

SHOREWOOD FOREST UTILITIES, INC.

425 Utility Dr.
Valparaiso, IN 46385
219-531-0706

BOARD OF DIRECTORS PUBLIC MEETING

President, Greg Schafer
Vice President, Anthony Cimino
Secretary & Treasurer, Tom Szeffc
Director, Margie Stiles

Meeting of December 20, 2018

NOTE: All minutes are summarized to give the community the essential information of what has taken place at meetings and what votes were taken. Board discussions and public comments are not presented verbatim.

Note: Customer and member are used interchangeably except for the Shellbourne Conference Center which is a customer only; they are not a member because they do not have voting rights.

CALL TO ORDER (00:10)

President Greg Schafer called the December 20, 2018 Shorewood Forest Utilities, Inc., Board of Directors Public Meeting to order at 7:01 p.m. in the Shorewood Forest Clubhouse. Present were President Greg Schafer, Vice President Anthony Cimino, Secretary/Treasurer Tom Szeffc, and Director Margie Stiles. Also, in attendance were Administrative Assistant Linda Walla and 3 members of Shorewood Forest Utilities.

President Greg Schafer welcomed everyone to the meeting and stated that meetings are run using the Rules of Roberts Law; every time there is an issue being presented, members will have a chance to interact by asking questions and commenting on these issues while the Board discusses each issue. He encouraged members to ask questions if they need clarification or provide their valuable input to help the Board of Directors better understand their concerns.

APPROVAL OF MINUTES (01:08)

Secretary/Treasurer Tom Szeffc stated that the 2018 Executive Meeting Minutes for July 25th, August 27th, September 12th, November 1st, and November 20th are not ready to be approved because the Board has not had a chance to review them.

The July 19th and September 20th Public Meeting Minutes are not ready for Board approval due to the class action lawsuit and collection of revenue from past due accounts taking a higher priority by the Board of Directors and these tasks are extremely time consuming.

OPERATIONS REPORT (September – November 2018) (01:40)

Plant Manager Forest Ash could not attend the meeting tonight, so Secretary/Treasurer Tom Szeffc presented the Operations Report as follows:

- The plant has been operating effectively and we have had no violations during these months.
- In September, we had an average flow of 179,900 GPD and our high flow was 244,200 GPD. We treated a total of 5.4 million gallons of wastewater.

- The following are the National Pollutant Discharge Elimination System (NPDES) permit monthly average limits and the lab results of our influent and effluent:

SEPTEMBER	INCOMING (Av)		OUT GOING (Av)		I.D.E.M. (Limits)	
	lbs.	mg/l	lbs.	mg/l	lbs.	mg/l
CBOD	898.6	580	5.6	3.7	37.6	10
TSS	892.6	562	4.1	2.8	45.1	45.1
AMMONIA		20.5		0.2		1.2
PHOSPHORUS		8.0		0.5		1.0

- In October, we had an average flow of 184,900 GPD and our high flow was 263,000 GPD. We treated a total of 5.7 million gallons of wastewater.
- The following are the National Pollutant Discharge Elimination System (NPDES) permit monthly average limits and the lab results of our influent and effluent:

OCTOBER	INCOMING (Av)		OUT GOING (Av)		I.D.E.M. (Limits)	
	lbs.	mg/l	lbs.	mg/l	lbs.	mg/l
CBOD	464.7	309	4.8	3.3	37.6	10
TSS	905.0	587	5.3	3.7	45.1	45.1
AMMONIA		24.1		0.11		1.2
PHOSPHORUS		7.1		0.5		1.0

- In November, we had an average flow of 206,300 GPD and our high flow was 329,400 GPD. We treated a total of 6.4 million gallons of wastewater.
- The following are the National Pollutant Discharge Elimination System (NPDES) permit monthly average limits and the lab results of our influent and effluent:

NOVEMBER	INCOMING (Av)		OUT GOING (Av)		I.D.E.M. (Limits)	
	lbs.	mg/l	lbs.	mg/l	lbs.	mg/l
CBOD	668.4	365	9.2	4.9	37.6	10
TSS	836.2	458	5.6	3.1	45.1	45.1
AMMONIA		25.4		0.1		1.2
PHOSPHORUS		6.0		0.6		1.0

CBOD - Carbonaceous Biochemical Oxygen Demand. TSS - Total Suspended Solids

- September**

- Cleaned the Roxbury & Wessex Lift Stations.
- Cleaned and televised the sewer line on Roxbury Road.
- There were power outages at Roxbury, Wexford, & Amhurst Lift Stations on 9/21 and 9/25. Therefore, the portable generator had to be moved from one lift station to another to avoid a backup of sewage in the homes that are located in close proximity to these lift stations.

