

Sierra Park Water News and Updates

Phone 209-533-7998

Volume 2.2

July/August 2014

Board of Directors 2014-2015

President	Kirk Knudsen
Vice President	Michael Lechner
Secretary	Wanda Lenhardt
Treasurer	Bill Ordwein
Human Resources	Heidi Ordwein

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www.sierraparkwater.com

PO Box 424, MiWuk Village, CA 95346

President's Message

Summer is almost behind us...

And I hope it is going well for all of you. There was no board meeting in July since we did not have a quorum due to prescheduled vacations. However, please know that the Sierra Park Water Company is running well, even though we did not meet -- our bills are being paid and we continue to work at providing you with quality water.

The State of California has passed a new law regarding water usage during this drought period, and this law will remain in effect for 270 days. The law implements fines for water waste and it requires all water companies to enforce the law. This law applies to everyone in California regardless of where they get their water.

In accordance with this new law we will be giving "warnings" to those within the Park who are wasting water. If the water-wasting practices do not change, the Sheriff's Office will be contacted and they will give out citations. It is important for all our property owners to be clear about what could warrant a warning. We are enclosing the official notice from the State of California, which specifically states what constitutes a violation of the law. We also have placed a copy of the notice at every cabin. Please note that the collection of fines will be facilitated through the California Court system.

We would like to resolve any water waste issues with the least amount of intervention. It is important to understand that if we are negligent and do nothing to enforce this law we will be held accountable by the State of California. It is my hope that we will not have any violations. We have had no control over the amount of rainfall and snowfall we received, but we do have control over how much water we use. Please work with us to resolve problems before they occur by using water wisely.

Thank you all for your help! -- **Kirk Knudsen**

Next SPWC Board Meeting will be at 8:30 am on September 6th.



Water Services Contact Information

For any questions or information about water, please call us at 209-533-7998, reach us via email through the link on our website or by mail at PO Box 424 MiWuk Village, CA 95346

Capital Improvement Plans

We know that it's important for you to understand where your money is going and why. To support that goal, we will be including Capital Improvement information on a periodic basis. As we move forward, this section will explain the plans step-by-step, alert you to upcoming work, and keep you updated on the progress and the budget. To begin this series, a letter from our Capital Improvements Director:

Hello,

I wanted to give all of you a brief update with regard to our Capital Improvement Projects within the Sierra Park Water Company. We have had some unexpected expenses this summer because the pump in Well #6 went out. We had to replace the pump, the pipe and the electrical wiring. This came at a cost of approximately \$10,000, which now has to be worked into the budget. My goal is to still proceed with this year's Capital Improvement goal which was to begin the process of separating the park into quadrants with separate shut-off valves. This will then allow us to shut water off to an area which is affected by water breaks or scheduled work without shutting the water off to the majority of the Park. In doing this we will have to disrupt some of the roads to lay necessary pipe. We are working with Mark Logan, who is the Director of Roads from the Sierra Park Services Company, to minimize damage to newly refurbished roads by changing the location of road work planned for this year. We are working together to make the best decisions for the Park.

Our aquifer continues to provide us with adequate water but we need to be continuously aware of the need to conserve water. Please do your part. We are also evaluating installation of a radio communication system between the water towers and the wells to record water levels and to turn on and off the pumps when specified water levels are reached. This will help us keep higher water levels for additional safety on weekends and holidays when our caretaker may not be available.

Until next time,

Bill Ordwein



Sierra Park Water Company Board of Directors Meeting Minutes for August 9, 2014

The meeting was called to order at 8:48 by President Knudsen.

BOARD MEMBERS PRESENT: Kirk Knudsen, Michael Lechner, Heidi Ordwein, Bill Ordwein and Wanda Lenhardt

SHAREHOLDERS PRESENT: Linda Clark

Others Present: Michael Van Gundy

COMMENTS FROM ATTENDEES:

Linda Clark had questions regarding the caretaker and his duties. She wanted to know who is monitoring the water? Don Nessl oversees our water system and he has had the help of Bill Ordwein and one other person.

Linda said she had heard rumors that the annual billings for the Water (and Services) Company were voluntary and you didn't have to pay if you didn't want to. It was made clear that this is NOT the case. Each of the Companies' shareholders, at their respective Annual Meetings in May, approved the 2014/2015 budgets and the bills that result from them. All property owners, shareholders or not, are required to pay.

