

Mill Creek Summer Home Improvement Association

Annual Meeting July 1, 2006

The meeting was called to order by President Russell Young.

The salute to the Flag was led by President Russell Young.

Roll call of Board members indicated that all were in attendance. Appointed officers Blanchard Rogers, Treasurer Homeowner Association and Jack Major, Associate Treasurer were present. Also present the new Mill Creek/Lassen Mutual Water Board.

Homeowners in attendance were asked to sign in with the secretary and receive their ballots and new roster. If you have a proxy please bring it when you pick up your ballot, you will be requested to sign as proxy on the register. The results of the voting will be given at the end of the meeting. If you have any changes to the roster you were asked to fill out a form. If the information is not on the form it will not be corrected in next year's roster. Please contact Shirley Boracci, Secretary at 6136 County Road 20 Orland, CA 95963, phone 530-865-2306 or e-mail sboracci@yahoo.com with your changes or go on-line at millcreeklassen.com.

New cabin owners were welcomed. Jim and Sondra Runyan cabin 135 and Bruce and Paulette Geveden cabin 13.

A moment of silence was held for our departed cabin owners. Walt DeBolt, Dale Green and Frank Gonzales were remembered.

The minutes of last year's Annual meeting were mailed to each cabin owner.

Treasurer's Report:

Blanchard Rogers report was given as follows:

Checking account	\$ 4,001.83
Savings account	<u>85,665.84</u>
	\$89,667.67
Received on July 1 st	<u>2,000.00</u>
	\$91,667.67

Expenses included liability insurance, supplies, postage, water tests, repairs etc. totaling \$9,558.05.

Acknowledgement was given to three Board members leaving the Association this year; they are Frank McCaughey, Jude Tarrant and Jerry Ellsworth. Those nominated for a three year position are Fleet Irvine, Joe Klein, Dick McCully and Howard Wolff. Each candidate was asked to give a one minute speech.

At this time, there were several comments from the audience and those speaking who did not use the microphone their comments are not recorded. Jim Davis asked each prospective board member their thoughts on clear-cut logging. Each candidate said they were against clear-cut logging and thought that the fire break could be completed with thinning.

Frank McCaughey, Jude Tarrant, Jerry Ellsworth and past board member Jim McDaniel, each stated they appreciated the support of the cabin owners.

Old Business:

Frank McCaughey gave the following information on the fire break. It has been approved by the Forest service. The crew will be working through the summer. They will be doing a shaded fuel break. Funding came from Tehama County RAC committee and the Forest Service. It is planned to have the fire break completed before the snow falls.

Terry Neher reminded ALL cabin owners to comply with raking their yards and either burning or hauling away the debris. We are still subject to cleaning our lots and may be issued a citation if it is not completed. The deadline for this was June 30th. The regulations are to clean 100 feet around your cabin or to your property line. The "Lifetime" fire permits that were issued are no longer good. You have to get a new permit every two years. You can get a permit from Terry, CDF in Red Bluff, the station in Mineral or in Chester. You need to call the 800 number that is listed on the permit to see if it is a burn day. At this time, you may still have a recreation fire and use chain saws. The chain saw needs to be equipped with a spark arrester.

There are a couple of cabin owners that have not complied with the septic replacement requirement. Those owners will be contacted by Tehama County if they do not bring their septic into compliance.

New Business:

The Association at this time does not have a budget due to several mitigating factors. We do not have a background to set a budget but President Russell stated that we will have approximately \$114,481.00 (\$30,681 existing funds, \$60,000 from escrow and current dues of \$23,800) working capital for the next fiscal year. The expenses are more difficult to project. Two major expenses are the repair of lower Ash where the winter storms damaged the road and the cleanup of the common areas. We do not know the cost of these projects. Due to work parties not working, we need to hire the work to be completed. The request of \$200 to the Association and \$500 to the water company is approximately the same as what we have paid to the Forest Service in the past, so there is no additional expense to the cabin owners for the next fiscal year. The first year is always the hardest to project what the expenses might/will be. Next year we will have a background to fall back on and will be able to have a proposed budget to work with.

