

The 2012 Winter Annual Meeting of the McCarthy Creek Lot Owners Association was held on Thursday, March 8, 2012, at 5:30 pm Alaska Time. (The summer meeting minutes are at the page bottom.) Thank you to all who were able to participate. Minutes of the meeting follow:

The following lot owners were present in Anchorage:

Matthew Emht

Rob Retherford

Greg Fensterman

Dixie Retherford

Dora Gropp

Kenda Chapman (partial)

The following lot owners were present on the conference call:

Sonny Asbury Jr.

Bob Cook

Craig Neal

Jeremy Cohen

Dianne Milliard

Michelle Latvala

Jason Lobo (partial)

Proxies:

Rob Wesson

University lots (6)

Board of Directors:

Matthew Emht, President (present)

Michelle Latvala, VP (present)

Rob Wesson, Secretary (absent)

Other Corporate Officer:

Bob Cook, Treasurer, appointed by the Board of Directors, (present)

Matthew Emht, Board President, called the meeting to order and facilitated.

Minutes were taken by Michelle Latvala, Board VP.

We met our 10% quorum to vote.

1) Financial Report on Dues, Assessments, and Expenditures Since 2005. Bob Cook, Treasurer, reviewed, documents titled "MCLOA Financial Report for the year March 2011 to March 2012" and "MCLOA Road and Dues Data 2005-2012". (Email Rob

Wesson at rwesson@wispertel.net for copies.)

2) Disposition of Existing Funds and Future Dues Policy.

(a) Future dues policy: Discussion about whether with a surplus in the bank, we should maintain current dues (\$50/year) or consider suspending dues for the year, or making it every other year. Comments included:

- We are a non-profit corporation, there are no restrictions on what we use our dues for as long as its for the "community betterment".
- No one likes to pay dues, but there are communal expenses, we should keep paying them, and the subdivision will be a better place, we could do a big purchase (backhoe), other things, just an idea.
- Agree that \$50 isn't too much.
- More agreement. Membership needs to vote on purchases that are needed.

RESOLVED: Maintain \$50/dues policy per year.

ACTION: (Bob) Jenny will be sending out invoices for 2012 dues and any past outstanding assessment/dues this spring.

(b) Disposition of existing funds:

- Everyone in phase 1 was assessed for all the roadwork in phase 1, whether it was near your lot or not. Olivine, Sandstone, Greywacke, Granite, south end of Cinnabar.
- No requests for additional funds to be used outside of the items already on the agenda (#4, 5).

3) Update on Progress of New Bookkeeper. We hired a new bookkeeper (Jenny Rosenbaum, professional accountant) based on a vote at last summer's meeting. We finalized an agreement via email in January. She's using quick-books to computerize the statements. She's the bookkeeper, but Bob remains the treasurer to receive and distribute funds within the organization. She's charging us hourly (\$30/hr or \$15/hr, depending on type of task). Estimated costs for year would be: 2-3k. Authorized to spend 1k on expenses, and 2k billing for her time. We expect this initial year to be a bigger cost, lesser costs in future years. Board is interested in holding the costs to the estimate.

4) A Proposal for Initiating Construction of Phase II Roads

- Phase 1 property owners cannot vote on Phase 2.
- 10% quorum of Phase 2 established - Greg, Diane, and Sonny present. Majority vote required to pass.
- Greg Fensterman presented proposal for the first 700 feet of Pyrite to be improved (sent in advance of meeting).
- Estimated \$16,500 total. With only 16 owners, it's about 1k/per lot.
- This proposal covers less than 25% of roads needed in Phase 2, and this

improvement only impacts a few of the lots. Others will then want their section done.

- Suggestion to spread assessment over a 2-year period (two \$500 payments over 2 years), and have monies from the general treasury be "lent" to pay the bills to Rowcon. Estimated exposure is 5k from back-of-the-envelope: that half of the lots would pay up, the University with 2 lots would pay, and then, if phase 2 dues were used, that would add up to about \$11k.

- Phase 2 dues have been paying since 2004. The total is \$4700 collected since 2004 (\$8100 asked/assessed).

- APPROVED BY PHASE 2 MEMBERS: \$16,500 assessment split evenly amongst all lots in phase 2, split evenly over 2 years. Unanimously approved by 3 phase 2 members present.

- APPROVED BY ALL MEMBERS: Phase 2 dues monies with the exception of 1k left in the bank can be used as an interim loan to Phase 2 to pay Rowcon while assessments are being collected, (this equals \$3200 on loan) .

- ACTION (Bob): Will work with Jenny to get Phase 2 assessments on this spring's invoices.

- ACTION (Greg): Will finalize proposal with ROWCON and bring it to the summer meeting, and will bring back up the (unresolved) question at that point as to whether any additional funds from general treasury will be requested for a loan.

5) A Proposal for Maintenance of Phase I Roads

- Don't have any leftover assessment funds at this point.

- Jeremy sent proposal to fund un-finished Phase 1 work (in advance of meeting).

- He reported that we did not complete certain sections of Phase 1. One near Matt K's section, one near Jeremy's. They're not deteriorating or failing; they just never got the roadwork at the get-go.

- APPROVED: Phase 1 road expenditure up to 10k with unanimous Board approval (or another vote).

- ACTION (Bob, Jeremy): Re-instate Road Committee to walk the roads, flag it, and get the estimate from Rowcon, and report that to the summer MCLOA meeting.

6) Nizina Road Improvements.

- Brief discussion of need for continual maintenance of the Nizina.

- APPROVED: Spend up to \$600 for Nizina improvements this summer using already collected Nizina funds (assessments and voluntary = \$530).

- ACTION (Bob): Seek matching funds from MAC (differentiated from other Nizina proposal) for this.

- ACTION (All): MCLOA members who are also MAC members can vote on this/send in proxy, so Bob will cue us as to which meeting agenda this will be on.

- ACTION (Bob): Will add Nizina voluntary contribution to the invoicing this spring.

7) Update on NPS Fuels Reduction Program. Burning piles first three weeks of April.

8) MCLOA SIGN

- Summer meeting suggestion to replace sign at entrance to subdivision.
- Kirsten got quote \$200-\$325 for sign. Jeremy volunteered to install it.

APPROVED: \$200 for a sign.

9) Potential Replacements for Existing Board Members

- Michelle Latvala, current VP, has served a year term, and is asking for a replacement due to limited availability.
- APPROVED: Craig Neill replacing Michelle Latvala on the Board, effective immediately.

10) New Business (Including Any Items Brought up by Members at the Meeting)

- Jason Lobo proposes community well. Shed, hand-pump, piping. Estimated cost of 5-7k, others think it will be much more than that. Could be source for fire water and community water. Will research it more for summer meeting.

11) Date for Summer Meeting in McCarthy:

- APPROVED: summer meeting Sunday July 1st at Bob Cook's house at 4:30pm for potluck.

- Agenda items collected from this meeting for summer:

1. Financial report as of / after spring dues & assessments - Bob
2. Report on Phase 1 road work - Jeremy
3. Report on Phase 2 road work - Greg
4. Report on Nizina road work - Bob
5. Follow-up proposal on community well - Jason
6. Solicitation for additional Board members and/or replacement appointment for Treasurer (Bob would like to step down once Jenny has all she needs and a viable replacement for Bob comes forward).

If your email address is not up to date on the Association's list, you may be missing important and timely information pertinent to your property and your investment. If yours is not up to date, please send your preferred email address to rwesson@wispertel.net.

Thanks everyone for your thoughtful involvement.

On behalf of the Board,
Michelle Latvala