4. Pump #2 at the Wexford and Surrey Hill Lane Lift Stations were removed, cleaned, and reinstalled. *There are two pumps for every lift station.*

- **October**

1. Replaced the radio transmitter at the Shorewood Court Lift Station and programmed it.
2. Pump #1 at the Nature Preserve Lift Station was removed, cleaned, and reinstalled.
3. Cleaned and televised the Roxbury Road Lift Station.
4. Televised the sewer line on Wessex Road.
5. Replaced pump #2 at the Roxbury Road Lift Station; also had to change the 40-amp circuit breaker. The assumption is there was a power surge that damaged the pump and circuit breaker.
6. Cleaned the Nature Preserve, Devon, Wexford, and Amhurst Lift Stations. We attempted to clean the Roxbury Lift Station, but the Vactor truck began to sink in the wet ground so we abandoned that project for the time being.

- **November**

1. Cleaned the Wessex, Scarborough, and Shorewood Ct. Lift Stations.
2. The concrete was poured for the generator platforms and the generators at Roxbury, Amhurst, and Wexford Lift Stations were installed. We are currently waiting for NIPSCO to install the gas lines. We have also installed the new automatic transfer switches along with the #2 wire and connected it to the existing plug for the generators until NIPSCO connects their gas lines to our lift stations.
3. There was a power outage at the plant and office. The Supervisory Control and Data Acquisition (SCADA) system did not shut down properly and wiped out the windows operating system on our main computer. GG Net Technologies made the necessary repairs to the computer.

Job Search, Replacing a Former Employee

President Greg Schafer informed the membership that the Utility lost an employee who left to pursue a different career and have not yet found a replacement; we are being very selective on who we want to hire. He stated that they must have a skill set that can meet the qualifications for our Utility Plant such as being able to repair equipment and maintain the trucks, as well as being able to climb in and out of the manholes as required. He added that the Shorewood Forest Utilities is currently accepting applications and asked the membership if they knew of anybody who would be interested in the position.

Vactor Truck Improvements

President Greg Schafer reported that the Vactor Truck, which was purchased in 2017, has played an integral part in the operations of the Plant, whereby the large expense of hiring Metz to clean out the lift stations and televise the lines was eliminated. He explained that we took the job away from Metz as a cost-savings measure, not because they did a poor job. He also stated that the Utility purchased new video equipment to televise the lines and has realized a substantial savings doing the work in-house. He explained that the Vactor Truck is a required piece of equipment; when a lift station goes down because the pumps fail, or the control panel is inoperable, the truck must suck out the sewage in order for the repair work to be done. He informed the membership that these Vactor Trucks cost \$450,000 brand new and we have about \$35,000 invested in our truck, which has already proven to save us quite a bit of money.

FINANCIAL REPORT (14:42)

Secretary/Treasurer Tom Szefc & Vice President Anthony Cimino presented the financial reports as follows:

