

Meeting of the Board of Directors
Redwood Estates Services Association
September 20, 2023 Minutes
Location: Pavilion & Zoom

Meeting called to order at 7:11pm.

Meeting began with a reading of the RESA Rules of Conduct policy

<https://2e4c45.p3cdn1.secureserver.net/wp-content/uploads/2023/09/RESA-Rules-of-Conduct.pdf>

1. Determination of Quorum

Quorum was met with the attendance of Pete Heller, Jennifer Throssell, Angela Hedges, and Joe Bruna, Matt Sheik (zoom)

Also in attendance: Operations Manager Jeff Bates, Cheryl DArcey, Dee Stoddard, Lucia Arredondo , Rita Manachi, Sandy Birkholz, Loran Barnett, Deborah Thronely , Marlene Hodge, Carolina Jackson, David Jackson, Samantha von Summer, Todd Lehr, Nicole Costere, Susan Francis, Michelle Hall, Elaine Daniels, Lauri Praskin, Alan Praskin, Lisa Sgarlato, Mona Raby, Chris Goldsbury, Diane Vasconcellos, Bob Vasconcellos, Phil Schuyler, Elizabeth Gehrke, Crystal Gehrke-Hoffman, Andrew Mena, Andrea Mena, Brian Krupp, Joseph Russell, J.J. Martin, Lynne Toschi

On Zoom: Office Manager Cheryl Hargrove, Chrstine Merriman, Kristen Frank, Karen Brodine, Deah Raby, Kirsten Erdosh

2. Approval of Agenda

Motion to approve the agenda was made by Angela Hedges, seconded by Joe Bruna. Motion approved.

3. Approval of Minutes – July and August 2023

Motion to approve the July 2023 minutes made by Angela Hedges, seconded by Joe Bruna. Motion approved

Motion to approve the August 2023 minutes offer position to Matt Sheik, seconded Pete Heller. Motion approved.

4. President's Report – Jennifer Throssell

- Water bottle refill station grant – no longer pursuing the grant as the cost of permits and installation exceeded the cost of the grant.
- Lot line adjustment update – Moving forward with second lot line adjustment once the first lot line has been finalized with the county
- SBA loan for road repairs in the final stages. Actions include legal review and resolution. 6 weeks remaining in the 60-day window. We do not anticipate any issues completing within the window

- Resa Events Board Committee – Proposal approved to form this committee of the board. Jennifer and Angela were named as director chairs.
 - Just over \$3,000 in the RESA recreation budget

5. Treasurer's Report – Pete Heller

- Income - Running at 110% of budgeted income level.
- Delinquency Report – delinquencies are down.
 - Trend is fewer gross delinquencies, but a slight rise last month.
 - Over \$42,818 recovered in delinquencies so far this year.
 - The board thanked Office Manager Cheryl Hargrove for her continued successful efforts in recovering these funds.
- Expenses up, due to the road repairs
 - Planning underway for the repairs. Currently completing the geological surveys, and starting to bid the work

Roads Budget Update:

- Road budget already 3x budgeted road repair of the year, and this is all in preparation before any repairs have been made
- It will cost over \$1 million to fix the damaged roads
- SBA loan is required in order to be eligible to receive FEMA funding
 - The SBA loan is \$621,800 – will not be enough
 - We will need another loan in \$300-350K range
 - We are required to issue a special assessment of all members because of the way our corporation is structured.
 - RESA members, and not RESA as a corporation, own the property so we cannot offer the Pavilion as collateral.
 - We will split the assessment over the life of the loan rather than issue a one-time special assessment to ease the burden on residents.
- FEMA will only provide reimbursement once we have spent all the SBA loan money and the project has been completed.
 - We can break the work into smaller projects that can be completed so we can access the FEMA funding sooner
 - The process is very complicated, but necessary. Thanks to Cheryl and Jeff for the hard work in navigating this process.

6. Operations Manager's Report – Jeff Bates

FireWise Community:

- We continue to work with NFPA re the FireWise Community Portal not accepting our applications.
- Please clear hazardous fuels around structures and road edges.
- Please update the RESA / FireWise website if you have cleared Storm related or hazardous fuels from your residence or property at <https://forms.gle/JE4AGC3RdzmpgouJA>
 - We need Firewise volunteers from the community
 - Working to get the Firewise designation reinstated
 - RESA lost status due to inaccuracies in the filing.
 - Under review, but cannot submit anything until the review is complete.

- Log your hours and dollar amounts on the website to help show the
- Joe – compliment Jeff's efforts on the Firewise meeting

Roads / Projects:

- Alma Ct: Sent drawing packages out to bid, with No Reply.
- Lindbergh Dr.: Soils & Structural Reports to be completed September 15, 2023
- Santa Ana Rd Slide: Soils & Structural Report: due September 15, 2023
- Santa Ana Rd 18148 Erosion: Soils & Structural Report: due September 15, 2023
- \$190,00 spent to date just on planning reports to prepare for bids, FEMA will reimburse up to 70% of what's spent over that

Drainage:

- Please clear your road edges and properties of leaves and tree debris that can collect in drainages and cause flooding.

