

## **OTEMWC Board of Directors Meeting Minutes September 22, 2022**

The meeting was held at the home of Nancy Eckhous. Hank Cook called the meeting to order at 4:50PM. Board members participating: Hank Cook, Nancy Eckhous and Mike Rhodes. David Mexico, the OTEMWC Watermaster, also participated. Dennis Jorgensen and George Silva were unable to attend.

### **Meeting Minutes**

Review of minutes for the board meeting of July 21, 2022 were deferred to our next regularly scheduled meeting: November 16, 2022.

### **Treasurer's Report**

Nancy provided a statement of income and expenditures for month-end August 31, 2022.

Montecito Bank checking:	101,411.76	Budget Allocation:	Operating Fund	20,000.00
Montecito CD's	<u>241,423.94</u>		Reserve Fund	<u>322,835.70</u>
Total Bank Balances:	\$342,835.70		Total:	\$342,835.70

Nancy reported that revenue is running very close to budget and operating expenses, though running below budget, are likely closer to budget once lagging electricity bills are received. Reserve expense is exceptionally favorable (+ \$75,000) showing the impact of a \$20,000 payment for our returned generator. Water usage is 7.46% below the same year-to-date period of last year, a happy circumstance given our extreme drought at this time. The A/R Aging report is tracking current and normal.

Working with the accountants and David, Nancy assembled a measure of integrity for our water supply and distribution system. Essentially, the measure compares the total volume of water pumped from our wells compared to the volume distributed to shareholders. The August 2022 billing period discrepancy is 2.79%. This measure for billing periods in 2020 through August 2022 varies from 0.29% to 167% with most billing periods in the single digits. The few outliers likely correspond to well drilling and system maintenance. Our oversight will continue.

Nancy advanced a proposal, suggested by shareholder Lisa Marie Fong, that we establish an 'auto pay' capability for our water bills. Nancy reported that Montecito Bank can provide this service for \$25/month and a small (\$0.02) charge per transaction fee. Hank suggested that Nancy set-up a short trial with Montecito Bank. Once assessed the board can institute the service if positive. This motion was seconded by Mike and unanimously approved.

### **Watermaster's Report**

Dave reported that there is no update of consequence, the system is running smoothly. He and Hank provided additional information regarding our pursuit of a 150 Kw power generator. Dave reminded the board that by regulation, we have until January 2024 to have one in place. Hank and Dave will work together to arrange the purchase of our generator.

### **New Business**

Nancy reminded the board that a new, updated, 3-year Reserve Study is due shortly. After a brief discussion regarding alternatives, it was agreed that Nancy or George will contact Stone Mountain to undertake this effort. In addition, Nancy will identify a new, independent 3<sup>rd</sup> Party accounting firm to provide a review of our accounting practice.

### **Adjournment**

There being no further business to come before the board, the meeting adjourned at 5:20PM

Respectfully submitted,  
Mike Rhodes, Secretary