



# LOST NATION-NEW LANDING RCD

## Executive Session

### Thurs. April 1, 2010 7:00PM

I. Called to Order: Steve called the meeting to order at 7:02PM.

**Board Members Present:**

Steve Larry –	President	Glenn Baldwin –	Vice President
Dennis Cantrell –	Member at Large	Tim Spelde –	Member at Large

**Board Members Absent:**

Betty Lou Finn – Secretary

II. **FY 2010-2011 Budget:** Steve said that they would walk through the tentative budget sheet that Becky drew up based on recommendations from the board members line item by line item. Glenn said that he would like to look at setting aside the carry over and then only spend the rest of the money. Steve said that it is okay to do it that way – what he would like them to do is trim as much out of this budget as they can and put it in the reserve. He wants to look at the reserve and see where it stands. What they see in the projected tax income is \$164,152. Steve said that they have \$74,530 set aside for reserve account and he asked Glenn what he had in mind for a carry-over into next year. Glenn said that Steve has a better feel of major expenditures and where they stand on the grants and wondered if he had a number in mind that he wants to carry over. Steve said that this fiscal year and next fiscal year they could start facing the Babbling Brook Demonstration/Stabilization project. The grant for that would be \$528,500, of which the RCD would have to match 40% (\$211,400) over the next two years. They are also planning on writing a grant for FY2011-2012 for the silt containment project at the end of Babbling Brook. Once the grant is approved, any of the shoreline stabilization that they and private property owners do may count as some of that match. Glenn said that he feels very strongly about debt and would like to see the RCD handle all of their needs through their regular income. He understands that sometimes it makes sense to get a loan for expenditures, for example, if they need to match a grant opportunity. For him, it will have to make sense for them to borrow money. Steve said that besides those two major projects, in 3-4 years, the next major project that they will be looking at will be dredging. Those projects will clean the lake up immensely – especially stabilizing Babbling Brook and creating the silt basin. Steve has already talked to Steve about his being responsible for them borrowing money if they need it. Dennis asked if the grant matching on an as-used basis – do they get a certain number of dollars and when they say they are matching it does that money have to be there within that fiscal year or as the money is allocated – do you also have to allocate the matching funds? Rebecca said that (for example with the Watershed Planning Grant) the RCD expends the money and then they get reimbursed by the EPA. Steve asked how the Watershed Planning Grant works in terms of match – have they had to match it as they get funds or do they get the match over with and then get the funds? Becky said that with the watershed planning grant, because of the extensive work that Rebecca had done previously to obtain the grant, they already had \$20,000 of their \$22,000 match up front so the EPA had no problem with paying them outright as expenses. She added that it would probably depend on how much match they had when they started requesting reimbursement and that they would have to ask Scott Ristau from the EPA how the next grant would be handled. Steve said that hopefully they would only have to come up with \$75,000 the first year and \$136,000 the second year since the grant will be over a period through 2012. Glenn said that the schools are running short because the state of Illinois can't pay the rent on the buildings. The \$162,000 is money that is collected from people in the district and he is assuming that that money wouldn't be touched - Steve agreed that it wouldn't and added that the county can't use that money elsewhere. Dennis said that the worse-case scenario is that the tax amount won't be there next year if the ratio goes down. For the reserve, Steve would like to see at least \$80,000 in there to either use or borrow against. Glenn looked back at RCD spending over the last 4 years and gave a report to the board so they have a good idea of what their average expenditures are.

**Licenses, Membership, Permits** - Steve asked what licenses and memberships covers and if \$500 covers it. Becky said that it covers IALC - \$125, ILMA - \$100, website domain registry and hosting - \$70. Becky said that permitting includes permits that we might need for dredging or other projects. Glenn suggested that they change it to \$400.

**Miscellaneous** – keep at \$500.

**Per diem** – Steve said that he'll leave it to the board as to what they want to do with their per diem checks, but he is going to give his per diem back to the RCD to help fund projects that he is interested in. Tim likes how they are setting aside the money for certain projects, like he thought about putting his toward the improvement at the dam.

**Education** – this is training for Becky to sharpen her office skills. She suggested that they could reduce it to \$200.

**Insurance** – The insurance company that they are currently with have many clients within the IALC community so they are familiar with the needs of the RCD. Back when they switched companies to the current one, they realized a significant savings over the old company. Glenn asked what kind of savings they could realize by increasing the deductible and Becky said that the savings realized to change the deductible from its current rate of \$1,000 to the next highest rate of \$2,500 would only save them a few dollars (she thinks it was around \$29) annually. Glenn asked why \$5,000 was put into the tort immunity fund and Becky said that that was the amount that Nye recommended that they list. The actual cost of directors and officers part of the insurance was about \$1,800. Steve asked Becky to adjust the numbers to reflect the actual amount that is spent. . Steve asked if Becky could look at other insurance companies to compare prices. Dennis asked if the tort immunity insurance would be redundant because they are a government agency and may not need tort immunity. Steve told Becky to call the county and find out if there is blanket coverage for government agencies in Ogle County. Dennis suggested calling State Farm, Allstate, and Farmer's Insurance etc.