SHOREWOOD FOREST UTILITIES, INC.
MONTHLY, YTY & YTD FINANCIAL REPORT FOR SEP 30, 2018

LINE #	SEPTEMBER	SOURCE	CASH FLOW	SEPTEMBER
1	Income:		Sewer Pymts, Tap-In Fees, Penalties	\$ 74,164.16
2	Expenses (Including Legal Expenses = \$0.00):		Operating Fund Account	\$ 38,682.28
3	Bond Payment (2014A & 2014B Regions Bank):		Bond Payment	\$ 26,802.92
4	Debt Service Reserve (2014A & 2014B Regions Bank):		Escrow Payment	\$ 1,732.88
5	Surplus / Deficit:	Line 1 - 2 - 3 - 4		\$ 6,946.08
	2018 INCOME & EXPENSES			
6	Income:	+ Line 1	Sewer Pymts, Tap-In Fees, Penalties	\$ 684,159.84
7	Expenses (Including Legal Expenses = \$2,875.00):	+ Line 2	Operating Fund Account	\$ 324,122.70
8	Operating Income Before Bond Payments:	Line 6 - 7		\$ 360,037.14
9	Bond Payments (2014A & 2014B Regions Bank):	+ Line 3	Bond Payments	\$ 242,613.76
10	Debt Service Reserve (2014A & 2014B Regions Bank):	+ Line 4	Escrow Payments	\$ 15,595.92
11	Surplus / Deficit:	Line 8 - 9 - 10		\$ 101,827.46
12	Debt / Service Ratio (Must be Greater Than 1.25):	Line 8 / (\$28,893 * 9)	Line 8 / (Highest Bond Pmt Ever x 9 Pmt Periods This Year)	1.38
	RESTRICTED FUNDS			
	BOND FUND:			
13	Bond Payment Fund (2014A & 2014B Regions Bank):	+ Line 3	Bond Payments + Int	\$ 1,451,502.42
14	Bond Payment Fund Target (2014A & 2014B Regions Bank):			\$ 4,687,458.01
15	Amount Still Owed:	Line 13 - 14		\$ (3,235,955.59)
	ESCROW ACCOUNT (TO BE RETURNED WHEN BONDS ARE PAID OFF):			
16	Debt Service Reserve (2014A & 2014B Regions Bank):	+ Line 4	Debt Service Reserve + Int	\$ 321,491.75
17	Debt Service Reserve Target:			\$ 325,920.00
18	Amount Still Owed:	Line 16 - 17		\$ (4,428.25)
	UNRESTRICTED FUNDS			
	OPERATING FUNDS			
19	Operating Fund (First Source Bank): <i>TRF \$0.00 - Money Market Account (Fifth Third Bank):</i> <i>AR \$0.00 - Money Market Account (Fifth Third Bank):</i>	Line 27	Sewer Payments Include: Cash + Credit & Debit Cards + Savings & Checking Accounts. Tap-In Fees (\$1,000 / Home) Penalties + Int	\$ 65,469.43
20	Petty Cash:	Line 19	Operating Fund	\$ 100.00
21	Total:	Line 19 + 20		\$ 65,569.43
22	Operating Funds Available (Months):	Line 21 / \$40,000		\$ 1.64
	IMPROVEMENT & REPLACEMENT FUND			
23	Capital Improvement & Replacement Fund (First Source Bank): <i>TRF \$0.00 - Money Market Account (Fifth Third Bank):</i> <i>AR \$2,500.00 - Money Market Account (Fifth Third Bank):</i> <i>AR \$30,000.00 - Money Market Account (Fifth Third Bank):</i>	Line 27 Line 27	Capacity Fees (\$2,000 / Home) + Int	\$ 10,208.44
	RESERVE FUNDS			
24	Certificate of Deposit (First Source Bank):			\$ 1,150,000.00
25	Certificate of Deposit Interest (Since Oct 9, 2017):	Sep Interest (\$58.60/Day; 30 Days) = \$1,758.00		\$ 20,861.00
26	Total:	Line 24 + 25		\$ 1,170,861.00
27	Money Market Account (Fifth Third Bank): <i>TRF \$0.00 - Operating Fund (Fifth Third Bank):</i> <i>AR \$0.00 - Operating Fund (First Source Bank):</i> <i>TRF \$2,500.00 - Capital I & R Fund (First Source Bank):</i> <i>TRF \$30,000.00 - Capital I & R Fund (First Source Bank):</i> <i>AR \$0.00 - Capital I & R Fund (First Source Bank):</i>	Line 19 Line 23		\$ 391,334.39
28	Money Market Interest (Since Mar 27, 2018):	Sep Interest = \$515.55		\$ 2,887.48
29	Total:	Line 27 + 28		\$ 394,221.87
30	Business Elite Checking (Fifth Third Bank): <i>AR \$0.00 - Operating Fund (First Source Bank):</i>	Line 19		\$ 100.00
31	Total Reserve Funds:	Line 26 + 29 + 30		\$ 1,565,182.87
32	Total Unrestricted Funds:	Line 21 + 23 + 26 + 29 + 30		\$ 1,640,960.74
	TRF = TRANSFERRED FUNDS	AR = ACCOUNTS RECEIVABLE		
	Money Market (Fifth Third Bank):	\$ 400,000.00 @ 1.5% APY Interest Rate	Opened: Mar 27, 2018; Matures: Mar 27, 2019	
	CD (First Source Bank):	\$ 1,150,000.00 @ 1.86% APY Interest Rate	Opened: Oct 9, 2017; Matures: Apr 9, 2019	
	Bond 2014A (Regions Bank) [Non-Taxable]:	\$ 2,430,000 @ 1% » 4.6% Interest Rate	Opened: Apr 2014; Matures: Apr 2029	
	Bond 2014B (Regions Bank) [Taxable]:	\$ 1,045,000 @ 2% » 5.25% Interest Rate;	Opened: Apr 2014; Matures: Apr 2029	

