



## La Cresta POA 60 Second Wrap-Up

### Meeting Date: Jan 9, 2026

Next Meeting Date/Time/Location: Feb 5, 2026 6pm at The Corporate Room, Wildomar

Directors Present: Roy Paulson (president), David Boyd (vice president), Paul Gaarenstroom (treasurer and secretary), Tsun-I Wang (director at large), Michael Ghafouri (director at large).

### Main Discussion Points/ Topics:

**1. Announcements:** No Recording allowed. Many items (two months of agenda items) for the executive session were tabled because of time.

**2. Open forum speakers:** Speaker was concerned about not hearing back regarding late dues. Additionally concerned about a pothole on her street. Road committee to investigate. Second speaker, Rick DeAndero stated because two of our directors will not sign the Code of Conduct, then he does not need to respect it either when addressing those two directors. Rick's complaints/allegations were the 2023 destruction of a POA road easement costing the association \$36,000 and forcing a lawsuit to collect those funds from a particular Director. Rick is upset that this same Director is singling Rick out in a cross-complaint suit which this Director recently filed. In the cross-complaint suit, Rick alleges that Director used multiple inflammatory names directed at Rick such as terrorist and communist. The Director's cross-complaint also accused Rick of being friends/associates with the owner of the recently constructed "mobile home ADU". Rick states he's never met that homeowner. This Director countered Ricks allegations by telling Rick to keep his claims of lies for the court.

### 3. Committee Report Highlights:

- ARC – Lance R gave a brief report on approvals, denials, and extensions. **Vote taken to approve minutes**
- Beautification – Pam H reported that there were many beautifully decorated houses to choose from, but her committee and some volunteers were able to pick four who were then given gift baskets (the Wells, the Valencias, the Sauros and the Davids). Next meeting will focus on refreshing the grounds around the monument.
- Finance – Jim K reported there were two meetings. Multiple topics discussed briefly. Several CD's were purchased and will mature in Feb/March 2026. Late submittals from 2024/2025 projects paid for this fiscal year. Flock camera payment mentioned. Budget is on track. Currently 74.1% funded. Will be 59% after road projects are paid for. **Vote taken to approve report**
- Gov Documents – David B reported the committee met 2 times. Almost finished with the CCRs review. They are collecting questions to present to the POA attorney. The committee will review prepared bylaws next. **Vote taken to approve minutes**
- Fire Safety – David B reported the committee did not formally met, but have distilled their to-do list down to about 4 items including safe egress vs shelter-in-place, large animal evacuation locations, etc. They are planning a big plateau-wide Town Hall to include EMD, Cal Fire, RivCo Sheriff, Forestry, water District, Animal Control. Tentative date is Feb 19<sup>th</sup>. Rancho's recent town hall discussed two Heli-Hydrant (permanent) vs Heli-Pad (temporary) projects to begin, with a hopeful completion in Fall 2026.
- Litigation – David B presented a very detailed report highlighting the expenses our community is incurring because of the lawsuits. He emphasized transparency, while not being allowed to violate privacy and certain details. Lawsuits are NOT discretionary costs (meaning they are not budgeted or planned for). He read a June 2023 letter written by our former management company, Avalon who 'fired us' meaning they refused to renew our contract with them. They said they were no longer able to manage LCPOA because their team was subjected to embarrassment, threats, lack of harmony, conflicting guidance. This was the 2<sup>nd</sup> management company to fire LCPOA. Each time a new company is hired, the costs go up. On the topic of transparency, he emphasized that all members should be receiving a copy of our President's monthly 60-second wrap up. This goes out electronically to all who have created

an account using the Powerstone website. It provides details of the open session meetings including which Directors voted for what, all committee reports, Old and New Business, Consent Calendar, Open Forum, etc. He then went into detail about spending fees which includes the governing documents, management, insurance, legal. The Governing Documents, which are actively being reviewed by that committee, are a discretionary expense (planned for). To date, this has cost \$11,628. Again, lawsuits are NOT discretionary. He highlighted the recent suits: V. Scarpino, Gene P, M. Ghafouri #1, J. Brown, and M. Ghafouri (Cross Complaint). Because of these suits, management costs went up (both because of hiring a new company, but also because of the additional hours required to provide documents and other admin tasks).

