

DESERT GREENS 2001 HOA BOARD MEETING

DATE: August 14, 2018
PRESENT: Directors: Buzz Heldt, President; Jerry Holmes, Vice President; Patty Maitland, Treasurer; Michael Caristo, Director, Kim Ponte, HOA Office
ABSENT: Raye Lopez, Linda Axford, Secretary [Minutes taken by Patty Maitland, Treasurer]

HOMEOWNERS: None
CALLED TO ORDER: 9:10am
ADJOURNED: 10:41am

AGENDA ITEMS:

1. Buzz H.: Meeting called to order at 9:10am
2. Accept Minutes from July 10, 2018:
 - Motion: Patty
 - 2nd: Jerry
 - Vote: All in favor, motion passed.
3. Financial Report for August 2018 – Patty M: previously emailed the financial report.
1. Expenditure Discussion – Currently 9.4% over budget. The majority of the unanticipated expenditures were repair items that were necessary to maintain the community and the Golf course as an asset. It was noted by the card room fan installation example that the Board should consider utilizing other vendors who could provide better workmanship at lower cost. The electrician Lahaye was suggested as a possibility. The Board discussed how to project the future cost of water leak problems that are constant in the Phase IV area. Pipe camera diagnostic was discussed, but considered cost prohibitive.
 - a. Buzz also recommended that the Board seek out a new HVAC vendor for regular maintenance and repairs instead of using Jonaire. The rationale being that the last two repair bills were extremely high and the maintenance contract with Jonaire had expired this year.
2. Delinquent Assessments – Potential problem with extensive delinquent assessments. In particular, the Pedley Family, LLC delinquent assessments will begin the collections process at the end of August (when the 60 day period has been reached).
3. Water Discussion - Utility costs, particularly water, and water usage have increased. It is unclear if some of the usage increase is attributable to leaks.
4. Assessment Discussion – Deferred to main agenda item.
5. Audit status -- 2015 and 2016 Audits complete. Treasurer will provide the auditors with the necessary data to begin the 2017 audit.

6. HOPA audit status -- Kim has completed the audit with the exception of 15 residents who are currently out of town. The audit is anticipated to be completed by the next HOA meeting on September 11, 2018.
7. Kim will remove Kelly Stillwell as an employee from the HOA's accounting system. Mr. Stillwell does periodic handyman work for the HOA and will be paid as an independent contractor if the case arises in the future. [Note: This item came to notice while the Treasurer prepared the Federal Economic Census report.]

Motion to accept the Financial Report: Jerry

2nd: Michael

Motion passed

OLD BUSINESS

1. D&G Payment – Gates appear to be working, Buzz believes D & G final payment should be paid in order to ensure the company cooperates with us.
2. VEA Internet – Up and working. Provided network and password.
3. Solar Light – Lights can be mounted on light poles. The light will place in the back corner of the lot on Montecito. Buzz will order light and we'll try to install ourselves, if not, we'll get a handy person.
 - a. Motion: Jerry
 - b. 2nd: Michael
 - c. Motion passed
4. Security System – Michael All Tech quote \$458 for partial replace, \$1400 for full replace. Best Buy \$2K. Michael recommends using All Tech, lowest bid and local independent. Michael also recommends deferring expense until next year.

NEW BUSINESS:

1. Fitness Equipment
 - a. Response from Members for new gym equipment (no cost projections included in the poll) 51 residents signed yes, 10 residents emailed positively. 61 people total
 - b. Buzz received bids from 3 companies: Pacific Fitness - Spirit proposal from Darren (Pedley Family, LLC) is \$20K. (Another vendor Buzz spoke to recommended not utilizing Spirit equipment). Nevada Homefitness for comparable equipment quoted \$17.3K. Another "unnamed company" was \$30K. The Dumb Bell Man (MGM supplier) gave 4 estimates for various tiered quality of comparable equipment:
 - True Equipment, \$26.3K for high end commercial equipment.
 - True Equipment, lower quality \$23.4K
 - True Equipment, even lower tier \$20.4K
 - True Equipment, even lower \$15.9K

- c. Buzz recommends keeping both existing treadmills, the Nordic track elliptical and one of the stationary bikes. If we aren't buying all new, need to add some kind of universal weight machine.
- d. The Board is declining Darren's offer to donate approximately \$800.00 of gym fixtures (50" TV, one-time gym cleaning, signage, Exercise bands/balls, and scale) in exchange for purchasing approximately \$20K of equipment from Pacific Fitness.
 - 1. Buzz will meet with Dumb Bell Man to get a cost on one universal machine and possible maintenance for remaining equipment. This would utilize the \$3500 specified in the Reserve Study for a partial replacement of equipment. This item does not come up on the Reserve Study projects again until 2022.
 - 2. Buzz will email Board Members with outcome of his meeting

Motion: Buzz
2nd: Michael
Motion passed

- 2. Golf Course needs for the month. Jerry provided the Treasurer with the following:
 - a. Carburetor for Manny's Cart - \$49.71. Once the cart is running, put the cart up for sale on Ebay as the costs to maintain are too high.
 - b. Five 9-gallon trash holders - \$279.95. This purchase will be deferred until next fiscal year.
 - c. Aquasphere chemical balls for ponds - \$480.00
 - d. 5-gallon anti-algae Tribune - \$116.00

