

Sun City Summerlin Community Association, Inc.
Meeting of the Executive Board of Directors
Electronic Attendance Only 6:00 pm
April 6, 2021
Draft Agenda

I. CALL TO ORDER

Dick Clark

A. Pledge of Allegiance

B. Roll Call/Introduction of Board Members

Dick Clark, President
Jeff Rorick, Vice President
Ellen Bachman, Secretary
Gerry Sokolski, Treasurer
Ken Resnik, Director
Jim Akers, Director
Leo Crawford, Director
Sandy Krause, Director
John Berthelsen, Director

C. Quorum – There are nine (9) Board Members, five (5) or more Board Members are required for a quorum. There are _____ Board Members present at this meeting.

D. Acknowledgement of Attendance of Guests

Anyone who is not a member (Owner) in Sun City Summerlin Community Association, Inc. is deemed a guest at this meeting and therefore needs to identify themselves as a guest, this includes those renting or leasing a home, or attending as a house guest or agent of an Owner.

E. Notice of Recording

Pursuant to NRS 116.31083, Section 8 this meeting is being audio recorded. The audio recording is available no later than 30 days after the meeting and a copy of the recording can be purchased at the Administration Office for a fee or downloaded from the SCSCAI Website, suncitysummerlin.com for free. The audio recording of this meeting is retained for 10 years in accordance to NRS 116.

F. Member (Owner) or Guest Recording

Pursuant to NRS 116.31083, Section 12, anyone in attendance at this meeting must disclose if they are or intend to record this meeting. For those who arrive after this announcement is made, if you intend to record this

meeting, you must disclose your intent to the Chair of the meeting before you turn your recording device on.

G. Acceptance of April 6, 2021 Executive Board of Directors Meeting Agenda

Dick Clark

1. **Board Members Request for any items to be pulled from the Consent Calendar and placed on the Agenda for individual discussion and motion.**
2. **Board Member Request for any items to be removed from the April 6, 2021 Board Meeting Agenda.**
3. **Board Member Request for any items to be placed on the April 6, 2021 Board Meeting Agenda.**
4. **Acceptance of Agenda as submitted or amended for this April 6, 2021, Executive Board of Directors Meeting**

MOTION by _____ to **(approve/deny)** the acceptance of the Agenda for the April 6, 2021, Meeting of the Executive Board of Directors as **(amended/presented)**. **SECOND** by _____.

H. Announcements

Dick Clark

Report by Executive Director, Mitzi Mills

I. For the Good of the Order – Mitzi Mills, Executive Director

Congratulations to Sun City Employee Anniversaries:

January 2021:

1. January 5, Bruce Watt – 10 years – HF Golf
2. January 5, LeRoy White – 10 Years – HF Golf
3. January 8, Melissa Spina – 20 years – Community Services
4. January 28, Eva O’Campo – 5 years – Building Maintenance

February 2021:

1. February 3, Doris Poders-Barsky – 5 years – Fitness
2. February 11. Sebastiana Jeronimo – 5 years – Building Maintenance
3. February 25, Jesus Castaneda – 5 years – HF Golf Course Maintenance

March 2021:

1. March 2, Patrick Smythe – 5 years – Eagle Crest Golf

II. OWNER COMMENTS AND QUESTIONS – AGENDA ITEMS ONLY -

Dick Clark

Pursuant to subsection 4 (c) of NRS 116.3108 this portion of the meeting is devoted to comments by units’ owners regarding any matters affecting the Association and discussion of those comments. Note, no action may be taken upon a matter raised under this portion of the agenda until the matter appears on the agenda, describing the item and the action to be taken.

A maximum period of thirty minutes will be allowed at the beginning and end of the meeting for owner comments and/or questions. This first period is restricted to comments that pertain to Agenda items to be considered at today's Board meeting. There is no restriction on the owner comments or questions in the second period. *An owner will have three minutes to make comments and/or ask questions. All questions shall be directed to the Chair, who will permit individual Board members to respond to the extent that they wish to do so, within a total five-minute time frame. For this meeting due to COVID-19 restrictions of gatherings (meetings), send your comments to mitzim@suncitylv.com and they will be read aloud at the meeting.*

III. CONSENT CALENDAR

Dick Clark
Packet A

MOTION by _____ that there being no objection to approving items A through G as presented on the Consent Calendar that these items be adopted and the full text of the resolutions, reports or recommendations contained be recorded in the Minutes of this meeting. SECOND by _____.

