

**ACRSD Board**  
**Meeting Minutes**  
**December 12, 2024**

**The following persons were present:**

Shannon Smitley, Chairman  
Nate Rumschlag, Secretary  
John Carroll, Board Member  
Jim Franz, Board Member  
John Summers, Board Member  
Deon Shoaf, Board Member  
Nathan Scherer, Superintendent  
Noah Brite, Field Technician  
Jane Kaverman, Billing and Accounting Clerk

Brooke Hindenlang, Paralegal to Mark Burry

**The following persons were absent:**

Josh Zimmerman, Board Member  
Mark Burry, Attorney

**APPROVAL OF MINUTES**

MOTION TO APPROVE MINUTES MADE BY NATE RUMSCHLAG AND SECONDED BY JOHN CARROLL. Approved 6-0.

**APPROVAL OF CLAIMS**

Bank reconciliation information presented:

FBOB: \$519,456.16

FBOB: \$366,215.23

BONY: \$286,738.75

BONY (5) \$1,084,716.39

MOTION TO APPROVE BANK RECONCILIATION MADE BY JIM FRANZ AND SECONDED BY JOHN CARROLL. Approved 6-0.

MOTION TO APPROVE CLAIMS IN THE SUM OF \$12,260.62 (GROSS PAYROLL) AND \$108,748.33 (CLAIM VOUCHERS) MADE BY JIM FRANZ AND SECONDED BY JOHN SUMMERS. Approved 6-0.

MOTION TO APPROVE SRF CLAIMS IN THE SUM OF \$122,928 (RELEASE OF RETAINAGE FOR FLEMINGS) AND \$4,271.00 (COMMONWEALTH) MADE BY JIM FRANZ AND SECONDED BY NATE RUMSCHLAG. Approved 6-0.

## **DISTRICT SUPERINTENDENT REPORT**

Nathan Scherer updates the Board as follows:

- Project 3: 5 property owners received letters about hooking-up. Nathan Scherer will be meeting with Mark Burry to discuss moving forward with the non-compliant individuals along with the low flow exemption properties that have been inspected. Nathan Scherer also spoke with Jessica to move forward with the inspections.
- Project 4: There is only one home not hooked-up (Sunnybrook area).
- Project 5:

Magley Area: 18 left to hook-up

Winchester Area: 7 left to hook-up

Clem's Lake Area: 36 left to hook-up out of the 96

- 100 W – 3 homes done, 4 left to do.
- Smoke test has been completed at Monmouth – dug up all manhole lids in back field; all smoked, no seals on them. Nathan Scherer got with Ben Adams on what to do. Nathan Scherer believes it is not the lids, he believes there is a boot or something; 2 or 3 in Roe acres that smoked (1 major); school had one, but that is not where the water is coming from. Nathan Scherer spoke to Chris Riptke about putting flow meters in.
  - Jim Franz brought up about enlarging lines to catch stuff there and asks if the problems would go away.
  - Ben Adams thinks the system will work better from a pumping perspective. The flow meter idea is a crap shoot, hoping it rains, nothing happens then you end up asking for more money to keep the flow meter longer.
  - Nathan Scherer comments that there are benefits to upsizing to a 6. Alarms would go away, could move a lot more water, etc; helps with maintenance.
  - Nathan Scherer points out that If we start project 6 we will have to upsize; size 4 is maxed out. The District is at the limit. The only way to hook-up Wyneken in the future is to upgrade Monmouth.
- Nathan Scherer presents an information sheet to the board regarding pricing for pumps. He is still planning to meet with Top to modify the current pumps but he doesn't know what that price is. He is looking at 60 pumps total. The main area is Monmouth – he is going to try and buy as many goosenecks that he can for \$600.00. He asks the Board for approval to rehab the pumps.
  - John Carroll asks if is there anything wrong with the base – will it rot out?

- Nathan Scherer explains that it is stainless, backside is a rubber gasket that bolts on there. The bolts aren't the greatest. They are cast. The plan is to change the height so they are not submerged. This will improve the longevity.
- Jim Franz ask if the District is using stainless now?
- Yes – Per Ben Adams and Nathan Scherer.
- Nathan Scherer reiterates that he is not a huge fan of the pumps.

**MOTION TO APPROVE PROJECT 1 UPDATES TO REHAB THE PUMPS VERSUS PURCHASING NEW BARNES PUMP MADE BY SHANNON SMITLEY AND SECONDED BY DEON SHOAF.**

Approved 6-0.

