



GREEN VALLEY MUTUAL WATER COMPANY

P.O. BOX 8300

GREEN VALLEY LAKE, CALIFORNIA 92341

TELEPHONE: (909) 867-2912

FAX: (909) 867-9603

AGENDA FOR THE MEETING SCHEDULED

AUGUST 17th, 2020

DUE TO GOVENOR NEWSOM'S EXECUTIVE ORDER N-22-20 THIS MEETING WILL BE HELD BY TELECONFERENCE. ANY ELIGIBLE PERSON WHO WISHES TO ATTEND THIS TELECONFERENCE MEETING IS REQUIRED TO PROVIDE 24 HOUR WIRTTEN NOTICE TO THE GVMWC OFFICE. UPON RECIEPT OF THIS NOTICE, PARTICIPANTS WILL BE PROVIDED WITH A DIAL IN PHONE NUMBER AND ELECTRONIC COPIES OF ALL DOCUMENTS WITH REGARD TO THIS MEETING WILL BE SENT VIA EMAIL AT NO CHARGE PRIOR TO THE START OF THE MEETING. HARD COPIES OF THE DOCUMENTS CAN BE MAILED UPON REQUEST FOR A NOMINAL FEE HOWEVER, DELIVERY MAY NOT OCCUR PRIOR TO THE START OF THE MEETING.

DUE TO THE MEETING BEING HELD VIA TELECONFERENCE, ELIGIBLE PARTICIPANTS WHO WISH TO SPEAK ARE REQUESTED TO STATE SO IN THEIR 24 HOUR WRITTEN REQUEST AND INCLUDE IF YOU WISH TO SPEAK UNDER THE GENERAL COMMENTS PORTION AND/OR WHICH ADDITIONAL AGENDA ACTION ITEMS ONLY. THIS DOES NOT APPLY TO ANY REPORTS NOTED ON THE AGENDA AS THESE REPORTS ARE INFORMATIONAL ONLY. ANY COMMENTS, QUESTIONS OR CONCERNS WITH REGARD TO THE REPORTS MUST BE MADE AT THE PUBLIC COMMENT PORTION OF THE MEETING. THIS REQUIREMENT IS TO ASSIST THE CHAIRPERSON WITH CONDUCTING THE MEETING IN A PROFESIONAL MANNER AND MAKING SURE ALL ELIGIBLE PERSONS ARE GIVEN THE CHANCE TO SPEAK AT THE APPROPRIATE TIME.

IF LESS THAN 10 REQUESTS TO SPEAK ARE PRESENTED THE TIME LIMIT WILL BE 3 MINUTES PER REQUEST. IF 10 OR MORE REQUESTS ARE PRESENTED, THE TIME LIMIT WILL BE LIMITED TO 1 MINUTE PER REQUEST. A REQUEST IS DEFINED AS EACH ELIGLIBLE PARTICIPANT REQUESTING TO SPEAK.

AGENDA
GREEN VALLEY MUTUAL WATER COMPANY
BOARD OF DIRECTORS
Regular Meeting - Teleconference
5:30 p.m.
Monday, August 17th, 2020

DUE TO GOVENOR NEWSOM'S EXECUTIVE ORDER N-22-20 THIS MEETING WILL BE HELD BY TELECONFERENCE. ANY ELIGIBLE PERSON WHO WISHES TO ATTEND THIS TELECONFERENCE MEETING IS REQUIRED TO PROVIDE 24 HOUR WIRTTEN NOTICE TO THE GVMWC OFFICE. UPON RECIEPT OF THIS NOTICE, PARTICIPANTS WILL BE PROVIDED WITH A DIAL IN PHONE NUMBER AND ELECTRONIC COPIES OF ALL DOCUMENTS WITH REGARD TO THIS MEETING WILL BE SENT VIA EMAIL AT NO CHARGE PRIOR TO THE START OF THE MEETING. HARD COPIES OF THE DOCUMENTS CAN BE MAILED UPON REQUEST FOR A NOMINAL FEE HOWEVER, DELIVERY MAY NOT OCCUR PRIOR TO THE START OF THE MEETING.

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Next Resolution No. 20-03

This meeting is recorded by an audio device to insure an accurate archive of the discussions and actions of the meeting. Anyone present at the meeting who does not consent to the recording must state so and will be excused from the meeting. No other recording of the meeting is permitted.

1. Call to Order:

President
1st Vice President
Secretary/Treasurer
Directors

Ed Gray
Kit Kjelstrom
Scott Burger
Ken Martin
Glen Pyne
Rick Blea
Christine Brandt
Charles Mattson
Steve Brandt
Emily Nohr

Staff Members: Interim Business Manager
Recording Secretary

2. Public Comments

This portion of the agenda is reserved for the public to discuss matters of interest, within the GVMWC operations, which are not on the agenda. For public comment on items not on the agenda, no action may be taken by the Board, except to refer the matter to staff and/or place it on a future agenda. It is in the best interest of the person speaking to the Board to be concise and to the point. A time limit of three minutes per individual will be allowed unless there are 10 or more request for Public Comments and Agenda Action Items. Visitors are reminded to please refrain from making comments or talking amongst themselves while the meeting is in progress.

