

Annual Shareholder Meeting Minutes

May 25, 2014

8:30 - 9:45 Shareholder Registration

12:30 -1:00 Registration Continued

Call to Order: Michael Lechner, President at 1:00

Pledge of Allegiance: All

Invocation: Ray Coyle

Welcome / Introductions: Michael Lechner introduced all members of the Board.

President's Message: Over the past year our goals have been to continue to provide the level of service that has been provided in the past. We feel we have been exceedingly successful. Specific details on service delivery will be given by each Director in their reports. While our caretaker was out for 2 ½ months as a result of a non-work related disability, four resident board members spent a huge number of hours fulfilling the needs of the Park and ensuring that the services we needed were provided. Bill and Heidi Ordwein and Yvonne and Friedhelm Peter received heartfelt applause.

The Fish Derby is set for June 14th and we need volunteers to measure fish and assist with the hotdog lunch. We are accepting cash donations to assist with the expense of the Derby.

We are planning a 4th of July potluck and pickup baseball game this year. There will be more information to follow.

We had movie nights and Bingo nights. The goal of these events is to build a sense of community. Look in upcoming Newsletters for more of these events this next year.

This has been a challenging year. All of this year's board members have gone above and beyond in their service to the Park. We are seeking a new influx of people to serve on future boards to make sure the park continues to be run as we want it to be. In the months ahead, your new board will be developing a succession planning tool. Property owner input in this matter is most welcomed.

Marianne Gennis was introduced as Sierra Park Service Company's Webmaster. She created and maintains our website, www.sierraparkservices.com. Michael thanked her for all her expertise and commitment to helping keep everyone informed.

It was noted that Cal Fire will be inspecting lots to make sure all lots with dwellings are cleared of pine needles and other fire hazards. Lots that do not meet Cal Fire standards will be given a warning and possibly cited if not brought into compliance with code requirements.

Pictures taken by a park resident were handed to Michael. They showed ashes dumped next to a log on the ground in the old campground. Fortunately no fire ensued. Michael made two comments: 1) we do have an ash barrel near the trash bin for fire waste disposal; please, please use it, and 2) if you see any unsafe conditions as you enjoy the Park, call it to the attention of a Board member right away. .

Director Reports:

Vice President - Heidi Ordwein deferred to Michael who reviewed the Voting Procedures, which were identical to the ones used in the Sierra Park Water Company Inc. Annual Meeting earlier today.

Secretary - Wanda Lenhardt. Over the past year we have prepared and distributed 10 Newsletters. Wanda thanked Susie Lechner for her assistance in putting the newsletter together. She also thanked her own family who has been helping to prepare the newsletters for distribution.

We have sold 183 shares of stock and have 179 active shares outstanding. Lot mergers and lot sales account for the difference between the numbers. .

Caretaker's Report - Heidi Ordwein. Preparation of the Park for the summer has been completed with new floats in the lake, two handicap accessible porta-potties were installed, and general maintenance has been performed.

Many thanks to Yvonne Peter for assessing the needs of the Park and ordering updated and safe equipment for Park use.

Roads - Heidi Ordwein. Road Work will begin May 27, 2014. The first week cracks in the road will be filled, and a topcoat will be applied the second week. The areas of the Park to be done this year are Sarah Circle, Rebekah, David and Goliath. Signs will be posted and residents are requested to cooperate with construction crews and drive safely through work areas. There should be minimal impact on residents but there will be slow downs and, and where necessary, detours.

The road work is being done this summer instead of the usual fall schedule, due to the impact of the Rim Fire that postponed last year's work. The weather temperatures last fall did not allow sufficiently constant temperatures to do work without cracking the new seals.

This is phase 2 of 4 phases of planned work. Now that gate is being moved the sign will be moved as well and the letters will be replaced. We are looking into signage warning people that there is a gate there. New "Children at Play" signs have been permanently placed near the playground. Drivers need to be aware of children. If there are any other ideas regarding signs that are needed around the Park please let us know.

Gate - Bill Ordwein. The gate is being relocated due to complaints made to CalTrans by two property owners. Efforts were made to resolve the matter but CalTrans ultimately just wanted the gate removed. The OFSRA is moving the gate to their property. The gate will continue to be owned by the OFSRA. When the gate goes back in all of the system's functions will be restored. The old cards and remote controls will continue to work. It is anticipated that the installation of the gate will be complete within about a month.

A question was asked as to whether the old surveillance system would be reinstalled. The information recovery system will not change. Upgrading the system would require internet connections and we do not have them. A question was then asked regarding whether any progress has been made in getting better internet for the entire community. Bill said that efforts are being made to improve internet service with Sierra Nevada Communications. A question was raised regarding who made the complaint about the gate and who has to pay for it. The complaint stated that "We are being charged to access our property." With the new gate location, there will be no money budgeted for SPSC to maintain the gate. It is anticipated that the gate will be supported through the purchase of card keys and remote controls from residents who choose to purchase extra devices. Concerns were voiced regarding the road between the gate and Highway 108 and whether it will be maintained and kept open during winter months. Discussion followed. Should these concerns become a reality it might be beneficial for property owners to contact CalTrans directly to obtain assistance in maintaining the road.

Equipment - Yvonne Peter. We have kept the equipment serviced. Five years ago we replaced the tractor with a used tractor and it is not doing well. We need to purchase one in the future. Bill Ordwein and Friedhelm Peter researched this and found that a new tractor could be used as a piece of secondary snow removal equipment in addition to all of the other things it is typically used for. The Sand Shed needs repairs as it is bulging and needs to be fixed this year.