ARREARAGES AS OF DECEMBER 19, 2018

CUSTOMERS IN ARREARS	DOLLAR RANGE OF ARREARS	PAYMENTS OUTSTANDING
16	\$.01 - \$65	\$ 324.51
20	\$65.01 - \$140	\$ 2,371.05
11	\$140.01 - \$300	\$ 2,241.91
3	\$300.01 - \$450	\$ 1,208.88
0	\$450.01 - \$650	\$ 0.00
0	\$650.01 - \$800	\$ 0.00
2	OVER \$800.01	\$ 2,091.66
AV. DELINQUENCY		
52	\$158.42	\$8,238.01

Surplus Increase

Secretary/Treasurer Tom Szefc reported that the surplus from the November 2018 Financial Report (line 11) was \$150,173.91; the surplus has increased in the last 3 months because many customers are paying their past-due bills and thanks to the collection efforts of Director Margie Stiles who volunteers her time to make reminder calls, the arrearages went from \$89,000 to \$8,238.01 as of December 19, 2018 (see above chart); however, the arrearages always go up after the 15th of the payment month because many customers forget to make their payment on time, but our goal is not to have anyone beyond \$130.00 in arrears. He informed everyone that we still have the month of December which should bring in another \$80,000 in revenue and although we have some expenses to account for this month, we should end up with about a \$210,000 to \$225,000 surplus for the end of this year.

President Greg Schafer elaborated on how this Board manages the money for the Utility; in 2016, the surplus was \$141,000; in 2017, the surplus was \$148,000. He added that when this Board took control in the middle of 2017; accounts were opened which will earn interest of over \$30,000 by the end of this year, a large amount of the outstanding accounts receivable were collected, cost-savings measures were implemented by doing our own Vactor Truck work and camera work; so this year, 2018, we should have a surplus of about \$209,000, which is almost \$60,000 more than the last couple of years.

Vice President Anthony Cimino once again reminded the membership that 7 months ago Shorewood Forest Utilities had almost \$90,000 in long-term outstanding delinquent accounts and has now collected almost 90% of that, which is amazing in a short amount of time.

How the Collection Process Works

Secretary/Treasurer Tom Szefc pointed out the sequence of events that will happen if a customer doesn't pay their bill: 1) Administrative Assistant Linda Walla and I will first send out red envelope reminder letters. 2) Director Margie Stiles makes reminder calls. 3) Administrative Assistant Linda Walla and I send out red envelope letters asking for immediate payment. 4) Director Margie Stiles and I hang red mailbox hangers on the mailbox posts demanding immediate payment 5) Administrative Assistant Linda Walla and I send out red envelope letters notifying the customers that sewer service termination will soon happen 6) Administrative Assistant Linda Walla and I send out red envelope letters notifying the customers when their sewer service will be terminated 7) if none of this works, then the customer's connection to the main sewer is plugged until their bill is paid, including all associated costs that are related to the termination and the resuming of service. He also added that when we have renters who are

in arrears, Administrative Assistant Linda Walla and I mail them a letter as well as mailing a letter to the landlord informing them that we are going to have to tear up the yard in order to terminate the sewer service for non-payment; the renter ends up coming in and paying on his delinquent account, maybe by pressure from the landlord because he obviously does not want his property destroyed.

