



**BOARD OF DIRECTORS
OPEN MEETING
SATURDAY, JANUARY 14, 2023
AMERICAN LEGION HALL IN McCLOUD
10:00 AM**

A. CALL MEETING TO ORDER

1. **Establish Quorum:** At 10:13 quorum was established with 3 Board members present: “Steven” Rodney Hobson, 1st Vice-President and acting Secretary, Richie Fesler, President, Karen Burridge, Treasurer.
2. **Approve Agenda:** The 3 BOD members made a motion to move an item on the agenda: The vote and appointment of 2 vacant board of director seats to become the BOD’s first priority. The motion was approved. Richie summarized the BOD’s recent actions on this issue: 8 members were interested in becoming a BOD member. A meeting was held 12.17.22 and all candidates were invited to attend for an interview: 5 rsvp’d they would attend. One candidate had a medical emergency and could not attend the interview. In total, 4 candidates were interviewed. After the duties and commitment were explained to all, one additional candidate withdrew. At the conclusion of that meeting 3 candidates were selected for today’s meeting to fill the 2 vacant BOD seats. The candidates are Uri Driscoll, Felicia Aisthorpe, and Chris Farley. Based upon information from the interview on 12.17.22, each BOD member stated their selection to the group. Karen chose Uri and Felicia, Steve chose the same, as did Richie. A motion was made to officially accept them as new board members, and seconded. Uri was in attendance, and Felicia had a family emergency and could not attend the meeting today, but she was selected regardless. The new BOD members were officially welcomed with hand clapping.

Previously, the BOD has elected BOD seats at 2 different intervals to preserve continuity and avoid all 5 BOD seats being vacated simultaneously. Richie stated that per the CA Corporations Code and the POA attorney’s advice, an election of all 5 BOD members needs to occur in July, 2023 because an election did not happen in 2022. As a result, all BOD members need to be reelected in order to preserve BOD members staggered time limits. At this time seats on the BOD have 2 different term lengths: 2 years and 1 year. At the election, the 2 BOD members with the most votes will serve 2 year terms, while the three remaining members having the least votes will serve 1 year terms. More details will be available before the next BOD meeting on this issue. The information will be provided 90 days before the next election, prior to April, so that interested candidates not on the Board today can have a chance. Discussion occurred regarding legal policy and procedures. It was mentioned that Karen desires to step out as Treasurer, and the BOD is looking for skilled candidates for her seat. Richie stated that this current BOD prefers that the membership elect new BOD members rather than the BOD appointing new directors, therefore, member involvement is critical throughout the election process.

B. SECRETARY REPORT

1. The minutes from the last meeting on 10/15/22 were approved: 3 directors voted to approve with Uri abstaining as he did not review the minutes.

C. FINANCIAL REPORT:

1. **Financial activity, cash accounts receivable and expenses by vendor:**
Current Edward Jones account value \$345,291.33. In 2022 we sold 10 lots for a total gross sale of \$484,000.00. January deposits for 2023 association dues \$97,478.30.
2. **Checking account activity since last board meeting:** Current checking account balance as of 1/12/23 \$304,004.65 and \$107,686.66 in the major road improvements fund for a total of \$411,691.31. Checking account activity since last board meeting besides monthly checks issued for rent, telephone, administrative assistants, office supplies, kerosene Aaron Richardson – 2022 Fall maintenance \$54,004.00 Insurance - \$2,084.00 CPA – Annual review & financial statements \$11,750.00 Hitchcock Construction – November snow removal \$8,754.01 December snow removal \$36,316.30 Advantage Paving – Mt Shasta Dr \$184,500.00 Nor Cal Presort – Printing and mailing of year end packet \$2,098.68.

3. **CPA prepared financial statements as of 12/31/21:** CPA prepared financial statement and recommendations were included in the year end packet which was either mailed or emailed to all members.
4. **Comments and recommendations of internal controls:** Provide support for all expense reimbursements Establish a detailed property records – office equipment, etc. Ensure the Reserve Fund is adequately and timely funded – in 2023 the fully funding contribution is \$67,200 which we will fund \$16,800 quarterly and plan to pay it in full once we have received the 2nd installment of dues. Maintain a complete and accurate inventory of all real estate lots with supporting docs of all transactions for that lot Update procedure manual at least annually Adhere to 2 signature check policy.
5. **Report mailed and emailed as part of the annual packet:** The annual packet with the budget included was made available to members: There was time for discussion and questions from the group. See technology Committee report.
6. **Proposed 2023 budget:** Annual budget for 2023 We have 7 lots that are still in litigation and we hope to have those lots in our possession in 2023. We will then clean the lots and list for sale Budgeted \$260,000 for minor and major road improvements Budgeted \$53,500 for professional fees which includes CPA, attorney, etc. Budgeted \$72,464 for general and administrative costs.
7. **Vote to approve 2023 proposed budget:** After discussion, the proposed 2023 budget was approved by all 4 BOD members.