The meeting was opened to questions and comments.

John Dolan cabin #12 - stated that a bill was sent out for \$200 and there is no financial data to back it up. A financial report needs to be done in paper and ink and passed out to the members. He stated that he was worried about the financials of non-profits and that a recent event in Santa Rosa a person took off with \$200,000 not that we have that much but it still was a concern. He stated that unless you have tight fiscal control of non-profits they tend to be kind of sloppy and he said he was a treasurer of a non-profit for a long time and he was kind of sloppy. He stated that we need a proposed budget, a report on what happened last year and a proposed budget as to cost. Jude Tarrant tried to explain the situation of the budget. First the financial report is from when we were not a land owner and not responsible for things that we are now responsible for. We had damage to one road but we have not been responsible for rebuilding roads so we don't know how much it will cost to replace it. After we fix the road we will know the cost and be able to include that in a budget for next year. We do not know what the cost will be to hire a crew to keep the common grounds clean. Next year we will have the figure and will be able to include it in the budget. After this year we will have a good handle on the expenses and will be able to propose a better budget. For the last fourteen years we have been stating there would be costs, we knew they were coming and now we have to deal with them. It may

be in a year or two that we say it costs less or more and will have to make adjustments to the annual fee of \$200.00.

Jim McDaniels - questioned if we had filed with the Franchise Tax Board because it affects our non-profit status. If a tree comes down how can we sell it?

Matt Pendergast "I have never seen a more outstanding, upstanding, honest Board than we have now. This Board has bent over backwards to keep costs as low as possible. What Jude commented on is true, we don't know the costs but we do know that we will have some major expenses. Commented on the major storm that did major damage to lower Ash and how he cleaned ditched and diverted water to help protect your cabins. None of the Board members get reimbursed for their gasoline, time off from work they do it because they love this community. One person that takes a lot of abuse is Terry. He takes time from his business to check the water system, a cabin owner wants him to check something, and he does it at no charge. If you have a question about the Board, water system or anything, ask a Board member, not Terry. That is what you voted a Board for.

Molly Bell Cabin #58 - What kind of security system are we going to have and are we going to have our own fire department?

President Russell - The fire department is the volunteer fire department which Terry is in charge of. The county sheriff would be the police protection.

Election of Board Members:

The new Board members elected are Fleet Irvine, Joe Kline and Dick McCully.

Signs:

Matt Pendergast has the new road signs for our area. When our area became private property Matt researched the California Vehicle Code to protect, keep and enforce the area as close to the same as possible. Vehicle Code 211107.5 will allow Tehama County, State of California and Department of Forestry to continue to enforce vehicle codes in our area. Included are speed limit, abandon vehicles, motorcycles without helmets, quads are all now enforceable.

Announcements:

The Board recommended an annual picnic on Labor Day. Art Sugden moved that we spend approximately \$1,000 in partners with the Water Company to provide the meat for the picnic. Motion second by Cabin 66. Motion carried.

Terry said the 20th Annual Pancake Breakfast will be held on Sunday morning from 8am to 11am. Each year this event has grown and is better than ever. Several cabin owners have donated prizes. The raffle is \$1.00 per ticket or 6 for \$5.00. There will also be an auction. Set-up of the tents, tables and chairs will be tonight at 7:30pm.

Thanks for your support of the Post Office. It is what keeps Hwy 172 open during the winter months. Please continue to support it. You can have stamps mailed to you free of charge.

Parade will be held at 9:30am Sunday morning, forming at cabin #11.

Amy Webster announced that our new web site is up and running at www.millcreeklassen.com

If Terry has keys to your cabin and you want him to give them to someone to do service at your cabin, you need to let Terry know beforehand. He will not give your keys to anyone until he hears from you.

The meeting was adjourned.

Submitted,

Shirley Boracci, Secretary
Mill Creek Summer Home Improvement Association

If you have a change of address, phone number, etc. please send to Shirley at the address below.

Shirley Boracci, Secretary
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Email sboracci@yahoo.com
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Check out our web site www.millcreeklassen.com