,200.

Improvement, Replacement & Debt Service Fund: Funds from the improvement and replacement accounts are appropriated to a variety of projects for the FY 2021/2022. Upcoming projects include new roofs on many building's, upgrades to HVAC units in the plant, work on the east and west grit channels and a facility plan to be completed by Deuchler Engineering. The facility plan is required by the IEPA in order to receive funds from the state revolving loan program (SRLF). \$110,000 is proposed to be appropriated to the replacement fund. \$340,000 is proposed to be appropriated to the improvement fund and \$1.31 million is to be appropriated to the debt service fund.

Wages & Fringe Benefits: Manager Listwan presented his FY 2021 – 2022 wage recommendations to the board.

Meeting Adjourned: Trustee Clampit moved, seconded by Trustee Taglia to adjourn the special meeting at 11:43 a.m. Ayes: Taglia, Clampit, Hensley Nays: None. Motion carried.



APPROVED \_\_\_\_\_  
Raymond Hensley, President

ATTEST \_\_\_\_\_  
Troy Clampit, Clerk



Prepared by Ray Hoving, Business Administrator