



# Sierra Park Homeowners' Association



Newsletter

March 2012

Website: [www.ofsha.org](http://www.ofsha.org)

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## From the President

Dear Homeowner:

In the last newsletter from OFSRA, President Shaun Velayas seems to like using platitudes such as "don't look a gift horse in the mouth." Other expressions come to mind that, in the future, OFSRA might consider following rather than attacking OFSHA.

### HONESTY IS THE BEST POLICY

The claim that OFSRA has donated \$462,759 to help the lot owners is totally false. There is a history surrounding this money that must be examined in order to establish the truth.

The first item mentioned in Shaun's presentation deals with the tractor which was purchased for \$67,066. This was not purchased by OFSRA for the lot owners as stated in the OFSRA Newsletter. If you look at the October, 1995 minutes of the OFSRA board of directors meeting you will find the truth. At that time OFSRA was developing a five acre parcel located on West Jordan. They were going to sell seven lots out of this development. The minutes of the October meeting state, "We know that we will need a good deal of backhoe work for installing a water system and other items incidental to the development of the parcel. Hence, it was MSC that we purchase a backhoe from the timber fund, to be repaid to the timber fund (with interest) from profit on the sale of lots on the parcel." It was a development by and for the financial gain of OFSRA or its members. Therefore, we need to subtract \$67,066 from what Shaun calls OFSRA **donations**.

The second item on the list of donations is the chipper. I have first hand knowledge of the rental and later purchase of the chipper. In 1995 OFSRA conducted a timber operation which included the area between the meadow and the homes along East Jordan. The caretaker, his assistant, Daryl Clark and I worked to clean up the slash left behind from this logging operation. At first a chipper was rented to assist in this clean up. The minutes from the March, 1996 OFSRA board of directors' meeting show that \$3,062.65 was spent from the checking account, the lot owners' money, to rent the chipper. After several days of renting the chipper Dale Smith, the caretaker at the time, found out that if we purchased the chipper the rental money would apply to

*Continued on page 2...*

## OSFHA Calendar

OFSHA Board meetings begin at 8:30 AM.

Board Meetings: April 7<sup>th</sup> and May 5<sup>th</sup>

Special Meeting: April 7<sup>th</sup> 12:00 Noon

Annual Meeting: May 27<sup>th</sup>



## Garbage Dumpster

Odd Fellows Sierra Homeowners' Association provides a dumpster for use by its residents and guests.

Please break down all boxes and crush crushable items to save space in the dumpster. This will save us money on pickup charges. We pay for each pickup plus weight.

### Garbage Dumpster Rules & Fines:

- Wet or household garbage only – no forest debris.
- Carpet, building material, furniture, chairs, mattresses, oversize objects, etc., are prohibited.
- Hazardous waste prohibited. This includes household batteries, electronics and, etc. as cited by state law (see "Household Hazardous Waste Disposal" below).
- Contractors are prohibited from using the Park dumpster.
- Homeowner's will be billed for the dumping of any inappropriate items, whether dumped by themselves, guests, renters, or contractors in their employee. Fee for illegal dumping will be \$100 - \$500 on any occurrence.

For details and other disposal options see: [www.ofsha.org/trash](http://www.ofsha.org/trash)

## Did you know?

Park sponsored garbage service began in September 1977. Prior to then garbage service was available as an optional service at \$3 per month per interested lot.

## Newsletter & Website

**Newsletter** – Please consider receiving your Newsletter via e-mail, it saves money and will aid us in holding down the assessment. Please e-mail us to sign up.

**Website** – Protected documents password: **Call for PW**



**From the President** *(Continued from front page)*

the purchase price. The March, 1996 minutes state, "It was decided that it would be cost-effective to purchase the chipper. MSC to purchase the chipper by a vote of 5 to 1. The motion also included that the money be taken from the Timber harvest profit." It should be noted that this was appropriate since the timber harvest brought in funds that went only to the OFSRA and they should have paid for this clean up operation. However, the timber harvest did not pay for the full amount of the clean up. The lot owners paid \$3,062.65 of the cost of the chipper as a result of paying the rental fee. The lot owners also paid for the caretaker's salary, fuel for the backhoe and any other expenses. A dozer was also rented and brought in for a couple of days to assist in this clean up operation. I think the lot owners also paid the rental of the dozer. Once again the lot owners paid for some of this clean up but OFSRA took the income from the logging operation. It should be noted that on March 15, 2008 the chipper was sold for \$6,500. What did OFSRA do with this money? Based on this, another \$6,730 needs to be subtracted from Shaun's list of **donations**.