**Beach** – Dennis suggested \$500 - \$400 for aquatic plants at the N. beach.

**Dam** – leave it at \$1,500. Tim asked if anyone received any feedback on them removing the boards for the winter as to whether they should continue that program. He thinks that it helped – they had one rain event that had ice on the lake and if the water was up higher it could have done more damage. Steve thinks that it is a good idea and he hasn't heard any negative feedback. Dennis asked what it costs to remove and replace the boards to lower the lake and Tim said \$300-400 annually. Steve said that they should gravel the area below the dam that used to be the burn-pile to dress it up a bit. Tim said that he received a quote from Schulze for \$5,800 and \$3,000-3,500 from Ken to gravel the area. Tim would also like to talk to the company that is doing the sewer plant work – he hasn't gotten a name from Nadine yet – since they have to restore some of their campground road and they will have the roller right there, maybe he can see if they can add the work on there for a little extra.

**Dock, Boat and Lake Equipment** - \$1,000 – Dennis said that even doing the work himself, he could easily spend this amount on the material costs alone to fix the docks. Steve is going to pick up some life jackets at Cabela's tomorrow (qty 3 under \$100). Dennis bought the lumber to add boat rack space and wondered if there was an issue with it being POA property – Becky said that it would probably be good to tell them that we are adding to the racks and Steve said he has already talked to Don Finn and he said go ahead. They factored in cleaning up the boat launches as well.

**Fish** - \$3,740 – Steve asked if they need to stock fish every year or can they go every other year and Tim said that according to the DNR survey they are doing the right thing by stocking every year. Tim said that if they find that they need the money elsewhere, they can reduce the cost at that time.

**Lost Lake/Babbling Brook Stabilization** - \$111,100.00 – Becky said that this is the amount that they have budgeted to spend this fiscal year as match for stabilization. In the income column they have \$89,520 budgeted as the amount they expect to receive from the IEPA. The income number is dependent on whether they spend the money. Steve said that Wendler submitted the quotes for costs to get the project done. Dennis said that if it is important to spend this amount to get the work done then they will have to spend that amount – perhaps they can spend less if they need to. Steve said that the life on the lake depends on reducing the amount of silt that comes in to reduce the turbidity of the water, improving the plant and fish life and the water gets clearer. Steve said that he sees the RCD's purpose as taking care of the lake – otherwise they can leave things the way they are and they'll spend \$600,000 every three years to dredge the lake. The federal government is also giving them money toward it. Dennis added although it is a big number, it not expensive for a project like that. Spending that money on dredging is useless because you are just going to have to keep coming in and

doing it again. The Babbling Brook project has salability to the federal government because it is a teaching program where they are going to put in different types of shoreline stabilization, record how it is put in, and hold a few seminars for people from other communities who want to learn how to stabilize their stream banks. They are going to have a university professor and his class and use all of the volunteer time that they use to put together the training and video that goes with the program. Tim asked what the value of the volunteer time was and Becky said that the volunteer rate is \$22.50 an hour or the salary of an individual (such as the professor). Rebecca told Becky that the Watershed Resource Inventory ended up running more than she estimated and upon talking to Steve, she is going to stick to her original numbers and eat about \$10,000 of the amount that she underestimated.

**Grant Matching/Watershed Planning** – \$43,395.81 Program already in place and is offset as income

**Silt and Bank Erosion Control** – \$15,000 they want to stabilize the LCC and dam boat storage area of RCD shoreline which is about 270 feet and estimate it to cost about \$8,100. They also have the silt basin to clean out, which costs about \$2,500 to dredge and \$2,500 to haul away the dried sediment. There used to be deeper areas of the creek below the dam all the way to the golf course for fish to habitat and Tim would like to dredge a couple of areas to get those deep spots back. There are still 4 or 5 boats in the woods on RCD property that they need to take care of as well. Becky said that if they can pull those out, she can try to identify them. Becky asked if they could look at grants to improve the creek shoreline in the future and Steve said that he talked to Rebecca about that and because it is surrounded by private property, it probably isn't possible. Glenn asked about the campground and whether they make money on it. Becky said that they have approximately 20-30 campground reservations a year and they charge \$10 a night for a site. Costs to upkeep the campground include mowing, the portapotty, and the garbage can. Steve talked more about putting in a parking area where the burn pile used to be and Dennis said that he feels that once they get the burn pile cleaned up and let the grass grow back in, they can let it be parking by putting up logs and a sign that says parking – he doesn't think that they necessarily need to gravel it.