- A. Approval of the Executive Board of Directors Meeting Minutes from the March 9, 2021, Meeting.
- B. Financial Statement Acceptance – Previously Distributed to the SCSCAI Board of Directors and posted on the webpage at suncitysummerlin.com. - Pursuant to NRS 116.31083 (7) at least once every quarter, and not less than once every 100 days, unless the declaration or bylaws of the association impose more stringent standards, the executive board shall review, at a minimum, the following financial information at one of its meetings: (a) A current year-to-date financial statement of the association; (b) A current year-to-date schedule of revenues and expenses for the operating account and the reserve account, compared to the budget for those accounts; (c) a current reconciliation of the operating account of the association; (d) A current reconciliation of the reserve account of the association; (e) the latest account statements prepared by the financial institutions in which the accounts of the association are maintained;
1. Acceptance of the recommendation of the SCSCAI Finance Committee that the SCSCAI Board of Directors accept the Financial Statement for the period ending **January 31, 2021**, subject to audit.
 2. Acceptance of the recommendation of the SCSCAI Finance Committee that the SCSCAI Board of Directors accept the Financial Statement for the period ending **February 28, 2021**, subject to audit.
- C. Legal Issue Review – Acknowledgement of NRS116.31083 (7f)
Pursuant to NRS 116.31083 (7) At least once every quarter, and not less than once every 100 days, unless the declaration or bylaws of the association impose more stringent standards, the executive board shall review, at a minimum, the

following financial information at one of its meetings (f) The current status of any civil action or claim submitted to arbitration or mediation in which the association is a party.

1. LKG, LTD. Report dated March 30, 2021.
2. Kaempfer Crowell report dated March 17, 2021.

D. Violations Report

1. Report dated from July 20, 2020, through March 23, 2021.

E. Executive Directors Spending Authority for period March 9, 2021, to April 2, 2021, in the amount of \$8,059.24.

F. Executive Session Disclosure -There has not been an Executive Session since February 16, 2021.

The February 16, 2021, Executive Session meeting items were disclosed in March 9, 2021, Board of Directors meeting and documented in the Minutes of that meeting.

G. Executive Session Agenda

There currently is no Executive Session Scheduled

IV. BID OPENINGS - There are no bids scheduled to be opened at this meeting. Dick Clark

*Pursuant to NRS 116.31086, (Section 1 (a) If an association solicits bids for an association project: The association must, whenever reasonably possible, solicit at least three bids if the association project is expected to cost: (Section 1 (a) (2)) In a common-interest community that consists of 1,000 or more-units, 1 percent or more of the annual budget of the association; and (Section 1 (b)) **The bids must be opened and read aloud during a meeting of the executive board.** (Section 2) As used in this section, "association project" includes, without limitation, a project that involves the maintenance, repair, replacement or restoration of any part of the common elements or which involves the provision of professional services to the association, including, without limitation, accounting, engineering and legal services. (Added to NRS by 2009,1099; A 2015,2182).*

V. COMMITTEE REPORTS BY COMMITTEE CHAIRS – Dick Clark

Note: All Committee meetings are currently being held by Zoom and teleconference. Zoom and teleconference instructions are included when the Agenda for the meeting is published.

A. Architectural Review Committee John Berthelsen

Architectural Review Committee meeting on Thursday, March 11, 2021, was cancelled. The next scheduled meeting date is Wednesday, April 14, 2021, at 10 am.

B. Common Area Properties Dick Clark

Common Area Properties met on Tuesday March 2, 2021, at 9 am.

The next scheduled meeting date is Tuesday, April 13, 2021, at 9 am.

- C. Link Editorial Board** Leo Crawford
Link Editorial Board met on Friday, March 26, 2021, at 9 am. The next scheduled meeting date is Friday, April 30, 2021, at 9 am.
- D. Chartered Clubs and Community Organizations** Ellen Bachman
Chartered Clubs and Community Organizations meeting on Thursday, March 18, 2021 was cancelled. The next scheduled meeting date is Thursday, April 15, 2021, at 9:30 am.
- E. Finance** Gerry Sokolski
Finance Committee met Thursday, March 25, 2021, at 2 pm. The next scheduled meeting date is Thursday, April 29, 2021, at 2 pm.
- F. Legal Services** Sandy Krause
Legal Services Committee meeting on Wednesday, March 17, at 9:30 am was cancelled. The next scheduled meeting date will be Wednesday, April 21, 2021, at 9:30 am.
- G. Golf Oversight** Ken Resnik
Golf Oversight Committee met on Wednesday, March 17, 2021. The next scheduled meeting date is Wednesday, April 21, 2021, at 1:00 pm.
- H. Health and Fitness** Jim Akers
Fitness Committee meeting on Thursday, March 11, 2021, was cancelled. The next scheduled meeting date is Thursday, April 8, 2021, at 10 am.
- I. Information Technology** Jeff Rorick
Information Technology Committee met on Tuesday, March 30, 2021, at 10 am. The next scheduled meeting date is Tuesday, May 25, 2021, at 10 am.
- J. Deed Restriction Hearing Committee** John Berthelsen
Deed Restriction Committee meeting scheduled for Monday; January 18, 2021, was cancelled. The next scheduled meeting date Monday, April 19, 2021, at 9 am. These are closed meetings.
- K. Administrative Committees (Works at the Request of the Executive Director)** Jeff Rorick
1. Marketing- Golf & Restaurants
 2. Restaurants – Costs, Inventory and Software
- VI. UNFINISHED BUSINESS**
- A. Request from 22 Sierra Heights Drive Owners that the SCSCAI Board reconsiders their actions in regard to a Complaint from the 22 Sierra Heights Drive Owners against the Neighborhood Maintenance Association (NMA) regarding trees on the NMA property that the 22 Sierra Heights Drive Owners deem a nuisance because they block their view of the city from their property.** Sandy Krause
Packet B

Motion #1.