Pavilion:

- Parking space striping is pushed out until week of October 2

Playgrounds:

- Please remember that *Dogs* are not allowed in our playgrounds or grass lawn playfield areas.
- Pool restroom PIN access codes available, Contact the RESA Office for your PIN.

Pool:

- New Pool Hours: Tuesday through Thursday, Sat & Sun Noon to 6:00pm,
 - Pool Closed Monday and Fridays
 - “No Lifeguard on Duty” days: Please accompany your children in the water.
 - New Sign in requirements: All members must provide a RESA Account # upon entering pool area.
- Oct 2 – pool closes for the season

SJWC:

- Pipeline upgrade projects are underway.
- Please sign up for Constant Contact for project updates.
 - Projects will continue into Spring 2024
 - Hard closure at the hairpin at LaVerne during road work hours.

FEMA:

- RESA has weekly meetings with FEMA to assist with disaster expenditure reimbursements.

6. Public Comment

- Sandy Birkholz – Began to speak about the Halloween dance. Was asked to wait until other topics could be addressed first as there were many members in attendance who wished to speak about the dance.
- Rita Manachi – Asked how often the 52 culverts in Redwood Estates will be checked.
 - Jeff will provide more detail at the next Board meeting
- Loran Barnett – Concerned about the culvert near her home. She lives below the fire station and every year the culvert floods into her house. There is also a fire hydrant leaking by the store.
 - Jeff confirmed that SJWC owns that culvert in question as well as the fire hydrant, and resident should contact SJWC.
- Cheryl D'arcy – Concerned that her property is bordered by empty lots that are covered in brush.
 - This is Caltrans property; resident should contact Caltrans.
- Dee Stoddard – Inquired if any of the road repairs are on dead end and trapping residents.
 - The damage at Alma Court has impacted the access to 2 resident structures. We have prioritized this repair. All other damaged roads have alternate routes.

- Christine Merriman – Expressed concern about unimproved lots with downed and dead trees along Lindbergh.
 - Clearing of this area will be addressed as part of the road slide repairs

Members in attendance asked that the President read the [prepared timeline of events](#) that lead to the cancellation of the 2023 Halloween Party.

- Timeline is posted here: bit.ly/2022resa

- Dee Stoddard – Spoke in support of RESA hosting a 2023 Halloween dance. Community events are so wonderful. Stated she knows the current board members haven't been here that long. Stated that if the finances can be made good, we should continue with the dance.
 - *NOTE: Current board members have lived in Redwoods Estates for 3 years, 4 years, 11 years, 12 years, and 50 years (grandfather was the original owner of the property as a cabin in 1927.)*
- Lucia Arredondo – Spoke in support of RESA hosting a 2023 Halloween dance. Identified herself as a CRAC member and a community member. At the Aug 15, 2022 planning meeting, the CRAC members disagreed that the funds would be returned to RESA and believed they were to keep the money. Stated that a discrepancy of a few thousands of dollars should not stop the dance. Stated that Jennifer and Angela were punishing members by not hosting the dance.
- Rita Manachi – Spoke in support of the board's decision to cancel the dance. Identified herself as a former board member. Stated she understands that there was a disagreement, but that the dance money was intended for RESA. Stated a clear process needs to be in place before volunteers are allowed to use RESA's money.
- Sandy Birkholz - Spoke in support of RESA hosting a 2023 Halloween dance. Stated that it was a nice way the community can get together. Spoke about the tradition of the Christmas party for families. Explained her reasons for why, as a board member, she gave CRAC members access to the Pavilion after they had been told they were not authorized to use it. Stated "We don't wait for permission. I let them in with my key." Showed a picture of families in the rain outside the Pavilion. Stated that since the event had been advertised by the volunteers and there were families waiting outside, she unlocked the Pavilion for CRAC. She said she was shown a signed contract. She asked the board members to search their conscience and hold the dance.
 - *NOTE: CRAC did not have a signed contract for use of the Pavilion. The board had clearly communicated to CRAC that they did not have authorization to host another event until the Halloween funds were resolved. (see [Timeline entry: Nov 30, 2022](#))*
- Loran Barnett – Spoke in support of RESA hosting a 2023 Halloween dance. Has a special needs child and looks forward to this event since it is the only time in a year she can go out. This is only dance for the entire year. It doesn't matter who the money goes to.
- Deborah Thronely - Spoke in support of RESA hosting a 2023 Halloween dance. Is not a member but is a 23-year resident. Appreciates the board and the time put in by all volunteers. Wants us to find a way to resolve this issue and hopes we'll reconsider hosting the dance.

- Nicola Costere– Read a letter on behalf of member Holly Bins, who could not attend, in support of the board’s decision to cancel the dance.

To the Honorable Members of the Redwood Estates Services Association Board,

I am writing in support of the board’s decision to set and abide by standards for honest dealing when allowing groups to access and utilize facility space and financial support. As a nonprofit mutual benefit corporation, the RESA board is a steward of all members’ interests.