A third item on Shaun's list shows \$15,271 for road expense. I do not have any idea where these figures come from. I do know based on the checks issued for road maintenance for 1995 there was a total of \$24,747.36 taken from the general fund for road maintenance. The general fund is made up of money from assessments on all lot owners. Subtract another \$15,271 from Shaun's **donation** list.

The next item concerns the money for roads from 1997 through 2004. The total for those years is \$322,537.00. The June, 1996 minutes of the OFSRA board of directors meeting states that it has long been considered that ten percent of timber money should be withheld to repair road damage caused by logging operations. There was also a payment from the Federal Government for damage to the roads when there was a fire camp in the park in 1997. The check totaled \$15,435.25. Where did this money go? If you take ten percent of the \$322,537.00 and add \$15,435.25 you have another \$47,688 that can be deducted from Shaun's list of **donations**. You must also remember that the roads are owned by OFSRA and it is their asset, not that of the lot owners. The vote was taken at a general meeting to use timber money to help pave the roads. At that time it was not called a "donation" or a "loan" requiring repayment by the lot owners. If that was the case, the lot owners should have been informed of this at the time.

Another expense listed is that of the generator. The generator was purchased for one purpose only. This was to keep either well number five or number six operational should there be a major power outage. Under the water use agreement OFSRA was responsible for supplying water and was collecting \$69,350 each year. They chose to take the cost of the generator out of the timber fund rather than from the \$69,350 collected from the lot owners under the water use agreement. The \$69,350 would have paid for the generator but OFSRA chose to use money from their timber fund rather than that collected for water. That is not the fault of the lot owners. Therefore, we can subtract another \$26,830 from the so called list of **donations**.

The final item concerns the dredging of the pond. At the 2008 Annual Meeting Fred Coleman moved and seconded by Daryl Clark to use up to \$30,000 of the Timber Fund to dredge the lake. The purpose was to increase the capacity of the lake so that it could be better used for fire suppression. After all, OFSRA had valuable timber land to protect. When the project was completed the Treasurer of the OFSRA board of directors, Paul Emery, informed the directors that there were sufficient funds in the account to pay for the dredging and recommended not taking the Timber Fund money. That was the decision made by the directors in 2009. The 2010-11 directors, led by Treasurer Shaun Velayas, found themselves \$68,178.84 over budget. In order to remedy this budget deficit, this board, on April 16, 2011, reversed the decision of the 2008-09 board and tapped the timber fund for \$24,345. Two years later, because of their deficit spending, the 2010-11 board went back and took money from the Timber Fund to boost their reserves. This was also the board that originally proposed an assessment per lot of \$1,395.00 for 2011-2012. This group, most of who are currently on the OFSRA Board, wanted you to approve an increase of \$565 per lot over the 2010-2011 assessment of \$830. Because of the 2010-2011 board's reversal of a previous board's action, we are justified in subtracting another \$24,325 from Shaun's list of **donations**.

The total that needs to be subtracted from the so called list of **donations** is \$187,460. After the \$187,460 is subtracted from the \$462,759, there is a total of \$275,299 that was taken from the Timber Fund and used to pave the roads, an OFSRA asset. From 2007 to 2011 a line item in the budget was for capital improvements to the roads. The assessment was increased by \$175.00 per lot per year and added to \$7.75 already in the budget for this road work. That brought the assessment for capital improvement to the roads up to \$182.75 per lot for each of the next four years. This increase in



the assessment for capital improvement to the roads for a four year period totaled \$266,084.00. These figures demonstrate that the lot owners have also made a large contribution to the roads. Based on the money spent on the roads as listed in past OFSRA's newsletters, it is entirely possible that the homeowners contributed more to the roads than did the owner of this asset – OFSRA.

