

MINUTES
2024 Annual Membership Meeting
January 20, 2024, Farnsworth Hall, 9:00 AM

Welcome: Steve Malone, President

Announcements: Steve announced numerous upcoming events including the forthcoming election of directors to be held Tuesday, February 13, 2023, from 8:00 a.m. to 7:00 p.m., the specific room at Read Hall will be announced at a later date.

Call to Order: Steve called the meeting to order at 9:14 a.m. At that time 203 members were present. A few more members attended the meeting after the Call to order, increasing the total number of members in attendance to 215. The By Law's quorum requirements were met.

Pledge of Allegiance

Introduction of Current Directors: Steve introduced the current directors, then announced that Dan Martin, has resigned effective March 31, 2024. The members shall be asked to vote for three directors.

Treasurer's Report: Ward Jennings, Treasurer, reviewed various pie charts showing calendar year 2023 Operating Revenue and Cash Expenditures and the calendar year sources of Capital Reserves and calendar year 2023's disbursements. A copy is attached to these minutes on DVRC's website.

At 9:14 a.m., Steve began a review of the voting pamphlet, answering a few questions regarding the Butte Street empty lot and asked the attendees to wait until we get to that section of the pamphlet.

Introduction of Voter Pamphlet and Voting for the Six Ballot Items (a copy of the Voter Pamphlet is attached to these minutes on DVRC's website): Steve asked the members to vote, after discussion, for each of the six ballot measures. Balloting results:

Item 1 Article III, Section 3, Secretary: Approve allowing the Directors to appoint from the members in good standing an assistant secretary - passed 135 Yes 75 No 2 Blank.

Item 2 Article IV, Section 7, Treasurer: Approve allowing the Directors to appoint from the members in good standing an assistant treasurer - passed: 136 Yes 73 No 3 Blank

Item 3 Article XI, Membership and Fees, Section 1: When a new homeowner acquires a title to a property located in the Dreamland Villa subdivision, they shall be considered a non-voting member. Passed: 172 Yes 36 No 4 Blank

Item 4 Article XI, Membership and Fees, Section 2: Sponsored Associate Membership: A member in good standing may sponsor one family member or friend who does not live in the

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Dreamland Villa subdivision to become a non-voting associate member who shall be subject to the same membership cost and the same requirements as members. Passed: 112 Yes 96 No 3 Blank

Item 5 Article VII, Section 4, Meetings: Summer Board Meetings: Regularly scheduled Board of Directors Meetings shall be held from October to May. *Regularly scheduled* Board of Directors meetings shall not be held in June, July, August, or September. (Note: Special Board of Directors meetings may be called, as needed, at any time, including the months of June, July, August, or September. Passed: 117 Yes 92 No 3 Blank

Item 6 Butte Street Property Sale: To convert a DVRC-owned illiquid asset to increase its capital reserve funds, the members were asked to approve the sale of a residential lot located on Butte Street, south of Farnsworth Hall's parking lot. Passed: 155 Yes 56 No 1 Blank

This concluded the review of the Voter Pamphlet balloting items. At this time, while ballots were being collected and counted, the Membership Marketing Committee gave away their prizes to those members who had paid their 2024 annual fees.

Introduction of Candidates: Jeff Claphan, Nominating Committee Chairperson, announced the 4 Candidates who will be filling 3 seats on the Board of Directors. The candidates: Heather Canterbury, Ward Jennings Dave Warren, and Beth White. The candidates introduced themselves and answered three questions.

Adjournment: The meeting was adjourned at 11:25 a.m.
Submitted by Joyce Canino, Secretary.

Attachments: January 20, 2024, Annual Meeting Voting Pamphlet and CY 2023 OPERATING REVENUE AND CASH EXPENDITURES and CY 2023 CAPITAL RESERVE FUNDS charts.



**Dreamland Villa Retirement
Community
Annual Membership Meeting
January 20, 2024**

VOTER PAMPHLET

Motion to amend Article III Secretary Section 3

Motion to amend Article IV Treasurer Section 7

Motion to amend Article XI Section 1

Motion to amend Article XI Section 2

Motion to amend Article VII Section 4

Membership Vote to Sell Butte St Lot

**SUBMITTED BY THE POLICY AND PROCEDURES COMMITTEE AND
BOARD OF DIRECTORS**

Annual Membership Meeting Voting Ballot

January 20, 2024

Article III Secretary and Article IV Treasurer

INTENT - Both of these Bylaw revisions clarify that Assistant Treasurer and Secretary positions may be appointed from the members in good standings. This clarifies that the positions do not have to be filled by a Board Director.