Buildings /Common Areas - Yvonne Peter. The piers in the lake need to be taken care of. They have been mended for now but the wood needs to be replaced in the future.

This year PG&E came in and trimmed approximately 86 trees in order to protect the power lines.

The bridge that is located on the South side of the lake has been blocked and warning signs posted, "Do Not Use." Various attempts have been made to keep people off the bridge but no matter what is done people continue to walk on the bridge. Yvonne said that she and Heidi Ordwein approached the OFSRA Board to request

their assistance in repairing or replacing the bridge. OFSRA did not feel they had the funds to assist with this but did decide to remove the existing bridge to prevent someone from being hurt. If the bridge is not replaced at the time the old one is removed we will not be allowed to replace it.

Someone else questioned what the plan was for a different bridge, the bridge on West Jordan Way, which is also unsafe. That bridge is also not to be used and yet Michael Lechner noted that he had found children on it within the last week.

Discussion followed and one person stated the OFSRA should not have to pay for everything in the Park. A recommendation was made for an additional vote regarding the bridge to be held at the end of the meeting. Further discussion pointed out that in an emergency, such as a fire that blocked exit from Jordan Way East, that bridge would be the only way to get to Wheeler Road and out of the Park. It is an escape route that people could use if the main roadway was blocked.

One person inquired about what happened to the OFSRA reserves that were created by everyone's assessments. It was stated that those reserves were used to run the park when the funds that had been paid were not forwarded to the OFSRA to maintain the Park. Some of that money was returned to property owners. Someone else recalled that the OFSRA loaned money to property owners for the purchase and installation of the playground equipment that is currently in place. Would the OFSRA allow a loan again? Someone suggested getting a cable bridge.

It was suggested that we ask the OFSRA to delay the removal of the Jordan Way East bridge until we can figure out how to replace it. If we do that, we have to find a way to keep it safe and keep people off of it. It was decided that the discussion regarding the bridge and a possible vote would be tabled until after the budget and the Board of Director's elections were complete.

Health/Safety - Yvonne Peter: Handicapped accessible porta-potties have been obtained. A question was made regarding whether Cal Fire provided any reimbursements for the Rim Fire. We billed for the water and things like the shingles that came off the roof of the well house and Cal Fire paid for those expenses.

Recreation - Michael Lechner. Susie Lechner has volunteered to coordinate recreation activities in the next year.

Treasurer - Bill Ordwein:

2013/2014 Financials were reviewed. There are 40 property owners who either have not paid their bills in full or not paid at all. The consequences of these unpaid bills was that certain building repairs, i.e. the sand shed could not be done due to a lack of funds. The Board is committed to pursuing full payment from the delinquent accounts but we must wait until the legal case filed by the OFSRA is resolved. Someone wanted to know when those who have resolved their portion of the lawsuit with the OFSRA lawsuit will have their names removed. Questions regarding the litigation with the OFSRA need to be directed to the OFSRA. Someone asked what would happen if the OFSRA lost their lawsuit. Bill explained that even if that happened it would be better to know it before we filed a subsequent lawsuit. The SPSC has tracked close to the budget this year. The budget last year was approximately \$254,735 and the proposed budget for next year is \$266,873.

The needle disposal was discussed. Efforts are being made to look into selling our pine needles to a cogeneration plant to help offset the cost of their disposal.

The money that is budgeted to be collected from the SPWC is less than the SPWC has budgeted to pay for easements. The question was raised regarding why? The SPWC pays easement fees to both the SPSC and the OFSRA and the total amount therefore is not reflected in the SPSC budget.

The 2014/2015 Budget was reviewed.

Voting on the Budget: A vote on the 2014/2015 budget was called for by President Lechner. Wanda Lenhardt reported a quorum has been established as we have 107 shareholders represented either in person or by proxy. As noted earlier, we have 179 shareholders. Ballots were completed and collected.

Election of Board of Directors: Michael Lechner introduced Mark Logan who is the only non-incumbent running for the board. Mark shared his background with those in attendance.

A vote for the Election of Board Members was called for. Ballots were marked and collected. Once tabulated, the SPSC election results will be posted on the bulletin board of the Recreation Hall.

Voting Results from the SPWC elections were presented. The proposed 2014/2015 budget was overwhelmingly approved. All candidates for the SPWC Board of Directors were voted in.

Bridge follow-up: The discussion regarding the bridge on the South side of the lake resumed.

Phillip Barthman made the following motion; “There will be a \$50 line item on the bill per property per year for the next two years for bridge repair. A loan will be requested from the RA which will be repaid within two years. All efforts will be made to explore additional funding sources.” Brian Barber seconded the motion. Shareholders were instructed to use the “A” portion of their ballot to vote regarding Phillip Barthman’s motion. Ballots were completed and submitted.

The Sierra Park Services Annual Meeting was adjourned at 3:02.

ELECTION RESULTS:

The SPSC’s proposed budget for the 2014/2015 fiscal year was overwhelmingly approved with a vote of 102 votes for and 1 vote against.

All of the candidates for the Board of Directors were elected with the following votes received:

- Michael Lechner 94 Votes
- Bill Ordwein 95 Votes
- Heidi Ordwein 94 Votes
- Wanda Lenhardt 95 Votes
- Mark Logan 95 Votes