Mike Van Gundy inquired about the amount of the annual bills.

Linda wanted to know if the water leak at Esther and Miriam has been resolved. Bill explained that he has spoken with the owner and the resident to work toward resolving the issue. The water is not fresh water. Bill notified Environmental Health to determine if it is a health issue.

MINUTES OF BOARD MEETING: A motion was made by Michael Lechner to approved the minutes from the Sierra Park Water Company Board of Directors Meeting of June 7, 2014. That motion was seconded by Heidi Ordwein and was then unanimously approved.

ANNUAL MEETING MINUTES: A motion was made by Michael Lechner to approve the minutes from the Sierra Park Water Company, Annual Meeting on May 25, 2014, and to include the end of the year financial report from 2013/2014 with the August meeting minutes. The report was not available at the time of the annual meeting as the fiscal year had not ended. Heidi Ordwein seconded the motion which was then unanimously approved.

CORRESPONDENCE:

Email:

- One email from a shareholder who could not view the newsletter on his computer because it was viewed on a split screen.
- One inquiring about what water licenses our employees have. Our caretaker had a D1 license and we have a water consultant who has additional credentials.
- One email came to the SPWC but was intended for the SPSC as it inquired about removing trees near cabin due to Cal Fire request. This was forwarded to the Sierra Park Services Corporation (SPSC).
- Two emails were received regarding address updates.
- One email inquired about those who do not pay their bills and what will be done about it. The board is committed to pursuing those who do not pay but must wait to do it in a manner that is legal and effective.
- One email was received which asked for the Park Website and Park Rules. This property owner also inquired as to obtaining a gate key.
- One email was received requesting to purchase an old fire hydrant after it is removed as they would like to give it as a gift to a family member. We do not have fire hydrants but standpipes. Our intent has been to recycle those to get the recycling money. The board agreed to sell the standpipe for the amount we would receive in recycling fees.
- Three emails were received regarding lot mergers.

- Kirk got one email regarding chromium. We do not have any but we will be monitoring for it beginning January 1, 2015.

Telephone Calls:

- One telephone call regarding the annual bill
- Two calls regarding email updates
- One call requesting a bill
- One call regarding a water leak on Miriam and Esther
- Two calls regarding water outages on two properties
- Four calls regarding fire hydrant #7 leaking. We wanted to delay the repair until it could be replaced but the leak worsened and the repair had to be done.
- One call regarding the Fish Derby (for the SPSC)

WATER EMPLOYEE REPORT: Heidi Ordwein - Water is being monitored daily by our temporary employee, John Marshall. Everything is going well.

DIRECTOR REPORTS:

President - Kirk Knudsen - There was no July 2014 meeting as we did not have a quorum. The 2014/2015 invoices have been sent. There was a water leak on July 10th at the corner of Esther and Miriam, which was not a fresh water leak. It is coming from the cabin. The property owner and resident were notified. Issues with Well #6 were reported and dealt with. Information regarding rates was provided to the CPUC on 7/31/14. All is well with California Department of Public Health. Kirk thanked everyone for their support.

Vice President - Michael Lechner - Nothing to report.

Treasurer - Bill Ordwein - Current account balance is approximately \$176,301. The revenue was \$163,476. The monthly bills for July came to approximately \$10,487 and the bills in June came to approximately \$6,235. There are currently 192 outstanding bills for the 2014/2015 fiscal year but that payment is not delinquent until after August 31st.

Well #6 had to be repaired which cost approximately \$10,000. This was an unexpected repair. The hydrants have been purchased which cost approximately \$6,000.

We are looking into purchasing a storage container to store valuable supplies.

Bill wants to open a new account to keep reserves separate. The annual bills included a separate line item for reserves, and we want to keep that money separate. We will call the account Sierra Park Water Company Reserves. Michael Lechner made a motion that "A separate bank account for reserves and capital improvements will be created and that expenditures made against that account be earmarked as "reserves and capital improvements." Heidi Ordwein seconded the motion which was then unanimously passed.

Bill Ordwein made a motion for June and July bills to be paid. Wanda Lenhardt seconded the motion that was then unanimously passed.

Secretary - Wanda Lenhardt - No additional stocks have been sold. The Consumer Confidence Report was sent to all property owners.

Human Resources - Heidi Ordwein - The employment attorney has worked with Heidi to update the employee manual. The benefit plan needs to be reviewed and updated. Heidi will send a draft to the board for their review.