Article III Secretary,

Section 3: The board may from time-to-time elect appoint from the members in good standing one or more assistant secretaries to perform such duties as the board may determine.

Article IV, Treasurer,

Section 7: The board may from time-to-time elect appoint from the members in good standing, one or more assistant treasurers to perform such duties as the board may determine.

ARTICLE XI, MEMBERSHIP AND FEES

This proposed amendment to Article XI is to clarify Dreamland Villa Retirement Community Corporation's purpose as required by the IRS 501(c) 7 non-profit organizational status.

Article XI Membership and Fees: Section 1

INTENT - This Bylaw change serves 2 purposes, first it provides that we are compliant with the IRS requirements for a 501 (c) 7 non-profit corporation by ensuring that the funds received from new homeowners are funds from members of the Dreamland Villa Community. This action will ensure the transfer fee and disclosure fees are not counted as non-member income for tax purposes.

This amendment removes the terminology of “voluntary contribution”, and” no fee is mandatory” statements. This description of membership and dues in our current bylaws has led to disagreements with realtors and potential home buyers and sellers, that no fees are required for Dreamland Villa to maintain our 55 plus age restrictions. This is not a factual statement. The disillusioned of the HOA only applied to the membership fees for the amenities of the community not to the day-to-day operation of maintaining the Dreamland Villa community senior age restriction requirements.

Section 1. At the time property owners acquire title of a Dreamland Villa lot they became a non-voting member of the Corporation.

Section 1a. & b. Provides that non-voting members may purchase a voting membership in Dreamland Villa. A Kee card will be provided to allow voting members access to the Dreamland Villa facilities. The Kee card may be deactivated if the holder allows a non-voting member to use the Kee cards.

~~**Section 1.** All persons residing within the 18 sections of Dreamland Villa and renters of apartments listed below as “Rental Properties” that are not situated within the 18 Sections, provided such renters meet the residency standards established in the Senior Overlay Zoning Designation, may purchase a voting membership in the Dreamland Villa Retirement Community pursuant to the Administrative Policy and Procedure manual. Annual fees shall be the same for all classes of membership. Membership may not be purchased for, by, or on behalf of any person not a resident of Dreamland Villa or of the apartments described above. Membership cards shall only be issued to individuals, not to groups of individuals.~~

Section 1. At the time property owner acquires title to a lot in Dreamland villa’s 18 sections, the owner(s) become a non-voting member of the corporation and is entitled to use its nature walk for recreational and socialization activities.

Section 1a. All persons residing within the 18 sections of Dreamland Villa and renters of apartments listed below as “Rental Properties”, provided such renters are 55years of age or older, may purchase a voting membership in the Dreamland Villa Retirement Community.

Section 1b. Annual fees shall be the same for each class of membership receiving the same privileges. Kee cards identifying voting membership in the Corporation shall be issued to an individual. A Kee card may be deactivated should the Kee card be used to allow persons other than the Kee card holder to access a Dreamland Villa activity or facility.

Rental Properties: 315 (APN: 141-75-096 B & G), 321 (APN: 141-75-096 C) and 333 (APN: 141-75096 E) N. Higley Road; 5233 E. University Dr. (APN: 141-75-096 M, N, P & Q); 6732, 6742 and 6750 (APN: 141-62-013 H, J & K) E. Dallas St.; 245 N. 56th St.(APN: 141-49-041 F); 5631 E. University Dr. (APN: 141-49-041 D); 5825 E. University Dr. (APN: 141-49-006 J, K, L, M, P,Q, R & S); and 5925 E. University Dr. (APN: 141-49-006 E) that are not situated within the 18 Sections

This proposed amendment to Article XI is to provide for the creation of a non-voting Sponsored Associate Membership

ARTICLE XI, MEMBERSHIP AND FEES

INTENT – Section 2. This new language allows for non-voting sponsored associate membership. A member in good standing may sponsor someone from outside of the Dreamland Villa community as a sponsored associate member to partake in the use of the facilities activities and amenities of Dreamland Villa. Sponsored Associate Memberships are limited to 50 sponsored members per year.

