Desert Shadows RV Resort Association Inc.
Board of Directors
HOA Open Board Meeting Minutes
November 22, 2025 • 10:00 AM (PST)

Members Present: Steve Wiltermuth, President
Carol Bratt, Secretary
Becky Schaub, Member at Large
Robert Wold, Member at Large

Members Absent: Louis Rivest, Vice President

Guests: David Smith, Resort Manager
Arnold Bos, CFO
HOA Owners

1. The meeting was called to order at 10:00 AM.
   A. Steve welcomed everyone to the meeting and the Board members, Arnold Bos, and David Smith introduced themselves to the HOA owners.
   B. Steve reminded everyone that this meeting was for HOA owners only and asked anyone present who was not an owner to excuse themselves from the meeting.
   C. Steve gave a power point presentation of the agenda for today's meeting, Desert Shadows' Mission Statement, etc. and other information for today's meeting. Steve requested that questions and comments from the HOA owners be saved until the open forum portion of the meeting.

2. **It was moved, seconded and passed by the Board to approve the Minutes of the September 23, 2025 HOA Open Meeting.**

3. Financial Reports:
   A. Year to date, January-October 31, 2025:
      1) Revenue is on target.
      2) Administrative expenses are high, mostly due to legal expenses. Steve explained that in 2022 our HOA approved revised CC&Rs, but there are some people in the resort who do not want to abide by the CC&Rs. There are also people who have made threats to the Board and staff.
      3) Personnel expenses are over budget because of extra maintenance work that was done. Also, some employees were given pay raises because they furthered their education and their increased knowledge has benefited the resort. Payroll taxes and health insurance are under budget.
      4) Utilities are under budget, due in large part to David's management of power usage.
      5) Landscape & Maintenance is over budget due to a contract issue.
   B. Steve explained that the Board is looking for ways to save money. The Board hopes to be able to utilize AI to help us with this in the future.
   C. Steve explained the difference between the Replacement Reserve Fund (repair and enhancement of existing facilities) and the operating budget (day-to-day expenses).
   D. Arnold reviewed the October 31, 2025 Balance Sheet and Replacement Reserve Fund. The Replacement Reserve Fund is in pretty good shape right now; however, we do need to continue to plan for funding the up-coming road maintenance/improvements.

4. Resort Managers Report:
   A. David thanked everyone for attending this meeting. David showed some photos of resort improvements that have been made, e.g. improved lighting, some of the buildings have been painted, a new welcome sign on the HOA office, etc.
   B. David is trying to save our owners money. He reported that he is required by law to send the information packet for this HOA Open meeting to the owners; if he were to send it to the owners via the USPS, it would cost the resort about $6,900. Earlier, David sent a message to the HOA owners informing them that they could choose to have this information packet emailed to them, which would save the resort a substantial amount of money. David encouraged the owners to sign up for this money-saving opportunity.
   C. Bulk Trash Disposal Area: David has persisted in negotiating with Burrtec (our trash disposal vendor) and they have now agreed to pick up four bulk items per site per week from our Bulk Trash Disposal Area. David gave a brief overview of Burrtec's procedure for doing this; the procedure will be clarified in the next month or so and he will forward that information to the HOA owners.
   D. David reviewed some of the projects that were done in the resort during the summer, e.g. electrical outlets were added in the SJ ballroom and a portable electric warming table for food service was purchased.
   E. Vector Control, our pest control contractor for fire ants and mosquitoes, will be treating in the resort on January 22, 2026; the irrigation will be turned off 48 hours prior to treatment. Our pest control is also trying to control the vole/ground squirrel problem.
   F. As of October 31, the front gate has opened approximately 150,000 times this year. David strongly reminded everyone that they should not open the front gate for anyone they do not know.
   G. Mailroom:
      1) The thief who broke into our mailroom earlier this year was arrested in Hemet, California and is now serving prison time for car theft. After he is done serving his sentence for the car theft, we and federal authorities will prosecute him for the mail theft.
      2) To help increase mailroom security, a steel door and door frame were installed.
      3) The mailroom will be open during HOA office hours; however, owners can still access the mailroom after office hours by using their fobs.
   H. For your safety when walking or biking on our streets during the evening hours, please use a flashlight, wear clothing that can easily be seen by drivers, and have lights and reflectors on your bicycles.

5. Board Update:
   A. Steve explained what the Key Performance Indicators (KPIs) are and why we monitor them. James Cole collects the KPI information and makes a monthly report for the Board. Some of the KPIs that we monitor are the number of properties sold, the number of properties for sale, the number of water line breaks, the number of full-time renters, the Activities Fund balance, etc. It was explained that the Activities Fund is a self-supporting fund and it is not tied to our monthly dues.
   B. Our current Strategic Five-Year Plan was created for the years 2021-2026 and it has been extremely helpful to the Board in providing guidance for decisions they needed to make. In his professional life, James Cole was involved in strategic planning, and James volunteered his services and expertise to help the Board create the current Strategic Plan. James once again is helping the Board to create an updated strategic plan for the next five years (2026-2031); James and the Board have also been assisted in this project by sixteen other people from our resort who have given their ideas and feedback.