D. CORRESPONDENCE

1. Regarding letter from Doug Uhlik Lot 1-M-1: A lengthy letter and email from Doug was read, at his request, to the attending group suggesting a change from the POA's current operation to a management by a management company. The chief advantage would be that BOD members would have a more manageable, less burdensome work load and greater longevity serving on the BOD. The disadvantage might be an increase in dues for each member. Doug was present at the meeting. A discussion occurred regarding this business model. Less than 50 members live year-round in the POA. Nick's name was mentioned as a negative experience. Steve mentioned the idea of an association manager who lives in the POA as an alternative, because such a person would be invested in the POA's interests. He also stated that there are no property management associations that understand the POA's needs closer than San Francisco. Available management firms are not local. A study and survey of the members opinions was discussed. It was suggested that a job description of such a manager needs to be developed, and from that description costs would be able to assessed. Richie stated that it is better and more appropriate that such a manager or company needs to be local because they understand the POA needs best; that is a requirement in city, county and state jobs. Steve informed the group previous BOD research revealed that the non-local management companies informed the BOD that their response time would be 7 days for emails, phone calls, or any POA needs such a fallen tree on the road. This response time was felt to be unacceptable. Much more discussion occurred and will continue.

E. COMMITTEE REPORTS

1. **ROADS COMMITTEE REPORT:** Richie reported that work on Mt. Shasta Drive was completed. Patches to all paved roads was completed. Due to a flash flood in August 2022 and a general lack of maintenance during recent years, much work was needed. All POA culverts were evaluated and cleaned at a cost of \$50K. Two 24-inch culverts were replaced: one on Esperanza in unit 4 and one on Widow Springs & Lava. Rock that was not in the right position on Snowline was removed and re-used on Red Fir and Fumerole to better support roads for the wet months. The road committee will start in early spring to solicit bids for road work in 2023. A focus will be more drainage work, removing trees, brush, rock. Rock on several roads that has made the roads undrivable will be removed and used on other roads. A chip seal of one road is being planned, most likely an entrance road from Pilgrim Creek to the intersection of Winton and Hotlum. Repairs on Widow Springs is also being considered, depending on costs. Maintenance on roads in unit 3 has been neglected for too long; the committee plans to focus on that. Discussion occurred regarding roads within the POA including how to minimize dust.

ESPERANZA: Richie stated this road is a “nightmare.” Issues are compounded by weather: normally, the road is frozen at this time of year, but rain has made it soggy and exacerbated the road condition. Since the meeting when Carolyn from the Forest Service took over responsibility for coordination of the maintenance of this road, nothing has been done. Washington DC is now in charge. The POA does not own the road and is only allowed to grade it. The POA has gleaned 2 facts from the Forest Service since the last meeting: an admission that it will cost millions to build a road, and that the wrong material was used on Esperanza which resulted in the dust problem.

Richie has been researching what the POA needs to do to build a road. Based on his communications, Richie believes that the Forest Service isn't going to be able to accomplish anything they promised. To date, weather hasn't allowed the POA to grade Esperanza; it is too wet. Grading the material on the road would result in soup. Hitchcock will come and do a gentle grade of the road and fill in most pot holes as soon as a break in the weather occurs. The second step [weather cooperating] will be a deep grade and roll to get the POA into spring. The POA can put rock down at a cost of 20-30K, but it will not be effective in any way. Richie stated that the BOD needs to discuss and decide what maintenance level is the POA willing to commit to keep this road at, and what are we willing to pay for that. The POA has spent 20K so far on Esperanza. The cost budgeted for Esperanza at this time is 100K per year for the POA. The POA needs at least 1 week of dry weather to do something to give members driving the road relief. The POA is brainstorming about how to work with the Forest Service to come up with a viable plan.