3. Consent Calendar

- A. Approval of the minutes of the Board of Directors meeting held on July 20th, 2020
- B. Ratification of payment of claims exceeding \$500.00
- C. July Funds on Deposit Report
- D. Manager Report - See Written Report
- E. July Production Report
- F. GVL Recreation, Inc. President's Report
- G. GVL Recreation, Inc. Meeting Minutes for the Board of Directors meeting held on July 11th, 2020
- H. GVL Recreation, Inc. Financial Statements for the period ending June 30th, 2020

4. Financial Reports:

- A. Approval of the Financial Statements for the period ending July 31st, 2020

5. Old Business:

- A. Dam Repair Budget and Contract

6. New Business:

- A. Board Member Vacancy
- B. Board Member Appointment
- C. Draft Resolution 20-03, Re: Policy Section 4217-Temporary Service Discontinuance Amendment

7. Board Member Reports:

8. Correspondence:

9. President's Report:

10. Executive Session of the Board of Directors (Closed Session):

- A. Acct: 1472 Potential Litigation with regard to Tax Sale

11. Adjournment:

GREEN VALLEY MUTUAL WATER COMPANY
BOARD OF DIRECTORS TELECONFERENCE MEETING MINUTES
July 20th, 2020

1. The teleconference meeting was called to order at 5:34 p.m. by President, Ed Gray.

Directors present at the meeting:	President	Ed Gray
	1 st Vice President:	Kit Kjelstrom
	2 nd Vice President:	Anna Cooper
	Secretary/Treasurer	Scott Burger
	Directors:	Rick Blea
		Christine Brandt
		Ken Martin
		Glen Pyne
		Charles Mattson
Employees Present:	Interim Business Manager	Steve Brandt
	Recording Secretary	Emily Nohr
Public Present:	Susan Lopez, Robert Lopez, Ira Leader, Jerry Miller	

2. PUBLIC COMMENT:

- a. Shareholder, Susan Lopez, made the following comments:
 - i. Not being able to comment on items on the agenda and being muted during the meeting makes it seem that the Board has no desire to hear from shareholders.
 - ii. GVL Recreation, Inc. now has a written report and does not include financials. Does the Board receive a copy of the GVL Rec. financials? Susan also requested a copy to be sent to her.
 - iii. No questions can be asked on reports such as the manager's report and the GVL Recreation President's report.
 - iv. At the May teleconference meeting, Susan asked what was being worked on as to the changes in the Company by-laws.
 - v. Believes it to be a reasonable request to have a portion of Board Meetings held in Green Valley Lake.
 - vi. Thanked Ed Gray for his responses to her public comment at the May meeting and requested to hear the recording of those portions herself.

Board response to Public Comment:

Ed Gray responded that there is the ability to ask questions about reports under the Public Comment section and those questions will be answered to the best of the Board's ability, which is why reports are posted ahead of time for the public to review. Calls and emails can also be made to the office with questions that will also be answered to the best of the staff's ability. Ed also commented that he thought Susan's question about the by-law changes was answered in the May meeting. The company attorney is reviewing the by-laws and any recommendations will be discussed at a future meeting before changes are made. Until those recommendations are suggested, there is nothing to report on. The recordings requested will be sent to Susan by email from Steve Brandt. The GVL Recreation financials will be sent to Susan and will continue to be included in the Board packages moving forward, as request by members of the Board.

3. CONSENT CALENDAR:

Items listed in the consent calendar can be viewed with the agenda package.

- a. Requests to remove items I and V for further discussion were granted.
- b. **M**(Kit Kjelstrom) **S**(Ken Martin) **C**: To approve items II, III, IV, VI, VII, VIII of the consent calendar. *Motion passed by unanimous vote.*
- c. **M**(Kit Kjelstrom) **S**(Scott Burger) **C**: To approve item I of the consent calendar. *Motion passed by unanimous vote. Charles Mattson abstained from voting as he was not present to approve the meeting minutes.*
- d. A discussion was held regarding the Manager's Report.
M(Kit Kjelstrom) **S**(Ken Martin) **C**: To approve item V of the consent calendar. *Motion passed by unanimous vote.*

GREEN VALLEY MUTUAL WATER COMPANY
Board of Directors Meeting Minutes
July 20, 2020

4. FINANCIAL REPORTS:

- a. Scott Burger presented the May and June financial statements, reporting that the Company's assets continue to grow. Operating income is currently holding a favorable variance comparable to the budget.

PUBLIC COMMENT: Susan Lopez asked where the Company is concerning the Capital Improvement Budget. Those figures will be sent to her as they were not prepared for the meeting.

M(Scott Burger) **S**(Christine Brandt) **C:** To approve the Financial Statements for the periods ending May 31st, 2020, and June 30th, 2020. *Motion passed by unanimous vote.*

5. OLD BUSINESS: None

6. NEW BUSINESS:

- a. There was a discussion regarding account 148.00, which experienced a house fire that has left the house uninhabitable.

M(Ed Gray) **S**(Ken Martin) **C:** To suspend the monthly connection fees for account 148.00 until such a time that the service is requested to be restored, only upon receiving a written request from the customer. *Motion passed by unanimous vote.*

- b. Kit Kjelstrom reported that the motor at the Snow Canyon well site has failed, which happens on an annual basis due to the stress put on the motor in that location. With no backup motors available, the site stayed down for an extended period while the motor was rebuilt. Backup motors and emergency generators should be on site for these types of situations.

M(Kit Kjelstrom) **S**(Ken Martin) **C:** To approve a budget of \$12,000.00 to purchase replacement motors and complete the rewiring of the pump sites. *Motion passed by unanimous vote.*

7. BOARD MEMBER REPORTS: None

8. CORRESPONDENCE:

- a. A request for a bill waiver on account 1147.00 was denied. The board directed staff to contact the customer and offer a payment plan in lieu of a waiver.
- b. A request for the waiver of late fees on account 1450.00 was denied.
- c. A request for a payment plan on account 1213.10 was approved.
- d. A request for a bill waiver on account 1186.00 was denied. The board directed staff to contact the customer and offer a payment plan in lieu of a waiver.

