

MINUTES  
Dreamland Villa Retirement Community  
Board of Directors Study Session  
October 1, 2024, 9:30 AM, Read Hall

**Welcome:** Heather Canterbury, President

Heather announced to silence or turn off phones, if phone rings, you will be asked to leave.

**General Announcements:** Night Card Bingo 10/2 & 10/16, Sunday Games 10/6 & 10/20, Card Bingo 10/10, Coffee Social 10/12 & 10/26, Community Potluck 10/17, Oktoberfest 10/26

**Pledge of Allegiance**

**Call to Order:** Heather Canterbury, President

**Roll Call:** Joyce Canino, Secretary. Directors: Heather Canterbury, Dave Warren, Kevin Brueback, Beth White (via phone), Pat Clark and Joyce Canino. All directors present.

**ITEMS FOR DISCUSSION:**

**Vacant Director Seat:** Two candidates submitted statements. Carol Schwartz and Jeff Clapham. Carol was present, Kevin read her statement aloud; Jeff was not present, Dave read his statement aloud. Carol is a full time resident and Jeff is a snowbird and on the P & P Committee.

A vote and motion to approve will take place at the 10/8 Board Meeting.

**Veterans Day Committee:** Mary Sabel has stepped forward and been appointed as Chairperson. The date is SUNDAY, November 10, 2024 at 2:00 in Farnsworth Hall. Mary has made a request in the Blast for volunteers to be on the committee; she will give a report at next week's Board Meeting.

**Membership Marketing Committee:** A request has been submitted to the Blast asking for members to volunteer to Chair this committee, no one has stepped up as of yet. Without a Chairperson there cannot be a committee. This committee needs to get started on 2025 Membership Dues marketing NOW!!

**Social Committee:** A volunteer has not come forward yet to Chair this position. Requests have been made in the Blast asking for members to volunteer.

**Nomination Committee:** Heather announced Joe Canino has volunteered to be the Chairperson.

**2025 Dues:** Dave suggested not raising dues at all, keeping them at \$250 because of the \$60 jump for 2024.

Two members in attendance said to skip an increase this year.

Kevin said a slight increase of 5% so we don't get behind and have a larger increase in 2026. Heather said she understands most of the members are on a fixed income. Beth said every year there should be a slight increase. A few members stated that slight increases every year are needed to keep up with rising costs. Another member made mention that dues should be discussed earlier in the year, before snowbirds leave, to allow members to budget for instead of announcing increases in November. Unfortunately, the board doesn't know the financials aspect of operating costs until later in the year, so it would be hard to start talking about increases earlier. Dave said a 5 year plan to gradually increase should be put in place.

A \$10 (4 %) or a \$12 (4.8%) increase will be voted on at next week's board meeting.

**Payment Plan:** Office staff has stated the current payment plan through Chase has had many issues and would like to go back to the old way with members coming into the office every month and making payments. Heather has spoke with Chase regarding the problems and they could not give any solution at this time.

Heather also was questioning why it was set up through Chase Bank and not through a bill pay with the members own bank. Beth asked who was going to be responsible for taking members payment and keeping track in the office if not through ACH bank payment. Heather said with the current plan, the bookkeeper is responsible for keeping track. Currently, the member has set the date to have the money sent from their bank to Chase and that has been a problem with having payments coming in at various times, creating more work for office staff to keep up on. A member suggested only offering 2 dates, the 1<sup>st</sup> and 15<sup>th</sup> of the month for payment. Joyce said that there has been problems with members not making the monthly payment and the office isn't notified until the following month, then the office staff has to call the member to find out why they didn't make

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the payment. The office informs said member they need to make payment and if member misses another payment, their card will be deactivated. If two payments are not made and office isn't notified until the following month, members card are still active and therefor won't be deactivated for until the 3rd month.

**Financial Audit:** At the August 22, 2024 Board meeting, a motion was made to have an outside audit done. Heather has contacted a few accounting firms and was given a price of \$4,000.00 - \$14,000.00 depending on the scope of work, which would be determined at the start of the audit.

Pat stated when he and Sandy started going through the P & L statements, February net operating income was off just over \$200. April's was correct. However, in July, net operating income was \$37K less than what QuickBooks said it should be. August net operating income is still off \$37K according to QB.

Sandy has found a stack of invoices that have not been documented/filed/entered or incorrectly entered into QB for several months, she is going through them. Kevin stated that there are too many accounts and maybe should be consolidated. Kevin asked if we could mention in the Blast we are looking for a retired CPA and maybe appoint as an assistant treasury to help. A member has offered to help but did not want to be an assistant treasurer; she made mention of her numerous qualifications. A member asked if DVRC has ever had an audit and other members said there is an audit done in January. In recent years, the treasurer has picked a few select members and instructed them what to look for. Another member, who had served on the audit committee many years ago, stated they worked with the bookkeeper and only did a spot check on payroll and a few other areas. A Director said there was a Finance and Budget Committee that would check over the books every month for inconsistencies that was dissolved at the March 10, 2021 Board Meeting.

