

Westside Water Association Newsletter – November 2016 Edition

“Twas a dark and stormy night and the rain was falling in lumps, and the cap’n said tell us a tale and the tale she goes like this. Twas a dark and stormy night...” Fall has come and with it record breaking rains. A “La Niña” pattern with cooling surface sea temperatures has emerged this fall portending a colder and stormier start to 2017. So a reminder to check your outdoor plumbing as winter approaches. Even with 2016 going on record as the hottest ever, freeze conditions are likely in the days and months ahead. Make sure all your exposed plumbing is protected or drained for the winter.

Board News

As promised, your board has followed through with reviewing the New Capital projects and the Capital Asset Replacement projects for the year.

New Capital projects

Of course, the most significant addition to the capacity of our system was the drilling and putting in service the 2nd Anderson well (known as “A2”) and subsequent acceptance by the Department of Health of the two Anderson wells as a “well field”. This well field has become the primary source of supply for our system with the Canyon Pump Station (well points only) taking a minor role on a daily basis. Everything continues to work as anticipated and we are pleased to evaluate this project as a wise investment in our quest for reliable and safe drinking water. In addition, the WWA board is very appreciative of the 25% of members who were able to make full assessment payments for this project thereby enabling us to repay our loan more quickly and reducing the loan servicing costs to every Member.

Capital Improvement Plan projects

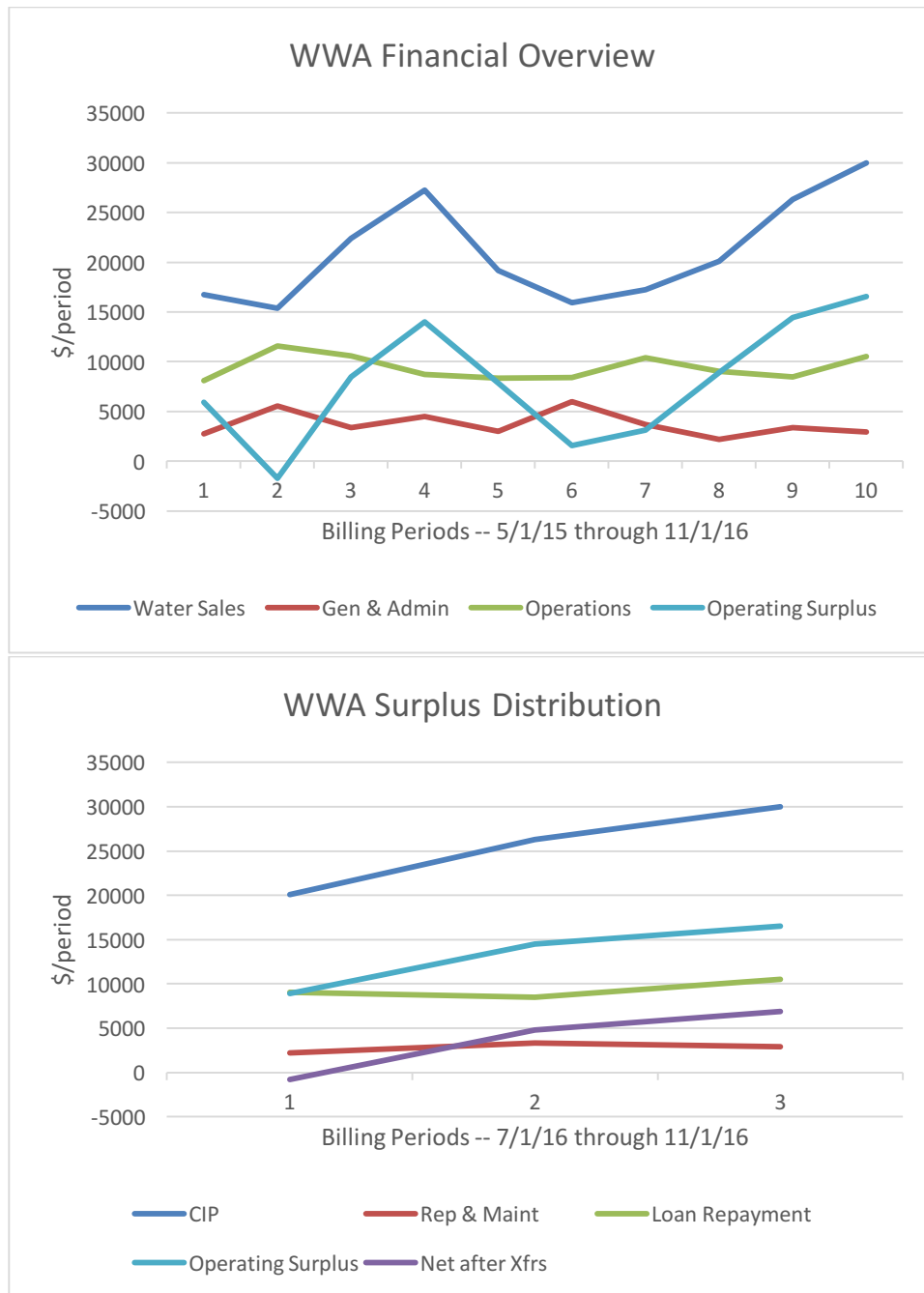
The Board has been evaluating the priority of Capital Improvement Plan (CIP) projects. These projects are major investments made to replace depreciated components in the system and to reduce actual maintenance costs due to such components having an unexpected failure. The current CIP schedule is posted on the WWA website and the board continues to look at that plan on a regular basis to evaluate the correct tradeoffs for the association.

WWA Financial status

We are on track in accumulating the funds needed for future projects. Our present balance sheet is strong and as recommended by and promised to the membership, we have divided this money into separate accounts (current balances as of end of October):

1. Operations. The current balance of this account is \$28,000 with an additional accounts receivable amount of \$24,000 from the Sept/October billing.
2. Emergency Reserve. This reserve fund balance is \$30,000 in accordance with Department of Health guidelines.
3. Capital Improvement Plan reserve. This reserve is funded at the rate of \$2,500 per month from water sales and the balance is currently \$18,000.

4. Maintenance and Repairs reserve. This reserve is funded at the rate of \$1,020 per month and the current balance is \$5,500.
5. New Capital Assets. The outstanding balance on the Communities Unlimited loan is \$23,000 thanks to 58 members prepaying their assessment. The lender also requires the association to hold \$11,500 in reserve against this loan.
6. From an operating perspective the graph below shows the association's sales, expenses and surplus/deficit for the last 10 billing periods



For those of you who elected to have the assessment for New Capital Assets spread out over multiple pay periods, your bill shows a \$16 assessment. Individual excise tax is also being applied to each member with the amount reflecting the use by that member.

New Leak policy.

"If a Westside member becomes aware of a leak and takes prompt action to the satisfaction of the Manager to address the leak, an adjustment to their water bill will be made. The adjustment will compare the last two years of usage for the same use period to establish a base line. Water use in excess of the base line will be charged at the lowest tier rate to a maximum of \$300"

We have put examples of the application of this policy on the website. Speaking of which if you haven't already done so please check out the new look at <http://westsidewater.org/>.