Director of Capital Improvement - Bill Ordwein - The needle dump fire hydrant stand pipe needed repair. It was located in a vulnerable spot. The repair also moved the location to a safer location as well as adding protection bollards.

Well #6 stopped working. It was found that the pump, motor and pipe for well #6 had to be replaced. The previous system was approx. 18 years old. Well #5 was used to maintain our tank water levels while well #6 was out of service.

More details were added to the west side water isolation plan. The dry barrel hydrants have been purchased and a quote for the remaining hardware has been received. We are currently evaluating breaking this into two phases due to the complexity and to reduce the impact to residents.

Quotes have been requested to add radio communication and automation between the water tanks and the wells. If this is done, we will greatly reduce our vulnerability to low tank water levels on weekends. This will also give us much faster notification of water breaks which will reduce water loss and speed up repairs.

OLD BUSINESS:

Next newsletter is slated for the week of 8/25/14 and will combine both July and August into one newsletter.

NEW BUSINESS:

- Bill Ordwein made a motion to move the Sierra Park Water Company monthly Board of Directors meeting to first Saturday of every month. Michael seconded the motion which was then unanimously approved.
- The next meeting will be held on 9/6/14.
- The Capital Improvement schedule was discussed.

- Water company record keeping - we need a copy of the articles of incorporation. A copy can be kept in the Recreation Hall Office for future reference. A copy needs to be sent to Don Nessler.
- As required by State law, information has been filed with the Secretary of State of California regarding the number of directors and their addresses.
- The Consumer Confidence Report has been sent. AquaLabs send a report that summarizes our water usage over the past year. That report is then provided to all customers/property owners.
- We are still having customers call the old phone number and then complain. We will put the new number in the newsletter again in hopes of reminding everyone of the new number. The new number is working well. We are able to give quick responses to the calls and emails.
- A new Water Wasting Law has been passed. We have to implement it or we will be in danger of being fined. Implementation of this law was discussed. This law went into effect on July 29, 2014. The law states that those who waste water can be fined \$500 per day. If we find any instances of water waste we will warn the offender; if it does not stop we will notify the Sheriff and request a citation be issued. We will include an insert with the newsletter which explains what constitutes an infraction or water waste. We will also put a fact sheet door to door in the Park.

Closure: The board moved to Executive Session to discuss Personnel, Fiscal, and Legal Matters at 10:27 and ended at 10:54.

Report from Executive Session:

A new caretaker is being sought as the caretaker is no longer employed by the SPWC. The job listing will be posted. The services company's interest will be represented in the hiring process to ensure their needs will be met.

The meeting adjourned at 10:58.

SIERRA PARK WATER COMPANY, INC.
BUDGET REPORT
PERIOD ENDED MAY 31, 2014

	TWELVE MONTHS ENDED 05/31/14	2013-2014 BUDGET	VARIANCE	% OF BUDGET EXPENDED*
<u>REVENUE</u>				
WATER INCOME	\$ 313,151	\$ 343,800	\$ (30,649)	91.09%
TRANSFER FEES	500		500	
REFUNDS	(223)			
MISCELLANEOUS INCOME	2,890		2,890	
TOTAL REVENUE	316,318		(27,259)	
<u>ADMINISTRATION AND FEES</u>				
ACCOUNTING	13,298	16,173	\$ (2,875)	82.22%
BANK CHARGES	27		27	
CONSULTING	8,028	12,875	(4,847)	62.35%
CREDIT CARD CHARGES	1,976	1,500	476	131.73%
EMPLOYEE BENEFITS	11,306	7,643	3,663	147.93%
EMPLOYEE PAYROLL	54,843	44,960	9,883	121.98%
PAYROLL REIMB FROM SPS	(25,274)		(25,274)	
EMPLOYEE PAYROLL TAXES	5,289	4,496	793	117.64%
INSURANCE	42,453	21,270	21,183	199.59%
LEGAL CONSULTING/PROFESSIONAL SERVICES	40,930	30,900	10,030	132.46%
MEMBER COMMUNICATION	2,173	3,499	(1,326)	62.10%
OFFICE SUPPLIES	1,085	-	1,085	
OUTSIDE SERVICES	17,315		17,315	
RENT	56		56	
TAXES AND LICENSE	2,254	3,708	(1,454)	60.79%
MISCELLANEOUS		5,000	(5,000)	0.00%
WATER ADMIN CONSULTING		36,000	(36,000)	0.00%
<u>OPERATION AND MAINTENANCE</u>				
EASEMENT LEASE FOR GROUND	500	39,600	(39,100)	1.26%
EASEMENT LEASE FOR WATER	51,100	39,140	11,960	130.56%
MAINTAIN WATER SYSTEM	44,094	6,500	37,594	678.37%
MAINTAIN WATER SYSTEM - CAPITAL RESERVES	4,882	20,000	4,882	0.00%
TOWERS AND ACCESS		5,000	(5,000)	0.00%
WATER EQUIPMENT MAINTENANCE		12,155	(12,155)	0.00%
WATER FUEL		1,391	(1,391)	0.00%
WATER SUPPLIES		910	(910)	0.00%
WATER TANK CHECK VALVE		9,000	(9,000)	0.00%
WATER TESTING	3,080	8,240	(5,160)	37.38%
WATER UTILITIES	7,755	13,699	(5,944)	56.61%
<u>REPAIR AND REPLACE</u>				
TANK REPAIRS	38			
WATER LINE REPLACEMENT				
WELL REHABILITATION				
TOTAL EXPENSES BEFORE DEPRECIATION	287,208	\$ 343,659	\$ (56,489)	
DEPRECIATION	552			
TOTAL EXPENSES	287,760			
NET INCOME FROM OPERATIONS	\$ 28,558			