A group of private citizens requested the RESA board financially support and gain access to the Pavilion for an event. The Board set a standard of requirements per the Board bylaws to hold the event which the group did not meet in their proposal and declined to grant approval for the event. I support the Board’s decision to refuse any group who does not meet such requirements. This group posted signs around Redwood Estates asking for support of their canceled event through attendance at the Sept 20th board meeting. I ask the Board to stand by their prior decision that upholds the standard for use of our community's resources.

I encourage the Board to prioritize staff and board member energy on road safety and maintenance at this time. The prior winter left many of our access ways tattered and, in some instances, demolished. The current water main replacement project, a necessary but disruptive event, is also a priority for this Board. Regaining safe access to these roads must be a top priority.

Thank you for your continued time and energy as you set standards and prioritize important programs for your members.

Sincerely, Holly Bins

- Susan Francis – Spoke in support of RESA hosting a 2023 Halloween dance. Stated that she assisted CRAC with Halloween last year. Stated the issues from last year’s dance came up with not having Mona in the office to run the recreation event, as Cheryl (current Office Manager) is only for bookkeeping. Asked if the board wants the former CRAC volunteers to continue with being a volunteer group, or come to RESA as volunteers. Susan referenced a printout she distributed that had a copy of the cashier’s check for \$3,146.82 she provided to RESA on June 21, 2023, and an email dated October 31, 2022 with a breakdown of the \$1,632.37 collected by RESA via online sales. She explained that the online sales accounted for money still missing from the dance proceeds.
 - *NOTE: This is inaccurate, as [\\$4,537.93 was taken from the event cash box](#) and was deposited by Susan into a CRAC bank account on 11/3/2023. This cash amount is unrelated to any money collected online by RESA. \$1,391.11 in cash proceeds remains unaccounted for. (See [Timeline entries: Oct 29, 2022, Nov 7, 2022, June 20, 2023, June 21, 2023.](#))*
 - *NOTE: The Current Office Manager has many duties beyond bookkeeping, but as an hourly employee the board requires that she prioritize member services above event planning.*
- Michelle Hall – Spoke in support of the board’s decision to cancel the dance. States that we all care about our community. Stated that as a CPA/Accountant, she understands the need for risk

aversion. Stated that the conversation has been very emotional, but that needs to be put aside when dealing with financial transactions. Stated that there are rules that must be followed when a 501c3 runs these events. Stated that all of the financial liability all falls on RESA, since CRAC doesn't haven't their 501c3. Stated that they need to get that status if they wish to host fundraising events, otherwise it has to be run through RESA and must follow standard procedures. Stated that, like her, many in attendance served on the Lexington Home and School Club Board, which was a community organization but operated based on standard policies, including internal audits, documentation for reimbursements, and two signatories on checks. Stated the missing money is everybody's money, and that we are homeowners. We're not a social club, we're an association. We need to do things right. Stated she does not want RESA to get sued. Stated that the cost of the road repairs is scary, we need to be careful of how to spend money, and now is not the time for a party.

- Elaine Daniels – Spoke in support of RESA hosting a 2023 Halloween dance. Stated she has worked for years on events. Stated that events are for the benefit of the Redwood Estates community and it has always been a RESA event. Stated that CRAC was the arm that created the adult Halloween dance, sometimes a spring dance, and also kids parties. Stated it takes money to put on this event, hiring a band and security, it takes a lot of effort. Wants us to smooth all this over, and work with the newly formed Redwood Estates Volunteer Society. Stated the ad doesn't matter [volunteers advertised the dance in the Mountain Network News September 2023 issue without RESA's knowledge or consent]. Stated that we all need to come together, with creativity and tiny bit of crazy
- Lauri Praskin – Spoke in support of RESA hosting a 2023 Halloween dance. Stated her mom was part of women's club [which preceded CRAC]. Thanked the board for their service. Stated the bylaws have always covered recreation, tennis court and pool, and a park, and over the years this has been improved. Stated that growing up in Redwood Estates, parties for the kids were among her earliest memories, and she remembers sitting on santa's lap and realizing it was her father playing Santa. Stated she always thought CRAC was independent, that they made their own money, and her understanding was that CRAC always kept the money together. Stated it's about the dance, and not about the money. Stated that people decorating and pulling it together built community. Stated she hasn't come to the dance in the past few years, Stated her neighbor was ill and tried to make it to last year's dance but couldn't. But she heard the music from her window, it was so important to her. She passed away a few months later. It's why the dance is important.
 - *NOTE: The current Amended and Restated Bylaws dated November 18, 2015 does not include community events as one of the stated purposes of the corporation.*
<https://2e4c45.p3cdn1.secureserver.net/wp-content/uploads/2018/12/RESA-Bylaws-11.18.15-with-autograph.pdf>
- Mona Raby – Spoke in support of RESA hosting a 2023 Halloween dance. Stated the dance is the biggest and best event this community enjoys. Stated there is a 89% depression rate. States it makes her shake that we canceled the dance. Listed all the great parties that used to happen, and that the community loves it, they move here for the recreation. Stated the RESA board had told CRAC to no longer be a 501c3. Addressing (RESA Board Events Committee members)

Jennifer and Angela, stated “How dare you” several times. Addressed the other board members stating that they did not need to go along and could vote to save the dance.

