



Harbor View Mutual Water Company

**Board Meeting Minutes
Wednesday, November 15, 2023
at the Clubhouse**

Call to Order by Christine Smits at 5:39 pm

Roll Call

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

Approval of Minutes – The minutes of the September 13, 2023 meeting were approved as submitted.

President's Report – Chris Smits reminded everyone that both she and Norma Simmons will be leaving their Board positions after the next election in June 2024. She encouraged members to consider nominating candidates.

Operations Report by Jeremiah Fossa – Jeremiah reviewed the situation with the spray field pump and the Shoreline booster pump, the installation of one additional meter, and the new phone system. Bob Lucatorto made a motion to approve the expenditure of approximately \$3833 for the spray field pump replacement. The motion was seconded by Carina DeHerrera and the motion passed. (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 in a financially sound manner. We are anticipating a 12-14% increase in our insurance premiums. Chris will assist Bob with providing information to Allied Public Risk when requested.

It was also reported that the Water Storage Tank Project bank account at Umpqua Bank has been closed as all grant monies have been received from the State and all expenses relating to the project have been paid.

Discussion Item – There were no further items or discussions.

The meeting was adjourned at 5:52 pm.

***Next regular Board meeting will be
Wednesday, January 17, 2024 at 5:30 in the Clubhouse***

Operations Report

October/November 2023

PLANT FLOWS GALLONS	Oct2023	Oct2022	Oct2021	Oct2020
Treated Water	879,022	950,352	1,448,914	1,933,178
Peak Day Prod.	9th 62,329	16th 84,480	17th 95,422	26th 142,932
Monthly Connection average	3,516	3801	5,795	7,732
Average daily use per connection	<u>113</u>	<u>122</u>	<u>186</u>	<u>249</u>
Monthly backwash Water Used	62,329	84,480	95,422	78,654
Percent of potable water pumped to customers	92.9%	85.8%	91.8%	95.9%

A new meter was added at the Marina for the Reed house next to the park, it is the same radio read style as all the rest. They have been Grandfathered in since the community was developed 55 years ago.

The backwash spray field pump is failing and a new one will need to be ordered soon. I got a quote for a direct replacement unit from Pace supply for 3833.38 which is in stock. This pump moves the waste water from the large brown tank at the Marina to the wooded area across from the water treatment plant. The sludge is slightly abrasive and tends to wear this pump out much quicker than the other ones that pump straight water. This will be the fourth pump I have installed there in 13 years.

The Shoreline booster pump project is still in the works to be scheduled sometime after the new year when water use is the lowest and the welders will have 2 to 3 days to finish the job before we absolutely are required to make more water. I will continue to schedule welders but we won't have a general Contractor for this smaller project.

Norcal Telecom installed the new phone system at the treatment plant for both the landline and emergency auto dialer. We got to keep the phone number and saved much money with the internet-based phone service, so far, the system has worked adequately for calling but the phone can be a little wonky sounding. This is a normal part of it and I was warned that it takes a little getting used to. ATT made the old wire-based phone service prohibitively expensive and wouldn't stop charging us for DSL service even though that was canceled more than a year ago. Elvia tried for many hours to get a rebate on canceled services but not much came of it and were glad to be done with them.

Respectfully submitted by Jeremiah Fossa

HARBOR VIEW MUTUAL WATER COMPANY

Balance Sheet

11/13/23

As of October 31, 2023

Accrual Basis

	<u>Oct 31, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
1115 · Harbor View Umpqua Op. 5001	61,539.65
1120 · Umpqua Payroll 5027	22,403.57
1130 · Umpqua Money Market	7,646.10
1140 · Chase Bank - Capital/Reserve	180,148.45
1150 · Umpqua Special Assessment Acct	387.60
1182 · UMPQUA-DWR Loan Acct #35800	6,492.12
1183 · UMPQUA collateral CD #21485	61,378.91
Total Checking/Savings	<u>339,996.40</u>
Accounts Receivable	
1190 · ACCOUNTS RECEIVABLE	100,823.33
Total Accounts Receivable	<u>100,823.33</u>
Other Current Assets	
1196 · RESERVE FOR BAD DEBTS	-72,588.75
Total Other Current Assets	<u>-72,588.75</u>
Total Current Assets	<u>368,230.98</u>
Fixed Assets	
1610 · Property, Plant & Equipment	5,597,126.00
1691 · LAND	18,181.00
1712 · Accum Deprec-ASSETS IN SERVICE	-1611375.28
Total Fixed Assets	<u>4,003,931.72</u>
Other Assets	
1821 · LOAN FEES from 2005 and 2006	59,949.00
1822 · ACCUM. AMORT LOAN COSTS	-37,849.00
Total Other Assets	<u>22,100.00</u>
TOTAL ASSETS	<u><u>4,394,262.70</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	8,327.81
Total Accounts Payable	<u>8,327.81</u>
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	17,289.59
Total Other Current Liabilities	<u>40,237.45</u>
Total Current Liabilities	<u>48,565.26</u>
Long Term Liabilities	
2300 · NOTE PAYABLE (DWR LOAN)	251,925.90
Total Long Term Liabilities	<u>251,925.90</u>
Total Liabilities	<u>300,491.16</u>
Equity	
3921 · ADDITIONAL PAID IN CAPITAL	1,069,657.00
3951 · RESERVE FUND BALANCE	198,412.00
3952 · Special Assessment Fund Balance	387.60
3970 · RETAINED EARNINGS	2,896,609.58
3971 · Unreserved Equity	-35,716.60