Reasons for Profitability

Vice President Anthony Cimino stated that although he cannot say this with 100% certainty, but after reviewing some of the past figures, this will probably be one of the most profitable years that the Shorewood Forest Utilities has had. He summed up the reasons for the profitability as follows: stopped out-sourcing our services, having our money work for us, collection of delinquent accounts, and trying to figure out solutions in-house with less employees. **Secretary/Treasurer Tom Szefc** stated that in the past, Plant Manager Forest Ash was doing all the administrative work and we brought in Linda Walla to handle all of that so Plant Manager Forest Ash can spend more time in the plant and out in the field, so we can get by with 2 employees right now. **Vice President Anthony Cimino** announced that this Board has been serving the membership for about 18 months and there have been drastic changes for the better in collectability and profitability.

Mailbox Hangers

Director Margie Stiles stated that when a red mailbox hanger is hung at the residence, the address and amount owed are displayed, but no names are used. She also added that there was at one time around 18 mailbox hangers issued, but now there are maybe 2 or 3.

Phone Numbers & Email Addresses

Director Margie Stiles explained that one of the problems in getting a hold of customers is that we do not have current phone numbers and email addresses; we sent letters out asking for current contact information and now the number of customers missing contact information has decreased. She further added that there are about 12 customers who are in arrears that we don't have good contact information for and that has gone down from about 80 customers. **Administrative Assistant Linda Walla** stated that many customers have switched over to cell phones and no longer have land lines and forget to inform us of the change and she doesn't have their email addresses either. **President Greg Schafer** stated that updated email addresses are needed because the Shorewood Forest Utilities would like to send out mass emails to remind customers to pay their bill. **Administrative Assistant Linda Walla** explained that the contact information is not only to be used for billing issues, but also for emergency situations involving their sewer services.

President Greg Schafer wanted the membership to know that there is an all-time high record of customers paying their bill in advance for the entire year; maybe as high as 40 customers; he wanted those customers who pay in advance to realize that any monies owed would be refunded if they sold their residence; there is no risk in prepaying the sewer bill.

Lawsuit, Three Members Litigated over Non-Payment

President Greg Schafer informed the membership that Shorewood Forest Utilities filed lawsuits against three members for non-payment; this maybe new for the Shorewood Forest Utilities, but there has been a lot of blow back from the community when they heard about the number of people who are not paying their sewer bill; the Board collectively decided that after a substantial effort was made in contacting those customers in arrears with calls, letters, mailbox hangers and they still couldn't come in and make the payment or tell us what the problem is, they would be taken to small claims court. He added that three lawsuits were filed, and two customers have agreements with us; one customer has decided not to respond or appear in court, so they will be likely our first service disconnection coming shortly. He also added that Shorewood Forest Utilities is very sorry to have to terminate service, but it is not fair for the rest of the 1100 or so customers to be burdened with this responsibility; we want to be neighborly but will protect the Shorewood Forest Utilities at all costs.

OLD BUSINESS (32:07)

By-Laws, Update

President Greg Schafer stated that it is imperative in the month of January we will diligently work on revising the By-laws; there are several areas of the By-laws that were revised in 2009 that I am personally opposed to; one of the By-laws gives the Board the authority to sell the Utility Plant without a membership vote; we don't believe this is how it should be done; if the Utility Plant is to be sold, it should be put to a vote of the members who should collectively decide. He went on to say that this is currently an important point; we have taken on several outside subdivisions such as Arbor Lakes and Sagamore; those customers are not Shorewood Forest residents; the sewage doesn't flow into their subdivision, it flows into the plant located in the Shorewood Forest Subdivision; we are very concerned about losing ownership and control; every time we bring in a new customer, they become an owner, so our ownership continues to get reduced and our voice becomes smaller and smaller; this is the crux of the lawsuit we are in currently; Shorewood Forest does not want to lose ownership; we want to maintain good common sense in managing the Utility Plant.