Section 2a. This section spells out the limitations of the sponsored associate membership being non-voting, may not hold office as a director either elected or appointed, not entitled to bring guests to any of the facilities, activities, or amenities other than ticketed events.

Section 2b. The sponsored membership is subject to all the same rules and regulations and government documents as a voting member.

Article XI Membership and Fees: Section 2

Section 2. Non-voting Sponsored Associate Membership. A resident of Dreamland Villa, who is also a member in good standing, may sponsor one family member or friend for a sponsored associate membership. The sponsored associate member must be 55 years of age or older and not live in a residence in Dreamland Villa's 18 sections. An application for sponsored associate membership shall be presented by the voting resident member to the Dreamland Villa Board of Directors for approval. The Sponsored Associate Membership shall be limited to 50 per year.

Section 2a. Sponsored Associate members: (1) may not vote at an annual or special membership meetings, nor for candidates for director seats, (2) may not hold office as a director, whether elected or appointed, (3) are not entitled to bring guests to Dreamland Villa's amenities, activities, facilities including the swimming pools and hot tubs. Associate members may bring guests to a Dreamland Villa ticketed event by paying the non-member ticket price.

Section 2b. Sponsored associate members are subject to the same rules and regulations, and Dreamland Villa's governing documents as is a voting member. If a Sponsored associate member violates any of Dreamland Villa's rules, regulations, or governing documents of Dreamland Villa, the sponsored associate member is subject to the same disciplinary action as a member in good standing.

Section 2. 3., Section 3.4., Section 4. 5., Section 5. 6., Section 6. 7., Section 7. 8.

Article VII Meetings

INTENT – Section 4. The meetings of the Board of Directors would not be held during the summer months as many directors are traveling or in their summer homes.

Section 4. Board meetings ~~shall~~ may be held in the second week of each month (except June, July, August, and September).

Membership Vote to Sale of Butte Street Lot

The Board of Directors submits for the approval of the membership the sale of the Butte Street lot Assessor's Parcel Number (APN) 141-49-408B.

Board reasoning for the sale of this property

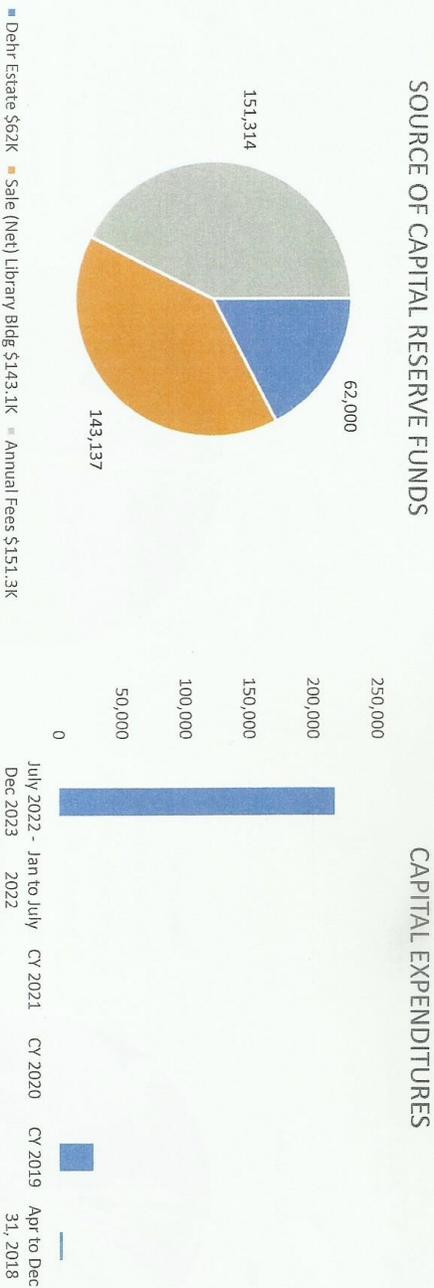
During the calendar year of 2023 Dreamland Villa retirement community has spent in excess of \$197,000 from our capital reserve fund for upkeep and repairs to our facilities. This has resulted in the closing balance of our capital reserve fund being \$136,715 at year's end. As we know, ongoing maintenance and upkeep doesn't stop, and we are planning ahead in projecting expenditures from our capital reserve over the next five years. Our projected expenditure for capital improvements will exceed \$216,000 in the next five years. With the current capital reserve that would leave Dreamland Villa short by \$79,285.