Management Fees:

Avalon: \$9,000/month

Powerstone (1<sup>st</sup> year): \$16,000/month

Powerstone (2<sup>nd</sup> year): \$13,000/month (Decreased \$\$ bc board voted to decrease management hours that year)

Year 1 for Powerstone we spent an additional (\$16k less \$9K) ie \$7,000 x 12 mo = \$84,000/year more than Avalon

Year 2 for Powerstone we spent an additional (\$13k less \$9k) ie: \$4,000 x 14 mo (to date) = \$56,000/year more than Av.

After 2 years/2 months with Powerstone, LCPOA has spent an additional (\$84k + \$56K =) \$140,000 above Avalon's fees.

Additional Billed Hours: \$6,450 for Elisa's extra time to find lawsuit documents, etc.

Insurance Premiums have also increased because of lawsuits.

2023/2024 Premium: \$30,412

2024/2025 Premium: \$37,812

2025/2026 Premium: \$63,695

We are paying \$40,683 more for insurance premiums

Deductibles:

Director and Officer Insurance: (23/24: \$5k), (24/25: \$15k), (25/26: \$15k)

General Liability insurance: (23/24: \$0), (24/25: \$0), (25/26: \$50,000)

2023-2026 Lawsuits: (Below does not include deductibles)

\$13,908 - lawsuit

\$19,516 – active lawsuit

\$13,838

\$2,090

Total: \$49,352

Factoring in all above, our increased costs over the past 3 years for lawsuits/threats total: \$236,485.

All the above are expenses and NOT settlements. These numbers will all continue to increase until the litigation process is complete.

IDR/ADR: Internal Dispute Resolution vs Alternative Dispute Resolution

IDR – meet/confer with board member(s) informally.

ADR – legal gets involved, this precedes a lawsuit.

Recently (Nov 2025) some members of our community demanded an IDR/ADR due to election concerns, so the board was forced to involve legal. Legal preparation cost LCPOA \$13,838 in anticipation of this meeting. Disappointingly, neither of the members who demanded this meeting showed up, despite the expense incurred by our POA.

These lawsuits, threats and demands are costing LCPOA a lot of money. We need to stop this. The goal of this presentation was transparency and so everyone can understand the financial landscape. Questions were taken.

- Road – Jeff W reported on one meeting in Nov. Tax bill has been mitigated. Bonita is done/ Slurry is done. Inspections during rain found a couple of areas to focus on. A study to evaluate a catastrophic failure requiring extensive road repair was undertaken. Via Entrada was that target. Cost would be \$1.2 million for a catastrophic failure/repair on that street. This bodes for increased reserves given our old and failing culverts in need of repair. ASAP Cleanup on Castilla. CCTV Inspection – a program to identify our most at-risk storm drains/culverts needing more urgent attention. Think of it as a triage system. Discussion re: failure at ALC/Castilla. Road committee working on this. Director Gaarenstroom underscored the need to repair our failing culverts which have not been repaired for many years. Jeff W stated that two things are happening. 1) A much greater percentage of dues goes to operational expenses and much less is going towards reserves. 2. Road repair costs are escalating. His conclusion was that we

either need to raise dues to address the failing culverts or move more funds from the incoming dues to our reserves.

**Vote taken to approve minutes**

- Trails – Andy B reported that we no longer close our trails for inclement weather so be cautious when using them. Everthrive completed their December projects. They are collaborating with the Neighborhood committee. Neighbor concerns are being addressed re: specific trails. Director Ghafouri asked if new neighbors are educated about trail rules and how to reduce liability. He questioned if the new liability policy covers trails (Elisa will confirm). Suggestion that any non LCPOA trail users sign a waiver. **Vote taken to approve minutes**
- Committee Formation – Executive committee proposal re: Gene P’s complaint; will make rec’s to the board. Directors Paulson and Ghafouri are required to recuse themselves from this vote. Director Wang to lead. **Vote taken to approve**

**4. Consent Calendar:**

- Nov 6 Open Session minutes reviewed. **Vote taken to approve minutes**
- Approve Oct/Nov 2025 Financials. **Vote taken to approve**
- Ratify Lien approval. **Vote taken to approve**
- Ratify trails work (prior approval by Roy for safety hazard) **Vote taken to approve**
- Ratify Castilla/ALC \$2k emergency cleanup by ASAP. **Vote taken to approve**

**5. Old Business:**

- AC – New guidelines. ADU requirements to be incorporated into AC guidelines. Legal approved. Does not address outside of ADU. Director Gaarenstroom wanted to differentiate manufactured homes (he won’t vote for these) and secondary homes (not ADUs). Lance wants all ADUs to be built on a slab. State says ADUs can be manufactured homes. Stick homes would be preferred by our POA. Director Boyd suggested tabling this vote pending further information and clarification. Director Gaarenstroom wants to get a second opinion from a different attorney to find out how to prevent manufactured homes. Topic Tabled.
- Code of Conduct – Directors Ghafouri and Wang still refuse to sign it. Each were given a copy.