CHECKING ACCOUNT \$34,027

SIERRA PARK WATER COMPANY, INC.
 BUDGET REPORT
 FOR THE PERIOD ENDED
 July 31, 2014

	TWO MONTHS ENDED 07/31/14	2014-2015 BUDGET	VARIANCE	% OF BUDGET EXPENDED*
<u>REVENUE</u>				
WATER INCOME	\$ 135,275	\$ 292,874	\$ (147,599)	47.82%
WATER RESERVES	27,451	58,575	(31,124)	48.85%
TRANSFER FEES	300	-	300	
MISCELLANEOUS INCOME	450	2,202	(1,752)	20.44%
TOTAL REVENUE	163,476	343,651	(180,175)	47.57%
<u>ADMINISTRATION AND FEES</u>				
ACCOUNTING	3,026	16,500	(13,474)	18.34%
BANK CHARGES	-	-	-	
CREDIT CARD CHARGES	399	2,149	(1,750)	18.57%
EMPLOYEE BENEFITS	2,473	11,100	(8,627)	22.28%
EMPLOYEE PAYROLL	4,398	23,260	(18,862)	18.86%
EMPLOYER PAYROLL TAXES	465	5,152	(4,687)	9.02%
INSURANCE	1,289	27,518	(26,227)	4.69%
LEGAL CONSULTING	2,800	28,000	(25,200)	10.00%
MEMBER COMMUNICATION	411	4,000	(3,589)	10.28%
OFFICE SUPPLIES	137	-	137	
OUTSIDE SERVICES	577	-	577	
PROFESSIONAL SERVICES CONSULTING	-	9,834	(9,834)	0.00%
RENT	-	-	-	
TAXES AND LICENSE	-	3,500	(3,500)	0.00%
MISCELLANEOUS	-	-	-	
WATER ADMIN CONSULTING	-	20,000	(20,000)	0.00%
ADMINISTRATION AND FEES SUBTOTAL	15,964	150,811	(134,847)	10.56%
<u>OPERATION AND MAINTENANCE</u>				
EASEMENT LEASE FOR GROUND	-	39,140	(39,140)	0.00%
EASEMENT LEASE FOR WATER	-	6,500	(6,500)	0.00%
EASEMENT LEASE FOR WATER TOWERS	834	5,000	(4,166)	18.67%
MAINTAIN WATER SYSTEM	4,106	51,900	(47,794)	7.98%
MAINTAIN WATER SYSTEM - CAPITAL	-	-	-	
RESERVES	-	50,000	(50,000)	0.00%
WATER EQUIPMENT MAINTENANCE	-	4,500	(4,500)	0.00%
WATER SUPPLIES	-	1,100	(1,100)	0.00%
WATER TANK CHECK VALVE	-	15,000	(15,000)	0.00%
WATER TESTING	370	8,300	(7,930)	4.63%
WATER UTILITIES	899	12,000	(11,101)	5.83%
OPERATION AND MAINTENANCE SUBTOTAL	6,009	192,840	(186,831)	3.12%
<u>REPAIR AND REPLACE</u>				
TANK REPAIRS	-	-	-	
WATER LINE REPLACEMENT	-	-	-	
WELL REHABILITATION	-	-	-	
REPAIR AND REPLACE SUBTOTAL	-	-	-	
TOTAL EXPENSES BEFORE DEPRECIATION	21,972	343,651	(321,679)	6.39%
DEPRECIATION	26	-	26	
TOTAL EXPENSES	21,998	343,651	(321,652)	6.40%
NET INCOME FROM OPERATIONS	\$ 141,478	\$ -	\$ 141,476	