6:02 PM
11/13/23
Accrual Basis

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

	<u>Oct 31, 23</u>
Net Income	-35,578.04
Total Equity	<u>4,093,771.54</u>
TOTAL LIABILITIES & EQUITY	<u><u>4,394,262.70</u></u>

HARBOR VIEW MUTUAL WATER COMPANY Profit & Loss Budget Performance October 2023

	Oct 23	Budget	% of Budget	Jul - Oct 23	YTD Budget	% of Budget	Annual Budget
Ordinary Income/Expense							
Income							
4100 · WATER SERVICE	102.80	0.00	100.0%	119,668.40	130,000.00	92.1%	390,000.00
4300 · LATE CHARGES	1,440.00	1,050.00	137.1%	4,580.00	4,200.00	109.0%	12,600.00
4310 · ADMINISTRATIVE CHARGES	0.00	0.00	0.0%	675.00	150.00	450.0%	150.00
4350 · ESCROW (TRANSFER) FEES	1,000.00	200.00	500.0%	2,800.00	1,000.00	280.0%	2,600.00
4380 · INTEREST INCOME	0.60	2.92	20.5%	2.40	11.64	20.6%	35.00
4410 · STANDBY FEES	400.00	0.00	100.0%	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	2,943.40	1,252.92	234.9%	214,706.95	225,361.64	95.3%	507,485.00
Gross Profit	2,943.40	1,252.92	234.9%	214,706.95	225,361.64	95.3%	507,485.00
Expense							
5115 · AUTOMOBILE EXPENSE	75.00	508.33	14.8%	914.01	2,033.36	45.0%	6,100.00
5120 · BANK CHARGES	40.20	33.33	120.6%	286.60	133.36	214.9%	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	-81.1%	396.00	1,616.64	65.7%	4,850.00
5127 · TELEPHONE & PAGERS	-327.84	404.17	0.0%	1,061.48	40.00	0.0%	120.00
5129 · PAYROLL SERVICE CHARGES	0.00	10.00	0.0%	0.00	0.00	0.0%	1,900.00
5130 · OFFICE EQUIPMENT RENTAL	0.00	0.00	0.0%	0.00	0.00	0.0%	1,500.00
5131 · OFFICE DUES & SUBSCRIPTIONS	649.57	958.33	67.8%	4,735.24	3,833.36	123.5%	11,500.00
5132 · OFFICE SUPPLIES & PRINTING	169.62	141.67	119.7%	1,249.55	566.64	220.5%	1,700.00
5133 · POSTAGE	0.00	141.67	0.0%	662.30	566.64	116.9%	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	731.25	1,168.75	62.6%	4,855.00	4,675.00	103.9%	14,025.00
5142 · LICENSES & PERMITS	577.00	550.00	104.9%	577.00	2,200.00	26.2%	6,600.00
5150 · INSURANCE							
5151 · LIABILITY INSURANCE	715.00	1,538.08	46.5%	2,860.00	6,152.36	46.5%	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%	11,076.64	12,280.00	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	3,484.16	4,608.08	75.6%	13,936.64	18,432.36	75.6%	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							
5211 · PAYROLL WAGES	11,378.62	12,687.50	89.7%	46,160.82	50,750.00	91.0%	152,250.00
5212 · PAYROLL TAX-FEDERAL EMPLOYER	845.11	1,268.75	66.6%	3,428.44	5,075.00	67.6%	15,225.00
5217 · CORPORATE FILING FEES	0.00	0.00	0.0%	0.00	0.00	0.0%	25.00
5218 · GARBAGE DISPOSAL	83.02	91.67	90.6%	328.00	366.64	89.5%	1,100.00
5220 · UTILITY-ELECTRIC	3,426.88	3,333.33	102.8%	15,705.23	13,333.36	117.8%	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%	1,044.83	1,333.34	78.4%	4,000.00

HARBOR VIEW MUTUAL WATER COMPANY
Profit & Loss Budget Performance
 October 2023

	Oct 23	Budget	% of Budget	Jul - Oct 23	YTD Budget	% of Budget	Annual Budget
5224 · WATER TESTING	2,215.00	1,443.75	153.4%	6,325.00	5,775.00	109.5%	17,325.00
5225 · WATER CHEMICALS/MATERIALS	2,924.65	1,662.50	175.9%	10,205.85	6,650.00	153.5%	19,950.00
5230 · REPAIRS & MAINTENANCE							
5252 · Repairs & Maint- Water Company	41.99	2,083.33	2.0%	25,209.89	8,333.36	302.5%	25,000.00
5253 · REPAIRS & MAINTENANCE - METERS	505.48			505.48			
Total 5230 · REPAIRS & MAINTENANCE	547.47	2,083.33	26.3%	25,715.37	8,333.36	308.6%	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	908.00	833.33	109.0%	1,660.50	3,333.36	49.8%	10,000.00
5250-2 · Outside Services - Fire Safety	0.00	1,666.67	0.0%	6,800.00	6,666.64	102.0%	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	908.00	2,500.00	36.3%	8,460.50	10,000.00	84.6%	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%	73,004.28	73,333.36	99.6%	220,000.00
Total Expense	46,077.78	51,928.49	88.7%	231,024.71	215,497.42	107.2%	719,787.00
Net Ordinary Income	-43,134.38	-50,675.57	85.1%	-16,317.76	9,864.22	-165.4%	-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	-43,134.38	-50,675.57	85.1%	-35,578.04	9,864.22	-360.7%	-212,302.00