BOX SPRINGS MUTUAL WATER COMPANY

21740 Dracaea Avenue, Moreno Valley, CA 92553
(951) 653-6419

Tuesday, September 16, 2025 - 4:30 pm

Board Meeting Agenda

I. **CALL TO ORDER**

II. **ROLL CALL**

President	(Mac) John McDermott
Vice President	Ron Gonzales
Secretary	Valentina Schafer
Treasurer	Misty Rose
Director	Charles Campbell

III. **PUBLIC COMMENTS**

IV. **REVIEW PREVIOUS BOARD MEETING MINUTES**

V. **GENERAL MANAGERS REPORT**

a. **Financial Review**
   i. P&L Report
   ii. Budget Status Report
   iii. Bank Accounts
   iv. New Banking Proposal

b. **Billing Update**
   i. Total Billed
   ii. Total Received
   iii. Past Due - Water Service
      - 30 to 60 days
      - >60 days
   iv. Past Due – Assessment Only
   v. Proposed Change in Office Hours

c. **New Development Projects**
   i. **LDC – Day Street**
   ii. **SAWPA Grants**
      - New 1.1 MG
      - New Well
   iii. **Cottonwood Apartments**
   iv. **New Apartments on Cottonwood**

d. **Home Purchase -** 13142 Edgemont Street

VI. **CLOSED SESSION**

VII. **ADJOURNMENT**

BOX SPRINGS MUTUAL WATER COMPANY

21740 Dracaea Avenue, Moreno Valley, CA 92553
(951) 653-6419

Tuesday, August 19, 2025 - 4:30 pm

Board Meeting Minutes

I. **CALL TO ORDER** – at 4:30 pm

II. **ROLL CALL**

President	(Mac) John McDermott - present
Vice President	Ron Gonzales – present via phone
Secretary	Valentina Schafer - unavailable
Treasurer	Misty Rose - present
Director	Charles Campbell - present

III. **PUBLIC COMMENTS** - none

IV. **REVIEW PREVIOUS BOARD MEETING MINUTES** – Charles Campbell motioned to accept the minutes from the July 15, 2025, Board Meeting. The motion was seconded by Misty Rose. The minutes were unanimously accepted and approved.

V.

VI. **GENERAL MANAGERS REPORT**

a. **Financial Review**
   i. P&L Report – distributed and reviewed
   ii. Budget Status Report - distributed and reviewed
   iii. Bank Accounts - distributed and reviewed
   iv. Proposed rate increase – there was a motion to approve an 8% rate increase across the board for both water rates and assessment effective October 1, 2025. For an average bill of $80.00 the increase would be roughly $6.00 per month. Mark shared income and expenses over the last year and shared rate increases from both SCE and WMWD. The increase was unanimously approved.

b. **Billing Update**

i.	Total Billed	$102,902.57
ii.	Total Received	$102,650.53
iii.	Past Due - Water Service	
	○ 30 to 60 days	$ 8,924.61
	○ >60 days	$ 2,838.74
iv.	Past Due – Assessment Only	$ 78,047.19

   v. Meter Replacements - 20 replacements in 2025. All Neptune meters have now been replaced.

c. **New Development Projects**

   i. **LDC – Day Street –** no response.
   ii. **SAWPA Grants**
      ○ New 1.1 MG – progress photos were shared. Mark shared details about the layers of base that were created to support the1.3 MG new tank. The grant did not provide for the inlet and outlet

connections. Mark will create a plan to get the piping construction complete. SAWPA has agreed that some of the funds from the well can be used to tie in the connection from the old well to the new tank.
    - New Well - Kennedy Communications is working to find additional funding for the new well which will need to be completed by December of 2027.

iii. **Cottonwood Apartments** – Mark had a call with the City of Moreno Valley engineer regarding what we need to complete the work on Cottonwood. The engineer needs to provide their requirements for traffic control and asphalt repair. Mark will follow-up with the City's engineer this Thursday. Work is scheduled to begin Tuesday, August 26, 2025.

iv. **New Apartments on Cottonwood** – there was a meeting held last week to discuss costs on adding an additional section of 12" pipeline upgrade.

d. **Home Purchase -** 13142 Edgemont Street – there was a notice of cancellation on the offer for the purchase. The owner of the property came in to meet with Mark this afternoon and discussed options moving forward to attempt to obtain a loan.