9. PRESIDENT'S REPORT: President, Ed Gray, had no report.

10. EXECUTIVE SESSION: None

11. ADJOURNMENT: The meeting was adjourned at 7:18 pm.

Respectfully Submitted,

Emily Nohr,
Recording Secretary

GREEN VALLEY MUTUAL WATER COMPANY

August 11, 2020

MEMORANDUM

TO: Secretary/Treasurer and the Board of Directors

FROM: Office Manager

These bills should be submitted for approval at the Board meeting:

<u>Payee</u>	<u>Amount</u>
1. American Funds	\$ 1,280.55
2. IRS (941 for 7/20 Payroll)	\$ 1,909.86
3. United Healthcare of California (August Premium)	\$ 2,597.63
4. Clinical Lab of San Bernardino, Inc.	\$ 3,216.00
5. IRS (941 for 8/3 Payroll)	\$ 1,879.40
6. Fischle Instant Printing (Envelopes)	\$ 520.43
7. Paul Bradshaw Electric	\$ 1,000.00
8. San Bernardino County DPW (Permit)	\$ 575.00
9. Zenith Insurance Company	\$ 1,112.00
10. Inland Water Works Supply, Co. (Main Replacement Project)	\$ 880.69
11. Altmeyer, Inc. (Canyon/Fern Installment)	\$30,504.67
12. Transfer from Citizen's Bank to CA Bank & Trust (FDIC Limit)	\$75,217.79

FUNDS ON DEPOSIT

Banking Schedule

For Balances Ending July 31, 2020

<u>Account No.</u>	<u>Int. Rate</u>	<u>Int. Paid</u>	<u>Maturity</u>	<u>Term</u>	<u>Balance</u>
<u>BANK OF AMERICA</u>					
Cert. Deposit (Road Cut Bond)	5.25%	\$ 53.79	8/27/2020	365 Days	\$ 1,000.00
Checking					\$ 98,243.69
CD	1.49%	\$ 870.35	2/3/2021	13 Month	\$ 100,000.00
		(Total)			<u>\$ 199,243.69</u>
<u>FIRST FOUNDATION BANK</u>					
Money Market Checking	0.07%	\$ 5.15			\$ 79,794.05
Cert Deposit (Franchise Bond)	0.40%	\$ 3.29	3/17/2021	365 Days	\$ 10,000.00
Business Checking					\$ 62,218.19
					<u>\$ 152,012.24</u>
<u>CITIZENS BUSINESS BANK</u>					
Premier Money Market Checking	0.20%	\$ 57.14			\$ 325,217.79
CDARS CD	0.10%	\$ 234.41	10/8/2020	13 Weeks	\$ 1,140,000.00
					<u>\$ 1,465,217.79</u>
<u>CALIFORNIA BANK & TRUST</u>					
Money Market Checking	0.09%	\$ 18.16			\$ 171,205.14
					<u>\$ 171,205.14</u>
<u>GRAND TOTAL:</u>					\$ 1,987,678.86

Manager's Report
August 12, 2020

- Monthly Water Production Report - See Exhibit A: July Production is up 27% from the previous year. This is consistent with the June Production report. Production continues to remain higher than normal due to demand that is likely related to more people self-isolating and/or vacationing in GVL.
- Monthly Water System Report - 1) Snow Canyon pump motor was repaired and put back in service. 2) The electrical work on Meadow and Ski Hill has been given to Paul Bradshaw Electric and work will begin upon the arrival of the required materials. 3) Kevin has been working with a pump expert that Kit Kjelstrom referred and we are continuing to research potential back up pumps. Our goal is to make sure that any back up pumps we inventory and store can remain in operating condition until they might be required to be put in service. If our research shows that we cannot meet this criterion, we will communicate with the Chairperson of Installations & Operations Committee, Kit Kjelstrom to potentially readdress which pumps, if any, should be on hand for emergency replacement.
- Monthly Business Report: 1) Emily is assembling a list of old delinquent accounts for review with the Finance, Policy and Communication Committee in an effort to clear up old outstanding balances. 2) Office will remain closed to the public due to social distancing recommendations by the State Water Resource Board.
- Holcomb Tank: Nothing further to report at this time.
- Update to Policy & Bylaws: Policy Section 4217 to be discussed under New Business.
- Ski Hill Tank Removal: The well on the ski hill does not produce enough water to be cost effective or beneficial to our water system. This will be discussed with the New Installations & Operations Committee.
- Lead & Copper: Desktop Study is still in progress. Testing is still on track.
- Cal Rural Grants: The Desktop Study will likely be funded by the Cal Rural Grant.
- Dam Repairs: In a telephone conversation with the State Engineer, William Vogler this week, he said he expects to have his report completed on 8/13/20 which will also include an authorization to move forward under a simple application rather than a permit. His superiors were impressed with the repairs done to date by the contractor and the unique process we proposed to stop the leaks and therefore the State was extremely interested in proceeding this way. They want to use this as a case study for future repairs on other dams.