Based on all of the items discussed above, I think all of you would agree that "honesty is the best policy". I hope that the OFSRA Board also understands this.

### **PUT YOUR MONEY WHERE YOUR MOUTH IS**

On the first page of Shaun's report he discusses the Letter Of Intent (LOI) and the disadvantage of having CC&Rs. On the second page, third paragraph Shaun contradicts his earlier statement and discusses the advantage of having CC&Rs. He goes on to say that if we had a true homeowner's association with CC&Rs, OFSRA might be willing to turn everything over to the homeowners. This seems remarkably similar to what OFSHA tried to do in the LOI. Back in September we asked OFSRA to work with us in presenting a plan to the lot owners to possibly get them to put CC&Rs on their property. If Shaun considers CC&Rs the requirement of a real HOA, why didn't he support working with OFSHA earlier to accomplish this back in September? OFSRA's plan to change their by-laws and form a "C" corporation giving everyone a vote for the OFSRA directors will not solve the major problems facing this subdivision. One solution is to approve Shaun's plan as stated in paragraph three on page two of his message. The same could have been accomplished by simply approving the LOI. If OFSRA and President Velayas really want to solve our problems in the subdivision, they need to "put their money where their mouth is" and work with OFSHA in solving our common problems. Recall elections and law suits cause trouble. They cost lots of money but do not solve any of our problems.

It is time for OFSRA to truthfully answer some questions about OFSHA that they do not consider a "real HOA".

1. Why was the OFSHA formed twenty-five years ago?
2. Why did OFSRA sign a licensing agreement and a water use agreement with OFSHA? Didn't this violate the California Public Utility Code?
3. Why, when OFSRA sold its five acres on Jordan Way West, did Del Wallis sign the contracts as president of OFSRA as well as president of OFSHA, which at the time had no elected board and was essentially dormant?
4. Why did OFSRA declare on the paperwork turned in to the county concerning the lot split at the Boy Scout Camp that the water for the house involved in the split would come from the water system owned by the Odd Fellows Sierra Homeowners Association?
5. Why did OFSRA collect an assessment from all of the lot owners for twenty-five years when their articles of incorporation specifically state that they can only collect an assessment from their own shareholders, Odd Fellows and Rebekahs?
6. Why did OFSRA collect an assessment from the lot owners for twenty-five years when there were not any CC&Rs legally giving them the right to collect assessments? In fact, the only lot that had CC&Rs for twenty-five years was the caretaker's cabin. However, that property is currently twenty-three years in arrears in paying its assessment. OFSRA paid through 1990-91 and then stopped paying the assessment owed on their cabin. How in good conscience can OFSRA take any lot owner to court for not paying an assessment until they pay what they owe?
7. For an HOA that, as Shaun says, is not a real HOA and that Del Wallis has called only a paper corporation, it sure has been used when it is expedient for OFSRA to do so. However, now that OFSHA has an elected board and has questioned some of what OFSRA has been doing in the subdivision, the OFSRA board wants to get rid of OFSHA and say that OFSHA is not a real HOA. I guess that OFSHA is only real when it can be used for some of OFSRA's questionable activities. Now they want to allow all of the lot owners to vote for the OFSRA Board. I hope the lot owners do not fall for this ruse and allow OFSRA to continue to own and control the subdivision for another twenty-five years. Do not allow them to "pull the wool over your eyes" like they did to the lot owners back in 1986 and for the next twenty-five years. Insist that OFSHA continue to operate and to act as a true voice for all of the lot owners in the subdivision. Do not elect an OFSHA board that will simply be a tool for OFSRA and hand over your money without the proper documentation.