VII. CLOSED SESSION

VIII. ADJOURNMENT

Board Meeting adjourned at 5:25 pm

Next Meeting is scheduled for Tuesday, September 16, 2025, at 4:30 pm

Statement of Activity

Box Springs Mutual Water Company

August 1-31, 2025

DISTRIBUTION ACCOUNT	TOTAL
Income	
700 Water Revenue	$0.00
703 Service Charge	20,061.49
704 Water Charge	50,905.52
715 Add Unit Revenue	3,862.93
725 Other Revenue	$0.00
720 Late Fees, Penalties	576.96
726 Member Other Revenue	24.11
Total for 725 Other Revenue	**$601.07**
Total for 700 Water Revenue	**$75,431.01**
735 Shareholder Assessments	20,756.94
Total for Income	**$96,187.95**
Cost of Goods Sold	0.00
Gross Profit	**$96,187.95**
Expenses	
820 Parts, Supplies, Tools	673.03
840 USAS	22.00
850 WMWD	21,541.52
860 Pumping-Electricity	6,377.37
870 Laboratory Fees	1,877.41
881 Outside Services -COGS	13,070.00
906 Auto, Truck Expenses	$0.00
907 Fuel	408.16
913 Vehicle Repairs & Maintenance	389.17
Total for 906 Auto, Truck Expenses	**$797.33**
908 Bank Service Charges	458.06
912 Dues, Subscriptions	792.00
915 Computer Fees & Services	2,716.19
934 Insurance	$0.00
935 Insurance Auto	$0.00
936 Workers Comp	1,219.76
937 Vision	21.03
939 Health	2,069.30
941 D&O, EPI	10,396.25
Total for 935 Insurance Auto	**$13,706.34**
Total for 934 Insurance	**$13,706.34**
944 Office Expense	2,071.88