- *NOTE: The Board Resolution for the RESA Events Board Committee approved August 30, 2023 by the full RESA Board authorized Jennifer and Angela to represent the RESA Board for events.*
- *“On August 30, 2023, at an executive board meeting, the RESA Board of Directors voted to designate Jennifer Throssell, President, and Angela Hedges, Secretary, as committee leaders for RESA Events Board Committee to represent RESA on any and all business conducted on behalf of the RESA in conjunction with the planning and execution of any such event and will control finances as per the amount budgeted. This Board Committee will specify the duties, responsibilities and limits and will oversee all volunteers and volunteer committees that support these events.”*
- Bob Vasconcellos – Spoke in support of RESA hosting a 2023 Halloween dance. Stated he was on the RESA board twice, and the recreation situation is a big mess. Stated when he was on the board, things flowed, and he doesn’t consider this a community anymore. Stated there were a lot of contentious meetings when the SJWC sale occurred, some real arguments but always respectful. Stated a lot of new families have moved in, and changes are coming. There are lots of regulations, which came about because no one knew they were needed, and since Covid there’s a new board and staff changes. Stated there is good intention on both sides, but the clash came because of the turmoil of old vs new. Stated that we are a service district, operated for the members, they pay the dues. Stated it’s hard job serving on the board.
- Phil Schuyler - Spoke in support of the board’s decision to cancel the dance. Thanked to the board. Stated he is sad that there is no dance, but there are two sides to the story. Stated the need for clear finances, and it’s reasonable to not have community funds in a personal bank account. Stated he witnessed personal attacks by the volunteers on past board members.
- J.J. Martin - Spoke in support of RESA hosting a 2023 Halloween dance. Stated she was a president of the former women’s club. Stated this trouble is not isolated to this community. Stated if the board doesn’t want this the volunteers can handle this dance. Stated it’s not too late to salvage this dance.
- Chris Goldsbury – Spoke in support of the board’s decision to cancel the dance. Stated he is a former board member who served that past 6 years, and was on the board during last year’s dance and the aftermath. Stated he is shocked that there was going to be a dance this year since it took 9 months for volunteers to return some, but not all, of the stolen monies. Stated that his wife was aggressively threatened multiple times by a CRAC volunteer outside their home, and the volunteer later entered the home to continue harassing this wife and left only when the wife threatened to call the sheriff, and there were no repercussions for this volunteer. Stated that the volunteers were rowdy and used vulgar language at a recent event planning meeting.
 - *NOTE: At this point several volunteers began shouting at Mr. Goldsbury and had to be warned to remain civil and not interrupt or risk violating RESA’s Code of Conduct policy. They were reminded that no one interrupted them when they had their turn for public comment, and they must respect the rules of order or be asked to leave.*

- *Seven members in attendance reported they clearly heard Mona Raby use profanity when Mr. Goldsbury approached the podium.*
- Elizabeth Gehrke – Spoke in support of RESA hosting a 2023 Halloween dance. Stated that all this thing about the money is ridiculous, and that there is a lot of BS out there. Stated that Chris Goldsbury [at the time the RESA President] gave a donation to the volunteers. Stated that we have this money, what was the big deal, nothing that was done was nefarious. Addressing (RESA Board Events Committee members) Jennifer and Angela, she stated that “everything was going on perfectly until you anointed yourselves chief whatevers.” Stated the dance should continue.
 - *NOTE: The Board Resolution for the RESA Events Board Committee was approved August 30, 2023 with unanimous decision by all 5 Board members. Standard practice for a California Nonprofit Mutual Benefit Corporation and RESA bylaws section 10.4 is being followed for Committees of the Board.*
- Brian Krupp - Spoke in support of the board’s decision to cancel the dance. Stated he has met many on both sides of the room. Last year he had Covid and couldn't attend the dance, but that he and his wife came into the community at the Halloween event. Stated there are a lot of emotions, but to remember the current board is different, only Angela was on the board during last year’s dance. The world has changed a lot since the homes here were first built here. Stated that Michelle Hall said it best: It’s about liability. Encourage the new volunteer group to do things by guidelines. Stated we need to worry about this dance less than the roads. Reminded everyone that community events was ranked lowest on the survey of member priorities - we can’t make this dance the highest priority. RESA’s resources and the amount of money needed to be spent on the roads takes priority. We need to put that history and emotion to the side and focus on the current issue of the roads. Stated that time is valuable, we want to get that back home to our families. Stated we need to run events correctly, it’s about liability, it cannot be bigger than the road issue. Echoed that Phil and Bob said, we need to fix this issue with events. If this is the thing we’re worried the most about, that’s not going to work. We need to do this properly.

End of Public Comment.

President’s comments – According to the RESA records, only 2 Halloween dances have been profitable, 2017 and 2022.

Volunteers interrupted her to state that this wasn’t right, and that the dance was always profitable.

President responded that if the records are inaccurate, that indicates a very serious issue. We may have to audit that and determine why the financial records would be incorrect. Until the issues can be resolved and oversight can be put in place, there is too high a risk to host a Halloween dance this year.

