

**MEETING MINUTES
SANGAMON VALLEY PUBLIC WATER DISTRICT
BUDGET BOARD MEETING
JANUARY 21ST, 2021
4:30PM**

Held at the Olen G. Parkhill Jr. Water Treatment Plant and via GoToMeeting

MEMBERS PRESENT: Bud Parkhill, Meghan Hennesy, Mike Larson, Mike Melton, Michelle Grindley, Bob Buchanan, Kerry Gifford, & Lindsey Stroud-Rodts. A Quorum was present.

MEMBERS ABSENT: None

GUESTS PRESENT: None

1. CALL TO ORDER/ATTENDANCE: Chairman Hennesy called the meeting to order at 4:32pm. Roll call attendance as follows:

Roll Call Attendance:

Hennesy: Present	Melton: Present	Parkhill: Present	Grindley: Present
Buchanan: Present	Larson: Present	Vacant	

2. APPROVE AGENDA: Chairman Hennesy asked if anyone had any suggested changes to make to agenda. Hearing none she motioned to approve the agenda as presented.

MOTION by Hennesy to approve the agenda as presented, 2nd by Grindley. Roll call vote as follows:

Roll Call Vote:

Hennesy: Yes	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

3. PUBLIC COMMENT: Chairman Hennesy asked for public comment. There was none.

4. NEW BUSINESS:

- A. 2021 Budget Discussion (Non-Personnel Related)** – Chairman Hennesy stated that originally the plan was to discuss IMRF and retirement in this section of the agenda. She asked if anyone had anything else they wanted to discuss that was non-personnel budget related. Parkhill asked to address a few of the other budget line items. Parkhill stated that we don't have a lot of control over this, but he was looking at the insurance increase from \$59,000 up to \$83,500.00. Gifford stated that this cost was due to adding an additional new employee, plus the increase in

rate that is out of our control. Parkhill also stated that we are increasing the chemicals and salt, and asked about prices increasing. Gifford noted that the price for those items seems to go up each year, but we always get pricing from other vendors when we can. Ever year our pumpage and our water sales are increasing, which is part of the increase. Parkhill asked about Communications going up \$4,300.00. Gifford stated this is for the Text-Em-All texting and calling program so we can reach out to our customers in more ways. Parkhill also noticed that Legal was dropped down by about \$5,800.00. Gifford noted that since the settlement is behind us, we are hopefully on the way downward. Parkhill noted that thinking about the expansion to the North and the easements that maybe we need to keep legal the same as last year. Gifford stated that it is still higher than years past, but if the board wants to increase that line items he would understand. He stated that Legal is a hard expense item for him. Parkhill noted that he didn't mind staying within that budget. Parkhill then asked about Memberships, and asked why we are raising that. Gifford noted that that increase is more based on Office Manager's and how they wanted to code things. Wallen prefers to put actual subscriptions and memberships into that line item instead of Contract Services. Chairman Hennesy asked if that was just a re-categorization of expense and not an actual increase in expense. Gifford confirmed. Parkhill's last question was on the Testing line item and that decrease in expense. Gifford confirmed that last year he had this item listed way too high and it was because the EPA lowered our monitoring requirements for testing lead and copper to every 3 years. Parkhill also asked about the "hook-ons" being raised. Gifford noted that he was going off of excepted development with Thornewood and Ridgecreek V. Last year he budgeted for similar development from the great recession and instead we had 43 homes built, so he is optimistic about this year. Buchanan asked about the 4 inch portable diesel pump and wanted to know what it was and what it is for. Gifford stated that we have 6" portables that are aged, and becoming very difficult to operate. We would need this in case there was a disaster to do an emergency bypass. Parkhill suggesting putting the 4th project (oil and chip the back entrance) low on the priority list. Gifford stated that we have had the west gate closed except for semis due to a complaint to call the EPA about the dust. Chairman Hennesy asked who the complaint came from. Gifford stated it was from Mr. Wiedner. Gifford stated that we drive in and out of that lane 10 times a day or so and it would kick up dust, so he wanted to eventually look into oil and chipping that entrance. Chairman Hennesy asked if the Board had any other questions about the budget that was not personnel or IMRF related. They did not.

Chairman Hennesy stated that the other part of the discussion this evening was that people had a desire to pause on the IMRF discussion at this time. It was her understanding that people would like to slow down at this time, and not hold up the budget approval due to not making a decision on IMRF since we have the quote from IMRF for a year. She feels that if the board is going to do that then a committee needs to be formed to be responsible for collecting the information from Board members so they can see what needs to be done for comparison programs. She doesn't want it to get to far ahead of us. She also said that we may have the ability to kind of test the theory as we do have an Operator position that we are trying to hire for this year. That job has been open and posted since November and we have only had one person apply that meets the qualifications as

