

**WESTERN HEIGHTS WATER COMPANY  
32352 AVENUE D  
YUCAIPA, CA 92399-1899**

REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

8:00 a.m. Friday, January 20, 2022

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CALL TO ORDER / PERSONS IN ATTENDANCE

1. PUBLIC COMMENT

2. APPROVAL OF MINUTES

December 2, 2022 Board Meeting

3. SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

Report - Ben Kelly

4. BOARD MEETING SCHEDULE

February Board Meeting – Friday, February 17, 2023  
Annual Shareholder Meeting – Wednesday March 15, 2023

5. GENERAL MANAGER'S REPORT:

a) Discussion Items

a. Water Sold – Exhibit 1

Water sales for December 2022 are 19.0 percent lower than they were for December 2021, and 1.2 percent lower than for this time in 2021.

b. Budget Status and Financials December 2022 – Exhibit 2

Total Bank Balance	\$4,731,245
Total Revenues:	\$196,927
Total Expenses	<u>\$241,276</u>
Net Income	\$(44,349)

Total revenues for 2022 are 13.4 percent lower than year to date in 2021. Expenses are 15.5 percent higher from this time last year. Expenses are higher because of the over 8% inflation rate which has caused the prices to be much higher this year. Revenues are lower overall because of the losses reflected in the decrease of the book value of our ETFs over what we paid for them.

Accounts Payable Register – Exhibit 3

Major Projects – Exhibit 4

c. Proposed 2023 Budget – The proposed 2023 budget is shown in Exhibit 5.

d. Projects Status Update

a. Dangermond Property – The purchase of the Dangermond property for the future North Reservoir is complete. It closed December 19, 2022.

b. 0 Tennessee Property – The City approved the tentative tract map for the project November 2. We received the final conditions of approval. We are working to get an estimate for the rough grading. We are also looking for developers to purchase the project as-is or to work with us in a partnership for the development and selling of the lots.

c. 2022 Projects Summary – These are the capital projects we completed in 2022

- 17<sup>th</sup> Street – 1,300 feet 12-inch
- 18<sup>th</sup> Street – 500 feet 12-inch
- Well 10 Booster Piping Changes
- South Booster Station Piping Changes
- Well 2A Motor Replacement

d. 2023 Projects Summary – These are the capital projects we are planning for 2023.

- Outer Hwy – 1,400 feet 12-inch
- South Tank Feeder Line – 1,000 feet 12-inch
- Lead Service Line Inventory
- South Booster Station Solar
- Well 10 Motor Replacement

e. 401K Contributions – As requested by the board, we evaluated company paid 401K contributions. The table below shows how much the company contributes now and how much it would cost if the company contributed more.

		Current Contribution				
	2022 Payroll	0.06		0.065	0.070	0.075
Office	403,576.18	24,214.57		26,232.45	28,250.33	30,268.21
Field	411,945.92	24,716.76		26,776.48	28,836.21	30,895.94
		48,931.33		53,008.94	57,086.55	61,164.16
	Increase			4,077.61	8,155.22	12,232.83

6. ACTION ITEMS:

Approval of 2023 Budget.

Approval of change to the Employee Handbook. See General Manager's report.

7. DIRECTORS' MATTERS