7. New Business - none

8. Old Business Firewise Status investigation update (covered in Operations report)

9. Adjournment Motion to adjourn by Angela Hedges, seconded by Joe Bruna. Meeting Adjourned at 9:32pm.

ADDENDUM: 2022 Halloween Dance - Timeline of Events

Prepared 9/26/2023

SUMMARY

This document outlines the actions surrounding the Halloween dance hosted at the Redwood Estates Pavilion on October 29, 2022 through to the planning for the 2023 Halloween dance. It provided the basis for the RESA Events Board Committee's recent decision to not move forward with the 2023 Halloween Dance.

The committee's decision does not reflect a lack of commitment to community events. We welcome any and all members who are willing to abide by RESA policies to volunteer and help RESA host events of all kinds that benefit the members of this community.

At the [November 16, 2022 RESA Board Meeting](#), RESA recognized the "need to formalize the relationship between RESA and CRAC [volunteer group] before we can work together on future events."

The events listed in this timeline provide strong evidence that RESA and CRAC groups have not formalized this relationship in the 11 months since that statement was made. It was unfeasible that these issues could be resolved in time to plan and organize the Halloween dance with proper oversight by the end of October.

The RESA Board of Directors has a duty to be responsible with finances and to prioritize resources. In our December 2022 RESA Survey, members were asked to rank these 5 areas by priority. The results were:

1. Maintain Roads
2. Manage Budget
3. Fire Abatement
4. Maintain facilities (Parks, Pool, Pavilion)
5. Community Events

The amount of time, effort and energy the RESA board has spent over the past year on the topic of community events and the recovery of event funds was found to be out of line with the priorities of our membership. RESA is facing some very difficult problems: Repair of our roads after the storms, currently estimated to cost \$1.2 million. Securing the required SBA loans to be eligible for FEMA funding. Working to retain our Firewise designation. The RESA Events Board Committee determined that RESA could not afford to take any more time and resources away from these vital areas to plan a dance for which we cannot guarantee proper fiscal oversight. On September 11, 2023, the RESA Events Board Committee informed the CRAC volunteers that we could not approve this year's Halloween dance. We are open to planning the trunk-or-treat and kids' holiday party, which need less oversight, as well as open to a 2024 Halloween Dance provided open issues can be resolved.

Please refer to the following timeline to understand the basis of the RESA Events Board Committee's decision.

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UPDATE 9/21/2023: After hearing from many concerned community members at the September 20, 2023 RESA Board meeting, the RESA Events Board Committee reconsidered their decision for hosting the 2023 Halloween Dance. We have proposed a way that this year's dance can continue while avoiding the issues arising from the handling of last year's community events. Thanks to everyone who spoke out! Your voice matters.

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2022 Halloween Dance - Timeline of Events

August 15, 2022

A 2022 Halloween dance planning meeting was held on August 15, 2022 at the Redwood Estates Pavilion. According to the RESA President, he informed the volunteer group that the RESA Board had agreed to pay the band directly their \$1,500 fee, and to provide the event volunteers \$1,500 to cover planning expenses, with the condition that all event proceeds after expenses would be returned to the RESA Recreation account. According to the volunteer group, they understood the \$1,500 to be a donation to their group, called CRAC. The RESA board maintains that this could have not have been the intent, as the RESA cannot legally make a donation to individuals to an organization that does not have active 501(c)3 status.

This misunderstanding led to the events that followed the 2022 Halloween Dance.

October 29, 2022

The 2023 Halloween Dance was held at the Redwood Estates Pavilion, and sold out its 125 person capacity. A total of \$6,170.30 was collected for entry and drink tickets, with \$4,537.93 collected in cash and \$1,632.37 collected via online sales. The online sales went directly into the RESA bank account. The cash box was taken by the volunteers on the night of the dance. ([Ref: Email - Proposal for the RESA Bod](#))

Nov 7, 2022

In an email from MEMBER A dated Nov 7, 2022 (Subject: CRAC Halloween party cash deposit), RESA was informed the cash donations collected at the dance, totaling \$4,537.93, had been deposited on 11/3/2022 into a new account ending 4643, opened by MEMBER A on behalf of CRAC. A deposit receipt was provided.

([ref: Email - CRAC Halloween party cash deposit](#))

Nov 8, 2022

The RESA president sent an email to members of the volunteer committee on Nov 8, 2022 (Subject: Redwood Estates Halloween Party - Notice to CRAC) reiterating the agreement from the 8/15/2022 meeting that donations from the event must be returned to the RESA Recreation account.

([Ref: Email - Redwood Estates Halloween Party - Notice to CRAC](#))

Nov 16, 2022

At the RESA Board Meeting on Nov 16, 2022, members of the volunteer committee, represented by spokesman MEMBER B, made the following claims:

- The volunteers are not affiliated with RESA but are a separate entity called CRAC: COMMUNITY RECREATION ACTION COMMITTEE
- CRAC is not a RESA Committee and has no formal connection to RESA, and prefers to remain completely independent of RESA.
- The annual Halloween dance is not a RESA event but a CRAC event • The donations at the 2022 Halloween dance were made to CRAC, not RESA. • At the planning meeting on August 15, 2022, volunteers understood only the money given to them by RESA would be repaid, and the remaining proceeds would go to CRAC.
- CRAC was in the process of filing for 501(c)(3) status for CRAC but the group currently did not have this status.

