

The Rancho Tehama Association (RTA) Board of Directors Meeting Minutes November 13, 2007

President Jim Long called the meeting to order at 9:00 a.m. Quorum Present: Jim Long, Danny Murray, Penny McGee, Karis Pierce, and Sheri Schultz. The Pledge to the Flag was given.

Communications:

Guests: Representative's of Rob's Recycle (Transfer Station Managers) reported that 1) They have renegotiated our contract with North State Recycle for better terms, 2) They will be resolving with the Board the problem of off-ranch materials being dumped, 3) Seasonal slack in use of the Station has not occurred, and 4) They are accepting applications for an open position.

Penny McGee introduced Kathy Gabrielson, new Office Manager hired through Express Personnel temp services.

Announcements: Flu Shots 11/15 from 10AM to 12Noon in the Rec Hall. Dixie Gatlin announced the December 16 meeting Program Event for the Community will be refreshments, entertainment and a fly-in from Santa escorted by the Volunteer Fire Department to the Rec Hall.

Open Forum Comments Were:

Bill Westin questioned whether the additional Rules and Regulations Draft constituted an amendment of the governing documents.

A resident on Pebble Beach asked to have "Not A Through Street" sign re-installed, as someone has taken it away.

Ruth Haskell asked the Board to consider posting hours for access to ponds and other public recreational areas.

Penny McGee announced that law enforcement recommends calling the main dispatch to report infractions or suspected illegal activity, AND TO ALWAYS INSIST THAT THE DISPATCHER LOG THE CALL. Whether they respond or not they DO review the logs and it will set a recorded pattern of activity on the Ranch for the Sheriff's notice. As a last resort, Sheriff Parker can be called at his direct number.

Marcia Rouse commented that she thinks no one, including Directors, should be working at the Office after hours.

Agenda Changes/Additions: New business item "Handling of Lot Sales", Remove "Insurance Coverage Review/Bids" and "Manager/Executive Director from Unfinished Business.

The minutes of the October 23, 2007 meeting were adopted as written (motion by Pierce, seconded and passed [msp]).

Reports of the Officers:

President: Things are going along well with no major hurdles looming. He expects things to start running smoothly with the hiring of an Office Manager.

Treasurer: McGee reported \$2,436.39 in the Asset Reserve account, \$59,583.32 in the General Checking account, \$400.00 Petty Cash, \$200.00 Post Office Petty Cash, \$5,614.97 in the Post Office account for a total of \$68,234.68. The Post Office checking account will be closed out during November, 2007. Two sets of September 30 financial statements were handed out; one set on the accrual basis (as in the past), and the other set on the cash basis so the members can see what monies actually have gone in and out of the treasury. The board looks forward to retaining the services of LeAnn Andrews CPA as Quickbooks consultant to regularly review the accounting file.

Director: Office/Post Office Management. New office hours are 8:00a.m.-4:00p.m., with the staff hours 8:00 to 4:30. Before March the Board needs to decide whether to continue the Office Manager through an outside service or to hire her on as a direct employee. The Corning Post Office Supervisor just completed an audit of the supplies inventory accountables at our Contract Station. The question of alternatives to our current Mail Delivery Contract with the USPS is still under investigation by the Postal Service.

Standing Committee Reports:

Architectural/EC—Tom Gano reports the committee meets on Thursdays at 10AM; has met three times; and is developing a standard procedure package for members that does not change from administration to administration, using the CC&R's, so that the people will understand what steps to follow in the development process. The committee now only deals with property development matters; CC&R violations are now under the Covenants Committee. The committee welcomes suggestions from the members.

Finance/Budget—Mel McNeil reports the proposed 2008 Budget has been submitted to the Board recommending a 1-time special assessment of \$83.00, an incremental increase in reserves funding of 10%, and an increase in dues of 10%. Pierce moves to increase the dues 10% (from \$83/Quarter to \$91.30/Quarter) providing that 1) All of the increase will go to fund reserves, 2) The budgeted operating expenses will be cut 10.5%, 3) \$169,680.16 goes to fund reserves, 4) No monies are budgeted in 2008 for Capital Spending Projects. **(Motion was seconded and passed unanimously).** Schultz moved to adopt Resolution 16-2007 increasing the dues to \$91.30 (msp). Murray moved to accept the 2008 operating budget cutting expenses by 10.5% to \$603,382.64 (msp).

