

El Creston Mutual Domestic Water Consumers Association

February 4, 2021 Board meeting

Approved March 4th

Via ZOOM

In attendance: Gene Solyntjes, Cheryl Zebrowski, Dennis Ditmanson, Liz Valenzuela, Anna Aragon. Public: Jim Peters

1. Meeting called to order at 7:02 pm with a quorum in attendance.
2. Notice of this meeting was emailed and posted.
3. Motion made and seconded to approve the agenda. (Liz/Anna) Motion passed unanimously.
4. Motion made and seconded to approve the minutes from January 7th. (Cheryl/Liz) Motion passed unanimously.
5. Reports
 - a. Treasurer's report attached
 - i. Jim Peters reviewed our 2020 budget compared to our actual income and expenses. We are doing much better than budgeted due to new memberships and hook-ups. See attached.
 - ii. The audit determination form was submitted for Tier 2 since our income was under \$50,000 and we did not expend more than 50% of our capital outlay. It was approved by the state auditor's office.
 - b. Water System
 - i. Operator's Report: Carlos reports that working on the new meters will be more difficult as the shut-off valve is in the meter box.
 - c. Funding
 - i. Capital Outlay: The agreement was signed and returned.
 - ii. Water Trust Board: Documents are still being reviewed by the state attorney.
 1. Souder Miller is reviewing the easement with the HOA before we can sign the grant agreement.
 - d. Phase II update: Construction is almost complete, except for the booster pump to service north on Mira Sol and eventually east to Coyote. The easement for the pump on the Valenzuela property is being reviewed.
 - i. A thorough walk-thru was done this past Tuesday, February 2nd. New Image has done an excellent job of redoing the roads.
 - e. Phase III update: Nothing to report until we receive funding. We have tried to contact Lupita Gonzales and her family several times, but they have never replied or returned phone calls.
 - f. Water Hauling Report: 11 deliveries in January. Leno Barboa will be taking over deliveries for a few days.
 - g. Membership Report: Still need membership transfer from the Messinas at 25 Coyote Road. Need Anna Aragon's second membership application. Need Stokes

Quit Claim, and Dennis has been working with them to get the well transferred to their name.

6. Old Business

- a. Water Conservation Fees and Gross Receipt Taxes: Liz has paid for the last quarter of 2020. She is working with the tax auditor to do a managed audit. We should hear something by the end of the month as to what we owe.
- b. Approval of WTB-5091 Closing Documents: tabled until the state attorney's review.
- c. Electronic Payments: Liz will make an appointment with Wells Fargo.
- d. We reviewed the proposed changes to the Rules & Regulations and will formally approve them in March.
- e. Annual Membership Meeting
 - i. The board reviewed the bylaw changes which will be mailed to all members. Cheryl will compile a list of active members and divide it up for each board member to call, asking them to consider being on the board. Cheryl would like to get the ballots mailed out by February 20th.

7. New Business

- a. No new business

8. Public Comment: No comments.

9. Calendar Review for Upcoming Tasks

- a. Annual meeting in March
- b. New board to sign conflict of interest statement at annual meeting

10. Action Items:

- a. Cheryl will put together a list of members to call to recruit for the board
- b. Cheryl will mail out ballots in mid-February
- c. Liz will work on GRT and electronic payments

11. The next meeting will be March 4th

12. Meeting adjourned at 8:20 p.m.

Respectfully submitted by Cheryl Zebrowski, Secretary

**EL CRESTON MDWCA
Treasurer's Items for Regular Meeting 2-4-2021**

1) a. **Checking account balance ending 1/31/2021: \$11,056.89**

Transfer to Savings:	-\$1,500.00
Outstanding Checks (1)	-\$ 600.00
Cleared Checks/Charges:	-\$1,008.78
Deposit: 2/2/21:	+\$ 850.05

Current Checking Balance (2-4-21): \$8,798.16

b. **Savings account balance ending 1/31/2021: \$11,652.00**

Savings Transfer	+\$1,500.00
<u>Current balance (2-4-21)</u>	<u>\$13,152.00</u>

c. **OVERALL TOTAL CASH BALANCE: (2/4/2021): \$21,950.16**

2. **January Water Deliveries: 11 Revenues received: \$1,425.00**
Water Hauling Sales: \$1,081.67 Water Charges: \$264.00 GFT: \$79.33

3. **January Truck Expenses: - \$73.00 (Gas)**

4. **Water Connection/Standby Payments (NOV 20/MARCH 21)–Revenues received:
\$1,252.06**