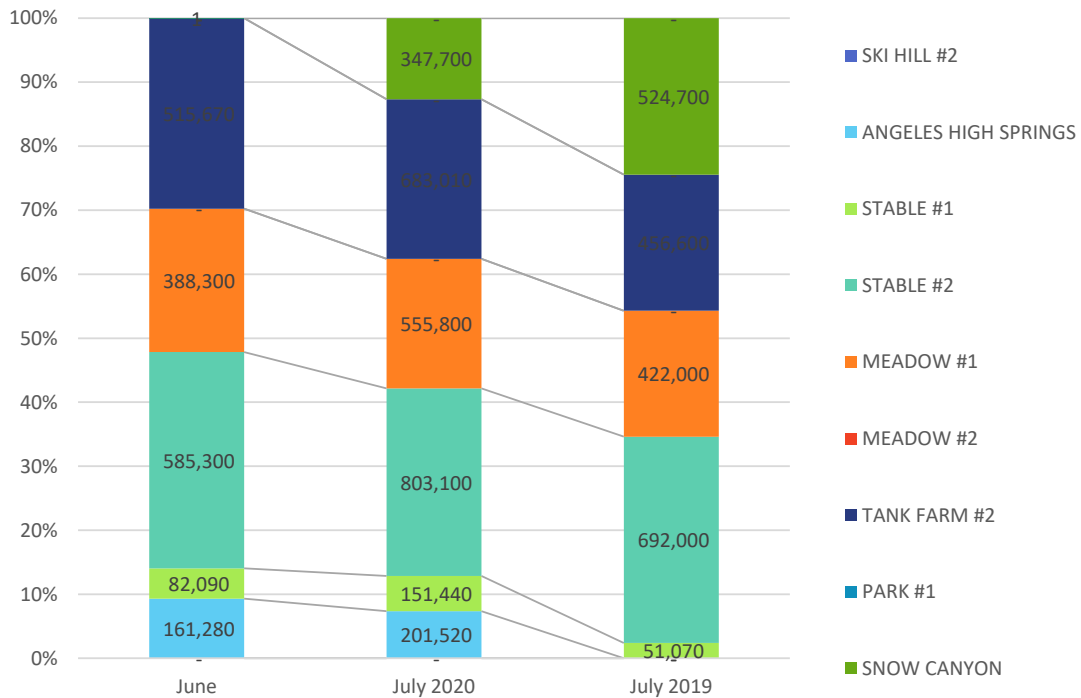
- ADA Survey Report: The survey report was delivered to me in late July. I have briefly reviewed it. In the upcoming month I will thoroughly review the report and discuss with the Lake & Clubhouse Committee as to a recommended direction.
- Clubhouse Rental Policy; Snow Plowing: I am still waiting for general liability policy information from snow removal contractors in GVL.
- Main Replacement Project "Canyon & Fern": Both new lines are in service and the final two meters are being connected this week. The balance of new hydrants are also being installed this week. Bollards will be installed at the hydrants that are in vulnerable locations and they will be marked with snow stakes. Project is still on budget and will be completed in September.
- Covid 19 Action Plan: Due to the essential need to provide water to the community of Green Valley Lake and to protect the essential employees of the GVMWC, the office will remain closed to the public. Appointments can be made for any business matters that have to be conducted in the office. The company continues to comply with the recommendations issued by the State Water Resource Board with regard to COVID 19.

PRODUCTION REPORT

July 2020

	June	July 2020	July 2019
SKI HILL #2	-	-	-
ANGELES HIGH SPRINGS	161,280	201,520	-
STABLE #1	82,090	151,440	51,070
STABLE #2	585,300	803,100	692,000
MEADOW #1	388,300	555,800	422,000
MEADOW #2	-	-	-
TANK FARM #2	515,670	683,010	456,600
PARK #1	-	-	-
SNOW CANYON	-	347,700	524,700
AGENCY	-	-	-
TOTAL PRODUCTION	1,732,640	2,742,570	2,146,370
TOTAL CONSUMPTION			
PERIOD COVERED	28	35	35
AVE. DAILY PRODUCTION	61880.00	78359.14	61324.86
AVE. DAILY CONSUMPTION		0.00	0.00
AVE. DAILY PRODUCTION (in gpm)	42.97	54.42	42.59

PRODUCTION CHART



GVL Recreation, Inc.
P.O. Box 8431
Green Valley Lake, CA 92341

PRESIDENT'S REPORT

Green Valley Lake Recreation is happy to report, that as of today we have no reported Covid-19 Cases from Staff or customers.

Green Valley Lake Recreation is also happy to report that the algae bloom we experienced; the test results came back negative for harmful bacteria. Please find attached copy of report.

Green Valley Lake Recreation has had some complaints, that there are no fish. With the resent algae bloom and the warm water temps, we are not able to stock at this time, but hope too soon.

Fishing and boating are still the only operations that we are providing at this time.

Green Valley Lake Recreation is excited to report that we were able to put \$20,000 back into our reserve account. Emily was able to confirm that this is the first time since 2015 that money was put into reserve account. If we are able to plant another fish stock this season, we should be able to build up the reserve account even higher.

Brent has been working with Lahontan with this recent algae bloom, and it appears that Lahontan might be relaxing some of their restrictions. I do not want to be over zealous, but I have my fingers crossed.

This concludes my report.

Tonja Graff
President, GVL Recreation

Potentially Toxigenic (PTOX) Cyanobacteria Screen*Project: Marine Biochemists*

Received: August 6, 2020

Prepared: August 6, 2020

Analyst: Alyssa Garvey

<u>Sample ID</u>	<u>Site</u>	<u>Collected</u>
Green Valley Lake	Surface	8/5/2020

Method

A one mL aliquot of the non-preserved sample was prepared using a Sedgewick Rafter cell. The sample was scanned at 100X for the presence of potentially toxigenic (PTOX) cyanobacteria using a Nikon TE200 Inverted Microscope equipped with phase contrast optics. Higher magnification was used as necessary for identification and micrographs.

Results**Green Valley Lake**

Potentially toxigenic (PTOX) cyanobacteria were not observed. Algal taxa observed included diatoms (Bacillariophyceae), green algae (Chlorophyta), and flagellated algae.

Recommendations:

Based on these observations, toxin analyses are not currently recommended.

Submitted by:



Amanda Foss, M.S.

