

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

REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

10:00 a.m. Friday, December 2, 2022

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CALL TO ORDER / PERSONS IN ATTENDANCE

1. PUBLIC COMMENT

2. APPROVAL OF MINUTES

September 16, 2022 Board Meeting

3. SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

Report - Ben Kelly

4. BOARD MEETING SCHEDULE

January Board Meeting – Friday, January 20, 2023  
Annual Shareholder Meeting – Wednesday March 15, 2023

5. GENERAL MANAGER'S REPORT:

a) Discussion Items

a. Water Sold – Exhibit 1

Water sales for November 2022 are 9.6 percent lower than they were for November 2021, and 0.5 percent lower than for this time in 2021.

b. Budget Status and Financials Through October 2022 – Exhibit 2

Total Bank Balance	\$4,755,589
Total Revenues:	\$303,978
Total Expenses	<u>\$175,457</u>
Net Income	\$128,521

Total revenues for 2022 are 7 percent lower than year to date in 2021. Expenses are 14 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. Overall, the budget is good, and we should end the year close to budget even with the challenges we have had with our investments and the high inflation rate.

Accounts Payable Register – Exhibit 3

Major Projects – Exhibit 4

c. Projects Status Update

- a. Dangermond Property – We have signed what we believe are the last required documents to close on the property. We are still hoping to complete sale by the end of this year.
- b. 0 Tennessee Property – The City approved the tentative tract map for the project November 2. We are still waiting on the final conditions of approval.
- d. Employee Benefits – The company's medical provider has increased premiums 2.42 percent for 2023. The result is an increase in the monthly premium of \$175.59. Health Net remains the most competitive for benefits and rates. The dental provider for 2021 is no longer offering dental coverage. We have contracted with Health Net for their Smartcare HMO network. The employees can keep their current dental provider and the cost to the employees is very close to what they are currently paying. There have been no changes in the group term life insurance and vision plans.

6. ACTION ITEMS:

Approval of an 8.0 percent Cost of Living Adjustment for staff. See General Manager's report for details.

7. DIRECTORS' MATTERS