Statement of Activity

Box Springs Mutual Water Company

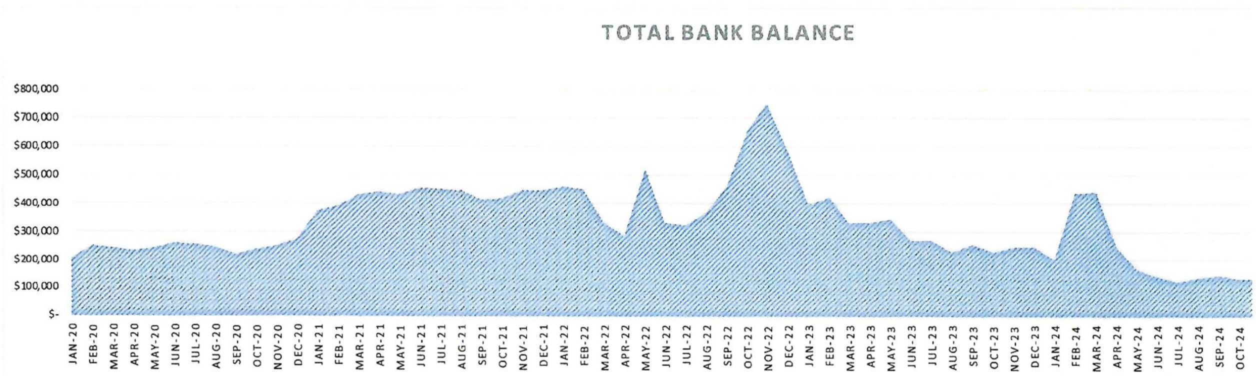
August 1-31, 2025

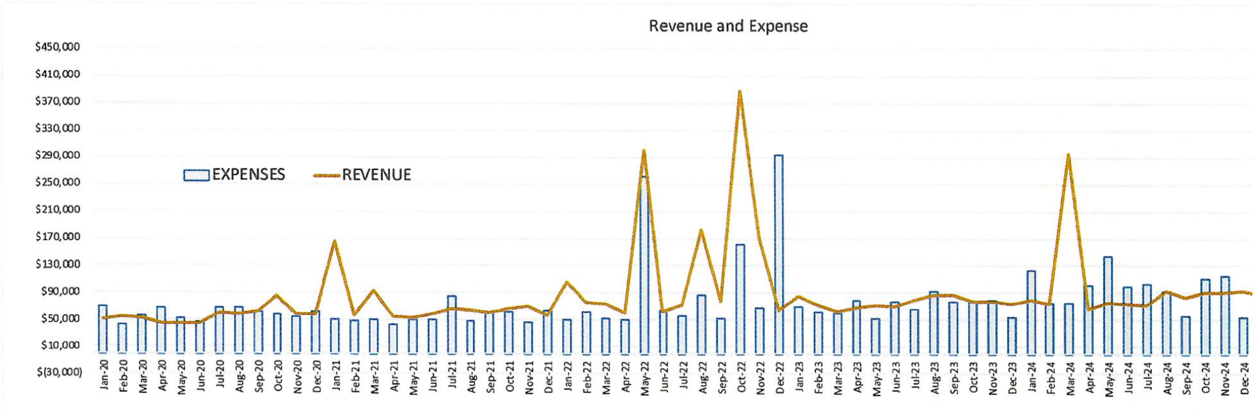
DISTRIBUTION ACCOUNT	TOTAL
945 Payroll Expenses	$0.00
810 Operator Salaries	10,637.61
904 Administrative Salaries	8,833.34
946 Payroll Processing Fees	1,532.66
948 Payroll Taxes	1,489.52
Total for 945 Payroll Expenses	**$22,493.13**
947 Outside Services - General	2,152.20
950 Postage, Delivery	1,056.00
952 Telephone	373.69
958 Utilities	293.19
959 Professional Fees	$0.00
902 Accounting	925.00
961 Legal Services	36,832.76
Total for 959 Professional Fees	**$37,757.76**
Total for Expenses	**$128,229.10**
Net Operating Income	**-$32,041.15**
Other Income	0.00
Other Expenses	0.00
Net Other Income	**$0.00**
Net Income	**-$32,041.15**

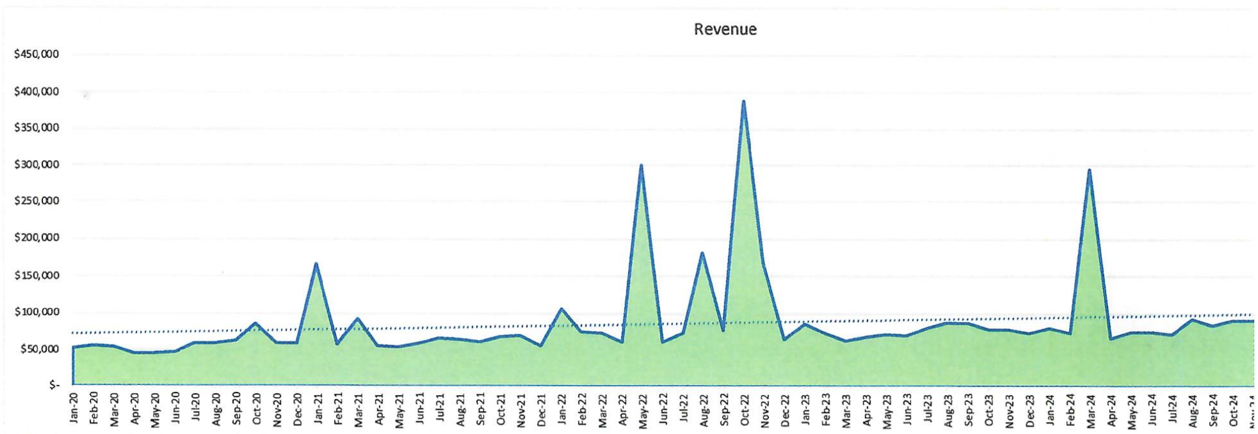
INCOME	Apr	May	Jun	Jul	Aug	2025 YTD	2024 YTD	2025 Budget
Operating Income								
700 Water Revenue						$ (68)	$ 150,423	$ 157,945
702 Non-Member Water						$ -	$ -	$ -
