

Oregon Forest Homeowner's Association

Annual Meeting

April 9, 2016

10:00-12:00

Eugene, Oregon

Members Present:

**Scott Letourneau**

Gary Shontz, Diamond Lake

Rick Dwyer, Stahlman

Chuck Smith, Stahlman

George Keller, Crescent Lake

Paul Spain, Delta

Bill McConachie, Crescent Lake

Judy Ervin, Metolius

Steve Stewart, Odell Lake

**Todd Merriman, Fish Lake**

Chuck Ehlers, Diamond Lake

Sharon Karr, Diamond Lake

**Donna McNeal, Marian Forks**

**David Hopkins, Lake of the Woods**

**Amelia Wilcox, Mt. Hood**

**Barbara Brazelton, Metolius River**

**Meeting was called to order** at 10:16 am

**Minutes were approved** from 2015 annual meeting

**Barbara Brazelton gave the Treasurer's Report**, stating that the annual budget will depend a great deal on the outcome of the meeting, that we have had fewer membership renewals this year due to the fact that we did not have a membership drive or a newsletter last fall or this spring. We had \$27,016 in the bank at the beginning of the year.

A discussion ensued about the level of participation in OFHA. Approximately 32% of cabins belong to OFHA. Sharon Karr states this is down from 60% when PIT was on the burner. She states, also, that NFH membership nationwide is 45%, and that Oregon is one of the lowest in NFH membership numbers, despite the number of cabins we have.

Budget vote was tabled until the end of the meeting

**Tracy Kremer, Region 6 Representative:** Discussed CFA, firefighting, fuels and restoration, Oregon Wild and Land Management plans

**Cabin Fee Act Directives:**

- NFH is ironing out details with DC regarding trusts and transfer fees

- Transfer fees go to administer Recreation as a whole, not just Rec/Res, as we had hoped would be the case
- She asks the group to pass questions or concerns on to her through Scott

**Firefighting and Fire Borrowing:** these dollars may be separated out in the budget, which would be ideal as it would protect region funding. Firefighting can capture unspent funds currently, and frequently does, which makes it difficult to plan a realistic budget as funds are often returned too late to be reasonably used, and often do not come back to the budget from which they were taken. Ron Wyden supports passage of this act, but for now the act is in limbo, and it appears the coming fire year may be status-quo.

Per Tracy: We have had above average snow and rain west of the Cascades, below average east in both Oregon and Washington. Fire season predictions suggest higher than average fire risk in low precipitation areas this year.

**Fuels:** There is increased funding for fuels and restoration this year, with ten large restoration projects in Region 6 planned for the coming season. Tracy does not know the location of all, but it will involve timber removal and fire control.

Bill McConochie asks how this impacts recommended plans, such as erosion control recommendations he has received at Crescent Lake. Tracy reports this will not likely address recommended plans such as these.

**Oregon Wild:** This group is not officially engaged at this time with the Forest Service, but with written legislation they would be. There are pros and cons to Oregon Wild, Tracy encourages concerned cabin owners to write their congress members.

Pros include the maintenance and extension of open land, and more recreational opportunities that cater to wilderness.

Cons include the limitations on mechanized firefighting methods, and the fact that bug kill trees, left in place in open land, increase fire hazard. In addition, cell coverage can be limited, and wilderness areas can sometimes be proposed without any understanding of what is within or adjacent to the proposed areas.

Tracy states that the DC maps are not adequately detailed, and it is imperative that they know our homes and other related structures/necessary roads are present, so that they can be taken into consideration as decisions are made

Bernie Kosola asked what happens when wilderness areas are designated, and it is later learned that other structures, etc. are there. Tracy states that those things get grandfathered in, but that it often ends up tied up in court. Scott Letourneau encourages early and frequent contact by stakeholders.

Faye Stewart asked about travel management plans, and Tracy replied that each forest must develop these plans of their own. They are to assess all roads, and this at times results in some roads being decommissioned. Cabin owners should check with their permit administrators about roads in their forests.

At this time three land management plans have been approved, likely these will continue to be approved piece-meal, due to funding. These plans show how special use plays into life in each forest, including such things as cabins, power lines, and ski areas.

Thank you, Tracy, for your Region 6 report.

**Scott Letourneau presented the Articles of Incorporation for a vote:** 18 members were present and eligible to vote on the revised articles of incorporation. The following information was reviewed prior to the vote:

- OFHA was incorrectly designated as a 501-C3, Public Benefit status
- OFHA should have been a 501-C4, Mutual Benefit status
- We are basically a lobbying organization
- Old articles stated if we were to dissolve our funds would have to go to like organizations, but this is not what we would want to happen
- OFHA never asked for a Letter of Determination, thus we don't have a status
- We were essentially provided 501-C4 status by the IRS because we have 'homeowners' in our name

Paul Spain asked why this came to light, and it was explained that it was discovered as we worked to determine just how to manage the status of the organization.

Chuck Ehlers asked if Scott was an attorney, he replied OFHA had hired an attorney to rewrite the Articles, that they were rewritten as a 501-C4, and that if we applied for a Letter of Determination that is what we would be. This allows us to participate in political activity, essentially making us the same as a PAC.

We spent less than \$2000 to consult and have the bylaws rewritten.