**6. New Business –**

- New operating account at Merryl Lynch to be established (3%). Info only. **Vote taken to approve account**
- CCTV storm drain project approval via Downstream Services recommended by Road Committee. Requested 7 bids (received 3 and 1 was not adequate). **Vote taken to approve project**
- ARS 2026 Reserve Study proposal. **Vote taken to approve proposal**
- Pre-fab’ed barn guidelines via AC- would allow roofs to differ from homes, etc. No second motion, so not voted on.
- Motion to approve new Communications Committee – Discussion: Director Ghafouri doesn’t believe this is needed because Elisa does it. Director Wang wants to know if that committee plans to duplicate the 60-second wrap up and if the committee is asking for money. Director Boyd stated a new website for LCPOA (not owned by the management company) will be designed and will include emergency info. There will be some, but not a lot of cost required. Director Gaarenstroom stated Powerstone is not in the web design business. Further, this website will provide better clarity and Elisa does not have time for it. **Vote taken to approve committee**
- Communication Committee charter – **Vote taken to approve draft**
- Communications Committee members – 4 applications were received (Jill B, Cathy S, Kim N and Claudia L). A 5th application was submitted by Vince S, however that is not included on this agenda because it was late and thus will receive a separate vote. Director Ghafouri voiced a strong opposition to 3 of 4 members whom he termed very “political and dangerous”. Opposition to this director’s language directed at our volunteers was voiced by an audience participant. **Vote taken to approve 4 members**
- Communications Committee member – **Vote taken to approve 5<sup>th</sup> member**
- Trails committee – board liaison: Director Gaarenstroom volunteered. **Vote taken to approve liaison**
- Beautification committee Xmas expenses \$611.99. **Vote taken to approve**
- Electronic communication to announce board meetings (requires two methods). 1) Emails 2) Electronic notification via website. **Vote taken to approve**

7. Open Forum: One member discussed legal transparency, trails waivers and ADU guidelines.

8. Board presented two plaques:

Carla Marvin via Steve Marvin for Carla’s unwavering dedication to our community

Rick DeAndero for unwavering commitment and passion for his years of service

Sincerely, Roy Paulson  
LCPOA President

**\*\* SCROLL DOWN FOR VOTES\*\***

**Votes:**

<b>Topic:</b>	<b>Roy P</b>	<b>David B</b>	<b>Paul G</b>	<b>Tsun-I W</b>	<b>Michael G</b>
Approve Nov/Dec Financials	Yes	Yes	Yes	No	RECUSE
Approve Architectural Committee Min's	Yes	Yes	Yes	Yes	RECUSE
Approve Gov Documents Committee Minutes	Yes	Yes	Yes	Yes	Yes
Approve Road Committee Minutes	Yes	Yes	Yes	Yes	No
Approve Trails Committee Minutes	Yes	Yes	Yes	No	RECUSE
Approve Executive Committee Formation	RECUSE	Yes	Yes	Yes	RECUSE
Approve Nov 6 Open Session minutes	Yes	Yes	Yes	Yes	RECUSE
Approve Oct/Nov Finance Reports	Yes	Yes	Yes	Yes	RECUSE
Ratify Lien Approval	Yes	Yes	Yes	Yes	Yes
Ratify Everthrive Oct Trails Maintenance	Yes	Yes	Yes	No	Yes
Ratify ASAP Emergency Clean Out	Yes	Yes	Yes	Yes	No
Approve ML Operating Account	Yes	Yes	Yes	Yes	Yes
Approve CCTV Downstream Project	Yes	Yes	Yes	No	RECUSE
Approve ARS 2026 Reserve Study	Yes	Yes	Yes	Yes	No
Approve New Communications Committee	Yes	Yes	Yes	No	No
Approve Communication Committee charter	Yes	Yes	Yes	No	No
Approve 4 new members for above	Yes	Yes	Yes	No	No
Approve 1 new member for above	No	No	No	Yes	No
Approve Paul G for Trails Liaison	Yes	Yes	Yes	No	Yes
Approve Beautification Xmas Expense	Yes	Yes	Yes	Yes	Yes
Approve Electronic Communication	Yes	Yes	Yes	Yes	Yes