C. It was reported that the LOAM Task Force has been disbanded since its purpose was accomplished. LOAM reviewed our facilities and then helped create the plans to enhance the resort's entry and to build new pickleball courts.
D. A new Resort Improvement Task Force has been formed; the members are James Cole (chairman), Mark Bratt, Barbara Corona, Judy Hintermeister, Barry Spencer, Louis Rivest and Robert Wold. The task force is currently considering shade options for the pickleball staging area.
E. Annual Census: Steve explained the reasons the HOA owners are required to fill out the census form annually, and the importance of having all the owners actually do it. Steve strongly encouraged the owners to fill out the form every year; currently we only have approximately 50% compliance. The census form can be obtained online from our HOA website or from the HOA office.

6. New Business:
   A. 2026 Budget Review:
      1) Steve explained the budgeting process. Arnold and David work very hard at getting realistic numbers for our budget planning. The Board has proposed a very tight budget.
      2) Steve reviewed the Retained Earnings Fund through the past number of years; the amount of money in that fund has been dwindling. In 2023 the Retained Earnings Fund dwindled even further due to enormous increases in utilities; the Board responded by finding ways to reduce our utilities expenses. This year we were hit with huge legal expenses. It was noted that our resort's legal firm specializes in HOA law. It is the Board's goal to build up the amount of money in the Retained Earnings Fund.
      3) Arnold reviewed the 2026 budget.
      4) The 2026 budget will result in monthly dues of $455, which is an increase of $35 per month from 2025.
      5) Steve showed a chart comparing our HOA dues to the HOA dues of some of the other resorts in our area; our dues compare very favorably.
      6) Steve showed a chart that compared our increased costs from 2022 to 2025 in some areas, such as insurance, legal, payroll taxes/health insurance, utilities, payroll, and workers compensation.
   B. Arnold expressed his thanks to the Board for their feedback on the budget, and also to David who negotiates the contracts with our vendors. Arnold noted that the budget planning process begins in September.

7. Open Forum:
   A. The new owners introduced themselves and were welcomed to the resort.
   B. Carmen Reid, #110: She believes the CC&R's part-time residency rule is part of the reason it is difficult to sell park models in our resort. She realizes that in order to change or modify the CC&Rs, it would require another vote, which is a very expensive endeavor and requires approval from a large majority of the owners. Steve referred back to the mission statement which says that Desert Shadows is a seasonal resort. Currently there are approximately 46 properties for sale, and it is very normal for our resort to have a 10% turnover. In our current economic climate, other properties outside of our resort are not selling well either.
   C. Russ Bebout, #15: 1) He has owned properties in ORPS (next door) and in Apache Junction, Arizona; he reported that Desert Shadows compares very well to them and is a good value. 2) He suggested we have a list of recommended contractors. 3) He noted that ORPS has their own water wells and was wondering if we could have our own water

wells instead of obtaining our water through the Coachella Valley Water District. 4) He thought the Potato Bash was great! He suggested that we do not require volunteers to pay for their meals.

D. Ed Nollmeyer, #394: 1) In light of rising water expenses, he asked why we are encouraging the planting of grass and privacy plantings on lots (shrubs and trees) which take a lot of water. He also noticed that our landscaping contractor has been taking care of some of these plantings on private lots. 2) He asked where the funds for the building of the pickleball courts came from. Dennis and Arnold explained that the Board worked closely with our HOA's Reserve Fund Specialist to come up with a plan to pay for the project that did not require a loan.

E. Tim Ferdon, #397: Thanked the Board and David for their hard work. As far as this resort goes, our fees are reasonable and if we all work together, we can continue to make this a great place to live.

F. Murray Russell, #400: Asked about the form that was emailed about receiving information / packets electronically.

G. David Church, #284: He retired out of the asphalt paving business and he believes crack sealing and seal coating are a waste of money. He offered his services to help with our road improvements. David had a contractor come to our resort to evaluate our road situation and is now waiting to hear back from him. Steve also noted that the Board will be considering the possibility of creating a roads task force.

H. Lynn Baker, #364: She noted that sometimes the mailroom door is not fully latched; she reminded everyone to be sure the door is fully latched when they leave the building.

I. Mike Huszczo, #154: Thinks that during the summer months we should consider using the fobs 100% of the time in order to access to our facilities.

J. Gigi Shindledecker, #427: She is so thankful for our activities director, Terri Smith, and for the phenomenal job she does.

K. Rod Wiley, #182: He thinks we spend way too much on lawyers; he hopes that in the upcoming year we will be able to recover some of our legal costs in the judgements.

L. Murray Russell, #400: Noted that $1.00 in US currency is $1.41 in Canadian currency, not including any service fees.

8. The next HOA open meeting will be an in-person Elections / Annual General Meeting on January 24, 2026.

9. Steve thanked everyone for attending the meeting. **It was moved, seconded, and passed to adjourn the meeting at 11:52 AM.**

Respectfully submitted,
Carol L Bratt, Secretary