One additional element that has a role in determining our capital fund reserve is membership retentions. Should the membership level be reduced over the next five years, chances are likely that some expenditures for operating may have to come from the capital reserve fund.

With this understanding in hand, the board of directors believe it would be prudent for the membership to sell the Butte St. property in preparation for the needs required by the capital reserve fund. The board believes the community would net approximately \$95,000 after commissions and taxes are paid.

An additional influence on these financial issues will be the status of the leasing of Farnsworth Hall in the future.

**CY 2023 CAPITAL RESERVE FUNDS
PREPARED BY WARD JENNINGS, DIRECTOR AND TREASURER**



Typically the capital reserve account is replenished with the current year's cash flow that is greater than expenses. DVRC's currently has capital reserve funds as a result of the one time estate donation and the net proceeds from the former library building (Dec 2021) sale.

At December 31, 2023 DVRC had \$126,245 in its capital reserve funds. To increase DVRC's liquidity, the Directors are proposing the membership approve the sale of a residential Butte Street lot.

A capital expenditure is defined as an asset costing more than \$2,500 and with an useful life of one or more years. Assets that are no longer in service are removed from the balance sheet's asset account.

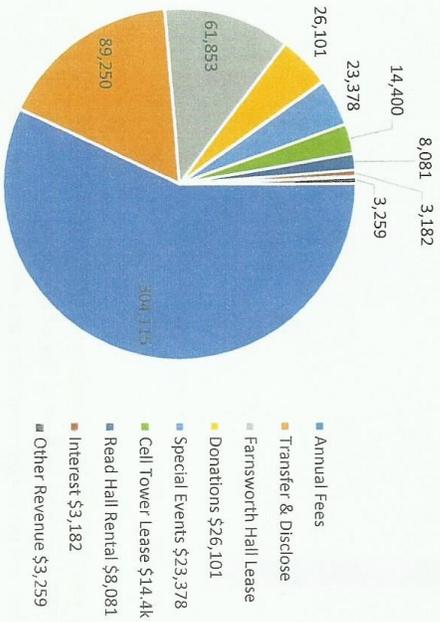
List of July 2022 to Dec 2023 Capital Expenditures

READ HALL	hot tub heater: \$5,200
pool roof remodel	\$4,000 hot tub heater \$5,546.78
A/C	\$146,817
parking lot reseal:	\$7,220 partial roof \$4,437
Farnsworth Hall	DVRC: Kee Card System: \$15,130
pool heater:	\$31,404
FH hot tub heater:	\$2,974

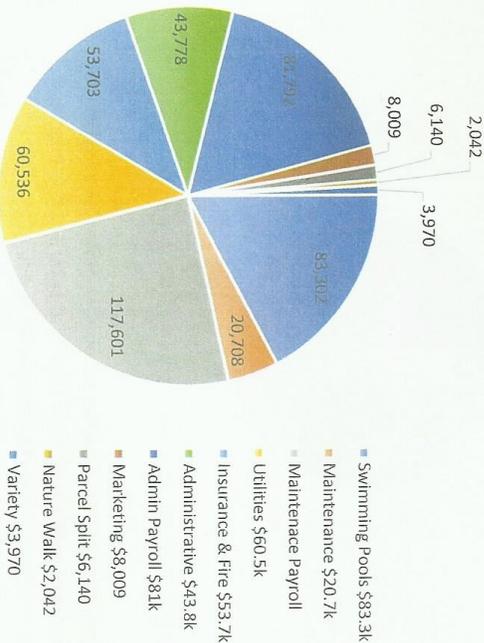
CY 2023 OPERATING REVENUE AND CASH EXPENDITURES

PREPARED BY WARD JENNINGS, DIRECTOR AND TREASURER

CY 2023 Revenue Sources



CY 2023 Cash Paid Out



TOTAL REVENUE **\$533,619**
 CASH PAID OUT **\$481,581**
 POSITIVE CASH FLOW* **\$52,038**

* Assuming IRS Abates Penalties and Interest

46% of Cash Expenses involve maintenance related work

The total administrative staff's payroll costs are less than the Transfer and Disclosure Fee revenue they generate