MEMBER A indicated that she had a cashier's check in the amount of \$3,357.82, but would not give it RESA until (1) RESA provided a letter requesting the funds from CRAC; and (2) RESA agreed not consult attorneys any further on this matter. The conditions were not acceptable to the BoD on the grounds that (1) CRAC is not a legal entity that can be corresponded with; and (2) legal consultation may still be required if any irregularities were found. The check was not given to RESA.

When asked, the volunteers confirmed that CRAC had no formal bylaws or membership roster, and could not name the decision maker for the organization.

RESA stated they needed to “formalize the relationship between RESA and CRAC before we can work together on future events.”

RESA and CRAC agreed that CRAC would propose a settlement of the funds to RESA, and the RESA BoD would respond.

[\(Ref: RESA BoD Minutes 2022-11-16 APPROVED\)](#) [\(Ref: CRAC Packet 11-15-2022.pdf\)](#)

Nov 18, 2022

RESA sent an email to CRAC asking if they had a proposal for RESA.

[\(Ref: Email - Proposal for the RESA Bod\)](#)

Nov 20, 2022

CRAC responded that they would be meeting after the Thanksgiving break, and that RESA board members may need to put the proposal together.

RESA responded with a detailed proposal and requested a response. No response was given to RESA.

[\(Ref 7: Email - Proposal for the RESA Bod\)](#)

Nov 22, 2022

RESA an updated proposal that lowered the amount CRAC was to repay to RESA. No response was ever given to RESA.

[\(Ref 7: Email - Proposal for the RESA Bod\)](#)

November 29, 2022

MEMBER A emailed the RESA office that “The IRS has issued a new Tax ID for the Community Rec.” and included the letter from the IRS indicating this. The email also stated that “the proper 501(c)3 application has been submitted. Form 1023 EZ and form 990-N filed 2022 tax year,” but no documentation was provided to RESA about this. She asked that the RESA Office Manager contact her if any mail was received for CRAC.

RESA noted the following issues:

- (1) CRAC filed for the EIN using the RESA Pavilion physical address as their business address, without informing RESA or obtaining permission.
- (2) The RESA Pavilion physical address used for the filing does not receive mail. (3) The EIN letter that clearly states “an entity must first be legally formed before applying for an EIN.”
- (4) No proof of 501(c)3 application, Form 1023 EZ or form 990-N were provided. It is not known what address was used.

Also attached to this email was a letter listing events that CRAC planned to hosted using RESA facilities, and that “The funds raised by the Community Recreation Action Committee are retained for the 2023 event calendar. For use and enjoyment of the Redwood Estates Members Facilities.” The letter stated that CRAC had the following documents in process:

“Tax ID # 88-4310369 form 1023-EZ and Form 990-N. shown within the TAX ID Doc. The 501(c)7 Application process is expected to be complete by April 2023”

[\(ref: Email - Community Events Calendar 2022/23\)](#)

[\(ref: TaxEIN CRQAC.pdf\)](#) [\(ref: CRAC 22 -23 Event Sch.pdf\)](#)

Nov 30, 2022

RESA replied to the Nov. 29 email stating the following:

- CRAC cannot use the RESA address as their organizations mailing address • RESA would contact the IRS that this application address is not that is it not a RESA application, and request that it be retracted or amended immediately.
- NO CRAC events would be reserved or held at the RESA Pavilion until 1. The Halloween event situation is amicably resolved and now 2. This CRAC mailing address for your EIN application is resolved.
- Specifically, the Dec 4th CRAC event (Children's Holiday Party) was NOT officially on the RESA Pavilion calendar.

[\(ref: Email - Community Events Calendar 2022/23\)](#)

RESA received no response.

Dec 4, 2022

CRAC members attempted to gain unauthorized access to the Pavilion for their Holiday event by using the hide-a-key lockbox. The key was not in the lockbox and they were unable to gain entry this way. CRAC members then contacted several RESA board members attempting to gain unauthorized access using their Pavilion key.

MEMBER C, a CRAC volunteer, approached the spouse of a RESA board member in front of the board member's home and demanded the Pavilion key. When the spouse refused, MEMBER C began yelling and using abusive language. The spouse told MEMBER C to leave their property. MEMBER C later returned, opening the board member's front door and entering their home without permission, frightening the spouse. MEMBER C left only after the spouse threatened to call the sheriff.

MEMBER C also approached the RESA Operations Manager outside his home and demanded the Pavilion key with yelling and abusive language. The key was not give.

CRAC members convinced a RESA board member (since resigned) to let them into the Pavilion to host the event by falsely claiming they had a signed and paid contract. There was no contract in place, no payment made, and no insurance coverage obtained for this event, leaving RESA in a position of liability.

Dec 12, 2022

RESA sent CRAC a final proposal, asking for a response by Dec 19, 2023. RESA received no response.

[\(ref: Proposal for resolution of the 2022 Halloween Party Funds.pdf\)](#)

May 8, 2023

MEMBER C phoned the RESA Office Manager to tell her that the date of 10/28/2023 should be reserved for the 2023 Halloween Dance.