**Vote was called on accepting our new Articles of Incorporation:**

- **18 in favor**
- **0 opposed**

**Discussion of participation in OFHA, and what this means to the future of the Association:** Scott reports that our letter requesting participation was sent to over 600 households with a 10% response rate. From our requests we received the following:

- One potential newsletter volunteer
- One potential treasurer
- No nominations for board membership, either directors or officers

The letter requested direction on fund use if we were to dissolve, people felt funds should be distributed as follows:

- 36 respondents said 100% of funds should go directly to NFH
- 21 respondents said funds should be split 50/50 between NFH and a PAC to monitor PIT
- 4 respondents said all funds should go to a PAC that would monitor PIT
- 10 respondents did not state how funds should be distributed

Scott presented a new possible option, that we restructure OFHA in a similar manner to the Washington Forest Homeowners Association. Scott had a conversation with Doug Gann regarding this option, which would be a radical restructuring and would require a complete rewriting of the present bylaws. The Washington model essentially places leaders in each tract on the state-level board. Individual tracts are in charge of their database, and in charge of communicating with NFH and the state. There is no state-level newsletter. The tract leader may designate a tract board member to serve on the Washington board in his/her stead. Further, there is no annual meeting for cabin owners, but tract leaders convene 1-2 times a year to stay in touch about local and state issues.

In the Washington model, tract leaders become the conduit for information to the state, and from the state to their local tract.

Scott reviewed that OFHA is a redundant organization in the state, and that there are not enough people to volunteer for their tracts, the NFH and OFHA. He reminded those present that the California organization folded, despite the number of potential households.

Scott described this restructure as a means of survival. It would mean that OFHA would no longer produce a newsletter, or keep a database, two activities that require a great deal of time and effort.

**PIT or restructure in the Washington model:** A question was raised about whether it would be a better use of our resources to establish a PIT monitoring group, and hire a lobbyist to keep track of whether or not the PIT may return to the state senate floor.

Chuck Ehlers reminded the group that Oregon has a large budget shortfall, and that we are at risk of being taxed in this way, as it would bring \$1,000,000 to the coffers. Sharon Karr reminded the group that Oregon is the only state that is permanently exempt from PIT, but that it could return, despite this special status.

Faye Stewart, Lane County Commissioner provided additional insights into the workings of the PIT, should it reappear. Steve Stewart asked him to be present and discuss how a 'revenue bill' might come into being that would revive the PIT

- The PIT is a state fund
- This would happen as a last-minute add-on to an existing bill

He stated that, while he was not at the meeting to be political, he sees these things happen 'every day' and he believes it is in our best interest to have a lobbyist who monitors the problem (for \$500 a year), and is able to respond on our behalf should the problem arise. He was unable to state the cost of actively addressing the PIT if it should reappear as a potential problem.

Return to the discussion of restructuring: Scott states that his informal contact with tract leadership suggests that most are positive about the idea. Tract presidents might serve at the state level themselves, or they may appoint—we would be able to write the bylaws as we chose, but it is Scott's opinion that the person should be on the tract board.

Peggy Shontz asked if we had a copy of the Washington Bylaws, and Scott states that they are very barebones, and that the organization has no reserve fund to speak of. We have a good reserve, and would want our bylaws to protect that fund, and determine the highest and best use of the monies.

Bill McConochie moved that we adopt the Washington model, with an invitation to Mr. Stewart and John Gartland to address and guide the process. This motion was seconded. Rick Dwyer asked about representation from each tract, stating the model makes sense if all are involved, but not if only a portion of the tracts participate.

Sharon Karr stated that people come forward if there is an issue, that this helps maintain momentum, but that we have to be prepared, should an issue arise.

Bernie Kosola asked if we would spend money on lobbyists to monitor PIT, and if we would have interest in Wild Oregon.

Scott stated these would be board level decisions, made by majority vote.

Bernie asked how he would be able to bring his concerns forward if he were not on the board, and Scott stated he could always do so by bringing his concerns to the person on the board from Diamond Lake, but that we might write our bylaws as we chose, and may do so in a way that allows any interested party to bring concerns forward, as is the case in Washington.

Paul Spain asked what the general purpose of the restructure would be, positing that it might be for more active participation.

Scott replied that it would be to eliminate bureaucracy, in that we would no longer be seeking nominations, would not anticipate forest elections. Chuck Ehlers stated that Diamond Lake was willing to take the organization on as it is at the present time.

A motion was made that we restructure and revise the bylaws with the current members of the board and other interested parties who choose to be involved.

**The question was called on Bill McConochie's motion** that we adopt the Washington model, with an invitation to Mr. Stewart and John Gartland to address and guide the process.

The vote was 14 in favor, 4 opposed

Opposed include:

Paul Spain  
Bernie Kosola  
Chuck Ehlers  
Jim Chapman

The motion passed.

**Budget 2016:** Suggested dues for 2016, \$5.00 to fund bylaws, fees for restructuring and etc.

**Letter to Membership:** A letter will be written that will include the following:

- This is the last formal communication
- Tract leaders will be asked to participate in the state organization

- If you are not organized as a tract, please do and send a representative to OFHA
- We will provide periodic updates on the website for now
- Bylaws will be rewritten to reflect new board structure and purpose

Dues: Currently at \$10.00, moved and accepted that they remain in place for the time being.

**Budget vote: 17 in favor, Mr. Dwyer opposed**

**Elections:**

Since we will be restructuring rather than dissolving, the floor was opened to nominations for the two open positions: Secretary and Vice President. Bill McConochie nominated himself for the position of Secretary, and Donna McNeil nominated Sharon Karr for Vice President. Both nominations were seconded, and each was elected to the respective positions.

OFHA meeting was adjourned at 12:15, with a new Vice President and a new Secretary.