it is posted, and that person was not eligible for hire. She would like to have Gifford and Wallen assist in putting together a questionnaire to figure out why people aren't applying or aren't interested in the position. She stated that she doesn't want the District to make a decision to go with IMRF if that isn't the reason that people aren't applying. Gifford noted that we do have that posted on the 3Ws and that is the local, professional website for people in this industry in east central Illinois, so it isn't just on Indeed. It is local within our organizations. Parkhill wanted to know a little bit more in the way of what we are specifically looking for in the way of an Operator. Gifford stated that we were looking for someone with at least 5 years experience and already has all of the licensing. Chairman Hennesy stated that as we move forward we need to be thinking about how much time we have Gifford he for mentoring and she thinks hiring someone with licensing and a few years experience gets us a little further down that path. She doesn't think it would preclude us from looking for someone without the licensing, but she thinks we have to be really careful about starting over, because each time we start over, she's personally worried about their ability to set the District up for success long term. She also stated that we haven't really moved the needle on succession planning. Chairman Hennesy asked what the other Trustees are thinking. Buchanan asked where we put up all of the information about the job. Gifford stated that the main organization, the 3Ws has it posted, as well as Indeed. He stated that we don't have it anything nationally like Awwa, because there is usually a cost. Wallen stated that the other thing to note is that the ad on Indeed right now is free, we are not paying for a job ad on there or another site for that matter. Parkhill asked what we did to attract Gifford's attention. He said it was just word of mouth, from knowing many of the employees and Trustees already. Parkill stated that we had a couple applicants at that time for the position, but Gifford was the best choice. Gifford stated that that was also for the General Manager position, not an Operator. Chairman Hennesy suggested having the personnel committee adding this to their agenda and then bringing a recommendation to the Board as a whole for a proactive hiring plan. She asked the board if that seemed like a reasonable approach. Larson asked Wallen how much the cost would be if we decided to sponsor the indeed job or use something like zip recruiter. Wallen wasn't sure of the exact cost for Zip recruiter, but for Indeed the minimum was \$5.00 per day. Larson stated that he has personally seen very limited success in hiring for these times of positions. He also stated that if we are truly looking for an experienced operator, we may want to hire a recruiting firm to find them and it will not be cheap, he stated tens of thousands of dollars, but you only pay if we hire somebody. Wallen agreed with Larson and stated that word of mouth is always the best. Gifford added that there are also so many experience hours required to even sit for the exam for certification. Class A Water used to be 6 years and now it is 4. Chairman Hennesy added that this year has to be our year to figure out how we can hire and put in a succession plan for Gifford. Gifford noted that his plan right now is 65, but depending on his health it could be sooner. Gifford stated that it would great to have two solid operators in place prior to that time. Chariman Hennesy stated that that was a general assessment of the budget and personal. She asked if anyone else had anything to add regarding the IMRF issue. Parkhill stated that he would prefer to table the issue for a little while until we figure out what its going to do to the customers, employees, trustees, and District in general. She asked if everyone was comfortable with

approving the budget as is, with the understanding that the retirement line item is just there and we do not have to switch to IMRF in order to pass the budget amount for retirement. She stated that she just see the budget as a prediction and a worse-case scenario, so she doesn't see any issue with passing the budget as it doesn't mean we have made the decision to move to IMRF. Parkhill agreed with this. Chairman Hennesy asked if everyone was else was good with that. Buchanan added that one thing that concerned him was that once you joined with IMRF it is forever. He just hates to think that we could burden future Board of Trustees with 17% of total wages every year, and it could go higher. Chairman Hennesy agreed that those are valid concerns. She stated that the problem she is trying to focus on and solve is how to we hire and retain quality employees, so she thinks the Board needs to look at if this is the industry standard and people will not look at this as a result, then she doesn't know whether we like the plan or not has a lot to do with it, but all of those factors are worth of consideration and critical thinking, but we may have to get creative, in order to make a job more attract that they overlook us not having it. Buchanan also added that it is a \$40,000 saving if we stay with the retirement plan we have, and we could even use part of that to pay more into salaries. Larson asked how many years two specific employees have been with the District and how close are they to getting licensing. Gifford told Larson this information.

Gifford wanted to note that at the end of Dec we had a surplus of \$335,000.00 to the good. He stated that he knows the expense numbers are getting bigger, but the revenue numbers are getting bigger too and wanted to reiterate that to the Board as they go into their benefit and wage discussion.

5. EXECUTIVE SESSION:

A. 2021 Budget Discussion (Personnel Wages Discussion Only) – 5 ILCS 120/2(c)(1)

MOTION by Hennesy to leave open session for the purpose of discussing employee wages, 2nd by Grindley at 5:11pm. Roll call vote as follows:

Roll Call Vote:

Hennesy: Yes	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

MOTION by Hennesy to return to open session, 2nd by Grindley. Roll call vote as follows:

Roll Call Vote:

Hennesy: Yes	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

6. ADJOURNMENT:

MOTION by Grindley, and 2nd by Hennesy to adjourn at 6:40pm

Roll Call Vote:

Hennesy: Yes	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

Respectfully submitted,

Lindsey Wallen
Secretary, Board of Trustees