**DON'T KILL THE GOOSE THAT LAYS THE GOLDEN EGGS**

Shaun and OFSRA brag about some of the money spent on their assets from the Timber Fund. They fail to point out that over the last twenty-six years the lot owners have provided over **\$4,618,688** for the operation of the subdivision. During this time the OFSHA did not have an elected board and did not function. The lot owners did not have any elected body to watch over their money. Checks and balances did not exist to provide equity between the OFSRA (Odd Fellows and Rebekahs) and the lot owners. Out of the **\$4,618,688** which was collected, a total of \$597,689.00 was in the form of special assessments or money budgeted specifically for the roads. For example, \$66,520 was collected by OFSRA for each of the four years from 2007 to 2010 for capital improvements to the roads. The increase in assessments for each of these four years was \$175.00. The \$175.00 was added to the \$7.75 already being collected from each lot for capital improvements to the roads for a total of \$182.75 per lot for four years. The money collected in special assessments and from the four years of capital improvements to the roads mentioned above comes to \$1,642.00 for each of the 364 lots in the subdivision since 1986. All lot owners, through these special assessments and capital improvements to the roads, have purchased or paid for the following items, although only OFSRA (Odd Fellows and Rebekahs) claim ownership. All of the lot owners have funded the following:

1. Snow Plow
2. Water Tanks
3. Gate
4. Reserves
5. Play Ground Equipment
6. Grader
7. Roads

Other items of interest that the lot owners contributed to:

1. 1987-1991 a total of \$16,016 was collected to operate a non-existent HOA
2. The lot owners also paid between \$42,000 and \$43,000 from their yearly assessment to remodel the Caretaker's Cabin, an asset belonging to OFSRA shareholders.

Based on these amounts over the last twenty-five years, I think it is obvious that the real "goose that laid the golden egg" is the lot owners in the subdivision, not OFSRA. Therefore, I would caution the OFSRA Board and the members of OFSRA to not "kill the goose that has been laying golden eggs" for OFSRA since 1986.

Thank you,

Fred Coleman  
President  
OFSHA Board of Directors



**Odd Fellows Sierra Homeowners' Association  
Board of Directors Regular Meeting Interim Minutes  
March 3, 2012**

**Called to order:** 8:31 A.M. by President Fred Coleman.

**Invocation** by Al Orth.

**Board members present:** President – Fred Coleman, Treasurer – Ruth Dargitz, Vice President – Steve Wallace, Al Orth, John Tenbrink and Larry Vaughn. Absent: Jesse Worsham. Excused: Bill Ordwein.

**Minutes** February 4, 2012: Revised to add that our attorney was authorized to work with Barry Epstein. Motion by Steve Wallace to approve the minutes as revised. Seconded by Al Orth, carried.

**Correspondence:**

The following communications were received: Huckaby Insurance – third revision general liability insurance paperwork. (Completed and signed by Fred Coleman.) • Steven Bernier – will send additional ballots to owners of multiple lots. (Mr. Bernier will be coming for the April 7, 2012, meeting to open and certify ballots.) (Mike Ford: can people with unpaid assessments vote? Fred Coleman to send question to attorney.) • Michael Lechner – a copy of the survey results sent to all homeowners • CAI – various news articles, annual conference information and a questionnaire about membership • Charles Varvayanis – copy of communications sent to Comcast • CAI – web login account created for Fred Coleman • HilDorFarm – complaint about unsolicited mail based from list with OFSHA communications. (Addressed under New Business.) • Mark & Pat Bradley - Difficulty receiving newsletter to their AT&T accounts and a comment about the newsletter • Grant Deed, CC&R, Owner Information & Transfer Fee – 25461 Wheeler Road, Robert & Janet Dias • Doug & Susan Kelly – inquiring about their Merged Lot Fee Request. (Issue being addressed, will be a few months before resolution. Notification will be given at that time.) • Demand Request – 25305 Esther Avenue, Beverly R. Woodland • Gate requests via telephone • Grant Deed and Transfer Fee – 25305 Esther Avenue, Roger Smithson.

**Committee Reports:**

**Gate – Charles Varvayanis / Bill Ordwein:**

1. Routine gate sales.
2. \$100.00 turned over to the Treasurer.

**Recreation:**

1. Fish Derby – Mike Ford: Unsure which board has Recreation. Adult prizes needed for the raffle. Mike willing to run the lake, make buttons, and do registration but he needs a committee to work the other parts. Mike Ford is not familiar with those who have made donations in the past and a result; we do not have many sponsors. A question arose regarding the status of the liability insurance? Mike reiterated the need for liability insurance or his family will not be able work on the Fish Derby. Fred Coleman – apologized regarding insurance; thought policy was done but it was returned for another revision. (Suggested possibility if insurance is not available for the Derby, the \$1,800 of donated money for the derby could be used to stock the lake for the same time period.) Fred will follow-up and call the insurance agent instead of e-mailing and will contact OFSRA regarding liability insurance, what to do with the \$1800.00 in donations, and for permission to conduct the derby as OFSRA owns the lake.