- Nathan Scherer is also working with Ben Adams to purchase items with SRF money – trailer, lawnmower, vac truck, inventory.
- Nathan Scherer also advises that it is possible to get rid of the Barnes pumps (sell them). There are currently 10 in inventory. Additional discussion held re the Barnes pumps conversion.
- **Baker, Tilly & Rate Study** – Nathan Scherer advises that a meeting was held Tuesday with Baker, Tilly. They discussed the next 5 years on equipment and what we want to put money towards. Discussion also held about vehicle replacement to be considered, especially if a new employee is hired, we need to maybe get another vehicle. Nathan Scherer didn't want to give Baker, Tilly a huge # because we might be using left over money from Project 5 to purchase some things. Nathan Scherer suggests that a future meeting may need to occur with Mark Burry and Ben Adams and possibly a board member to discuss this further.
- John Carroll asks what the life expectancy is for a grinder. Per Ben Adams, around 10 years.
- Nathan Scherer also reports that a panel froze up last week when it was real cold; rubber gaskets dry rotting. Nathan Scherer is going to purchase a heat gun
- Nathan Scherer mentions that there is still an air release issue out at Arcadia/33. He id get an air monitor.

**ENGINEER'S REPORT**

Ben Adams provides his report to the Board.

Project 5: The release of retainage is pretty much it for the contractor work.

Ben Adams asks that the Board consider pre- engineering for Project 6.

- SRF said as project is winding down, it looks like we have a bunch of money left
- Suggesting we use the money for Project 6.

- SRF available balances are as follows:
  - Project 2 - \$446
  - Project 3 - \$16,933
  - Project 4 - \$9,300
  - Project 5 - \$829,614 in construction loan, earned 250K in interest.
- They want a spend down plan before the end of the year.
  - Nathan Scherer mentions that a vac truck is \$200,000.00.
  - Shannon Smitley wants to know if there is a price break if we buy 50 pumps. He also asks if the goosenecks could be custom made.
  - Noah explains that it is not a forever fix.
  - Shannon Smitley recommends they talk to Topp

Re the pre-engineering, the engineering cost will be \$398,400 total engineering.

**Debt Reserve**, question asked if we can use some of this extra money to pay that down.

- Ben Adams said we can ask Baker Tilly.
- Per Nate Rumschlag, in priority, we need to buy pumps and other items, then shore up finances, then do the Preliminary Engineering on the funding for whatever we need.
- Deon Shoaf has a question re BONY Project 5 - isn't this money we have to pay back? it is not new debt, we are gaining interest on the original debt.
- It is decided that the District needs a better understanding of the accounts we have.
- The FBOB Gold account is the USDA loan. \$191,000 will be transferred from operating to Gold, with 92K paid on the loan.

More discussions about purchases.

Nate is comfortable making a recommendation to proceed but close out all accounts.

Jim Franz asks how often we are using the vac trailer. Per Nathan Scherer, it varies. Smaller jobs we use a tote, but larger jobs we have utilized the City of Decatur's truck. If we have to rent from Badger, the rental is \$2,000.00. If we use Fleming's, the charge is \$1,800.00.

- Shannon suggests we negotiate with Decatur since we pay so much, to be able to provide that service.

**MOTION TO PROCEED WITH THE PROJECT 6 DESIGN ENGINEERING WITH COMMONWEALTH AND PUT TOGETHER A DETAILED BUDGET AND SPEAK WITH SRF & BAKER TILLY TO FIND OUT WHAT THAT MONEY CAN BE USED FOR MADE BY NATE RUMSCHLAG AND SECONDED BY JIM FRANZ. Approved 6-0.**

Ben points out that SRF will have to approve what we want to buy.

- Addendum has to be put together and needs to include 3 quotes per Ben and NS.

### **DISTRICT ATTORNEY REPORT**

There was no attorney report.

### **OTHER MATTERS PRESENTED**

MOTION TO APPROVE RESOLUTION 2024-4 –MEETING DATES FOR 2025 MADE BY NATE RUMSCHLAG AND SECOND BY JOHN CARROLL. Approved 6-0.

The Board asks if the 2025 Budget is ready.

- Deon Shoaf sent a document with estimates that he reviewed. He wanted a verification of the numbers.
- Jane has some comments about the budget
  - Misc fees – revenues – lower to 1k
  - Wells County Reimbursement – lower this amount
  - Interest income – comes into FBOB – this is expense she pays on the interest on the loans
  - PERF – includes mandatory and additional contribution.
  - Contractor fees – these were for repairs
- Discussion held regarding accounting fees and recording fees
- Discussion also held about increased rates and treatment rates.
- 90% there on a budget perspective per Deon.

MOTION TO APPROVE 2025 BUDGET MADE BY JOHN SUMMER AND SECONDED BY NATE RUMSCHLAG. Approved 6-0.

Total Budget \$1,223,006.00.

Discussion held regarding pay increases for the District employees.

MOTION TO APPROVE 3% EMPLOYEE RAISE FOR THE YEAR 2025 AND AS REFLECTED IN THE BUDGET MADE BY JOHN SUMMERS AND SECONDED BY JOHN CARROLL. Approved 6-0.

### **PUBLIC COMMENTS**

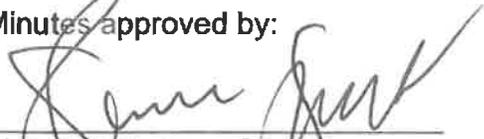
MOTION TO ADJOURN BY JOHN SUMMERS AND SECONDED BY NATE RUMSCHLAG. APPROVED 6-0.