CHECKING ACCOUNT \$ 173,331

SIERRA PARK WATER COMPANY, INC.
 BUDGET REPORT
 FOR THE PERIOD ENDED
 July 31, 2014

	TWO MONTHS ENDED 07/31/14	2014-2015 BUDGET	VARIANCE	% OF BUDGET EXPENDED*
<u>REVENUE</u>				
WATER INCOME	\$ 135,275	\$ 292,874	\$ (147,599)	47.82%
WATER RESERVES	27,451	58,575	(31,124)	48.85%
TRANSFER FEES	300	-	300	
MISCELLANEOUS INCOME	450	2,202	(1,752)	20.44%
TOTAL REVENUE	163,476	343,651	(180,175)	47.57%
<u>ADMINISTRATION AND FEES</u>				
ACCOUNTING	3,025	16,500	(13,474)	18.34%
BANK CHARGES	-	-	-	
CREDIT CARD CHARGES	399	2,149	(1,750)	18.57%
EMPLOYEE BENEFITS	2,473	11,100	(8,627)	22.28%
EMPLOYEE PAYROLL	4,386	23,260	(18,874)	18.86%
EMPLOYER PAYROLL TAXES	465	5,152	(4,687)	9.02%
INSURANCE	1,289	27,518	(26,227)	4.69%
LEGAL CONSULTING	2,800	28,000	(25,200)	10.00%
MEMBER COMMUNICATION	411	4,000	(3,589)	10.28%
OFFICE SUPPLIES	137	-	137	
OUTSIDE SERVICES	577	-	577	
PROFESSIONAL SERVICES CONSULTING	-	9,634	(9,634)	0.00%
RENT	-	-	-	
TAXES AND LICENSE	-	3,500	(3,500)	0.00%
MISCELLANEOUS	-	-	-	
WATER ADMIN CONSULTING	-	20,000	(20,000)	0.00%
ADMINISTRATION AND FEES SUBTOTAL	15,664	150,811	(134,847)	10.89%
<u>OPERATION AND MAINTENANCE</u>				
EASEMENT LEASE FOR GROUND	-	39,140	(39,140)	0.00%
EASEMENT LEASE FOR WATER	-	6,500	(6,500)	0.00%
EASEMENT LEASE FOR WATER TOWERS	834	5,000	(4,166)	16.67%
MAINTAIN WATER SYSTEM	4,108	51,900	(47,484)	7.98%
MAINTAIN WATER SYSTEM - CAPITAL	-	-	-	
RESERVES	-	50,000	(50,000)	0.00%
WATER EQUIPMENT MAINTENANCE	-	4,500	(4,500)	0.00%
WATER SUPPLIES	-	1,100	(1,100)	0.00%
WATER TANK CHECK VALVE	-	15,000	(15,000)	0.00%
WATER TESTING	370	8,000	(7,630)	4.63%
WATER UTILITIES	899	12,000	(11,301)	5.83%
OPERATION AND MAINTENANCE SUBTOTAL	6,009	192,840	(186,831)	3.12%
<u>REPAIR AND REPLACE</u>				
TANK REPAIRS	-	-	-	
WATER LINE REPLACEMENT	-	-	-	
WELL REHABILITATION	-	-	-	
REPAIR AND REPLACE SUBTOTAL	-	-	-	
TOTAL EXPENSES BEFORE DEPRECIATION	21,872	343,651	(321,679)	6.39%
DEPRECIATION	25	-	25	
TOTAL EXPENSES	21,899	343,651	(321,652)	6.40%
NET INCOME FROM OPERATIONS	\$ 141,476	\$ -	\$ 141,476	

CHECKING ACCOUNT \$ 173,331