Nov-December payment: \$722.28 GRT: \$37.92

Jan-March payments: \$458.26 GRT: \$33.60

5. **Miscellaneous Revenues Received:**

19-2020 Assessment fees (1) - \$150.00

El Creston Mutual Domestic Water Consumers Association			
	2020 Budget	2020 Actual	Difference
Beginning Cash			
Water hauling operating reserve	2,374.00	2,374.00	-
Unreserved	2,626.00	10,267.13	7,641.13
Total Beginning Cash	5,000.00	12,641.13	7,641.13
Water System			
Revenues			
Assessments	1,925.00	3,585.00	1,660.00
Capital grants		26,130.67	26,130.67
Connection revenues	9,531.00	11,228.65	1,697.65
Donations	100.00	75.00	(25.00)
New memberships		1,750.00	1,750.00
Standby charges	1,620.00	1,633.65	13.65
Water rights charges	-	1,000.00	1,000.00
Total System Revenues	13,176.00	45,402.97	32,226.97
Expenses			
Certified water operator	2,100.00	2,133.38	(33.38)
Construction engineering fees		26,130.67	(26,130.67)
D & O Insurance	668.00	807.00	(139.00)
Easement leases	600.00	700.00	(100.00)
Electrical costs	650.00	452.97	197.03
General liability and property		952.78	(952.78)
Gross receipts tax	531.00		531.00
Legal and professional fees	500.00		500.00
Loan payment - court settlement	600.00	1,714.00	(1,114.00)
Supplies and administrative expenses	224.00	371.57	(147.57)
System Planning Loan	532.00	532.00	-
Water testing	1,400.00		1,400.00
Website	175.37	462.92	(287.55)
WTB #1 loan payment	5,127.00	5,126.46	0.54
Total System Expenses	13,107.37	39,383.75	(26,276.38)
Net System Cash Flows	68.63	6,019.22	5,950.59
El Creston Mutual Domestic Water Consumers Association			
	2020 Budget	2020 Actual	Difference
Water Hauling			
Revenues			
Water charges	1,728.00	2,592.00	864.00
Water hauling fees	7,272.00	11,765.00	4,493.00
Total Water Hauling Revenues	9,000.00	14,357.00	5,357.00
Expenses			
Driver gross wages	2,520.00	3,676.49	(1,156.49)
Driver payroll taxes	243.18	620.23	(377.05)
Gas	936.00	854.83	81.17
Gross receipts tax	363.60		363.60
Insurance - truck liability	493.00	523.00	(30.00)
Insurance - workman's comp	1,100.00	1,100.00	-
Maintenance	1,800.00	1,776.00	24.00
Truck license	49.05	49.35	(0.30)
Water costs	1,717.92	2,466.35	(748.43)
Total Operating Expenses	9,222.75	11,066.25	(1,843.50)
Net Water Hauling	(222.75)	3,290.75	7,200.50
Net Cash Flows	(154.12)	9,309.97	9,464.09
Ending Cash Balance			
Water hauling operating reserve	2,374.00	2,374.00	-
Unreserved	2,471.88	19,577.10	17,105.22
Total Ending Cash Balance	4,845.88	21,951.10	17,105.22
Debt Service Ratio without Water Hauling	1.01	2.17	

Summary of Budget Differences 2020

<i>Better than expected</i>		
Beginning cash balance	\$ 7,641.13	These are all under estimates I made when I build the 2020 budget in the
Assessments	1,660.00	fall of 2019.
Connection revenues	1,697.65	
New memberships	1,750.00	
Water rights charges	1,000.00	
Lower electrical costs	197.03	
No costs for water testing	1,400.00	We didn't need City water testing.
No water system gross receipts tax payments	894.60	Liz is still working to resolve the accounting with the state. Estimated
		outstanding balance is \$5,000
No legal fees	500.00	We got lucky
		Due to more deliveries than budgeted, excludes unpaid gross receipts tax
Net water hauling	3,149.90	reported above.
Benefits subtotal	<u>19,890.31</u>	
<i>Unanticipated costs</i>		
Higher D & O Insurance	139.00	Fee increase since 2019
Higher easement costs	100.00	One time former Casey property easement.
General liability and property	952.78	New policy not included in budget
Loan payment - court settlement	1,114.00	I didn't estimate properly in the budget, but it is gone now.
Supplies and Administration	147.57	Under budgeted
Website	287.55	
Subtotal - unanticipated costs	<u>2,740.90</u>	
Net difference in ending cash	<u>17,149.41</u>	
Minor differences not included above	<u>(44.19)</u>	
Actual ending cash difference	<u><u>17,105.22</u></u>	