

**Lake Village Water Association, Inc.
801 Pleasant Hill Drive
Post Office Box 303
Burgin, Kentucky 40310**

The Annual Meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 9th day of April 2025 at the Association office located at 801 Pleasant Hill Drive

President Jim Boyd called the meeting to order. Present is Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes via Zoom, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, Mike Sanford

Tucker provided the following election results:

Thomas Hager- 81 votes
Larry Inman- 53 votes
Zoe Strecker- 46 votes

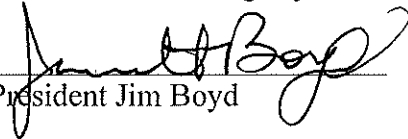
Tucker confirmed that Director Hager was elected to the position.

President Boyd presented the current slate of officers:

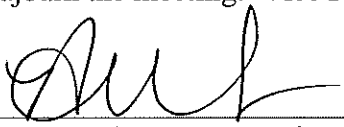
Jim Boyd- President
Kenny Carey- Vice President
Andrea Gross- Secretary/Treasurer

Vice President Carey moved to proceed with the current slate of officers. Secretary/Treasurer Gross seconded the motion. Motion carried.

Secretary/Treasurer Gross moved to adjourn the meeting. Vice President Carey seconded the motion. Meeting adjourned.



President Jim Boyd



Secretary/Treasurer Andrea Gross

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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 10th day of February 2026 via Zoom webinar.

President Jim Boyd called the meeting to order. Present is Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Mike Sanford and Sam Reid with the Kentucky Rural Water Association.

Reid presented the recently completed Cost of Service Study stating that the study revealed that the Association needs a 9.0% rate increase when using the Debt Service Coverage Ratio method to calculate the revenue requirement. Reid stated that the method is used by the Public Service Commission as well. Reid went on to state that the Water Loss Surcharge will no longer be charged after November 2026 which will reduce the customer bill by \$1.61 per month. Reid stated that the minimum bill will increase by \$2.71 and the charge for 4,000 gallons will increase by \$4.83. President Boyd questioned when the last rate increase was assessed. Sanford stated that the last rate increase went in effect in two phases, November 2022 and November 2023. Sanford stated that the system has grown annually since 2022 and water loss has continually been reduced during the same period. President Boyd stated that the proposed increase is not unreasonable considering the rising cost each year since 2022. Director Hager stated that a smaller annual increase would be ideal to avoid a larger one time increase. Sanford stated that he had not seen the Public Service Commission approve a Cost of Living increase in previous orders, but incremental would be ideal. Reid stated that the 9.0% increase will result in \$166,336 in additional revenue. Secretary/Treasurer Gross questioned whether the proposed Assistant Director expense could be included since the proposed rate is based on 2024. Reid stated that the cost can be included if the board sets the salary and benefit amounts. Secretary/Treasurer Gross moved to accept the rate study and proceed with the Alternate Rate Filing case requesting a 9.0% increase in the rates. Director Hager seconded the motion. Motion carried.

Director Hughes moved to approve the following resolution:

“RESOLUTION, OF THE BOARD OF COMMISSIONERS OF THE LAKE VILLAGE WATER ASSOCIATION, INC. PROPOSING ADJUSTMENTS TO ITS RATES AND CHARGES AND AUTHORIZING ITS CHAIRMAN TO FILE AN APPLICATION WITH THE PSC SEEKING APPROVAL OF THE PROPOSED RATE ADJUSTMENT”

Vice President Carey seconded the motion. Motion carried.

Vice President Carey moved to approve the minutes of the January 13, 2026 meeting. Director Hughes seconded the motion. Motion carried.

President Boyd presented the invoices for approval. Sanford stated that the AY Landscaping and Construction invoices are related to the Service Line Replacement Project and

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he will request approval from the PSC to reimbursement from the water loss surcharge funds. Sanford went on to note that the \$78,500 payment paid to Currens Construction was for the Ison Lane Standpipe Rehabilitation Project and \$72,589 of the payment was covered by the Cleaner Water Program grant. Director Hughes moved to approve the invoices as presented. Secretary/Treasurer Gross seconded the motion. Motion carried.

Sanford presented the Financial Report for January, providing details of the monthly income and expenses, stating that the finances look good. Sanford reported that water sales were \$167,126.53. Sanford reported a Gross Profit for the month in the amount of \$125,779.61, with a monthly Net Income of -\$72,960.65. Sanford noted that the loss is budgeted due to Debt Service payments paid in the amount of \$112,415. Sanford stated that the revenue exceeded the budget and expenses met or were under budget for the first month of the year.

Sanford reported that the Association purchased 19,452,439 gallons during the last reading period and sold 14,660,800 gallons. Sanford stated that the Non-Revenue Water volume for the month was 22.6%. Sanford went on to note that after accounting for the leak volume, the Association can account for all but 19% of the water purchased. Sanford stated that 3 service line repairs were made during the period and account for 531,500 gallons. Sanford went to state that Distribution Staff are actively leak detecting to find the source of the water loss.

President Boyd requested that the Board set a follow up meeting to discuss Sanford's goals and objectives for the upcoming year and suggested February 17th at 12:00 pm via Zoom webinar as the meeting day and time.

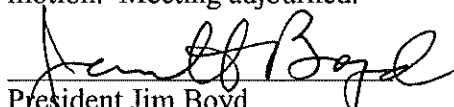
Vice President Carey moved to enter executive session to discuss personnel matters. Director Hager seconded the motion. Motion carried.

Vice President Carey moved to return to the regular monthly meeting. Director Hughes seconded the motion. Motion carried.