703 Service Charge	$ 21,710	$ 18,316	$ 19,770	$ 19,797	$ 20,061	$ 157,921	$ 84,223	$ 173,976
704 Water Charge	$ 34,103	$ 33,168	$ 42,287	$ 42,547	$ 50,906	$ 319,521	$ 178,439	$ 368,248
710 Add Meter Revenue						$ -	$ 258	$ 3,818
715 Add Unit Revenue	$ 3,375	$ 4,415	$ 3,601	$ 3,664	$ 3,863	$ 29,558	$ 25,133	$ 37,237
717 Connection Fees						$ -	$ 222,805	$ 222,805
720 Late Fees, Penalties	$ 1,827	$ 867	$ 2,093	$ 644	$ 577	$ 9,177	$ 5,229	$ 9,147
722 BS CC Payment Fee						$ -	$ -	$ -
725 Other Revenue - Other						$ -	$ 175	$ 1,858
726 Member Other Revenue	$ 289	$ 1,000	$ 458	$ 632	$ 24	$ 4,095	$ 4,118	$ 7,802
727 Non-Member Other Revenue							$ -	$ -
735 Shareholder Assessment	$ 21,396	$ 19,446	$ 19,598	$ 20,342	$ 20,757	$ 165,120	$ 155,716	$ 247,716
736 Assessment - Late Penalty	$ 213			$ 53		$ 285	$ -	$ -
990 Interest Revenue						$ -	$ 2	$ 2
Total INCOME	**$ 82,913**	**$ 77,212**	**$ 87,806**	**$ 87,678**	**$ 96,188**	**$ 685,608**	**$ 826,521**	**$ 1,230,553**