[\(ref: Email - Halloween Dance @ Pavilion\)](#)

May 11, 2023

MEMBER A texted the RESA office manager that she was at Bank of America the CRAC account and would drop a cashier's check in the RESA mailbox.

MEMBER A also stated that she a new group of volunteers, organizing under the name "Redwood Estates Volunteers Society"

[\(Ref:MEMBER A Text May 11 23.pdf\)](#)

May 22, 2023

RESA Office manager emailed MEMBER C and informed her that “Regarding your inquiry about the 2023 Halloween Dance, the BoD will need the matter of funds from the 2022 Halloween Dance resolved before any discussion can begin.”

[\(ref: Email -Sponsorship Pavilion Rentals.pdf\)](#)

June 16, 2023

MEMBER C phoned the RESA Office Manager saying she did not receive a reply to her inquiry. RESA Office Manager forwarded the May 22, 2023 email again.

June 20, 2023

MEMBER A texted the RESA office manager: “The check should arrive in the PO Box”

MEMBER A also stated via text that the previous group of volunteers is no longer together, and that she has found a new group of homeowner residents to assist.

[\(Ref: CRAC Payment Update 6.20.23.jpg\)](#) [\(ref: MEMBER A Text 6 20 23.pdf\)](#)

June 21, 2023

RESA received a cashier’s check by mail for \$3,146.82 from MEMBER A. The RESA office manager sent her an email asking to clarify why this amount did not match any of the proposals put forth by RESA to CRAC. No response was received.

As of 9/19/2023, there’s remains a \$1,391.11 discrepancy between the \$4,537.93 deposited by CRAC on 11/3/2022 and the \$3,146.82 received on June 21, 2023.

[\(ref: Email - Halloween Dance Funds 2022\)](#) [\(ref: CRAC Cashier’s Check.jpg\)](#)

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NOTE: RESA’s numerous proposals to CRAC to split the donations assumed in good faith that CRAC was, as claimed, a legitimate organization in the process of obtaining 501(c)3 nonprofit status, and therefore legally allowed to accept donations. No documentation has been received indicating that this status has been obtained, any proof that a legal entity called CRAC exists, or who its members are. Therefore the proposals to split funds are no longer valid and all donations taken by the volunteers after the 2022 Halloween dance must be returned to RESA.

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Aug 6, 2023

MEMBER A texted the RESA Office Manager asking if community events dates had been reserved. The Office Manager replied that these requests needed to go through the RESA Board.

MEMBER A sent an email to the RESA President asking how the RESA board plans to go forward with these events, and stating “Cheryl is bookkeeping only and not a part of organization of events.”

[\(ref: Text to RESA Office 8-6-2023\)](#) [\(ref: Email - RESA Community Events 2023\)](#) [\(ref: Email - RSVP Pavilion Dates Kids_ Adult Events8-7\)](#)

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NOTE: Volunteers continued to contact the RESA Office Manager directly via text, email and phone about event planning, despite being told multiple times to contact the RESA Board. This distracted her from her daily duties and her work coordinating road repairs and securing public funding. ref: See emails from August 26, 2023 and August 30, 2023).

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August 16, 2023

At the August 16, 2023 RESA Board Meeting, MEMBER A presented a public comment regarding preparations for the 2023 Halloween Dance. The Board requested information for an event proposal form, and informed her they would review the information before approving the event. (The information captured at the meeting for the event request form was sent to to MEMBER A via email on Aug 30, 2023)

[\(ref: RESA BoD Minutes 2023-8-16 - APPROVED.pdf\)](#)

[\(ref: Email - Halloween Dance Volunteers Responsibility\)](#)

Aug 17, 2023

The RESA Office manager sent an email to MEMBER A and the two RESA Board members serving on the RESA Board Events Committee indicating that all communications should go to them and not to her.

[\(Ref: Email - Halloween Dance - Communication and Expectations\)](#)

Aug 26, 2023

MEMBER A emailed the RESA Office Manager asking for an update on a list of planning tasks for the 2023 Halloween Dance planning, and asking when the planning meeting would occur.

The RESA Office Manager forwarded the email to the RESA Board Events Committee members.

[\(Ref: Email - Halloween Dance - Communication and Expectations\)](#)

Aug 30, 2023

MEMBER A sent the RESA Office Manager a new email with a list of planning duties, assigning numerous tasks to RESA staff and Board. At this point, no committee meeting had occurred and RESA had still not approved the 2023 Halloween Dance.

RESA Office Manager forwarded the email to RESA President.

RESA President responded to MEMBER A that the RESA Board planned to discuss the creation of a RESA Events committee, and that RESA would move forward with dance planning if approved. Also included was a basic Community event request form filled in with details gathered at the August RESA Board Meeting.

[\(ref: Email - Halloween Dance Volunteers Responsibility\)](#)

August 31, 2023

MEMBER A emailed RESA Office Manager to inform her that the Alcohol License form would be dropped off and check was needed.

