BOX SPRINGS MUTUAL WATER COMPANY

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

Tuesday, October 21, 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

b. **Billing Update**
   i. Total Billed
   ii. Total Received
   iii. Past Due - Water Service
      o 30 to 60 days
      o >60 days
   iv. Past Due – Assessment Only

c. **New Development Projects**
   i. **LDC – Day Street**
   ii. **SAWPA Grants**
      o New 1.1 MG
      o 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, September 16, 2025 - 4:30 pm

Board Meeting Minutes

I. **CALL TO ORDER** – called to order at 4:30 pm

II. **ROLL CALL**

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

III. **PUBLIC COMMENTS** - none

IV. **REVIEW PREVIOUS BOARD MEETING MINUTES** – Charles Campbell motioned to accept the previous Minutes from the August 19, 2025, Board Meeting. The motion was seconded by Ron Gonzales. The minutes were unanimously accepted and approved.

V. **GENERAL MANAGERS REPORT**

a. **Financial Review**
   i. P&L Report – distributed and reviewed
   ii. Budget Status Report – Reviewed YTD expenses in several categories
   iii. Bank Accounts – reviewed balances
   iv. New Banking Proposal – Based on recent difficult experiences and frustrations with our current bank, Mark has asked the Board to review a proposal from Banc of California. The proposal was distributed electronically to both Misty and Mac for their review.

b. **Billing Update**

i.	Total Billed	$99,181.63
ii.	Total Received	$98,697.26
iii.	Past Due - Water Service	
	o 30 to 60 days	$12,406.04
	o >60 days	$ 415.06
iv.	Past Due – Assessment Only	$78,869.07

   v. Proposed Change in Office Hours (see attached) – Misty Rose motioned to accept the proposal. Charles Campbell seconded the motion. The motion to change the payment hours effective November 1, 2025, was unanimously accepted and approved. The office hours will remain the same, 8:00 am – 4:00 pm. This allows for uninterrupted office hours throughout the week.

c. **New Development Projects**

   i. **LDC – Day Street** – proposed construction to begin in October. Payment with a defined and structured payment schedule will be presented to Mark soon and will be shared with the Board at a future meeting.

ii. **SAWPA Grants**
   - New 1.1 MG – the steel walls for tank are currently being constructed off-site. We are still on schedule for the build. Piping and paving were removed from the project due to grant totals. $231,000 that was earmarked for other projects is now going to be issued to BSMWC for the tank project. Mark will be contacting the contractor to discuss adding the piping back into the project. If the costs are too high, we will complete the work in-house.
   - New Well – Cal Rural has completed the design and submitted it to BSMWC. All additional work will be contracted and managed internally.

iii. **Cottonwood Apartments** – work has begun on the pipeline replacement project. There was a delay in approvals from the City of Moreno Valley regarding project approval pending inspection, traffic control, etc.

iv. **New Apartments on Cottonwood** – the contractor has contacted Mark to confirm the initial work has begun.

d. **Home Purchase** - 13142 Edgemont Street – Western Heights Water Company has agreed to carry the loan for the purchase. Mark is working on reaching the seller regarding terms.

VI. CLOSED SESSION

VII. ADJOURNMENT

Board Meeting adjourned at 5:10 pm

Next meeting is scheduled for Tuesday, October 21, 2025, at 4:30 pm.

Statement of Activity

Box Springs Mutual Water Company

September 1-30, 2025

DISTRIBUTION ACCOUNT	TOTAL
Income	
700 Water Revenue	
703 Service Charge	19,499.74
704 Water Charge	45,074.91
715 Add Unit Revenue	3,872.36
725 Other Revenue	
720 Late Fees, Penalties	1,584.66
726 Member Other Revenue	-11.25
Total for 725 Other Revenue	**$1,573.41**
Total for 700 Water Revenue	**$70,020.42**
735 Shareholder Assessments	22,050.03
736 Assessment-Late Penalty	118.92
Total for Income	**$92,189.37**
Cost of Goods Sold	
Gross Profit	**$92,189.37**
Expenses	
820 Parts, Supplies, Tools	2,013.59
840 USAS	28.00
850 WMWD	21,308.82
870 Laboratory Fees	548.01
880 Chlorine	875.99
881 Outside Services -COGS	16,045.00
906 Auto, Truck Expenses	
907 Fuel	495.02
Total for 906 Auto, Truck Expenses	**$495.02**
908 Bank Service Charges	$403.54
914 Square Merch Fee	39.00
Total for 908 Bank Service Charges	**$442.54**
912 Dues, Subscriptions	190.00
915 Computer Fees & Services	2,449.84
932 Equipment Rental	267.71
934 Insurance	
935 Insurance Auto	
936 Workers Comp	1,319.13
937 Vision	21.03
Total for 935 Insurance Auto	**$1,340.16**
Total for 934 Insurance	**$1,340.16**
942 Licenses, Permits, Fees	126.79
944 Office Expense	537.62