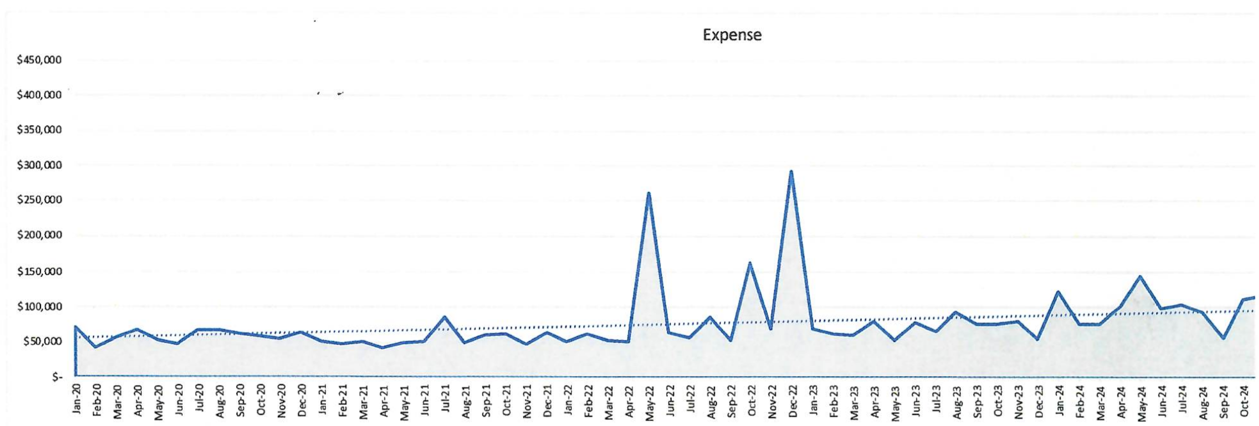
EXPENSES	Apr	May	Jun	Jul	Aug	2025 YTD	2024 YTD	2025 Budget
810 Operator Salaries	$ 11,007	$ 18,719	$ 13,387	$ 12,576	$ 10,638	$ 97,675	$ 96,269	$ 142,541
820 Parts, Supplies, Tools	$ 683	$ 3,491	$ 465	$ 8,379	$ 673	$ 16,779	$ 79,533	$ 12,505
830 Repairs & Maintenance	$ 1,554		$ 2,026	$ 959		$ 4,539	$ 34,533	$ 34,799
840 USAS	$ 7	$ 15	$ 11	$ 13	$ 22	$ 105	$ 180	$ 263
850 WMWD	$ 14,863	$ 13,737	$ 17,492	$ 15,472	$ 21,542	$ 126,289	$ 141,979	$ 225,348
860 Pumping - Electricity	$ 10,658	$ 5,923	$ 6,028	$ 7,078	$ 6,377	$ 58,818	$ -	$ -
870 Laboratory Fees	$ 3,389	$ 477		$ 985	$ 1,877	$ 9,155	$ 19,048	$ 19,185
880 Chlorine		$ 1,068		$ 1,173	$ 13,070	$ 16,438	$ 12,641	$ 12,844
881 Outside Services	$ 12,560	$ 3,920	$ 10,560	$ 43,632		$ 89,317	$ 80,572	$ 134,287
902 Accounting	$ 325	$ 7,452	$ 2,825	$ 5,125	$ 925	$ 17,627	$ 4,175	$ 5,475
904 Administrative Salaries	$ 9,714	$ 14,122	$ 9,065	$ 8,522	$ 8,833	$ 78,510	$ 87,411	$ 129,679
906 Auto, Truck Expenses				$ 2,107		$ 2,487	$ 414	$ 1,464
907 Fuel	$ 430	$ 515	$ 474	$ 915	$ 408	$ 4,008	$ 8,631	$ 10,650
908 Bank Service Charges	$ 402	$ 401	$ 435	$ 425	$ 458	$ 3,532	$ 941	$ 2,435
909 Cashier Over/Short						$ -	$ -	$ -
910 Depreciation Expense						$ -	$ -	$ -
912 Dues and Subscriptions	$ 10	$ 10	$ 10	$ 10	$ 792	$ 4,731	$ 6,740	$ 6,780
913 Vechicle Maint and Repairs	$ 23		$ 33	$ 207	$ 389	$ 750	$ 1,750	$ -
914 Square Merch Fee						$ -	$ 3	$ -
915 Computer Fees and Services	$ 2,687	$ 2,602	$ 2,772	$ 2,675	$ 2,716	$ 28,352	$ 21,385	$ 33,293
925 Engineering						$ -	$ -	$ -
930 Employee Benefits						$ -	$ -	$ (520)
932 Equipment Rental	$ 1,830	$ 750	$ 268			$ 6,626	$ 8,465	$ 9,597
935 Insurance Auto		$ 2,015	$ 9,820			$ 11,835	$ 7,215	$ 14,078
936 Workers Comp	$ 1,312		$ 1,434	$ 1,354	$ 1,220	$ 9,146	$ 13,610	$ 17,453
937 Vision	$ 42		$ 21	$ 21	$ 21	$ 153	$ 258	$ 334
938 Liability						$ -	$ 10,890	$ -
939 Health	$ 725	$ 2,069	$ 2,069	$ 2,069	$ 2,069	$ 11,992	$ 32,879	$ 46,574
940 Dental						$ 107	$ 51	$ 9,203
941 D&O, EPI					$ 10,396	$ 28,479	$ 12,463	$ 24,668
942 Licenses, Permits, Fees		$ 60		$ 1,040		$ 1,170	$ 1,082	$ 1,187
943 Meals & Entertainment				$ 325		$ 452	$ 1,394	$ 1,179
944 Office Expense	$ 1,540	$ 2,080	$ 143	$ 2,432	$ 2,072	$ 10,812	$ 25,580	$ 24,092
946 Payroll Processing Fee	$ 1,293	$ 1,976	$ 1,339	$ 1,456	$ 1,533	$ 11,634	$ 9,623	$ 14,769
947 Outside Services - General			$ 3,075	$ 1,550	$ 2,152		$ -	
948 Payroll Taxes	$ 2,643	$ 2,628	$ 1,749	$ 1,614	$ 1,490	$ 16,838	$ 11,520	$ 17,707
950 Postage, Delivery	$ 604		$ 1,334	$ 519	$ 1,056	$ 4,720	$ 4,968	$ 7,157
952 Telephone	$ 436	$ 353	$ 168	$ 395	$ 374	$ 2,529	$ 2,531	$ 3,653
956 Uniforms				$ 175		$ 624	$ -	$ (57)
958 Utilities	$ 493	$ 162	$ 183	$ 379	$ 293	$ 1,915	$ 62,528	$ 77,278
959 Professional Fees							$ 4,495	$ -
961 Legal Services		$ 398	$ (1,917)	$ (2,700)	$ 36,833	$ 33,749	$ 11,194	$ 29,078
962 Attorney Settlment						$ -	$ -	$ -
996 State Income Tax		$ 6,041		$ 3,330		9,371	$ -	$ -
749 Property Tax						0	$ -	$ -
Total EXPENSES	**$ 79,231**	**$ 90,986**	**$ 85,270**	**$ 124,214**	**$ 128,229**	**$ 721,264**	**$ 816,951**	**$ 1,068,979**
Net Income	**$ 3,682**	**$ (13,774)**	**$ 2,536**	**$ (36,536)**	**$ (32,041)**	**$ (35,655)**	**$ 9,570**	**$ 161,575**
Cash Reserves (In Bank)	**$ 457,598**	**$ 420,527**	**$ 413,428**	**$ 388,665**	**$ 448,615**		**$ 134,548**	