The majority of the volunteers listed on the Liquor Permit form were volunteers involved with the 2002 Halloween Dance, contradicting earlier communications ([ref: MEMBER A Text 6 20 23.pdf](#), [ref: MEMBER A Text 6 20 23.pdf](#)) stating there would be a new group of volunteers.

[\(Ref: Email - RSVP for Velvet Jones October 28th_2\)](#) [\(Ref: LiquorPermit.jpg\)](#)

September 2023 - MNN (Mountain News Network) Magazine

Event listings were placed in the MNN September 2023 advertising the dates and times for an “Adult Halloween dance at the Redwood Estates Pavilion” and a “Children’s Halloween trunk ‘n’ treat in the Redwood Estates Pavilion parking lot.” These were placed in the MNN without RESA’s knowledge or consent.

The MNN confirmed that MEMBER A had placed the advertisement, and had presented herself as a representative of RESA. The publication deadline was August 10, 2023. At no point did any volunteer inform RESA that the advertisement had already been placed for any event, including when the event was discussed at the RESA Board Meeting on August 16, 2023. [\(ref: MNN Sept 2023 Events.jpg\)](#)

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NOTE: This action significant as:

(1) At the RESA Board Meeting on Nov 11, 2002, CRAC cited MNN advertisements for the 2022 Halloween Dance, which did not mention RESA, as evidence that the dance was not a RESA event, and as justification for CRAC retaining the dance proceeds. (2) The Sept 2023 MNN listings do not mention RESA.

(3) CRAC used the MNN advertisement of the Dec 4, 2022 Children's Holiday Party as justification for their unauthorized use of the Pavilion, as the dance had already been publicized and therefore could not be canceled.

Despite the frequent and detailed planning correspondence between RESA and the volunteers, no mention was made of these advertisements. The RESA Events Board Committee viewed the placement of an advertisement for a RESA event without RESA's knowledge or consent, before the event had been approved, as a strong indicator that the volunteers would continue to act independently as they had in 2022.

In light of this, the RESA Events Board Committee made the difficult decision to not approve this year's Halloween Dance.

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Sept 5, 2023

MEMBER A texted RESA Office Manager to ask if she had a signed contract and check for the band.

RESA Office Manager sent an email in response, reminding MEMBER A that before RESA commits to this contract, a full list of who is on the volunteer committee is required so that all parties are aware of our policies and procedures and the code of conduct. MEMBER A was also again reminded to email rather than text, and to include the RESA Board members who are involved with events.

[\(Ref: Email - RSVP for Velvet Jones October 28th\)](#)

[\(Ref: Email - RSVP for Velvet Jones October 28th_1\)](#)

Sept 6, 2023

MEMBER A emailed the RESA Office Manager, Operations Manager, President, and Secretary, a new list of planning duties, assigning numerous tasks to RESA staff and board.

RESA President responded inline to each item in the email.

[\(Ref: Email - RSVP for Velvet Jones October 28th\)](#)

[\(Ref: Email - RSVP for Velvet Jones October 28th_1\)](#)

Sept 11, 2023

The RESA Events Board Committee had a volunteer meeting at the Pavilion. All volunteers in attendance were volunteers involved with the 2022 Halloween Dance, contradicting earlier communications ([ref: MEMBER A Text 6 20 23.pdf](#), [ref: MEMBER A Text 6 20 23.pdf](#)) stating there would be a new group of volunteers.

At the meeting, the RESA Events Board Committee stated they could not approve this year's Halloween dance, but were open to planning the trunk-or-treat and kids' holiday party, which need less oversight, as well as open to a 2024 Halloween Dance provided open issues can be resolved. The volunteers yelled, used expletives, pushed chairs and walked out of the meeting.

UPDATE:

September 20, 2023

At the RESA Board meeting held at the Pavilion on September 20, 2023, several members made public comments related to the 2023 Halloween Dance, including multiple requests to have a dance this year, as well as both support and condemnation for the board's decision to suspend planning until the issue with the volunteers could be resolved and oversights put in place for event planning.

At the meeting, CRAC volunteers distributed a packet that included a copy of the cashier's check for \$3,146.82 sent to RESA on June 21, 2023, and an email dated October 31, 2022 totaling the amount collected online. Referring to this packet, a volunteer commented that the missing \$1,391.11 is accounted for by the online sales collected by RESA in October 2022.

This is inaccurate, as the [\\$4,537.93 in cash](#) that was deposited by the volunteers into a CRAC bank account on 11/3/2023 is separate from \$1,632.37 collected via online sales deposited directly in RESA's bank account.

*As of Sept 22, 2023, \$1,391.11 in cash proceeds is still missing and no documentation has been provided by the CRAC volunteers to RESA to account for this loss of funds.

[\(ref: CRAC packet 9-20-2023.pdf\)](#)

September 22, 2023

RESA sent an email to the members in response to the outpouring of public comment at the September 20 RESA Board Meeting. The RESA Events Board Committee has reversed its decision and will host the 2023 Halloween Dance provided there are at least 15 volunteers willing to abide by 6 event requirements signed up by Sept 25.

[\(ref: Email - RESA BoD Meeting Follow-up - 2023 Halloween Dance Proposal\)](#)