



Harbor View Mutual Water Company

**Board Meeting Minutes
Wednesday, January 17, 2024
at the Clubhouse**

Call to Order by Norma Simmons at 5:34 pm

Roll Call

President Norma Simmons – *present*
Secretary Alexandra Milukhin – *present*
Treasurer Bob Lucatorto – *present*
Director Christine Smits – *present*
Director Carina DeHerrera – *present*

Approval of Minutes – The minutes of the November 15, 2023 meeting were approved as submitted.

President's Report – Norma Simmons reported on an Emergency Executive Board meeting that was held on December 13 2023 at the Clubhouse. This meeting was conducted in a closed session in order to review personnel performance and salary issues. Norma reiterated that she and Board member Chris Smits will be leaving the Board after the June 2024 Annual Meeting. Postcards with a call for candidates will be in the mail soon.

Operations Report by Jeremiah Fossa – Jeremiah reported that the replacement spray field pump approved at the last meeting has been installed. Work on the Shoreline booster pump is still on the calendar. The Buckingham intertie project is again on hold as the State has withdrawn its funding source. The search for a replacement for the forklift continues. An alternative to the forklift may be an electric pallet jack. (Operators report attached.)

Financial Report by Bob Lucatorto. Copies of the latest Balance Sheet and Profit & Loss Budget Performance were provided to all Board members prior to the meeting for their review and were available at the meeting. The company continues to operate within its projected budget. Work on the 2024-2025 Budget will begin in the next few months.

Discussion Item – There were no further items or discussions.

The meeting was adjourned at 5:51 pm.

***Next regular Board meeting will be
Wednesday, March 20, 2024 at 5:30 in the Clubhouse***

Operations Report

December/January 23/24

PLANT FLOWS GALLONS	Dec2023	Dec2022	Dec2021	Dec2020
Treated Water	735,824	795,013	1,116,964	1,384,044
Peak Day Prod.	21st 49,311	20th 53,831	9th 67,609	15th 83,646
Monthly Connection average	2,943	3,180	4,467	5,536
Average daily use per connection	<u>94</u>	<u>102</u>	<u>144</u>	<u>178</u>
Monthly backwash Water Used	41,895	35,110	89,638	70,903
Percent of potable water pumped to customers	94.3%	95.6%	91.9%	94.9%

We have some piping maintenance scheduled for the next month or two at the Shoreline booster pump station. NIC (Northern Industrial Construction) out of Kelseyville will be by Monday the 22nd to walk the piping part of the job and give us a ball park idea of the cost. We will also have some retaining wall work performed there as soon as the weather opens up a little.

We are still chasing funding for the inner-tie project with Buckingham Park water, the state teased us by saying they had funding available for the project but quickly pulled back on that. The project isn't cancelled but we are still in a holding pattern on it. Fortunately, with new water storage tanks and emergency generators it takes some of the pressure off having it for an emergency.

We have been looking into replacing our 1964 forklift with something more user friendly and the operators feel an electric pallet jack might be sufficient for moving the six-hundred-pound barrels into the building from the delivery trucks. Hopefully we can find a slightly used one at an auction.

The radio read meters continue to find leaks in days instead of weeks like before, these have saved the company and the community thousands of dollars in wasted water.

Respectfully submitted by Jeremiah Fossa

HARBOR VIEW MUTUAL WATER COMPANY

Balance Sheet

As of December 31, 2023

	<u>Dec 31, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
1115 · Harbor View Umpqua Op. 5001	55,717.72
1120 · Umpqua Payroll 5027	20,194.45
1130 · Umpqua Money Market	7,646.74
1140 · Chase Bank - Capital/Reserve	180,148.45
1182 · UMPQUA-DWR Loan Acct #35800	6,492.66
1183 · UMPQUA collateral CD #21485	61,378.91
Total Checking/Savings	331,578.93
Accounts Receivable	
1190 · ACCOUNTS RECEIVABLE	83,291.40
Total Accounts Receivable	83,291.40
Other Current Assets	
1196 · RESERVE FOR BAD DEBTS	-57,388.20
Total Other Current Assets	-57,388.20
Total Current Assets	357,482.13
Fixed Assets	
1610 · Property, Plant & Equipment	5,597,126.00
1612 · ASSETS IN SERVICE	8,919.39
1691 · LAND	18,181.00
1712 · Accum Deprec-ASSETS IN SERVICE	-1647877.42
Total Fixed Assets	3,976,348.97
Other Assets	
1821 · LOAN FEES from 2005 and 2006	59,949.00
1822 · ACCUM. AMORT LOAN COSTS	-37,849.00
Total Other Assets	22,100.00
TOTAL ASSETS	<u>4,355,931.10</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	5,878.49
Total Accounts Payable	5,878.49
Other Current Liabilities	
2111 · ACCRUED EXPENSES	5,910.98
2112 · Accrued Interest Expense	-1,071.00
2200 · Current Portion /Long Term Debt	18,107.88
2512 · PAYROLL LIABILITY	18,769.67
Total Other Current Liabilities	41,717.53
Total Current Liabilities	47,596.02
Long Term Liabilities	
2300 · NOTE PAYABLE (DWR LOAN)	251,925.90
Total Long Term Liabilities	251,925.90
Total Liabilities	299,521.92
Equity	
3921 · ADDITIONAL PAID IN CAPITAL	1,069,657.00
3951 · RESERVE FUND BALANCE	198,412.00
3970 · RETAINED EARNINGS	2,896,609.58
3971 · Unreserved Equity	-35,329.00