Exhibit 2


TOTAL BANK BALANCE


Revenue and Expense
EXPENSES
REVENUE


Revenue


Expense

2025

Meter Reads and Payment Data

Prior Read	End Read	# Days in Cycle	Accts	Started Reads	Closing Totals	$ Received	Difference	QB Rcv'd	Postage	Pieces Sent	Bills Sent	E-Bills Sent	Total Penalties Applied	Accts Past Due 30-60 Days	Accts Past Due >60 Days	Asmnt Past Due
12/27	1/29	33	639	1/27	$ 100,277.92	$ 94,566.25	$ 5,711.67	$ 95,937.05	$ 441.77	636	1/29/2025	0	$ 1,022.83	$ 10,116.69	$ 6,687.42	$ 75,931.08
1/29	2/27	29	639	2/24	$ 87,308.24	$ 95,470.90	$ (8,162.66)	$ 96,215.21	$ 476.69	667	2/27/2025	113	$ 948.56	$ 669.13	$ 683.37	$ 77,588.00
2/28	3/28	30	639	3/26	$ 103,536.09	$ 86,679.65	$ 16,856.44	$ 86,697.78	$ 458.74	656	3/31/2025	57	$ 525.00	$ 1,723.03	$ 1,252.03	$ 78,618.12
3/29	4/29	30	639	4/24	$ 74,730.31	$ 89,140.64	$ (14,410.33)	$ 89,807.52	$ 458.74	656	4/30/2025	56	$ 1,827.42	$ 1,648.33	$ 266.02	$ 76,259.32
4/30	5/29	29	642	5/27	$ 81,145.47	$ 83,345.70	$ (2,200.23)	$83,016.58	$ 444.69	630	5/30/2025	59	$ 1,140.00	$ 6,067.91	$ 303.28	$ 74,626.67
5/30	6/30	30	683	6/26	$ 102,165.23	$ 96,520.88	$ 5,644.35	$ 96,520.88	$ 463.13	643	6/30/2025	49	$ 905.06	$ 5,887.15	$ 1,051.09	$ 75,117.02
7/1	7/31	31	658	7/28	$ 102,902.57	$ 95,462.92	$ 7,439.65	$ 95,462.92	$ 454.39	640	7/31/2025	36	$ 643.81	$ 8,924.61	$ 2,838.74	$ 78,047.19
8/1	8/29	28	639	8/26	$ 99,181.63	$ 98,697.26	$ (3,468.90)	$ 102,650.53	$ 455.13	641	8/29/2025	58	$ 576.96	$ 12,406.04	$ 415.06	$ 78,869.07

BoxSprings
MUTUAL WATER

Proposed Change to Payment Hours

Monday – Thursday:

- 8:00 am – 10:00 am
- 1:00 pm – 3:00 pm

Friday:

- 8:00 – 12:00 pm

3 business days prior to 15 of every month:

- 8:00 am - 4:00 pm

We are an extremely small company with limited office staff, which helps keep costs down. This change in office hours allows for all other office work to be completed without interruption. The lockbox is available 24/7 and will be checked twice daily.

The front gate will be closed during off hours and open during payment hours only. All staff can be reached by phone during normal business hours. The emergency line will be available for true emergencies after normal business hours.

The gate will be closed during non-payment hours. Signage for the gate will be ordered with the following verbiage:

- See website for business hours

City of Moreno Valley Finance Department

2025

Date	Utility Tax Month Payable	Payment	Check #
2/25/25	January-25	$ 3,656.78	1417
4/2/25	February-25	$ 3,535.86	1467
4/25/25	March-25	$ 3,067.01	1494
5/14/25	April-25	$ 3,295.99	1518
6/5/25	May-25	$ 3,045.60	1548
8/4/25	June-25	$ 3,439.22	1627
8/4/25	July-25	$ 3,405.19	1627
9/11/25	August-25	$ 4,078.42	1676
	September-25		
	October-25		
	November-25		
	December-25		
Grand Total		**$ 27,524.07**	