Statement of Activity

Box Springs Mutual Water Company

September 1-30, 2025

DISTRIBUTION ACCOUNT	TOTAL
945 Payroll Expenses	
810 Operator Salaries	11,445.71
904 Administrative Salaries	9,046.94
946 Payroll Processing Fees	1,532.66
948 Payroll Taxes	1,567.68
Total for 945 Payroll Expenses	**$23,592.99**
947 Outside Services - General	870.00
952 Telephone	349.03
956 Uniforms	190.30
959 Professional Fees	
902 Accounting	325.00
961 Legal Services	-900.00
Total for 959 Professional Fees	**-$575.00**
Total for Expenses	**$71,096.41**
Net Operating Income	**$21,092.96**
Other Income	
Other Expenses	
Net Other Income	
Net Income	**$21,092.96**

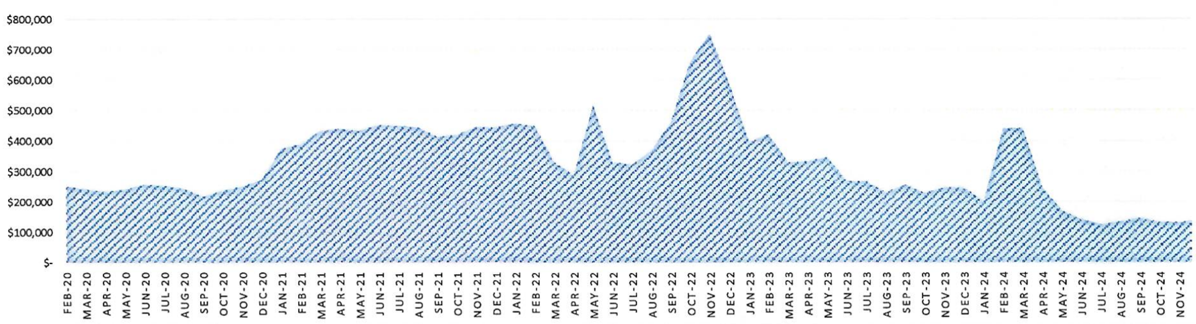
2025

INCOME	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	2025 YTD	2024 YTD	2025 Budget
Operating Income												
700 Water Revenue										$ -	$ 150,423	$ 157,945
702 Non-Member Water										$ -	$ -	$ -
703 Service Charge	$ 19,980	$ 19,588	$ 18,697	$ 21,710	$ 18,316	$ 19,770	$ 19,797	$ 20,061	$ 19,500	$ 177,420	$ 100,829	$ 173,976
704 Water Charge	$ 40,322	$ 43,020	$ 33,169	$ 34,103	$ 33,168	$ 42,287	$ 42,547	$ 50,906	$ 45,075	$ 364,596	$ 221,846	$ 368,248
710 Add Meter Revenue										$ -	$ 258	$ 3,818
715 Add Unit Revenue	$ 3,349	$ 3,520	$ 3,771	$ 3,375	$ 4,415	$ 3,601	$ 3,664	$ 3,863	$ 3,872	$ 33,431	$ 28,119	$ 37,237
717 Connection Fees										$ -	$ 222,805	$ 222,805
720 Late Fees, Penalties	$ 1,023	$ 930	$ 1,216	$ 1,827	$ 867	$ 2,093	$ 644	$ 577	$ 1,585	$ 10,761	$ 6,022	$ 9,147
722 BS CC Payment Fee										$ -	$ -	$ -
725 Other Revenue - Other										$ -	$ 175	$ 1,858
726 Member Other Revenue	$ 675	$ 726	$ 292	$ 289	$ 1,000	$ 458	$ 632	$ 24	$ (11)	$ 4,084	$ 6,735	$ 7,802
727 Non-Member Other Revenue										$ -	$ -	$ -
735 Shareholder Assessment	$ 21,833	$ 20,881	$ 20,866	$ 21,396	$ 19,446	$ 19,598	$ 20,342	$ 20,757	$ 22,050	$ 187,170	$ 172,273	$ 247,716
736 Assessment - Late Penalty		$ 19		$ 213			$ 53		$ 119	$ 404	$ -	$ -
990 Interest Revenue										$ -	$ 2	$ 2
Total INCOME	**$ 87,182**	**$ 88,685**	**$ 78,012**	**$ 82,913**	**$ 77,212**	**$ 87,806**	**$ 87,678**	**$ 96,188**	**$ 92,189**	**$ 777,866**	**$ 909,488**	**$ 1,230,553**