Date:

8/6/2020

*This report shall not be reproduced except in full without written approval of the laboratory***Cyano**
LAB

GVL RECREATION, INC.
BOARD OF DIRECTORS MEETING MINUTES
July 11th, 2020

1. The regular meeting of the Board of Directors was called to order at 9:08 a.m., at 33268 Green Valley Lake Road, by Vice President, John McLellan. Directors present:

President	Tonja Graff
Vice President	John McLellan
Secretary/Treasurer	Cielo Vargas
Director present by Telephone:	Martin Crawford
Lake Operations Manager	Brent Deaton
Recording Secretary	Emily Nohr

2. **MINUTES:**

M(Cielo Vargas) **S**(Martin Crawford) **C**: To approve the minutes of the June 6th, 2020, Board of Directors meeting. *Motion passed by unanimous vote.*

3. **FINANCIAL REPORTS:**

A. **M**(Cielo Vargas) **S**(Martin Crawford) **C**: To approve the financial statements for the period ending May 31st, 2020. *Motion passed by unanimous vote.*

B. **M**(Cielo Vargas) **S**(Martin Crawford) **C**: To ratify the following claims over \$100.00:

PAYEE	AMOUNT
1. EDD (DE-88 for 6/16 Payroll)	\$173.99
2. EFTPS (941 for 6/16 Payroll)	\$1,043.74
3. Mt. Lassen Trout	\$12,570.00
4. Brent R. Deaton (Reimbursement)	\$152.25
5. Mountain Disposal	\$144.23
6. Green Valley Mutual Water Company (Liability Insurance)	\$9,123.84
7. EDD (DE-88 for 7/1 Payroll)	\$151.08
8. EFTPS (941 for 7/1 Payroll)	\$1,094.68
9. Brent R. Deaton (Reimbursement)	\$453.74
10. SoCal Edison	\$455.86
11. Vollmer & Associates (May Accounting)	\$230.00
12. State Compensation Insurance Funds (July Premium)	\$751.33
13. Innovative Water Care (Marine Bio)	\$2,310.00

4. **OLD BUSINESS:**

- A. There are no new updates regarding the LAHONTAN permit.
- B. Committees will be discussed at a later date.
- C. The Board will continue to review the Company policy manual and by-laws to update and bring current.
- D. To prevent additional exposure to Water Company personnel, Emily will bring any items down to the Boat House instead of staff coming into the office.
- E. The next regular Board of Directors meeting is scheduled for August 1st, 2020 at 9:00 am.

5. **NEW BUSINESS:**

- A. A second dumpster will be ordered to help mitigate the additional trash that is being dumped around the lake by people other than lake visitors.
- B. The Board and Brent provided information for updating the website to be more accurate due to the changes made to address COVID.
- C. Tonja Graff announced that all Directors and Employees will be signing a confidentiality agreement. No one objected to signing such an agreement.

6. **COMMITTEE REPORTS:**

- A. John McLellan reported that Mt. Lassen has fish available for another stocking. The Board determined it would be best to wait until the end of July to stock again.
- B. The Events Committee had no report.

7. **CORRESPONDENCE: None**

8. REPORTS

A. Office Report: None

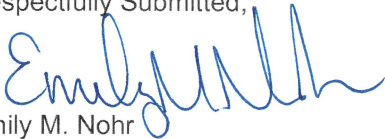
B. Managers Report: Brent reported the following:

- i. The boathouse was temporarily shut down after the holiday weekend to sanitize all the equipment.
- ii. Boat rentals have picked up. To handle sanitizing more efficiently, half-hour rentals have been eliminated.

9. EXECUTIVE SESSION: None

10. The meeting was adjourned at 12:00 p.m.

Respectfully Submitted,



Emily M. Nohr
Recording Secretary

GVL RECREATION, INC.
(A CALIFORNIA CORPORATION)

FINANCIAL STATEMENTS
WITH
INDEPENDENT ACCOUNTANTS' DISCLAIMER REPORT

June 30, 2020

CONTENTS

Independent Accountants' Review Report

Financial Statements

Exhibit

Balance Sheet

A

Statement of Income - Monthly

B

GVL RECREATION, INC.
BALANCE SHEET
me 30, 2020

EXHIBIT A

ASSETS

Current assets:

Cash in checking	29,039
First Foundation Bank Plus MM	39,221
Petty cash	1,500
Prepaid insurance	8,364
Total current assets	<u>78,124</u>

Property, plant, and equipment:

Rental equipment	35,253
other equipment	58,086
Accumulaed depreciation	<u>(83,756)</u>
Total property and equipment	9,583

Other Assets

Goodwill	26,000
Accumulated amortization	<u>(26,000)</u>
Total other assets	-

Total assets	<u><u>87,707</u></u>
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LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities:

Payroll taxes payable	<u>496</u>
Total current liabilities	496

Stockholder's equity:

Common stock	5,000
Additional paid in capital	23,544
Retained earnings	63,192
Net income (loss)	<u>(4,525)</u>
Total stockholder's equity	87,211

Total liabilities and stockholder's equity	<u><u>87,707</u></u>
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See Independent Accountants' Disclaimer Report

GVL RECREATION, INC.
STATEMENT OF INCOME

EXHIBIT B

For the One Month and Nine Months June 30, 2020

	One Month Ended June 30, 2020	%	Nine Months Ended June 30, 2020	%
Revenue:				
Access fees	48,030	0.00%	59,985	78.07%
Rowboat rentals	3,270	0.00%	3,979	5.18%
Pedal boat rentals	1,879	0.00%	1,942	2.53%
Kayak rentals	63	0.00%	63	0.08%
Canoe rentals	-	0.00%	179	0.23%
Credit card income	-	0.00%	-	0.00%
Boat tags	8,290	0.00%	8,290	10.79%
Beach fees - daily	-	0.00%	-	0.00%
Beach passes	915	0.00%	915	1.19%
Other lake income	-	0.00%	1,482	1.93%
Other income	-	0.00%	-	0.00%
Total revenue	62,447	0.00%	76,835	100.00%
Cost of revenue:				
Office payroll	1,046	0.00%	1,545	2.01%
Management payroll	3,115	0.00%	9,599	12.49%
Recreation payroll - reg	2,101	0.00%	8,837	11.50%
Beach payroll - reg	-	0.00%	-	0.00%
Recreation payroll - o/t	-	0.00%	-	0.00%
Beach payroll - o/t	-	0.00%	-	0.00%
Manage. Payroll - o/t	1,039	0.00%	1,039	1.35%
Workers' compensation	752	0.00%	9,715	12.64%
Total cost of revenue	8,053	0.00%	30,735	40.00%
Gross profit	54,394	0.00%	46,100	60.00%

See Independent Accountants' Disclaimer Report

GVL RECREATION, INC.

