

Odd Fellows Sierra Recreation Association
Annual General Meeting
May 28, 2016

A welcome greeting to the sixty-eighth OFSRA Annual General Meeting was called to order by **President Del Wallis** @ 10:05 AM. The Pledge of Allegiance was led by Larry Adams. Richard Wheeler presented the invocation. Board of Directors present: Claire Velayas, Ron Hawke, Larry Adams, Gloria Harvey, Greg Brown and Del Wallis. Director Dick Barrett was excused. The resignation of Director Peter was accepted with an effective date of May 20, 2016, as he no longer owns property in the Park. President Wallis stated that this is a private corporation meeting and requested no recordings be made. Forty six out of eighty five shareholders were represented at the meeting.

Elsie Manning moved to accept the annual meeting minutes from May 24, 2015 as printed. Doris Kilgore seconded. Motion passed.

There were no communications to report.

COMMITTEE REPORTS:

BUILDINGS: Friedhelm Peter - The caretaker's cabin is currently being rented for \$1,095/month. We pay a management fee of approximately \$100/month, and we've had no problems with either the renters or the management company. Heidi Ordwein made a motion that the Corporation perform a lot line adjustment between the caretaker's cabin and the parcel of real property owned by the Corporation that is adjacent to the caretaker's cabin as previously discussed. Bob Hintz seconded. Motion passed unanimously.

TIMBER: Del Wallis reported that removal of all dead trees would be costly. Armstrong was removing some dead trees in the area and offered to remove ours for free. Our forester was consulted, and he was taken up on his offer. Our forester managed to find a market for some of our green trees which would result in approximately \$20,000 net profit. There is a distinct possibility these green trees will be affected by fire or the bark beetle. Jesse Worsham made a motion that we proceed with the removal of the dead trees and also proceed according to the forester's plan. Deena Hague seconded. Motion passed unanimously.

President Wallis turned the meeting over at this time to Vice President Ron Hawke in order to avoid any conflict of interest concerns.

FINANCE: Del Wallis reported that the bulk of the expenses for the year were for legal. As a result of the previous arrangement of the OFSRA and the OFSHA and the subsequent lawsuit leading to the OFSHA refunding a large portion of the assessments, the OFSRA spent the reserves to continue to maintain the Park. As a result of the separation of the OFSRA, the Water Company, and the Services Company (and the Rim Fire leading to a glut of timber in the market), the OFSRA has no source of income but does have significant expense (in the form of insurance, legal expenses, and accounting, primarily). The OFSRA does not have the funds to pay its expenses. President Wallis has made a loan to the OFSRA to cover some of the expenses which were immediately due.

Bob Hintz made a motion that the Corporation borrow up to \$100,000 for a term of five (5) years from David R March and Barbara E Jarvis and Richard T Jarvis, that the Corporation pay interest on the loan at a rate of 7.75%, that the Corporation agree to pay a prepayment penalty of six (6) months interest on such loan, that such loan be secured by deed of trust on all real property owned by the Corporation other than the caretaker's cabin, and that the form of such a promissory note and deed of trust be approved by the Board of Directors. Jesse Worsham seconded the motion. Motion passed with 40 votes in favor and 6 opposed.

Richard Wheeler has been made Chairman of the Alternative Funds Committee. This Committee has been tasked with obtaining a longer-term plan for generating funds. His email address is richard@wheeler.com.

Vice President Ron Hawke turned the meeting back over to President Wallis.

Elsie Manning generously donated \$100 to the OFSRA at the meeting.

LEGAL: Del Wallis reported that the current lawsuit regarding unpaid 2013 assessments is still ongoing. Some of the defendants have paid their overdue assessments and a portion of the legal expenses incurred. Approximately 10 people are still in litigation to avoid paying their overdue assessments. Defendants have cross-filed. The judge has made it clear; he wants the lawsuit settled outside of court. There will be another management conference in July to attempt to settle. Should settlement not occur, a court date will be determined.

The legal action being decided by the PUC has been completed. The PUC has determined that a refund is due to lot owners who paid more for water than the allowed amount in 2012.

Doris Selman made a motion that the Shareholders of the Corporation approve the refund of \$57.60 to each lot owner of the Park who had paid the full amount of \$571.60 for water due for fiscal year 2012-13. Jesse Worsham seconded. Motion passed unanimously.

Greg Brown made a motion that the Shareholders be given an opportunity to waive the refund demanded by the PUC via a mailer included with the annual minutes. Clark Kellogg seconded the motion. Motion passed unanimously.

Charles Varvayanis made a motion that the Shareholders of the Corporation approve the transfer to the Sierra Park Water Company of certain portions of the real property owned by the Corporation on which the wells and related equipment and the holding tanks are located that service lot owners of the Park as previously discussed. Daryl Clark seconded. Motion passed unanimously.

Jesse Worsham made a motion that the Shareholders of the Corporation approve the granting of an easement to Sierra Park Water Company for ingress and egress to the real property previously granted to Sierra Park Water Company holding tanks granted to Sierra Park Water Company as previously discussed. Doris Kilgore seconded. Motion passed unanimously.

Jesse Worsham made a motion that the Corporation lease to Sierra Park Water Company all real property and all improvements thereon within the boundary lines of the Park, except the caretaker's cabin, as determined by the Board of Directors. Bob Hintz seconded. Motion passed with 2 opposed.

Clark Kellogg made a motion that the previous motion be amended to exclude the roads in the real property included in the lease. Greg Brown seconded. Motion passed with one opposition.

Jesse Worsham made a motion that the Shareholders of the Corporation approve the transfer of personal property of the Corporation previously used by the Corporation to provide water to the lot owners of the Park to Sierra Park Water Company as previously discussed. Charles Varvayanis seconded. Motion passed unanimously.

NEW BUSINESS

Election for Directors for Next Year: The Board presented an option to vote for the existing Directors to be voted in as a group with the addition of Marjorie Guillory and the exception of Friedhelm Peter because he is no longer a resident in the Park. Doris Selman moved to accept the Board as listed: Larry Adams, Dick Barrett, Ron Hawke, Gloria Harvey, Marjorie Guillory, Greg Brown, Claire Velayas, and Del Wallis. Jesse Worsham seconded. Motion was passed unanimously.

There being no further business to discuss, President Wallis adjourned the meeting at 1:20 PM.

Claire Velayas
Secretary

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