Motion: Buzz
2nd: Patty
Motion passed

- 3. Discussed assessment increase in 2019 due to utility increases. Buzz corrected the Treasurer's report noting that the last increase in common assessments was in January 2015 when it went from \$110 to \$125. Michael indicated he was not in favor of an assessment increase. Patty and Jerry indicated they were in favor of an increase. Patty suggested there were several methods of adjusting the assessment amount: a phased-in approach, a large increase in 2019 with the caveat that there would be no future increases for "x" amount of years, an increase that is based on inflation. Any increase in assessments would include the RV parking and the undeveloped lots. This item will be discussed further at the next regular meeting, and will be included at the Quarterly Meeting.
- 4. Uniforms – Kim has obtained a Value Lease Pricing plan from Unifirst. The plan includes annual distribution of uniforms to the employees who will be responsible for laundering. The employees will receive enough uniforms for one year (6 pants, 6 shirts, coats) including name tags. Unifirst will provide repairs for holes and rips and will manufacture a new logo mat for the front entrance. The Board requested a total cost for the new plan in order to compare to the cost of the current plan

UPDATE: After the meeting had adjourned, Chris from Unifirst arrived at the HOA office to confirm the pricing of the new uniform plan. The new plan would cost approximately \$1,780.00 annually, compared to approximately \$6,000 that the HOA currently pays. Unifirst will provide a new agreement for signature if the Board votes to adopt this plan.

	Price per Unit	Items/Week		Employees		
Long Sleeve	\$ 0.30	3	\$ 0.90			
Short Sleeve	\$ 0.30	3	\$ 0.90			
Pants	\$ 0.30	6	\$ 1.80			
Jacket	\$ 0.50	1	\$ 0.50			
			\$ 4.10	4	\$ 16.40	\$ 852.80
Mats	\$ 4.73	5	\$ 23.65			\$ 614.90
Logo Mat	\$ 6.00	1	\$ 6.00			\$ 312.00
						\$ 1,779.70

- Rules & Regs status. Patty met with Bill and Judy of the ACC to obtain their changes to the Rules and Regs. The committee changes are complete and the membership will be asked for their comments at the quarterly meeting.
- Schedule of next HOA meetings. Monthly meetings set for 9:00am on Sept 11 and Oct 9. The next Quarterly meeting is set for Sept 19, at 10am.

Motion to Adjourn: Patty
 2nd: Buzz
 Adjourned at 10:41am

ADDENDUM TO MINUTES

Darren confirmed a meeting with the full Board on July 11, 2018 at 9:00am. The following is a summary of the discussions and outcomes of the meeting.

Pool Furniture

The Board voiced its concern regarding Darren's replacement of the pool furniture without consulting the Board. Darren replied that, in his opinion, the HOA's pool furniture was a safety hazard and that he wanted to send a message to the Board the safety issues should be addressed. The Board replied that he had not approached the Board with his safety concerns and that if he had so, the Board would have taken action. Darren stated that he had more exposure to liability than the Board and that if safety issues were not addressed, he would be compelled to file a NRS 38 complaint. (Darren presented handouts of a recent Las Vegas HOA case in which a teenager who suffered a traumatic brain injury in a playground accident was awarded \$20 million <https://www.reviewjournal.com/crime/courts/jury-awards-20m-in-las-vegas-case-involving-playground-injury/>).

Darren further indicated that, in his opinion, the HOA's gym equipment also posed a safety hazard. The Board replied that the replacement of both the pool furniture and the gym equipment was included in the Reserve Projects for the current fiscal year and that the Board had assigned both items a lower priority for funding until later in the year due to other Reserve and maintenance projects. The Board encouraged Darren to review the minutes of the HOA Board meetings to obtain the status of the 2018 Reserve Projects. The Board also requested that, in the future, if Darren would like to donate items to the community, that he consult the Board. Darren replied that if he saw a safety hazard, he would remedy the situation himself. At the close of the meeting, Darren stated that he would not make any other donations, such as the pool furniture, without first consulting the Board.

Amendment to CCRs

Darren stated that his interpretation of the amendment was that he was not obligated to pay assessments until the lots were sold. The Board requested confirmation that Darren does not sell the lots, but rather leases them and Darren confirmed. The Board stated its interpretation of the amendment that the sale of the lots by Art to the Pedley family nullified the amendment. Additionally, Darren proposed that instead of trying to enforce the amendment, he would donate items that he determines are most needed in the community.

Raye, who was a Board Member at the time the amendment was made, provided the historical intent of the amendment was to provide Art with some leeway on delinquent assessments during the economic downturn. Raye further explained the \$3,000 per lot build that was payable to the HOA pursuant to the

amendment would pay down overall past due assessments. Darren indicated that he would not be able to make donations to the community and pay \$3,000 per lot build.

The Board queried Darren on what types of donations he was considering making. Darren noted the following: gym equipment, waste baskets on the golf course, new tee markers, new ball washers, golf course signage, benches on the course, clubhouse furniture, library improvements, parking signage. In particular, Darren had obtained a gym equipment proposal from a company that provides leased equipment and maintenance packages. The proposal had a cost of \$800.00/month. The Board made several suggestions with regard to the appropriate type of equipment for a 55+ community. Darren indicated he would obtain a revised proposal based on the Board's suggestions and will submit it to the Board for consideration. The Board committed to providing Darren with a timely response after it had the opportunity to review and discuss the new proposal.

With regard to signage, the Board requested that the newly erected directional signs be replaced with "Sales Office" directional signage. The Board committed to removing the "No Parking" signs currently posted and Darren would paint the curb red.

The meeting concluded at approximately 10:40am.