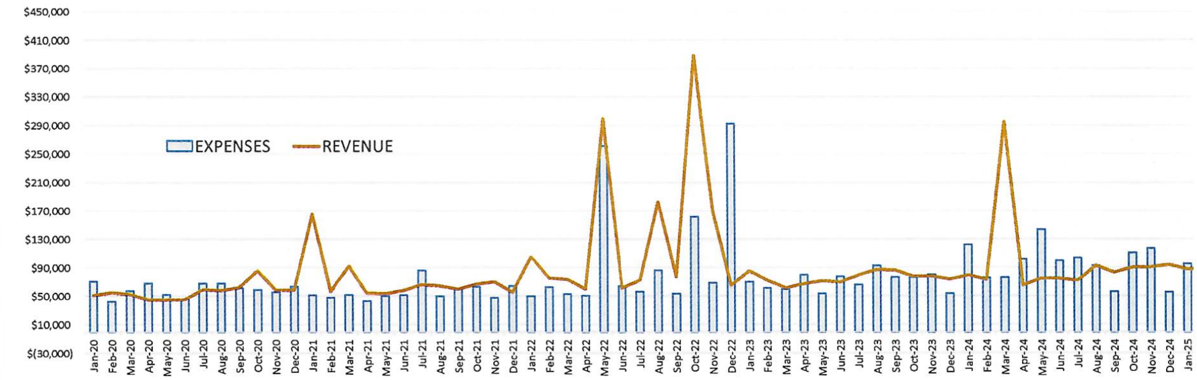
EXPENSES	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	2025 YTD	2024 YTD	2025 Budget
810 Operator Salaries	$ 11,023	$ 11,094	$ 9,231	$ 11,007	$ 18,719	$ 13,387	$ 12,576	$ 10,638	$ 11,446	$ 109,120	$ 106,911	$ 142,541
820 Parts, Supplies, Tools	$ 1,696	$ 933	$ 459	$ 683	$ 3,491	$ 465	$ 8,379	$ 673	$ 2,014	$ 18,793	$ 80,646	$ 12,505
830 Repairs & Maintenance				$ 1,554		$ 2,026	$ 959			$ 4,539	$ 34,533	$ 34,799
840 USAS	$ 19	$ 15	$ 4	$ 7	$ 15	$ 11	$ 13	$ 22	$ 28	$ 133	$ 195	$ 263
850 WMWD	$ 14,278	$ 15,188	$ 13,718	$ 14,863	$ 13,737	$ 17,492	$ 15,472	$ 21,542	$ 21,309	$ 147,598	$ 146,760	$ 225,348
860 Pumping - Electricity	$ 16,873	$ 5,880		$ 10,658	$ 5,923	$ 6,028	$ 7,078	$ 6,377		$ 58,818	$ -	$ -
870 Laboratory Fees		$ 2,425		$ 3,389	$ 477		$ 985	$ 1,877	$ 548	$ 9,703	$ 19,048	$ 19,185
880 Chlorine		$ 1,128			$ 1,068		$ 1,173		$ 876	$ 4,244	$ 13,844	$ 12,844
881 Outside Services	$ 5,745	$ 5,710	$ 7,190	$ 12,560	$ 3,920	$ 10,560	$ 43,632	$ 13,070	$ 16,045	$ 118,432	$ 92,964	$ 134,287
902 Accounting	$ 325	$ 325	$ 325	$ 325	$ 7,452	$ 2,825	$ 5,125	$ 925	$ 325	$ 17,952	$ 4,175	$ 5,475
904 Administrative Salaries	$ 9,599	$ 9,207	$ 9,447	$ 9,714	$ 14,122	$ 9,065	$ 8,522	$ 8,833	$ 9,047	$ 87,557	$ 98,502	$ 129,679
906 Auto, Truck Expenses			$ 380				$ 2,107			$ 2,487	$ 432	$ 1,464
907 Fuel	$ 448	$ 811	$ 6	$ 430	$ 515	$ 474	$ 915	$ 408	$ 495	$ 4,503	$ 9,106	$ 10,650
908 Bank Service Charges	$ 490	$ 466	$ 454	$ 402	$ 401	$ 435	$ 425	$ 458	$ 404	$ 3,935	$ 1,434	$ 2,435
909 Cashier Over/Short										$ -	$ -	$ -
910 Depreciation Expense										$ -	$ -	$ -
912 Dues and Subscriptions	$ 2,379	$ 985	$ 535	$ 10	$ 10	$ 10	$ 10	$ 792	$ 190	$ 4,921	$ 6,750	$ 6,780
913 Vechicle Maint and Repairs		$ 56	$ 42	$ 23		$ 33	$ 207	$ 389		$ 750	$ 1,750	$ -
914 Square Merch Fee									$ 39	$ 39	$ 3	$ -
915 Computer Fees and Services	$ 2,689	$ 3,005	$ 9,205	$ 2,687	$ 2,602	$ 2,772	$ 2,675	$ 2,716	$ 2,450	$ 30,802	$ 24,272	$ 33,293
925 Engineering										$ -	$ -	$ -
930 Employee Benefits										$ -	$ -	$ (520)
932 Equipment Rental	$ 750	$ 778	$ 2,250	$ 1,830	$ 750	$ 268			$ 268	$ 6,894	$ 9,481	$ 9,597