4:30 PM
01/16/24
Accrual Basis

HARBOR VIEW MUTUAL WATER COMPANY
Balance Sheet
As of December 31, 2023

	<u>Dec 31, 23</u>
Net Income	<u>-72,940.40</u>
Total Equity	<u>4,056,409.18</u>
TOTAL LIABILITIES & EQUITY	<u>4,355,931.10</u>

HARBOR VIEW MUTUAL WATER COMPANY Profit & Loss Budget Performance

December 2023

	Dec 23	Budget	% of Budget	Jul - Dec 23	YTD Budget	% of Budget	Annual Budget
Ordinary Income/Expense							
Income							
4100 · WATER SERVICE	129,111	0.00	100.0%	178,225.49	195,000.00	91.4%	390,000.00
4300 · LATE CHARGES	1,060.00	1,050.00	101.0%	6,380.00	6,300.00	101.3%	12,600.00
4310 · ADMINISTRATIVE CHARGES	0.00	0.00	0.0%	875.00	150.00	583.3%	150.00
4350 · ESCROW (TRANSFER) FEES	0.00	200.00	0.0%	3,000.00	1,400.00	214.3%	2,600.00
4380 · INTEREST INCOME	0.60	2.92	20.5%	3.58	17.48	20.5%	35.00
4410 · STANDBY FEES	0.00	0.00	0.0%	86,400.00	90,000.00	96.0%	90,000.00
4418 · RWCC Pool Services Income	0.00	0.00	0.0%	0.00	0.00	0.0%	12,100.00
4420 · OTHER INCOME	0.00	0.00	0.0%	581.15	0.00	100.0%	0.00
Total Income	1,189.71	1,252.92	95.0%	275,465.22	292,867.48	94.1%	507,485.00
Gross Profit							
	1,189.71	1,252.92	95.0%	275,465.22	292,867.48	94.1%	507,485.00
Expense							
5115 · AUTOMOBILE EXPENSE	51.97	508.33	10.2%	1,200.76	3,050.02	39.4%	6,100.00
5120 · BANK CHARGES	36.90	33.33	110.7%	353.50	200.02	176.7%	400.00
5121 · INTEREST EXPENSE	0.00	0.00	0.0%	9,306.94	4,350.00	214.0%	8,700.00
5126 · INTERNET	99.00	0.00	0.0%	594.00	0.00	0.0%	0.00
5127 · TELEPHONE & PAGERS	277.52	404.17	68.7%	1,928.39	2,424.98	79.5%	4,850.00
5129 · PAYROLL SERVICE CHARGES	0.00	10.00	0.0%	0.00	60.00	0.0%	120.00
5130 · OFFICE EQUIPMENT RENTAL	0.00	0.00	0.0%	0.00	0.00	0.0%	1,900.00
5131 · OFFICE DUES & SUBSCRIPTIONS	649.57	958.33	67.8%	6,034.38	5,750.02	104.9%	11,500.00
5132 · OFFICE SUPPLIES & PRINTING	0.00	141.67	0.0%	1,417.18	849.98	166.7%	1,700.00
5133 · POSTAGE	0.00	141.67	0.0%	936.32	849.98	110.2%	1,700.00
5135 · Collection Write Off/Bad Debt	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
5140 · LEGAL & ACCOUNTING EXPENSE	573.75	1,168.75	49.1%	7,991.25	7,012.50	114.0%	14,025.00
5142 · LICENSES & PERMITS	1,195.86	550.00	217.4%	5,518.86	3,300.00	167.2%	6,600.00
5150 · INSURANCE							
5151 · LIABILITY INSURANCE	0.00	1,538.08	0.0%	3,581.00	9,228.52	38.8%	18,457.00
5152 · WORKERS' COMP	0.00	0.00	0.0%	0.00	0.00	0.0%	5,400.00
5153 · MEDICAL EMPLOYEE BENEFIT	2,769.16	3,070.00	90.2%	16,614.96	18,420.00	90.2%	36,840.00
5154 · Auto Insurance	0.00	0.00	0.0%	0.00	0.00	0.0%	1,500.00
Total 5150 · INSURANCE	2,769.16	4,608.08	60.1%	20,195.96	27,648.52	73.0%	62,197.00
5163 · Admin Payroll Costs	0.00	0.00	0.0%	0.00	0.00	0.0%	23,320.00
5164 · Payroll Costs - Collection Serv	0.00	0.00	0.0%	0.00	0.00	0.0%	4,700.00
5171 · INCOME TAX PAID	0.00	0.00	0.0%	0.00	0.00	0.0%	45,000.00
5184 · Loan Fees	0.00	0.00	0.0%	459.46	0.00	0.0%	0.00
5211 · PAYROLL WAGES	11,378.62	12,687.50	89.7%	74,664.02	76,125.00	98.1%	152,250.00
5212 · PAYROLL TAX-FEDERAL EMPLOYER	845.10	1,268.75	66.6%	5,545.42	7,612.50	72.8%	15,225.00
5217 · CORPORATE FILING FEES	0.00	0.00	0.0%	0.00	0.00	0.0%	25.00
5218 · GARBAGE DISPOSAL	82.95	91.67	90.5%	493.90	549.98	89.8%	1,100.00
5220 · UTILITY-ELECTRIC	2,747.90	3,333.33	82.4%	21,026.10	20,000.02	105.1%	40,000.00
5221 · Propane	0.00	0.00	0.0%	2,082.32	1,000.00	208.2%	1,000.00
5222 · WATER FEES	0.00	0.00	0.0%	1,447.81	2,000.01	72.4%	4,000.00