**Butte Street Lot:** Lot is officially listed for sale with Julie Rickli, **AS IS**, at the appraised price. Currently zoned as residential commercial use. It can not be listed as residential unless the pavement and parking bumpers are removed. The cost for DVRC to remove is not feasible at this time. Julie suggested for Heather to wait and see what interest is generated and decide then what concessions DVRC wants to make. No zoning will allow it to be a commercial use. A member asked about the easement that was discussed, and promised, prior to the final separation of the lot and a lawyer was paid to record. As of May, there was no evidence/documentation of an easement. Heather said she will check with Julie to see if something has been recorded.

**Member requested By-Law Changes:** Review of the draft proposal was determined to gather more information, make some changes with recommendations from Directors and then resend to P&P and to make the member requests for changes a policy instead of By Law. P&P Chairperson, Amy, asked that at least 2 Directors sit in on P&P meetings.

**Policies and Procedures:** Discussion on a possible By-Law to allow DVRC to refuse membership to anyone brought up many questions. Kevin stated there is a discipline policy to suspend or revoke a member if after a review, P&P warrants. A member brought up that if the offender is not a member the discipline policy does not apply. Pat mentions that as a club, DVRC can refuse membership as long as it's not discriminatory, based on race, sex, religion, etc. Heather said that since we are a social club and not a HOA, based on Federal and ARS, there are no laws that says we can't deny membership. In the end it was decided that the best thing to do is put to a vote at the Annual Meeting to rescind By Law Article XII that states as a property owner you are considered a non-voting member; currently part of this By Law is illegal and has been suspended. Kevin and the P&P committee will look into the By Laws that may need changes.

**Events New SOP:** A draft policy and procedure was presented to the Board for review to replace the SOP a former director had put into place July 2023. Most members thought it was a good idea; one member did not approve of it and said they would cancel all gatherings they had scheduled and not do any more. Heather stated that we needed to streamline the event process and have everyone go through the proper channels to get approval before scheduling anything. Another member mentioned that with some events, nonmembers/outside

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attend. Heather said that is why a policy is needed with official documentation so when it comes to doing our taxes, we can be compliance with IRS. Another member talked of a past social event that turned out to be a fiasco due to no policy regarding ticket sales, expense reimbursement, etc. Joyce said she was involved, with Mary, in an audit of one event last year that took many days because of inaccurate recordkeeping. Beth said to table this policy and send it back to the P&P committee.

Kevin said he would assist and look into the procedure and suggest changes.

**T2 Presents:** At the August 22 Board Meeting it was voted to not renew the lease and formally send notice 60 days in advance. The lease only states T2 put things back the way they found the place. Heather gave directors a handout to review, a Lease Non-Renewal Letter, with a section to be removed regarding move-out instructions. Heather stated she has talked with Julie Rickli for suggestions to market Farnsworth Hall facilities (motion to advertise 8/22/24, passed). Pat said his sister has been talking with a member, Jim Seamandel, who has been doing music events during the summer at Apache Wells and been remarkably successful. Pat also said we should look into obtaining a liquor license. Heather asked if Jim would be interested in signing a contract to rent FH on a regular basis, and he could get the license. Pat said he would ask his sister. Kevin volunteered to edit the letter before the monthly board meeting.

**Office Vacancy:** Heather announced Zayre resigned last month and Sandy has been taking on the extra responsibilities. At this time, Sandy has asked not to hire an office assistant and she is still learning and feels she doesn't know enough to train another person. Jeri has offered to work more hours to fill the void.

**Bingo:** Heather recommended an Ad Hoc committee with Sue Wozniak gathering information. Sue presented the board with her findings ~ upfront cost for equipment (new) would be around \$14, 000.00 and supplies, with a total startup cost around \$20K. There is no used equipment available. Gaming license process will take about 6 weeks. Sue stated that several of the area bingo places she visited and talked to have an average of 120-140 people attending, bring in about \$2,000.00 each night and open to the public. Heather had concerns about our 501 (c) 7 not for profit status with allowing the public and stated that DVRC is allowed 35% income from nonmembers, currently with T2 accounting for 15%, almost half of IRS allowable. Mention of Read Hall capacity allowance, and Sue said we could set up a monitor in Room A and also use that room. Joyce asked if these other places offer food/beverages for sale and how would that work without having kitchen facilities at RH. Sue stated we could just offer snack/water for sale. Sue also stated a board member will always need to be present and supervise the games. Without knowing what will happen after T2 vacates FH and the possibility of getting a new tenant to rent, a decision cannot be made at this time to move forward with bingo.

Heather mentioned setting up a Medicare seminar to educate and address members concerns with the different changes taking place in 2025. Joyce said she mentioned something like this to Syd Clark, who would look into.

Adjourned: 12:28 PM

Submitted by: Joyce Canino, Secretary

No Open Forum request