EXHIBIT B

STATEMENT OF INCOME (Continued)

: the One Month and Nine Months June 30, 2020

	One Month Ended June 30, 2020	%	Nine Months Ended June 30, 2020	%
Operating expenses:				
Bank charges	677	0.00%	772	1.00%
Competitive event expenses	-	0.00%	(191)	-0.25%
Trash removal	144	0.00%	781	1.02%
Toilet facilities	-	0.00%	166	0.22%
Supplies	627	0.00%	477	0.62%
Fish planting	12,570	0.00%	19,060	24.81%
Insurance	760	0.00%	5,032	6.55%
Lake testing	-	0.00%	3,625	4.72%
Repairs and maintenance	6,050	0.00%	7,014	9.13%
Advertising	-	0.00%	175	0.23%
Other lake expenses	-	0.00%	-	0.00%
Outside services/contractors	-	0.00%	-	0.00%
Office supplies	-	0.00%	237	0.31%
Regulatory permits and fees	-	0.00%	1,117	1.45%
Accounting	230	0.00%	2,042	2.66%
Postage	-	0.00%	-	0.00%
Payroll taxes	1,055	0.00%	2,250	2.93%
Telephone	452	0.00%	1,509	1.96%
Utilities	12	0.00%	944	1.23%
Other admin expense	15	0.00%	15	0.02%
Depreciation expense	76	0.00%	5,633	7.33%
Payroll Expense		0.00%	(786)	-1.02%
Total operating expenses	22,668	0.00%	49,872	65.93%
Operating income (loss)	31,726	0.00%	(3,772)	-4.91%

See Independent Accountants' Disclaimer Report

See Independent Accountants' Disclaimer Report
GVL RECREATION, INC.

EXHIBIT B

STATEMENT OF INCOME (Continued)

For the One Month and Nine Months June 30, 2020

	One Month Ended June 30, 2020	%	Nine Months Ended June 30, 2020	%
Other Income:				
Interest income	3	0.00%	49	0.06%
Total Other Income	3	0.00%	49	0.06%
Income (Loss) Before Income Taxes	31,729	0.00%	(3,723)	-4.85%
Provision for income tax:				
State franchise tax	-	0.00%	802	1.04%
Total Provision for Income Tax	-	0.00%	802	1.04%
Net Income (Loss)	31,729	0.00%	(4,525)	-5.89%

GREEN VALLEY MUTUAL WATER COMPANY
FINANCIAL STATEMENTS
WITH
INDEPENDENT ACCOUNTANTS' DISCLAIMER REPORT
JULY 31, 2020



VOLLMER & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

Kimi D. Vollmer, CPA
Tracy L. Moeller, CPA
(951) 405-4005
vollmercpa.com

August 6, 2020

Green Valley Mutual Water Company
PO Box 8300
Green Valley Lake, CA 92341

To the Board of Directors

The accompanying financial statements of Green Valley Mutual Water Company as of and for the one month and seven months ended July 31, 2020 were not subjected to an audit, review or compilation engagement by us and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters

Kimi D. Vollmer, CPA
Vollmer and Associates, CPAs

Green Valley Lake Mutual Water Company

Balance Sheet

July 31, 2020

Assets

Current Assets

First Foundation Bk - checking	\$ 61,304
First Foundation Bank (FMB)	10,000
First Foundation Bank Mkt(FMB)	79,794
Citizens Business Bank MM	249,893
Citizens Business Bank CDARS	1,215,000
California Bank MM	171,205
Cash on hand	300
Bank of America -checking	98,244
Bank of America -CD	100,000
Accounts receivable	60,466
Inventory	23,553
Prepaid insurance	16,445

Total Current Assets	2,086,204
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Property and Equipment

Land	19,124
Wells	199,906
Pump structures	82,377
Pump equipment	38,257
Water tanks	1,089,450
Water mains & system	3,882,351
Structures & improvements	172,356
Office equipment & furniture	91,576
Transportation equipment	153,887
Tools & equipment	91,732
Communications equipment	2,243
Land improvements	204,821
Work in progress	174,939
Accumulated depreciation	(2,377,037)

Total Property and Equipment	3,825,982
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Other Assets

Non current accounts receivable	101,507
Investment in GVL Rec., Inc.	28,544
Bank of America-lateral bond	1,018

Total Other Assets	131,069
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Total Assets	\$ 6,043,255
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Green Valley Lake Mutual Water Company
Balance Sheet
July 31, 2020

Liabilities and Stockholders' Equity

Current Liabilities

Accounts payable - trade	\$ 9,176
Retirement payable	1,013
Payroll taxes payable	28
Accrued vacation and sick pay	<u>4,404</u>

Total Current Liabilities	<u>14,621</u>
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Total Liabilities	<u>14,621</u>
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Stockholders' Equity

Paid In Capital	
Stock issued	14,173
Additional paid in capital	<u>19,036</u>

Total Paid in Capital	<u>33,209</u>
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Appropriated Retained Earnings

Operations reserve	150,000
Capital asset contingency	650,000
Surface storage/tran reserve	<u>330,000</u>

Total Appropriated Retained Earnings	<u>1,130,000</u>
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Unappropriated Retained Earning

Retained earnings beginning	4,567,447
Net income (loss)	<u>297,978</u>

Total Unappropriated Retained Earnings	<u>4,865,425</u>
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Total Stockholders' Equity	<u>6,028,634</u>
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Total Liabilities and Stockholders' Equity	<u><u>\$ 6,043,255</u></u>
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Green Valley Lake Mutual Water Company
Comparative Statement of Income with Budget
For the One Month and Seven Months Ended July 31, 2020