The BOD is advocating a letter writing campaign to the federal government in Washington DC because the POA has been abandoned. All plans made at a special meeting in 2022 with the Forest Service did not get accomplished. Esperanza is being maintained as a class 2, high clearance, 4-wheel drive road, and if that is even happening is debatable. Class 3 is semi-maintained for auto, but not paved. Class 4 is usually paved with pot hole, wash board ripple, tree down, attended to. Class 5 is always paved. Richie feels the POA needs to settle for nothing less than class 4, preferable class 5 road. Richie clarified that whatever the POA puts on the road to make it passable now will be removed [and taken away] when the paving occurs in the future. Additional detailed discussion occurred. Much frustration was expressed. Richie stated that for now, the best use of the POA monies is to grade it twice *when the weather breaks* as a temporary fix until spring. Meanwhile, the BOD needs to decide what the best use of the POA monies is when repairing a Forest Service road.

A letter writing campaign was discussed and a member offered to write a letter to send to government officials. Richie will find out who such letters should go to: he will try to get information from the Forest Service. A three-person committee named "The "Esperanza Letter Committee" was formed to get the campaign started with Uri in charge. Richie will continue to be the liaison with Carolyn at the Forest Service, who is the only government person working with us and for us. Other users of the road will be recruited for the letter writing campaign.

2. FIRE SAFETY COMMITTEE

CalFire completed the 2 leanto's covering water tasks that were planned in 2022.

3. DRC COMMITTEE

Steve stated a member complained about the BOD allowing an illegal fence. He clarified that in the DRC's two types of fences are identified: pet and perimeter fence. However, nothing in the DRC's differentiates pet and perimeter fencing from each other. As a result, the BOD had no choice but to allow the member to have his horse fence on his perimeter. Additionally, the individual stated that the previous BOD had verbally approved the fence. Additional lengthy discussion occurred about the DRC Committee's authority v. County authority. The BOD welcomed new members for this committee because they need more help. No new construction requests came in to the committee since the last BOD meeting for approval.

4. TECHNOLOGY – COMMUNICATION COMMITTEE

Steve stated that the BOD was using email more often to send invoices and information to members. Discussion about the website occurred: Barbara Lamb stated that the website is out of date and people keep calling her, and sending her information, thinking she is still President. Steve acknowledged this issue and said he would work to resolve it. She is frustrated and suggested that perhaps a note can be put on Facebook as most members look there for POA information. Even though she is no longer on the BOD, she is having to listen to members complaints about various issues including no recent agenda's posted on the website or Facebook, and no minutes posted on the website since the last meeting in 2022. Steve acknowledged this was true. Barb stated she used to post the agenda on Facebook, and members were accustomed to it. She recognized the BOD has been working with only 3/5 board members and needed more people to get work done. She has been listening to complaints from frustrated members on this issue, and redirecting members to the office since she is no longer on the Board. Steve stated they were only approved at today's meeting. Richie stated that when Barb was President, the BOD handled the minutes differently: he stated that it is legally sufficient to have minutes typed and stamped "DRAFT", and to circulate them among

members until approved at the next BOD meeting. More discussion and some cross talk occurred, with Richie stating that the BOD did things a bit differently when she was President, and both ways are legal.

Additionally, posting of audio recordings of the Board meetings on the website was discussed. Steve stated that according to Davis-Sterling, that is inadvisable for many legal reasons; therefore the BOD decided last year not to post these audio recordings on the website.

5. EVENT PLANNER COMMITTEE

No report from this committee. Uri and his spouse, Christine, volunteered to be on this committee.

6. LEGAL COMMITTEE

Karen Burridge took over the liaison position with the attorney when Barb Lamb recently resigned from the BOD. The last communication with the attorney was regarding the 7 remaining lots in litigation: the attorney hoped that these lots could be prepared for sale in 2023. Karen stated that in 2022, the attorney was paid \$58K, but only \$26K was spent. That amount is approximate as a few December invoices are outstanding because they are not received in the office yet. In 2020 the POA spent over \$200K on attorney fees. Steve stated that spending only half of the budgeted amount was a great improvement for the POA, and potentially this money can go to road repairs. Brief discussion occurred.