935 Insurance Auto					$ 2,015	$ 9,820				$ 11,835	$ 7,215	$ 14,078
936 Workers Comp	$ 1,323	$ 1,283	$ 1,221	$ 1,312		$ 1,434	$ 1,354	$ 1,220	$ 1,319	$ 10,466	$ 12,812	$ 17,453
937 Vision	$ 6	$ 21	$ 21	$ 42		$ 21	$ 21	$ 21	$ 21	$ 174	$ 258	$ 334
938 Liability										$ -	$ 10,890	$ -
939 Health	$ 2,883		$ 107	$ 725	$ 2,069	$ 2,069	$ 2,069	$ 2,069		$ 11,992	$ 35,762	$ 46,574
940 Dental		$ 107								$ 107	$ 2,248	$ 9,203
941 D&O, EPI	$ 18,766	$ (684)						$ 10,396		$ 28,479	$ 12,463	$ 24,668
942 Licenses, Permits, Fees	$ 70				$ 60		$ 1,040		$ 127	$ 1,297	$ 1,152	$ 1,187
943 Meals & Entertainment	$ 92	$ 35					$ 325			$ 452	$ 1,394	$ 1,179
944 Office Expense	$ 809	$ 1,469	$ 266	$ 1,540	$ 2,080	$ 143	$ 2,432	$ 2,072	$ 538	$ 11,349	$ 27,862	$ 24,092
946 Payroll Processing Fee	$ 1,487	$ 1,275	$ 1,275	$ 1,293	$ 1,976	$ 1,339	$ 1,456	$ 1,533	$ 1,533	$ 13,167	$ 10,935	$ 14,769
947 Outside Services - General		$ 750	$ 1,000			$ 3,075	$ 1,550	$ 2,152	$ 870	$ 9,397	$ -	
948 Payroll Taxes	$ 2,968	$ 2,228	$ 1,519	$ 2,643	$ 2,628	$ 1,749	$ 1,614	$ 1,490	$ 1,568	$ 18,406	$ 13,207	$ 17,707
950 Postage, Delivery		$ 705	$ 502	$ 604		$ 1,334	$ 519	$ 1,056		$ 4,720	$ 5,018	$ 7,157
952 Telephone	$ 184	$ 451	$ 168	$ 436	$ 353	$ 168	$ 395	$ 374	$ 349	$ 2,878	$ 2,831	$ 3,653
956 Uniforms			$ 449				$ 175		$ 190	$ 814	$ -	$ (57)
958 Utilities	$ 368		$ 35	$ 493	$ 162	$ 183	$ 379	$ 293		$ 1,915	$ 62,815	$ 77,278
959 Professional Fees		$ 298								$ 298	$ 4,495	$ -
961 Legal Services		$ 936	$ 199		$ 398	$ (1,917)	$ (2,700)	$ 36,833	$ (900)	$ 32,849	$ 11,194	$ 29,078
962 Attorney Settlment										$ -	$ -	$ -
996 State Income Tax					$ 6,041		$ 3,330			$ 9,371	$ -	$ -
749 Property Tax										$ -	$ -	$ -
Total EXPENSES	**$ 95,269**	**$ 66,880**	**$ 60,010**	**$ 79,231**	**$ 90,986**	**$ 85,270**	**$ 124,214**	**$ 128,229**	**$ 71,096**	**$ 801,186**	**$ 873,357**	**$ 1,068,979**
Net Income	$ (8,086)	$ 21,805	$ 18,002	$ 3,682	$ (13,774)	$ 2,536	$ (36,536)	$ (32,041)	$ 21,093	$ (23,319)	$ 36,130	$ 161,575
Cash Reserves (In Bank)	$ 388,652	$ 420,832	$ 435,524	$ 457,598	$ 420,527	$ 413,428	$ 388,665	$ 448,615	$ 370,405		$ 146,399	

