

**OTEMWC Board of Directors Meeting
Minutes November 16, 2022**

The meeting was held at the home of George and Marian Silva, 3000 Woodstock Rd. George Silva called the meeting to order at 4:30 PM. Board members participating: Hank Cook, Nancy Eckhous, Dennis Jorgensen, Mike Rhodes and George Silva. David Mexico also participated.

Meeting Minutes

Minutes for board meetings of June 21st and September 22nd, 2022 were approved.

Treasurer's Report

Nancy provided a statement of income and expenditures for year to date October 31, 2022.

Montecito Bank Funds Allocation:

Bank Checking	123,363.94	Operating Fund	\$20,000.00
First Bank CD	<u>241,504.97</u>	Reserve Fund	<u>\$344,868.91</u>
Total:	\$364,868.91	Total:	\$364,868.91

Nancy reported that operating expense is running favorable by \$27,047 and income over expense against budget is favorable by \$15,112. Total cash collected, however, is short of budget by \$11,934 due somewhat to lower water usage (a positive circumstance) and delayed collections.

Electricity was the main driver of the favorable operating expenses (\$8,922) due to timing of PG&E invoices. YTD water usage is running 5.18% lower than last year. The board briefly discussed automatic shareholder payment services. Due to service cost, limited benefit and possible liability to OTEMWC this initiative was dropped.

Nancy is soliciting bids for our annual independent financial review. Several bids are sought.

Nancy led a line by line review our our current (2022) budget to create the first draft of our 2023 budget. Several items, notably the preliminary reserve expense budget of \$229,000, were reduced to best reflect most likely system needs. Nancy will provide the 2023 budget at our next meeting, January 18, 2023 for review and approval.

Watermaster's Report

David Mexico reported that monthly bacteria tests are done, all passed. Other items from 23Sept through 16Nov:

- (10/23) Leak call on Long Canyon, water turned off, owners notified
- (11/7) Meeting regarding a candidate site for OTEMWC solar panel installation
- (11/16) Water main leak repaired on Ridge Rd. Pine tree's roots caused the 6" line to crack.
- (11/16) PGE power surge interrupted well #7, pump tested, now running normal

Old Business

Prior to this meeting OTEMWC joined the Cal Mutuals organization of water companies to share compliance and good practice operations. This was approved by e-mail vote. Dennis will assemble a draft, with input from Dave, of our Emergency Plan. Dave has current documents that should populate most of the plan.

Old Business

Hank continues his efforts to identify a new generator, compliant with State pollution standards. In addition, a shareholder's recent proposal to provide an easement for solar panels has renewed our efforts to install solar power assistance to our water system. Hank and Nancy are looking into this.

Adjournment

There being no further business to come before the board, the meeting adjourned at 6:00 PM.

Respectfully submitted,

Mike Rhodes, Secretary