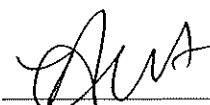
Vice President Carey moved to authorize Sanford to hire two of the applicants for the open Distribution positions. Director Hughes seconded the motion. Motion carried

President Boyd stated that Sanford needs some direction from the Board as he puts together the goals and objectives for 2026. President Boyd suggested preparing a water loss goal. Director Hager suggested a plan of what the new staffing and organizational structure would look like. Sanford stated that he will have a list of goals and objectives ready for discussion on the 17th.

Director Hughes moved to adjourn the meeting. Vice President Carey seconded the motion. Meeting adjourned.



President Jim Boyd



Secretary/Treasurer Andrea Gross

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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 13th day of January 2026 at the Lake Village Water Association office located at 801 Pleasant Hill Drive.

President Jim Boyd called the meeting to order. Present is Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes via Zoom, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, and Mike Sanford.

Director Hager moved to approve the minutes of the December 9, 2025 meeting. Vice President Carey seconded the motion. Motion carried.

President Boyd presented the invoices for approval. Vice President Carey moved to approve the invoices as presented. Secretary/Treasurer Gross seconded the motion. Motion carried.

Sanford presented the Financial Report for December, providing details of the monthly income and expenses, stating that the finances continue to look good. Sanford reported that water sales were \$140,391.17. Sanford reported a Gross Profit for the month in the amount of \$106,203.62, with a monthly Net Income of \$35,458.51. Sanford went on to review the annual financial performance, stating that Water Sales exceeded the budget by \$87,201.27, NTC sales were under budget by \$10,934.72, Tap Fees exceeded the budget by \$12,530.00, Water Costs exceeded the budget \$23,972.13, Total Expense was under budget by \$51,867.60 and lastly the Net Income for the year was \$156,950.60, exceeding the annual Net Income budget by \$90,749.60.

Sanford reported that the Association purchased 14,330,167 gallons during the last reading period and sold 11,974,200 gallons. Sanford stated that the Non-Revenue Water volume for the month was 16.13%. Sanford went on to note that after accounting for the leak volume, the Association can account for all but 13% of the water purchased. Sanford stated that 3 service line repairs were made during the period. Sanford reported that the Non-Revenue Water percentage for 2025 is 10.79%, noting that water loss for 2025 is the lowest percentage that has been reported to the Public Service Commission.

Sanford stated that President Boyd's term on the board expires in April. Vice President Carey moved to nominate President Boyd for another term on the Board of Directors. Secretary/Treasurer Gross seconded the motion. Motion carried. Sanford noted that nomination letters will be mailed to each Association member in the coming weeks requesting nominations for the upcoming election.

Sanford reported that plans for the Gwinn Island Water Main Relocation have been submitted and that there are a handful of revisions necessary to approve the plans. Sanford noted that the meter on the current plans is not located on the Gwinn Island property and needs to be revised. Sanford went on to state that the island is on a separate tract from the rest of the property and the property owner has requested a meter on the island which would require the Association to own and maintain the water main in the causeway. Sanford stated that the water

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main will be submerged at times throughout the year. Sanford cautioned that cross contamination could occur if the line has a leak and that a check valve should be installed to prevent the distribution system from being impacted. Dienst noted that the distribution system would likely not be impacted beyond the Gwinn Island property due to the drastic elevation difference of the island and that only the water on the island would be impacted. Sanford stated that installing a valve to isolate the causeway and island would be a solution. Director Hughes recommended that an agreement be drafted and signed between the Association and Gwinn Island Marina stating that the water service can be terminated in the event of a flood if necessary to protect the water main on the property and distribution system. Sanford stated that he will continue working with the design engineer to get the plans to a point that approval can be granted.

Sanford provided the following project updates:

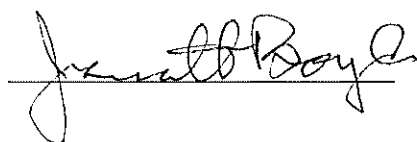
Cost of Service Study- Sanford stated that the study is complete and that a draft will be available for review soon. Sanford stated that the study will be placed on the February agenda for discussion.

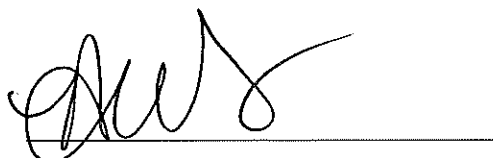
Waterworth- Sanford stated that he has met with Waterworth staff and has reviewed the initial set up of the platform. Sanford stated that he is currently working to confirm some of the data that has been entered and learning the platform. Sanford stated that Waterworth staff will present the platform at the March board meeting.

Bluegrass Innovation Gateway- Sanford reported that the Mercer County Industrial Development Authority recently held a three-day meeting to develop the initial concept design for the property. Sanford stated that he attended the opening session and presentation at the end of the session. Sanford stated progress was made on the planning phase of the project and that the Industrial Authority, City of Harrodsburg and Mercer County Fiscal Court are proceeding with the project.

President Boyd moved to enter executive session at 1:12 pm to discuss Sanford's evaluation and job performance. Vice President Carey seconded the motion. Motion carried. President Boyd moved to return to the regular monthly meeting. Vice President Carey seconded the motion. Motion carried. President Boyd stated that the board will be adjusting Sanford's salary with an increase of 2.8% and will be compensating Sanford with a one-time bonus of \$12,500. President Boyd went on to state that in the upcoming year the board would like four goals to be provided by Sanford so that a discussion can be had on establishing a method to evaluate the Executive Director position. President Boyd also requested that Sanford try and find out how other boards evaluate and compensate management positions.

Vice President Carey moved to adjourn the meeting. Director Hughes seconded the motion. Meeting adjourned.





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President Jim Boyd