Exhibit 2

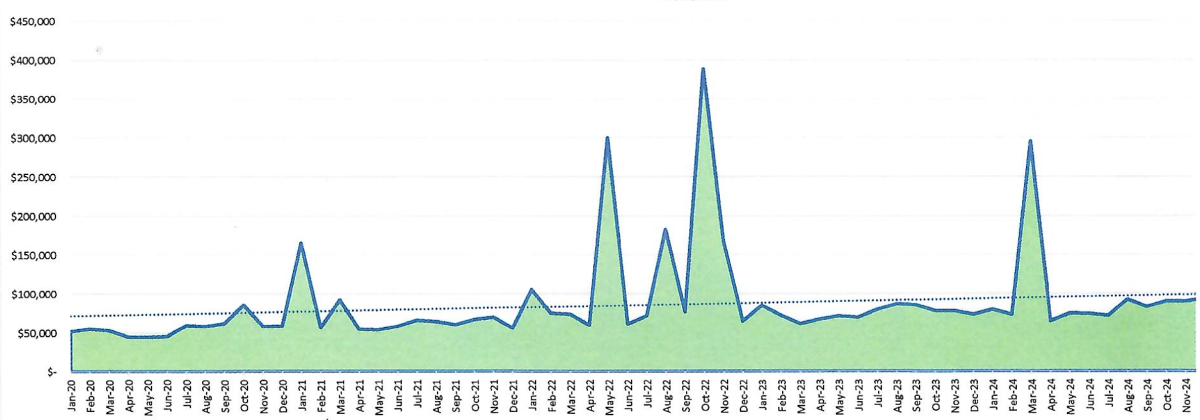
TOTAL BANK BALANCE



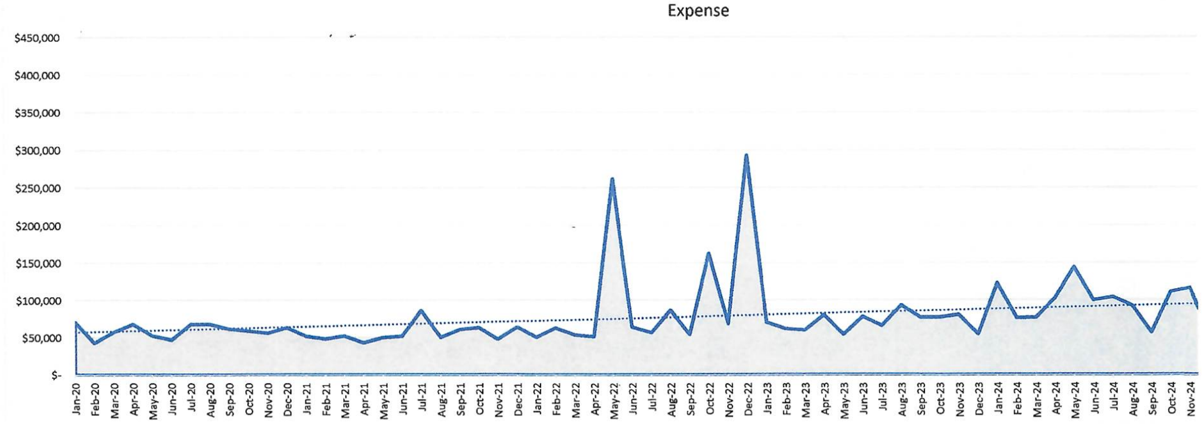
Revenue and Expense



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
8/30	9/30	31	640	8/24	$ 90,365.28											