

OTEMWC Board of Directors Meeting

Minutes January 19, 2022

The meeting was held at the home of George and Marian Silva, 3000 Woodstock Dr. George Silva called the meeting to order at 4:35PM. Board members participating: Hank Cook, Nancy Eckhous, Dennis Jorgensen, Mike Rhodes and George Silva. David Mexico, the OTEMWC Watermaster, was unavailable.

Meeting Minutes

Minutes for the board meeting of December 1, 2021 were reviewed and approved as read.

Treasurer' Report

Nancy provided a statement of income and expenditures for year-end December 31, 2021.

First Bank checking:	134,491.68	Budget Allocation:	Operating Fund	20,000.00
First Bank CD's	<u>130,664.21</u>		Reserve Fund	<u>245,155.89</u>
Total Bank Balances:	\$265,155.89		Total:	\$265,155.89

Nancy summarized an overall healthy financial condition for the Water Company, cash collected, operating expense and total income over expense were all favorable for 2021. In particular, total income over expense is \$25,508 favorable and our Reserve Balance of \$73,760 is also positive against budget. Water usage for the year ended within 2% of the year before. Only one shareholder account, Lot26, remains substantially overdue in the A/R aging summary. Shareholders for Lot26 were in attendance for this meeting. Nancy then reviewed the 2022 budget. A motion was advanced by Dennis to approve the 2022 budget, it was seconded by Hank and passed unanimously. Nancy also gained approval from the board to move our checking account and CDs to Montecito Bank. This will involve documentation and signatures from the board to do so over the coming weeks.

New Business

The board then discussed the recent water leak history at Lot26 with shareholders Lisa and Isaiah Mustafa. Since Dave Mexico was not available, the board agreed to meet again with the shareholders when Dave can participate. Lot26 accounts are otherwise current with the exception of funds due related to the large water leak earlier detected.

Old Business

Hank provided a brief update regarding the generator sold to us in a configuration that is not permitted by the California Air Quality Resource Board. Hank discussed the circumstance at length with the agency. The agency contact indicated that criminal and civil penalties are underway that may provide us with some assistance. Hank will keep us updated. Meanwhile a quote for a fully permitted generator is forthcoming.

Hank also updated us regarding our initiative to instal solar panels to reduce power expense. Options for siting panels are limited. Though Solarponics has provided the most comprehensive proposal, the board hopes to have three complete proposals prior to the May shareholder's meeting for presentation.

George has prepared a newsletter for shareholder distribution. The approved 2022 budget will be included. Mike will arrange to have the packet distributed by email and by post for those shareholders without an email address.

Adjournment

There being no further business to come before the board, the meeting adjourned at 5:30PM

Respectfully submitted,
Mike Rhodes, Secretary