	Current Month Actual	Current Month Budget	Variance	Year to Date Actual	Year to Date Budget	Variance	Annual Budget
Operating Income							
Water Sales							
Standby/connection fees	\$ (119)	\$ -	\$ (119)	\$ 248,478	\$ 251,250	\$ (2,772)	\$ 502,500
Water usage	179	-	179	42,000	34,610	7,390	69,218
Contract water	-	-	-	3,750	4,125	(375)	4,125
Total Water Sales	60	-	60	294,228	289,985	4,243	575,843
Water Services							
Turn on/off fees	310	750	(440)	3,467	5,250	(1,783)	9,000
Late fees	-	621	(621)	5,425	4,350	1,075	7,455
Total Water Services	310	1,371	(1,061)	8,892	9,600	(708)	16,455
Miscellaneous Fees							
New installation fees	-	-	-	-	-	-	-
Stock transfer fees	9,100	2,035	7,065	29,650	14,245	15,405	24,420
Total Miscellaneous Fees	9,100	2,035	7,065	29,650	14,245	15,405	24,420
Interest Income							
CA Bank Money Mkt int inc	9	56	(47)	159	391	(232)	670
Community Bank int inc	-	85	(85)	814	598	216	1,025
FMB/First Foundation Bank Int	9	38	(29)	200	267	(67)	458
Lateral bond int inc	-	1	(1)	-	8	(8)	13
Bank of America (MM)	-	1	(1)	-	5	(5)	8
Total Interest Income	18	182	(164)	1,173	1,269	(96)	2,174
Total Operating Income	9,488	3,588	5,901	333,943	315,099	18,844	618,892
Other Income							
Assessments							
Assessments - regular	-	-	-	326,440	325,600	840	325,600
Assessments - penalties	-	-	-	2,250	2,200	50	2,200
Total Assessments	\$ -	\$ -	\$ -	\$ 328,690	\$ 327,800	\$ 890	\$ 327,800

See Independent Accountants' Disclaimer Report

Green Valley Lake Mutual Water Company
Comparative Statement of Income with Budget
For the One Month and Seven Months Ended July 31, 2020

	Current Month Actual	Current Month Budget	Variance	Year to Date Actual	Year to Date Budget	Variance	Annual Budget
Other Miscellaneous Income							
Verizon cell site rental	\$ 1,335	\$ 1,335	\$ -	\$ 8,013	\$ 9,348	\$ (1,335)	\$ 16,025
Clubhouse rental income	-	183	(183)	400	1,285	(885)	2,200
Miscellaneous income	106	208	(102)	763	1,460	(697)	2,500
Total Other Miscellaneous Income	1,441	1,726	(285)	9,176	12,093	(2,917)	20,725
Total Other Income	1,441	1,726	(285)	337,866	339,893	(2,027)	348,525
Total Income	10,929	5,314	5,616	671,809	654,992	16,817	967,417
Cost of Operations							
Source of Supply							
Maintain structure/wells	-	8	(8)	-	58	(58)	100
Purchased water	4,670	2,476	2,194	4,740	2,476	2,264	7,223
Total Source of Supply	4,670	2,484	2,186	4,740	2,534	2,206	7,323
Pumping							
Repair pump equip, etc.	53	25	28	53	175	(122)	300
Repair pump station	-	10	(10)	-	73	(73)	125
Fuel/power/purchased	503	896	(393)	4,849	6,270	(1,421)	10,750
Total Cost of Pumping	556	931	(375)	4,902	6,518	(1,616)	11,175
Transmission and Distribution							
Street repair	-	25	(25)	-	175	(175)	300
Trans/Distr Mains	164	29	135	585	204	381	350
Reservoir/tanks	-	8	(8)	-	58	(58)	100
Service line maintenance	-	8	(8)	-	58	(58)	100
Meter maint/replacement	-	67	(67)	-	467	(467)	800
Total Transmission and Distribution	164	137	27	585	962	(377)	1,650
Total Cost of Operations	5,390	3,552	1,838	10,227	10,014	214	20,148
Gross Profit	\$ 5,539	\$ 1,762	\$ 3,778	\$ 661,582	\$ 644,978	\$ 16,604	\$ 947,269

See Independent Accountants' Disclaimer Report

Green Valley Lake Mutual Water Company
Comparative Statement of Income with Budget
For the One Month and Seven Months Ended July 31, 2020

	Current Month Actual	Current Month Budget	Variance	Year to Date Actual	Year to Date Budget	Variance	Annual Budget
Administrative Expenses							
Payroll							
Office/hourly regular	\$ 3,801	\$ 3,681	\$ 120	\$ 25,608	\$ 25,768	\$ (160)	\$ 44,173
Office/overtime	-	63	(63)	355	438	(83)	750
Office/vacation	-	-	-	77	-	77	3,387
Field Management/Ops	6,120	9,597	(3,477)	45,300	62,381	(17,081)	115,164
Field hourly	6,138	7,750	(1,612)	39,901	50,375	(10,474)	93,000
Field/overtime	135	733	(598)	1,302	4,767	(3,465)	8,800
Field/vacation	150	583	(433)	150	3,792	(3,642)	7,000
Field/standby	-	310	(310)	964	2,014	(1,050)	3,718
Capitalized labor	460	(2,688)	3,148	7,751	(18,813)	26,564	(32,250)
Total Payroll	16,804	20,029	(3,225)	121,408	130,722	(9,314)	243,742
Office Operations							
Office supplies/services	155	502	(347)	4,334	5,491	(1,156)	8,000
Postage	30	135	(105)	4,842	4,825	17	5,500
Heating/office	22	43	(21)	313	303	10	520
Heating/shop	-	-	-	938	1,100	(162)	1,550
Gasoline/license	810	792	18	4,172	5,542	(1,370)	9,500
Refuse removal	77	33	44	226	233	(7)	400
Miscellaneous expense	159	83	76	1,123	583	540	1,000
Training	-	100	(100)	-	700	(700)	1,200
Small tools	209	83	126	581	583	(2)	1,000
Telephone	100	104	(4)	700	729	(29)	1,250
Bank charges	37	17	20	247	117	130	200
Computer maint/service	-	146	(146)	1,952	1,021	931	1,750
Total Office Operations	1,599	2,038	(439)	19,428	21,227	(1,798)	31,870
Outside Services							
Accounting	275	400	(125)	3,240	6,500	(3,260)	8,500
Lab tests/water	3,216	1,542	1,674	12,418	10,792	1,626	18,500
Legal	-	2,500	(2,500)	24,674	17,500	7,174	30,000
Total Outside Services	\$ 3,491	\$ 4,442	\$ (951)	\$ 40,332	\$ 34,792	\$ 5,540	\$ 57,000