President Greg Schafer explained that as the By-laws currently read, there are only two conditions whereby the membership must vote:

- The expansion of the CTA (Certified Territorial Area), whereby the state of Indiana gives us a block of ground and we decide whether or not to expand our sewer service area.
- Borrowing more money; the former Board has us strapped right now with a 3.5 million dollar bond issue; there are substantial repairs required at the Plant and we are working with a new engineering firm to figure out how best to proceed.

President Greg Schafer went on to say that the Utility plant is owned by the membership and they should be required to vote as to whether or not to sell the Plant; this is not a decision that should be made solely by 4 or 5 members of the Board; currently a 60 % majority is required for the vote to pass; we have about 1,000 people in the Utility and it takes about a 10% quorum for an action to pass; if a 100 people vote, currently a simple majority wins; 51% majority vote could sell the plant and Shorewood Forest Utilities could suffer dire consequences.

President Greg Schafer asked that the community attend the meetings regarding the revision of the By-laws; we want you to hear what the current By-laws are stating and how we feel they should be changed; we want to hear from the community on whether they agree or disagree with the changes; we will take their input seriously; there will be signs posted at the entrances announcing the meetings; there will be at least two meetings to discuss the By-laws and then on the third meeting, the Board will take a vote on the revision; all members of all the subdivisions should attend.

Lab Analysis Equipment for In-House Testing, Update

President Greg Schafer explained that our testing is currently done by an outside laboratory with a cost of \$2,600 to \$2,900 per month and we would like to do the lab testing in-house as a cost-saving measure; we believe we have the man power right now without changing anything to accomplish this testing three times per week, 4-5 hours each testing day.

Secretary/Treasurer Tom Szefc explained that if you look at the plant manager's operational report, there are 4 tests that need to be done: the CBOD (Carbonaceous Biochemical Oxygen Demand), TSS (Total Suspended Solids), Ammonia, and Phosphorus. He further explained that we need instruments where they can make the injection, walk away, come back at any time, and there is the result; our employees cannot be standing there all day fiddling around with test tubes and beakers and swirling stuff because that is not going to work; they will be tied up for too long making these tests. He informed the membership that we will have to make more of an investment where these instruments can do more of the sample preparation and testing to free our employees up. He has figured out what is needed to do the testing for the Phosphorus, Ammonia, and Total Suspended Solids and this would have been done months

ago, but it has taken a back burner in order to pursue the collection of delinquent accounts and to prepare paperwork for the lawsuits. **President Greg Schafer** added that even after the purchase of the equipment, we will be saving \$20,000 - \$ 22,000 per year doing the testing in-house; hopefully by year-end we will have this in place.

Shellbourne Conference Center, Miscalculation of Sewer Usage

President Greg Schafer clarified the fact that Shellbourne is not a member/owner of the Utility and that they are our only commercial customer so they pay a metered rate, not a flat rate; in the summer, their typical monthly \$3,000 sewer bill skyrocketed to \$13,000 and initially we thought that the meter was not working properly; however, we learned they had pumped down their two several thousand gallon tanks in order to do repairs. He went on to say that during the next 4 months they had a very low bill and we found out it was because they were now refilling their tanks; so, we reviewed the Shellbourne account and realized we were about \$10,000 short of our yearly revenue generated by Shellbourne. He added that we contacted Shellbourne and informed them that the meter was working fairly well and billed them for the additional \$10,000 and are awaiting payment. He also added that Shellbourne has been open to our concerns.

NEW BUSINESS (44:30)

Generators for Roxbury, Amhurst Ct. & Wexford

President Greg Schafer reiterated that we have these generators in place; the concrete pads are poured, the wires are pulled, and we are waiting for NIPSCO to connect the gas line. He added that initially NIPSCO was talking about billing us to install the gas lines, but after negotiating with them, they agreed not to charge us.