F. OLD BUSINESS

1. **Snow plow agreement for 2023:** Richie stated that due to inflation and increased cost of gas, plowing is significantly more expensive than last year and this is reflected in the new contract which was finalized in early December 2022. The cost per hour is \$200. Last year, the total cost was \$36K for plowing. This year the budget has planned \$120K for plowing. This winter, plowing started early. Discussion occurred because plowing costs are only as predictable as the weather. Richie stated the snowplowers are doing a great job.

A disturbing phone call was received from Pam Hitchcock regarding the plowing: the snowplowers reported getting yelled at, things thrown at them, and slandered on Facebook by members. Pam threatened to “pull the account” if such behavior continues. **Richie stated that if the Hitchcock account is lost, the POA has no alternatives: there are no others capable of plowing the POA roads.** Richie stated that these five members need to be informed of the consequences of their behavior and their names will be made public if the behavior doesn’t stop. The BOD discussed meeting with these members to explain the situation to them and why berms end up in their driveways. Berms are a fact of life and to be expected anywhere in Siskiyou County or wherever snow exists. Richie clarified that each members responsibility is to manage snow, including the berm in their driveway, from the bottom of their driveway and on their property. Members are expected to be kind and courteous to overworked snowplowers. In response to Pam’s complaint, Richie told Pam that the POA would post a notice to members explaining the latter and setting expectations of more respectful behavior and it would be addressed at today’s meeting. It will further be addressed in the subsequent Executive Meeting today. Richie will email a document “The Code of the West” for Steve to use in his website posting regarding this issue. **A member stated that she felt these individuals need to be addressed personally, and it needs to be explained to them that they are putting the entire POA in danger with their behavior.**

G. NEW BUSINESS

1. **Election of board officer positions:** This was addressed earlier in the meeting.
2. **Appointment of board officer committee chair positions:** All positions/roles of the current Board members were up for election. Steve nominated Richie for the position of President, it was seconded by Karen, and Richie accepted the Presidency. All BOD voted affirmatively. Richie nominated Steve for the position of 1st Vice-President, it was seconded by Karen, and Steve accepted. All BOD voted affirmatively. Richie nominated Uri for the position of 2nd Vice-President, it was seconded by Steve, and Uri accepted. All BOD voted affirmatively. Steve nominated Karen for the position of Treasurer, it was seconded by Steve, and Karen accepted. All BOD voted affirmatively. Regarding the Secretary position, Richie nominated Felicia, but she wasn’t present to accept, so that decision will be delayed until

the next BOD meeting. Steve will fill in as acting Secretary until Felicia is able to accept at the next meeting. Richie will speak further with her on Monday about this.

Next the appointment of committee chairpersons was completed: The DRC committee is co-chaired: Steve and Richie are sharing this responsibility. Becky Langum continues to serve as a member of this committee. Technology Committee chairperson is: Steve. The Event Planner Committee chairperson is: Uri, and Christine will be instrumental in accomplishing most of the work. Some discussion occurred regarding possible events to create a sense of community. The Legal Committee chairperson is: Karen. Fire Safety Committee chairperson is: Uri. Some discussion occurred regarding the responsibilities of this committee. While it is not a committee, Richie requested help with property sales in the POA including escrow forms and other duties. Felicia was suggested for this role, but the person needs to be local because the forms need to be signed in person. Richie will speak with her. Steve stated he will be willing to sign forms for escrow.

- H. PUBLIC COMMENT PERIOD- limited to 3 minutes - action may not be taken on issues presented, unless authorized by a majority of the Board, but may be placed on the next meeting's agenda. The Board meeting is to discuss corporate business and will be conducted as such. Members are encouraged to participate in the Public Comment Period and may, after being properly recognized, be allowed comment during Board deliberations at the option of the Chair. Emotional outbursts which disrupt the proceedings will cause the Chair, at his or her sole discretion, to recess the Board meeting, clear the room and reconvene the meeting with only those members not party to the disruption. PLEASE BE COURTEOUS**

No issues were raised and no discussion occurred.

I. NEXT MEETING

1. **Type: Regular Board Meeting [open]: Saturday, March 11, 2023 10:00 am.**
2. **Location: American Legion Hall**

J. ADJOURNMENT OF REGULAR MEETING

1. Steve made a motion to adjourn and all BOD members voted affirmatively. The meeting was adjourned at 12:55 pm.

CERTIFIED BY: MSFPOA SECRETARY

TRANSCRIBED BY: Marsha Yates

1/19/23

**Richie Fesler,
President, MSFPOA**