

Commissioners
Mary Jane Mannella
George Pastorino
John Zapala



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Preliminary 2026 Budget Meeting Minutes

April 16th, 2026 - 9:00 a.m.

7000 S. Archer Road, Justice, Illinois

9:36 a.m. – 10:22 a.m.

1. Call to Order

Chairwoman Commissioner Mannella called the meeting to order at 9:36 a.m.

2. Roll Call

Commissioners present: Mannella, Pastorino, Zapala. A quorum was present.

Also present: Executive Director Colleen Kelly, Attorney Elizabeth Blood, Water Operator Paul Gal, Engineer Steve Kaminski.

3. Public Comment

Motion by Pastorino, second by Mannella to open public comment.

Roll Call Vote: Mannella – Yes; Pastorino – Yes; Zapala – Yes. Motion carried.

No public comments were received.

Motion by Pastorino, second by Mannella to close public comment.

Roll Call Vote: Mannella – Yes; Pastorino – Yes; Zapala – Yes. Motion carried.

BUDGET DISCUSSION

1. 2025 Budget and Audit Status

Executive Director Kelly reported that the 2025 budget, approved in December 2025, is currently under audit review and remains preliminary. The auditor requested early presentation due to identified variances.

2. Water Revenue and Canal Break Impact

Discussion was held regarding the financial impact of the canal break from October 2024 through October 2025. Approximately 18 million gallons of water were purchased from Burr Ridge and sold at cost, resulting in reduced revenue. An estimated 1.2 million gallons were attributed to leak-related loss.

3. Retail Water Sales Trends

Retail water revenue for 2025 was below projections due to the canal break. Discussion included declining usage trends and the need for multi-year analysis.

4. Interest Income

Approximately \$194,000 in interest income was generated from Certificates of Deposit and investments and will be reflected in 2026 financial reporting.

5. Operational Expenses

Discussion included increased 2025 expenses due to technology upgrades, reduction of non-project-related engineering costs, emergency notification system expenses, and IMRF adjustments.

6. Regulatory and Compliance Requirements

The Board discussed increasing requirements including PFAS testing and expanded lead sampling requirements.

7. Infrastructure and Maintenance

Updates were provided regarding meter testing, vehicle repairs, maintenance needs, and completion of the Burr Ridge interconnect project.

8. SCADA System

The SCADA system was discussed as a critical operational component for system control and monitoring.

9. Financial Overview

2025 actual revenue was approximately \$8.6 million compared to a \$9.0 million budget.

Water purchase expenses were approximately \$4.9 million.

10. Surplus and Fund Transfers

A preliminary surplus of approximately \$575,000 is expected to be transferred to the Capital Improvement Fund upon completion of the audit.

11. Capital Improvement Plan

Discussion included East Ravine, lower-level pump station, and new building and water main improvements. The proposed capital budget is approximately \$7.4 million.

12. Commissioner Compensation

The Board discussed commissioner compensation, noting it is budgeted but not currently taken. Questions regarding donation of compensation and tax implications were raised.

13. Additional Discussion

The Board requested additional analysis regarding revenue variance and continued monitoring of City of Chicago water rates.

MOTIONS

1. Acceptance of Documents

Motion by Pastorino, second by Mannella to accept and file all correspondence and documents presented.

Roll Call Vote: Mannella – Yes; Pastorino – Yes; Zapala – Yes. Motion carried.

2. Adjournment

Motion by Pastorino, second by Mannella to adjourn the meeting at 10:22 a.m.

Roll Call Vote: Mannella – Yes; Pastorino – Yes; Zapala – Yes. Motion carried.

Approved by the Justice–Willow Springs Water Commission

Board of Commissioners

Mary Jane Mannella, Chairman

Date: _____

Minutes prepared by: Colleen Kelly, Executive Director