Employee Receives the Indiana Wastewater Treatment Plant Class 1 Operator's Certification

Michael Wilder who has been an employee of the Utility Plant for about three years has passed his Class 1 Operator's Certification Test; Plant Manager Forest Ash has a Class 3 license (*Class 2 license is required to run our Plant*); Michael Wilder isn't qualified to run the Plant on his own, but is working toward the next step; this earned him a pay increase.

COMMENTS FROM THE MEMBERSHIP (46:26)

Jerry Ruschak (Lot 9) asked when the By-law meeting was going to take place.

President Greg Schafer replied that we don't know that yet, but it will be in the month of January and we will certainly advertise that. **Secretary/Treasurer Tom Szefc** added that we will be having several meetings regarding the By-laws.

Jerry Ruschak (Lot 9) asked, "how do we know if Shorewood Forest Utilities has their updated phone number and email address?"

President Greg Schafer told them to call the office to see if the office has their contact information. **Administrative Assistant Linda Walla** added not to assume because the Property Owners Association has that information that we have it; SFU and the POA are two separate entities.

COMMENTS FROM THE BOARD (49:01)

Vice President Anthony Cimino suggested that when we purchase new coupon booklets, we can leave a space for customers to update or confirm their contact information on the flip side, like the credit card companies do.

Vice President Anthony Cimino stated that a colleague of his who lives in Edgewood was not aware that he had to pay a separate sewer bill and wanted to know if there is a way for the Shorewood Forest

Utilities to reach out to the surrounding neighborhoods. **Administrative Assistant Linda Walla** stated that we do have a contact person for the Sagamore Property Owners Association whereby they can inform us of new customers; the Shorewood POA is very good about sharing this type of information; if we can get a contact person from the Property Owners Association for each of the surrounding subdivisions, this would be helpful; some of the title companies also contact our office to inform us about a closing and to see if the seller owes a Utility bill. **President Greg Schafer** suggested that we design a welcome package to give to every property owners association explaining to the new customer our billing rates and procedures etc. and include a sewer service application. He also wanted the membership to be aware that there is a By-law stating that as an owner you are responsible for the Utility bill; if you move out of the house and do not inform us, we are going to continue to bill you; we don't have the capability of contacting Indiana American Water to see if the water was turned off because they no longer do our billing; if you move out of your house or sell your house and shut off the water, you can terminate the sewer service at the same time by contacting Shorewood Forest Utilities. He further explained, in the past, the former Utility Board had the customer pay the sewer bill even if they did not have the water turned on; the snowbirds are the exception and will get billed even if the water is shut off, as this is a temporary situation; as long as you have sold the property and the house is vacant without furniture, you will not be liable for the sewer charges; you must prove that the water has been shut off; if you forget to tell us and come to us months down the road asking for an adjustment to your account because you forgot, you will still be charged; just like if you forgot to tell NIPSCO, the meter continues to run and you will continue to get a bill.

Vice President Anthony Cimino brought up the fact that the promotional rate offered on the Money Market Account is set to expire on March 27, 2019 and our CD is going to mature on April 19, 2019; therefore, he will begin to explore new options with local and national banks; The Feds raised the interest rates yesterday, which should give us a good opportunity for our money to grow. **President Greg Schafer** interjected that we should see an increase of about 100 basis points from where we were. **Vice President Anthony Cimino** stated that an 18-month CD is paying 2.5 %; the length of time you need to lock in has gone down and the rates have gone up; in the banking world the rates are expected to continue going up, which is good news for savers; the interest revenue next year should double. **President Greg Schafer** pointed out that when we opened up the CD with 1st Source Bank, not only did we get the best rate we could at 1.86%, but we knew that we may need some of that money and we didn't want to get penalized for closing out the CD, so we made a deal with them, whereby if we need that money, we can borrow against the CD at 2% over the rate of the CD; in other words, we could borrow that money back at 3.86% if we needed to; we never had to cash in the CD.

ADJOURNMENT (1:00:15)

A motion was made by Vice President Anthony Cimino and seconded by Secretary/Treasurer Tom Szefc to adjourn the meeting. The motion was unanimously approved.

The meeting was adjourned at 8:00 p.m.