HARBOR VIEW MUTUAL WATER COMPANY Profit & Loss Budget Performance

December 2023

	Dec 23	Budget	% of Budget	Jul - Dec 23	YTD Budget	% of Budget	Annual Budget
5224 · WATER TESTING	830.00	1,443.75	57.5%	7,740.00	8,662.50	89.4%	17,325.00
5225 · WATER CHEMICALS/MATERIALS	502.43	1,662.50	30.2%	11,256.38	9,975.00	112.8%	19,950.00
5230 · REPAIRS & MAINTENANCE							
5252 · Repairs & Maint- Water Company	4,120.60	2,083.33	197.8%	29,931.14	12,500.02	239.4%	25,000.00
5253 · REPAIRS & MAINTENANCE - MET...	0.00			505.48			
Total 5230 · REPAIRS & MAINTENANCE	4,120.60	2,083.33	197.8%	30,436.62	12,500.02	243.5%	25,000.00
5240 · RENTAL - MACHINERY	0.00	0.00	0.0%	0.00	1,000.00	0.0%	1,000.00
5250 · OUTSIDE SERVICES							
5250-1 · Outside Services - System Maint	425.00	833.33	51.0%	2,085.50	5,000.02	41.7%	10,000.00
5250-2 · Outside Services - Fire Safety	0.00	1,666.67	0.0%	6,800.00	9,999.98	68.0%	20,000.00
5250 · OUTSIDE SERVICES - Other	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Total 5250 · OUTSIDE SERVICES	425.00	2,500.00	17.0%	8,885.50	15,000.00	59.2%	30,000.00
5255 · Other Expense	0.00	0.00	0.0%	123.85	100.00	123.9%	100.00
5311 · Depreciation Expense	18,251.07	18,333.33	99.6%	109,506.42	110,000.02	99.6%	220,000.00
Total Expense	44,837.40	51,928.49	86.3%	329,145.34	320,021.07	102.9%	719,787.00
Net Ordinary Income	-43,647.69	-50,675.57	86.1%	-53,680.12	-27,153.59	197.7%	-212,302.00
Other Income/Expense							
Other Expense	0.00			19,260.28			
7000 · Const. In Progress - Tank Proj.	0.00			19,260.28			
Total Other Expense	0.00			19,260.28			
Net Other Income	0.00			-19,260.28			
Net Income	-43,647.69	-50,675.57	86.1%	-72,940.40	-27,153.59	268.6%	-212,302.00