

SOUTH FORK ESTATES MUTUAL WATER COMPANY

Board of Directors Meeting Minutes

January 25, 2023

Present: Mitch Pliskin, President; Steve Daniels, Vice President; Andrea Fitzpatrick, Treasurer (Zoom); Patty Pliskin, Secretary; Orfil Muniz (Zoom); Michael Tharp, Developer; Don Peter, D1 Certified Operator, Tom Ridenour, D3/T3 Certified Operator

Absent: Sue Tharp, Developer; PK Karan

Call to Order: 6:34 pm

Handouts: 2022 Proposed Budget (review for 2023 Budget); 2019-2022 SFEMWC Expenses/Water Revenue graphs

Subject	Discussion	Recommendation/Outcome
Old Business		
1- November 10, 2022 & December 14, 2022 Minutes Review	Minutes for November 10, 2022 meeting presented for review; December 14, 2022 presented for review (no quorum established for December 14, 2022 meeting – unable to approve November minutes at that time).	November 10 minutes approved by Director Daniels and Director M. Tharp. December 14 minutes reviewed as Informational Items.
2- Board of Director Member	Director PK Karan notified Director M. Pliskin of his intent to move out of the area early 2023.	No formal notification of resignation from the Board has been received. His position on the Board will remain until the next general election of the new Board of Directors scheduled in March 2023.
3- Ethics Class (AB54/AB240)	Directors who have not completed the required training are urged to complete the training ASAP.	The Directors that have not completed the required training were urged to do so ASAP.
4- Website	The SFEMWC Domain has been renewed for 2 years through GoDaddy. Director M. Pliskin and Director P. Pliskin advocated for using Rural Water Impact as the new host website SFEMWC, due to ease of use of the website. The yearly cost is \$457 with a one-time \$350 set-up fee.	SFEMWC Domain as been renewed for 2 years. The Board approved of using Rural Water Impact as our website. Directors M. Pliskin and P. Pliskin to follow-up.
5- Easements	Easements – Lot lines for water company access. Board will create a new policy regarding access to meters; will review the CCR to see if this is already covered.	Directors M. Pliskin and P. Pliskin will develop a policy if needed.
6- IRS - 2019 & 2020 Tax Form 990 Submission	Extension letters for tax penalty reviews for not filing 2019 & 2020 form 990 has was sent to us in November 2022 by the IRS. It states it would be another 60 days for our case to be reviewed.	Decision pending.
7- Seal of Corporation	Need to find who has the Seal of Corporation and if the “Statement of Information” was completed. Nobody knows if a Seal of Corporation ever existed. Apparently, a Statement of Information has not been completed in many years.	Director M. Pliskin met with Cindy Howell, Three Rivers Community Services District General Manager. She is not familiar with a Seal of Corporation. The Statement of Information needs to be done ASAP (last done 2021). Director P. Pliskin will follow-up.
8- Capital Improvement Plan (CIP)	Director M. Pliskin requested a list of what will need to be done over the next few years (routine maintenance schedule, replacing equipment proactively, etc.).	Operators Ridenour and Peter to create a list of future required needs.
9- Attorney Bylaws Review	Josh Fox, Esq. completed his review of the bylaws and recommended a Board vote to approve or reject them as written. The Board approved the bylaws with 5 yes, 1 abstention (M. Tharp, Developer), 1 absent vote.	Bylaws approved without changes. Director Pliskin will contact Attorney Josh Fox to go ahead with the recording process.

10- CRWA	California Rural Water Association (CRWA – Free Leak Test Survey) – the Board recommended we take advantage of this offer.	Leak Test pending due to CRWA availability.
11- SB 442 – New Drought Requirements	New drought requirements due January 1, 2023. Detect production well ground water levels – this regulation is satisfied for Well #3 only.	Certified Operator Ridenour can conduct ground water level production test manually; will comply with other tests ASAP. It may be possible to complete the required tests quarterly (instead of monthly unknown at this time). These additional tests include static water levels, pumping levels and more.
12- Cal Rural Water Meeting	Director M. Pliskin and Operator Peters met with Cal Rural Water representative Michael Sweitzer. The discussion included grants, where to get the best loans for future improvements and possibly creating a water consortium with other water companies in the area.	After reviewing the income level of Three Rivers, the community is too prosperous to apply for grants. As for creating a consortium with other water companies – we may be too remote for a project of this magnitude. Mr. Sweitzer said he would get back to us regarding which financial institutions would do business with us.
13- Delinquent Payments	Discussion tabled.	Deferred until new Bylaws recorded with Tulare County.
14- Water Rates Review	Water rate review will be discussed at the February 22, 2023, Board of Directors meeting.	The cost of water for shareholders in 2022 will be reviewed at the February 22, 2023, Board meeting. A new budget presented by Director M. Pliskin and possible decisions made by the Board on a new rate schedule.
15- Emergency Disaster Plan	Deferred	Deferred
16- Bookkeeping Service/ Financial Reports	Director M. Pliskin ended SFEMWC's relationship with All That Bookkeeping on January 9, 2023. Howells Bookkeeping Service will be handling SFEMWC accounts starting immediately. Unfortunately, due to illness, the 4 th quarter invoices will be delayed until early February. End of 2022 year financial statements to be reviewed ASAP.	Director M. Pliskin notified all shareholders (via email or first-class mail) of the delay in billing. Financial reports will be reviewed as soon as possible.
17- CPA Financial Review	Review on hold – need to get our finances in order with new bookkeeper before proceeding with review.	Informational item.
18- SFEMWC Credit Card	Director M. Pliskin was informed by Bank of Sierra that SFEMWC needs to have a physical street address for a credit card. A PO Box address is not acceptable.	Informational item.
19- December/January Operations Report	All water tests for December/January were negative. Written report not available.	Informational item.
New Business		
Annual Shareholders Meeting	The annual meeting with all shareholders is scheduled for March 11, 2023 at Harrison Hall at 9:00 AM. Board members should arrive at the hall at 8:00 AM to help set up.	Director M. Pliskin will send out notification of the Annual Shareholders meeting along with a proxy voting ballot 30 days prior to the March 11, 2023 meeting via first-class mail.
Next Board of Directors Meeting	The next Board of Directors meeting is scheduled for February 22, 2023 @6:30 pm at Directors M. & P. Pliskin.	Information item.
Adjournment	Meeting adjourned at 8:21 PM	Informational item.