**REVENUE**

<b>450.0 - SEWER FEES-MONMOUTH PLEASANT MILLS</b>	<b>\$261,986</b>
<b>450.1 - SEWER FEES-BOBO</b>	<b>\$98,525</b>
<b>450.2 - SEWER FEES- PROJECT 3</b>	<b>\$437,764</b>
<b>450.4 - SEWER FEES-PROJECT 4</b>	<b>\$188,093</b>
<b>450.5 - SEWER INCOME - PROJECT 5</b>	<b>\$220,561</b>
<b>451.0 - INSPECTION FEES</b>	<b>\$0</b>
<b>452.0 - SEWER EXTENSION FEE</b>	<b>\$8,000</b>
<b>453.2 - TAP FEES-PROJECT 3</b>	<b>\$0</b>
<b>453.4 - TAP FEES-PROJECT 4</b>	<b>\$0</b>
<b>454.0 - MISCELLANEOUS FEES</b>	<b>\$4,000</b>
<b>469.0 - WELLS CO. REIMBURSE RESERVED</b>	<b>\$13,000</b>
<b>708.0 - INTEREST INCOME</b>	<b>\$11,000</b>
<b>741.0 - ADAMS COUNTY GRANT</b>	<b>\$50,000</b>
<b>753.0 - IN FINANCE AUTHORITY - SRF</b>	<b>\$0</b>
<b>TOTAL REVENUE</b>	<b>\$1,292,929</b>

<b>EXPENSES</b>	<b>2020 - 93.30</b>
<b>108.0 - CHECKING TO BONY - INTEREST/PRINCIPAL</b>	<b>\$207,829</b>
<b>CHECKING TO BONY - DEBT RESERVE</b>	<b>\$43,158</b>
<b>111.0 - CHECKING TO GOLD (USDA)</b>	<b>\$99,082</b>
<b>CHECKING TO USDA - PRINCIPAL</b>	<b>\$39,000</b>
<b>CHECKING TO USDA - INTEREST</b>	<b>\$53,314</b>
<b>500.0 - SEWAGE TREATMENT</b>	<b>\$317,148</b>
<b>521.0 - DIRECT LABOR</b>	<b>\$166,043</b>
<b>523.0 - F.I.C.A. TAXES EXPENSE</b>	<b>\$12,655</b>
<b>524.0 - EMPLOYEE INSURANCE</b>	<b>\$43,608</b>
<b>525.0 - DEFERRED COMPENSATION</b>	<b>\$1,170</b>
<b>526.0 - PERF</b>	<b>\$20,257</b>
<b>530.0 - CONVENTIONS &amp; SEMINARS</b>	<b>\$500</b>
<b>551.0 - ELECTRICITY SERVICE AREAS</b>	<b>\$27,219</b>
<b>571.0 - CONTRACTOR FEES</b>	<b>\$63,203</b>
<b>573.0 - REPAIRS EQUIPMENT &amp; TOOLS</b>	<b>\$2,650</b>
<b>575.0 - AUTO TRUCK REPAIRS &amp; MAINTENANCE</b>	<b>\$6,300</b>
<b>577.0 - SUPPLIES</b>	<b>\$13,938</b>
<b>601.0 - BILLING SERVICES</b>	<b>\$1,916</b>
<b>605.0 - RECORDING FEES</b>	<b>\$3,000</b>
<b>607.0 - LEGAL NOTICES</b>	<b>\$750</b>
<b>611.0 - BANK CHARGES</b>	<b>\$ 2,266</b>
<b>612.0 - LOAN FEES</b>	<b>\$0</b>
<b>627.0 - DUES &amp; SUBSCRIPTIONS</b>	<b>\$500</b>
<b>631.0 - INSURANCE GENERAL</b>	<b>\$23,744</b>
<b>635.0 - OFFICE SUPPLIES</b>	<b>\$1,575</b>
<b>636.0 - POSTAGE</b>	<b>\$3,920</b>
<b>652. - SOFTWARE MAINTENACE EXPENSE</b>	<b>\$3,477</b>
<b>656.0 - ACCOUNTING FEES</b>	<b>\$22,369</b>
<b>657.0 - STATE BD OF ACCTS AUDIT FEES</b>	<b>\$20,765</b>
<b>658.0 - LEGAL FEES</b>	<b>\$14,700</b>
<b>685.0 - TAXES PROPERTY</b>	<b>\$100</b>
<b>691.0 - COMMUNICATIONS SERVICE</b>	<b>\$4,351</b>
<b>699.0 - MISCELLENEOUS</b>	<b>\$2,500</b>
<b>ACRSD - WORKSHOP</b>	<b>\$0</b>
<b>TOTAL EXPENSES</b>	<b>\$1,223,006</b>

Minutes approved by:

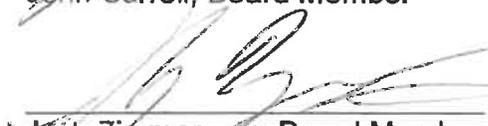
  
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