See Independent Accountants' Disclaimer Report

Green Valley Lake Mutual Water Company
Comparative Statement of Income with Budget
For the One Month and Seven Months Ended July 31, 2020

	Current Month Actual	Current Month Budget	Variance	Year to Date Actual	Year to Date Budget	Variance	Annual Budget
Other General Expenses							
Board meeting expense	\$ 37	\$ 792	\$ (755)	\$ 1,634	\$ 5,542	\$ (3,908)	\$ 9,500
Liability insurance	2,633	2,000	633	16,672	14,000	2,672	24,000
Employee insurance	2,674	3,500	(826)	18,453	24,500	(6,047)	42,000
Workers comp insurance	1,112	958	154	3,860	6,708	(2,848)	11,500
Payroll taxes	1,331	1,750	(419)	10,473	12,250	(1,777)	21,000
Retirement plan	1,000	594	406	3,950	4,156	(206)	7,125
Building/structure maintenance	-	42	(42)	-	292	(292)	500
Vehicle & equip maintenance	10	417	(407)	967	2,917	(1,950)	5,000
Communication service	299	667	(368)	4,222	4,667	(445)	8,000
Depreciation	13,221	9,000	4,221	92,546	63,000	29,546	108,000
Total Other General Expenses	22,317	19,720	2,597	152,777	138,032	14,745	236,625
Permits, Taxes and Fees							
CUWA Permit	-	-	-	201	-	201	-
CA Dept of Health Service	-	42	(42)	-	292	(292)	500
USDA Forestry permit	-	-	-	-	-	-	1,800
CA Dept of Water Resource	-	-	-	20,819	21,938	(1,119)	26,000
ACWA	-	-	-	1,066	1,333	(267)	1,600
Taxes lake/clubhouse	-	-	-	-	1,950	(1,950)	3,900
Taxes other property	-	-	-	100	1,250	(1,150)	2,500
Franchise Tax Board	-	-	-	1,420	800	620	800
Co Franchise Authority	-	-	-	3,196	2,877	319	2,877
Corporate filing fee	-	-	-	25	25	-	25
Total Permits, Taxes and Fees	-	42	(42)	26,827	30,465	(3,638)	40,002
Other Expenses							
Clubhouse maintenance	-	167	(167)	188	1,167	(979)	2,000
Supplies	-	83	(83)	-	583	(583)	1,000
Utilities	395	367	28	2,644	2,567	77	4,400
Other Expenses	395	617	(222)	2,832	4,317	(1,485)	7,400
Other Miscellaneous Expenses							
Dam/check dam/flood channel	-	-	-	-	100	(100)	100
Clubhouse,office,grounds	-	25	(25)	-	175	(175)	300
Other expense	-	8	(8)	-	58	(58)	100
Total Other Miscellaneous Expenses	-	33	(33)	-	333	(333)	500
Total Other Expenses	395	650	(255)	2,832	4,650	(1,818)	7,900
Total Expenses	44,606	46,921	(2,315)	363,604	359,888	3,716	617,139
Net Income (Loss)	\$ (39,066)	\$ (45,160)	\$ 6,093	\$ 297,978	\$ 285,090	\$ 12,887	\$ 330,130

See Independent Accountants' Disclaimer Report

DRAFT RESOLUTION NO. 20-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GREEN VALLEY MUTUAL WATER COMPANY AMENDING POLICY SECTION 4217. TEMPORARY SERVICE DISCONTINUANCE.

WHEREAS, Section 4217 TEMPORARY SERVICE DISCONTINUANCE addresses how a shareholder may request water service to be discontinued temporarily upon written request; and

WHEREAS, the shareholder shall continue to be liable and shall be billed for the monthly standby service connection charge; and

WHEREAS, the current policy does not address extreme hardship cases in which a residence is destroyed by unintentional fire and deemed uninhabitable by the local Building and Safety Department; and

WHEREAS, the amendment to this policy shall clarify that upon a written request by the shareholder to temporarily discontinue service due to an extreme hardship case in which a residence is destroyed by unintentional fire and deemed uninhabitable by the local Building and Safety Department, the monthly standby service connection charge will also be discontinued until the water service has been requested to be restored by the shareholder.

NOW, THEREFORE, BE IT RESOLVED: That policy section 4217 be replaced with the following language: **4211 TEMPORARY SERVICE DISCONTINUANCE:** Water service may be discontinued temporarily upon the written request of a shareholder, however, a turn-on charge per policy section 4200.03 will be charged. During the period of service discontinuance, the shareholder shall continue to be liable and shall be billed for the monthly standby service connection charge except for the following condition; extreme hardship cases in which a residence is destroyed by unintentional fire and deemed uninhabitable by the local Building and Safety Department. The extreme hardship case will still be subject to the turn-on charge per policy section 4200.03.

APPROVED AND ADOPTED THIS 20th day of April 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Edgar Gray, President

ATTEST:

W.E. Burger
Secretary/Treasurer