**Stabilization Rebate Program** - \$35,600 – There is approximately 1,760 linear ft of private shoreline to be stabilized so if you multiply 1,760 by \$40 and divide by 2 you get \$35,600. Steve asked Becky to make sure that all of the people who want to participate have submitted their paperwork (hold harmless agreement and proof of liability insurance) as a preliminary measure to be counted for the rebate program.

**Mowing** - \$1,200 – number was derived from averages based on the past few years.

**Pop Machine** - \$1,000 – Becky is going to look into the income of the pop machine and make sure that all of it has been turned in for this fiscal year because it is rather low (\$813). The supplier is Coca-Cola. Steve asked why they have the pop machine and Becky said it is a convenience to the community. Dennis thinks that they should be making good money. Steve told Becky to raise the price from .50 to .75 a can and to request a new machine from Coca-Cola (more energy efficient).

**Repairs and Updates (Grounds)** - \$1,500 – Tim has \$500 in there for a chipping program; tree removal, road repair, signage - \$500, Tim – campground repair - \$500. Steve said that the LCC playground needs more mulch and Dennis said that it shouldn't need more mulch; it just needs to be roto-tilled. Becky agreed, stating that they just had mulch put in a couple years ago. Tim said that he can rent a chipper for clean-up day and if they want to chip brush in place of the burn pile and Dennis said that he feels that providing a burn pile is not the RCD's responsibility – rather, it should fall on the POA. Steve said that other communities have a brush week where they come by and pick up brush that is placed in the ditches in front of people's property. Tim said that Charlie Moore expressed a concern that chipping the brush could potentially cause a spread of Oak Wilt. Steve said he looked at all of the docks and picnic tables and everything looks good (doesn't need to be stained). Becky said that the car at the playground has broken steering wheels that need to be removed. Dennis said that he will look at it. Tim said that he knows that board members are allowed to spend up to \$1,000 without board approval but was wondering; if, since their budget is so tight this year, they should run a purchase by another board member – Steve said that he'll be the go guy and in his absence, they could run a purchase by Glenn.

**Repairs and Updates (LCC)** – \$1,000 – Dennis wants to budget \$600 for the parking lot and he will look at getting a roto-tiller for cleanup day to grade the volleyball court or rake and till up the playground mulch. Leave a little extra for cleanup and landscape.

**Snow Removal** - \$1,000

**Supplies (Grounds)** - \$1,000 – took a 3 year average

**Supplies (LCC)** - \$3,350 – Chairs for LCC - \$2,800 – \$550 for paper and cleaning supplies for the LCC

**Office Equipment and Supplies** - \$2,000

**Lease** – \$1,440

**Postage and Delivery** - \$800 – Glenn asked Becky to look at paying some of the bills online to save postage

**Printing and Reproduction** – \$3,550 - *Watershed*, Post Budget, Bid and mtg Notices

**Aquatic Management** – \$10,000.00

**Grant Writing** - \$15,000.00 – cost to write the grant for shoreline stabilization / silt containment

**Legal** - \$3,000

**Other (engineer, wildlife cont., clerical)** – \$10,000

**Reserve Account** - \$85,965.25

**Security** - \$5,760

**Travel** – \$1,000 – Steve said that he doesn't think that the board members and volunteers should get travel money for local area travel – he takes his travel time and reports it on his taxes as volunteer mileage. Tim doesn't mind paying volunteers to go to the IALC meetings since they have to drive so far. Steve requested that mileage be changed to .30 a mile

**Utilities** – Garbage – \$2,500, Gas & Electric - \$5,800, Portapotty - \$1,600, Telephone – 750, Water and Sewer - \$1,000

**Volunteer Outreach** - \$500 – picnic, supplies

**Wages** - \$26,000

Dennis is in charge of letting Charlie know what volunteers they will need to spruce up the RCD properties on cleanup day. Steve asked Tim if he could get volunteers (maybe fishing club members) to help get the boats out of the campground. Glenn said that contractual workers have to pay double to their social security. Tim said that he talked to Ronnie Brown about carp removal and is waiting to hear back from him. He will bring it to the fishing club. Tim is sure that they will have to get into the reserve budget for projects or issues that come up that the board agrees on. Steve sent a message to Tim and asked him to see if the fishing club would be willing to match half of the cost to bring a carp fisherman out to remove the carp in the lake. Tim said that the fishing club doesn't have a lot of money to donate to projects and his opinion on carp removal is that it needs to be in the RCD's grand scheme for other reasons besides better fishing like reducing the turbidity in the lake and allowing plants to grow.

**Adjourn:** Steve adjourned the meeting at 8:50PM.