**Finance – Treasurer, Ruth Dargitz:**

1. Total bills presented: \$5223.33. Motion by John Tenbrink to approve as presented. Seconded by Larry Vaughn, carried.
2. Fred Coleman: attorney costs associated with the recall are about \$4,000.00.

**Unfinished (Old) Business:**

1. General liability insurance – forms completed and payment sent. Nothing received back yet. Fred Coleman to notify Mike Ford when he hears back. Charles Varvayanis to follow up asking them to send policy or return money. If rejected, Fred Coleman to make appointment with Roger Stevens Insurance. (*Update: Policy received two days after the meeting*)



2. Small claims action for past due assessments on merged lots - papers not filed yet.
3. Letter of Intent – From OFSRA newsletter obviously it was rejected; we have gotten no response. We didn't mean to insult them, the intent was to open door of communication. Fred: Our attorney costs that day were \$3500.00, and \$1,000.00 for the Letter of Intent.

**New Business:**

1. Treasurer Dargitz discussion with Carlson about paying OFSRA - Ruth questioned what to do with money in saving and how much taxes would be if it remains in savings. Carlson: 40%, but it may be possible to designate funds as reserves or other distinctions and possibly keep it from being taxed. Carlson questioned why we have so much. Ruth answered that we haven't received bills to verify the expenses. He suggested we ask for them, Ruth replied that we have. He then offered to speak with someone from OFSRA. (Discussion regarding: 1. Carlson's offer to speak with OFSRA, 2. reserve accounts, 3. the possibility of returning the monies to the homeowners, and 4. OFSRA rejection of our offers of payment. No action taken.)
2. 2012-2013 Budget – Deadline is approaching for having the budget in the annual meeting notice. Fred Coleman, Steve Wallace and Bill Ordwein were the committee for 2011-2012. Fred and Steve will be on this committee and will contact Bill to see if he will also.
3. What needs to be kept in reserve? To be discussed by committee and reported to the Board.
4. Refund of money left from assessments – Also to be discussed by committee/reported to the Board.
5. Complaint about addresses going out – Per attorney: It is the legal process to show who received the information.
6. Scheduling conflict for April's board meeting. – Decided to work around OFSRA meeting. OFSHA April meeting to start at regular time - 8:30 A.M., and take a recess for the OFSRA meeting.

**Members before the Board:**

Joe Nelson, Robert Manning, Mike VanGundy, Friedhelm Peter, John Coate, Michael Lechner, Karin Schultz, Bill Engvall, Barbara Engvall and Charles Varvayanis.

Comments by:

- Karin Schultz: Does the OFSRA have liability insurance? Can it cover the derby?
- Joe Nelson: Questioned some things the OFSRA might want us to pay for: accident between snow plow and backhoe, overtime for night snow-plowing. We want to figure the right things to pay for.
- Bob Manning: Park history in February newsletter neglected events prior to the creation of the Homeowners Board. Much infrastructure was constructed prior to the Homeowners Board. Some personal thoughts: the \$1,000.00 offer for all that property was ridiculous, expect next year's dues to be \$300.00 to \$400.00 more due to lawyers, seems like a power play - I'll say that to the OFSRA too, some expenses I think are a little bit excessive but the issue is not working with OFSRA, seems that OFSHA is trying to micro-manage the OFSRA.
- John Coate: Offered to help Mike Ford with the fish derby. Stated he was involved with a Little League and got insurance for just three months. Offered to check with that company regarding derby insurance. Commended both boards: "You have created a great park." Encouraged boards to not lose sight of that. Hope and prayer is that they can come together.
- Bill Engvall: Money needs to change hands to keep things flowing.
- Michael Lechner: Great response from survey sent to all homeowners and both boards; learned what people in park value. Suggested a "Homeowners Speak Out" page in newsletter for homeowners to know what others think and facilitate communication. Had several questions and comments and desire to learn more regarding the budget process. (Fred and Steve to meet with him at a later time/date to discuss.) Commented on the recall ballot return address confusion. Questioned when election would occur if board member is recalled. (Fred: in May.) Stated that he wants to educate himself because he wants to protect his investment in the park.

