

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

REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

8:00 a.m. Friday, February 17, 2023

CALL TO ORDER / PERSONS IN ATTENDANCE

1. PUBLIC COMMENT

2. APPROVAL OF MINUTES

January 20, 2023 Board Meeting

3. SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

Report - Ben Kelly

4. BOARD MEETING SCHEDULE

March Annual Shareholder Meeting – Wednesday March 15, 2023 at 6:00 PM
March Board Meeting – Immediately following the Annual Shareholder Meeting

5. GENERAL MANAGER'S REPORT:

a) Discussion Items

a. Water Sold – Exhibit 1

Water sales for January 2023 are 1.2 percent higher than they were for January 2022.

b. Budget Status and Financials January 2023 – Exhibit 2

Total Bank Balance \$4,717,213

Total Revenues: \$248,188

Total Expenses \$197,880

Net Income \$ 50,308

Total revenues for 2023 are 123.3 percent higher than year to date in 2022.
Expenses are 19.3 percent higher from this time last year.

Accounts Payable Register – Exhibit 3

Major Projects – Exhibit 4

c. Projects Status Update

- a. Dangermond Property – We are moving a recycled water line that runs across the property, which we agreed to do as part of the purchase agreement.
- b. 0 Tennessee Property – Hillwig-Goodrow is working on the utilities and street plans to submit to the City for approval. These plans are needed to receive the grading permits. 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. 401(k)K Contributions – The company's 401(k) plan only allows company contributions as whole number. The Board can keep the company's contribution at 6 percent or increase it to 7 percent. A 7 percent change would increase the contributions from \$52,800 to \$61,653 annually, a difference of \$8,853.
- d. Updates to the Employee Handbook – Per the Board's request, the vacation and sick policies were reviewed. There are a few inconsistencies regarding payout upon employee separation. The General Manager's report outlines changes to the handbook.
- e. Income Survey – Kennedy Communications has completed the income survey and it has been submitted to the California State Water Resources Control Board. The Median Household Income (MHI) for our service area is \$75,000. Once the MHI survey has been accepted we will investigate what opportunities are available for the company.
- f. New Development – I met with Premium Land Development regarding the property at Avenue D and 12th Street. They are building 204 apartments on the property. The Artisan project on 17th Street has requested meters for Phase II of the development. This is an additional eight homes. Once payment of \$128,000 is received, staff will install the services.

6. ACTION ITEMS:

Approval of 401(k) Contributions

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

7. DIRECTORS' MATTERS