(A 10-minute Recess was held).

Program—Sharon Easton reports the Thanksgiving Food Drive was a success, netting \$100 in cash and goods to give the churches towards Turkey Dinner and Christmas gift packages. Thanks to Dixie Gatlin for organizing the Dec. 16 meeting program. Karis volunteered offered to take pictures. Penny McGee will be the board liaison to work with them on *welcoming new members*. They could also use a marquee to help announce events.

Covenants—Long moved to appoint Linda Jones to the committee (msp). Don Bird reports the committee is waiting for a protocol to be drawn up by the Board and approved by the attorney, prior to proceeding on a program to improve the community by cleaning up properties and enforcing the CC&Rs. At issue is the legality of the Association's right to enter property to do the cleanup.

Special Committee Reports:

Airport—Doug Dugger's report attached. Schultz nominated Jim Zimmer to this committee (msp).

Elections—Tammy Hay reported (attached) the committee needs to further review the Davis-Stirling laws on the voting rights and the appeal process for members with past due assessments. It will meet again after that to finalize the proposed Election Rules and the Duties of the Committee and to present them at a future Board meeting. It is understood that the Association does not issue membership certificates. The Committee will be given a budget based on past election expenses.

Unfinished Business:

Rules and Regulations: The draft continues to be amended and available at the office for member input.

Annual Audit: Long moved to engage Philip Foster, CPA to conduct our annual audit and prepare our tax return (msp).

Covenants Committee CC&R Enforcement Procedures: Long moved that the proposed procedures be submitted to the attorney for review and opinion on their legality (msp).

Delinquency and Collection Policy: An updated version of the Davis-Stirling Section 1365(d) Statement of Delinquency and Collection Policy will be sent out with the Annual Notice and Budget.

Fawn Meadows Restrooms/Cold Showers: The issue of whether to repair or demolish the restrooms/showers building was referred to the Maintenance Planning committee for study and a recommendation.

New Business:

Sale of Lots from Foreclosure: Long moved to engage (for a negotiated commission) a local broker to sell these properties in order to recoup our losses, the contract to include a statement that the broker is not affiliated in any way with the Association either by being a member or Director or a relative or employee of a member or Director, and also that the properties will be marketed publicly (msp).

HVAC Office and Rec Hall Units Maintenance: The maintenance department will study the need for maintenance contracts on these units.

Amendment of Governing Documents: No action was taken upon our attorney's advice (letter attached) that they are "out of date and in conflict with state law" pending further discussion. In the meantime we will use the current documents including the 1998 amendments which provides that we must also operate according to current Davis-Stirling and other State laws.

Website: We are still searching for a new maintenance vendor; the site will require a re-build because of the way it has been set up and maintained.

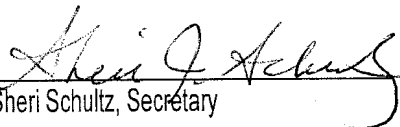
Board Vacancy: A Director seat will be open on January 1, 2008 and will end at the Annual Meeting in August, 2008. An appointment by the Board to fill the position will be made at the first meeting in January. A Statement of Intent Form is available for all who are interested in applying for this position, and an announcement will go out to the membership with the Annual Notice materials.

There being no further business, the open meeting was adjourned to Executive Session at 12:20 p.m.

In Executive Session at 12:15 p.m. on November 13, 2007 a quorum of all Directors was reached. The Board:

- 1) Approved Executive Meeting minutes of 10/23/2007.
- 2) Approved several member payment plans and account adjustments. Approved a member's request for corporate documents.
- 3) Reviewed detailed Member overdue assessments list and Allied Collections monthly report.
- 4) Approved 90-day reviews and raises for 2 employees.
- 5) Approved responding to several requests to clear up member account legal notices.
- 6) Discussed volunteer recognition awards.

Executive Meeting adjourned at 2:15 p.m.


Sheri Schultz, Secretary

Date: 11-25-07

Date Approved: 12-4-07

Date Corrected: 12-4-07