Adjourn to Executive Session to discuss the OFSRA April 7<sup>th</sup> Special Meeting and issues concerning the Gate.

**Adjourned to executive session: 10:27 A.M.**

**Adjourned to regular session: 1:25 P.M.**

**Report and activity resulting from the Executive Session:**

1. Motion by John Tenbrink, seconded by Al Orth to Authorize Fred Coleman and Steve Wallace to interview Scott Ward to handle the possible law suit with OFSRA and to hire him when the legal papers arrive from the court informing us of



the suit. Fred & Steve to have permission to interview other attorneys should they not be happy with Mr. Ward and to hire an attorney for this legal action on the basis of e-mail or phone approval from the majority of the board. Carried and so ordered.

- 2. Motion by Mike Ford, seconded by Steve Wallace to turn gate management over to OFSRA on the basis of their e-mail requesting the same. E-mail to be printed along with this motion in the March Newsletter.
- 3. Discussion of Fish Derby. At this point a committee is needed to help with this. OFSRA need to step forward since they have general liability insurance and OFSHA has none. Mike Ford and family will not do the derby if they are not covered. If the derby is canceled, Mike Ford is not going to take the blame. Others needed to step forward and help with this event.

The next regular meeting is on Saturday April 7, 2012 at 8:30 A.M.

Meeting adjourned: 1:25 P.M.

Respectfully submitted,  
Barbara Engvall and Fred Coleman

From: Shaun Velayas [shaun@crestonemtg.com]  
Sent: Thursday, March 01, 2012 1:39 PM  
To: Fred and Ann Coleman; Charles and Patty Varvayanis  
Subject: Return of Gate

Dear Mr. Coleman and Mr. Varvayanis:

As you know, on January 4, 2012, OFRSA gave written notice to OFSHA of the expiration of that certain License Agreement dated as of October 12, 1986 and entered into by and between OFSRA and OFSHA.

As a result of the expiration of such License Agreement on January 10, 2012, OFSHA no longer has, among other things, the right to maintain or repair that certain gate that is owned by OFSHA that is used to access the roads that are owned by OFSRA. Nor does OFHSA have the right to manage the access to such gate.

Please make immediate arrangements to turn over all access cards/gate openers, a list of all issued access cards, and any other books and records and files regarding the same by Tuesday, March 6, 2012 to OFSRA. OFSRA understands that Mr. Varvayanis currently has possession of the same.

Thank you for your anticipated cooperation in this matter.

Shaun Velayas  
President  
OFSRA



Checks Disbursed 2/12/2012 - 3/9/2012

Date	Number	Payee	Memo	Amount
3/8/2012	141	AT&T – Telephone – (209) 586-3733	787 · Telephone Expense	\$22.38
3/8/2012	142	Carlson, Haff & Associate – Accounting Services	756 · Accounting	\$347.65
3/8/2012	143	Fitzgerald Abbott & Beardsley LLP – Attorney – Water	755 · Professional Services	\$18.00
3/8/2012	144	Ann Rankin – Attorney – HOA	755 · Professional Services	\$ 4230.97
3/8/2012	145	Charles Varvayanis – Clerical Support, Postage 2/12, Supplies	767/758/766 · Outside services Member comm./Office Supplies	\$ 446.26
3/8/2012	146	Village Mail & Print Stop – Newsletter Printing	758 · Member communications	\$158.07

Total Disbursements \$5,223.33



**Happy  
Saint Patrick's Day!**



Odd Fellows Sierra Homeowner's Association  
P.O. 236  
Long Barn, CA 95335-0236

**Return Service Requested**

U.S. Postage Paid  
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