MOTION by _____ that per the letter received by twenty-two (22) Owners on Sierra Heights Drive, that the SCSCAI Board of Directors revisit the issue of the Neighborhood Maintenance Association trees impacting the property values

of twenty-two Sierra Heights Drive Owners, by limiting and impeding the view from the backyards of these premium lot homes. **Second by** _____.

If Motion #1 passes, then proceed to Motion #2 or a Board stated Motion that details the next steps to be taken.

Motion #2.

MOTION By _____ to change the status of this request from the Twenty (22) Sierra Heights Drive Owners from a report of an alleged Architectural violation, to a Complaint Regarding Violations of the Governing Documents. In doing so the complaint is assigned to the Executive Director, not the Community Standards Departments, to determine sufficiency. If sufficiency is found, then the matter would then proceed to (the Board of Directors OR the Legal Services Committee) for a Hearing. With both Sierra Heights Owners and Neighborhood Maintenance Association Board of Directors given the opportunity to provide information and testimony. **SECOND** by _____.

B. Policies & Procedure Manual Development Update

Gerry Sokolski

April 6, 2021 – NO UPDATE AND NO ACTION TO BE TAKEN ON THIS ITEM

At the July 14, 2020, Board meeting the Finance Committee recommended the Board of Directors engage the assistance of our auditors, RubinBrown in the development of an accounting Policies and Procedures Manual.

The Board made a motion to proceed with Phase 1 from the RubinBrown proposal not to exceed \$2,000.00 and that the deliverable would be a planning and scope document that would tell the Board the total cost of the project to proceed.

At the November 10, 2020, Board meeting Gerry Sokolski, Treasurer of the Board reported that Lisa Hermann, Director of Finance had been in contact with the audit group with a list of things to be included. Ms. Hermann will work with Ms. Mills to finish up with the accounting group and develop a proposal which will be forwarded to the Board of Directors for review and hopefully approval.

The Executive Director has compiled and prepared a draft manual using PPC's Guide to Homeowners Association, the resource recommended by NRED for establishing Accounting Principles and Practices for Associations. This will provide and define the structure needed so the vendor chosen to do the work is not starting from scratch and should greatly reduce the cost to the Association for the preparation of a Policy and Procedural Manual unique to Sun City Summerlin Community Association.

A meeting was held on December 11, 2020, via zoom. Attendees were the Executive Director, Mitzi Mills, Director of Finance, Lisa Hermann, and

representatives from RubinBrown. The goal of the meeting was to continue discussing what the Association's needs were regarding development of an Accounting Policy and Procedure manual. The discussion with RubinBrown centered around the various options for deliverables which then drives futures costs. As part of the discussion to develop an example of deliverables at various levels, the group worked through aspects of the Community Service Revenue stream, from the initial point of contact a person would have with a social monitor for an event, to the flow of information into accounting. Coming out of the meeting RubinBrown planned to provide example materials for Ms. Mills and Ms. Hermann to look at based on the Community Service Revenue discussions, but those have not been received as of January 4, 2021.

Ms. Mills reported at the January 12, 2021, Board meeting that we are waiting for RubinBrown to get back to Ms. Mills and Ms. Hermann.

Ms. Mills reported at the February 9, 2021 Board meeting that nothing new has been done at this time. Ms. Mills stated that due to Budget Preparation we have not followed up.

RubinBrown provided on February 12, 2021 three different example take-aways for discussion on what goals the Process & Procedure manual wants to achieve. Examples ranged from a swim lane flow chart, job duties, or statement of operating procedures. Each one requires different levels of engagement and time before they can provide any quoted costs for proceeding. Management will be reviewing materials they presented and determining what level of engagement would be needed for them to provide a proposed quote to assist in the goal of updating the current manual.

Mr. Sokolski reported at the March 9, 2021, Board meeting that nothing has transpired at this time due to budget preparation. Mr. Sokolski also noted that an update was received from RubinBrown and we will continue moving forward with the process.

C. PPP Loan #1 Update

Gerry Sokolski

April 6, 2021 – NO UPDATE AND NO ACTION TO BE TAKEN ON THIS ITEM

The PPP Loan #1 was received on August 5, 2020, in the amount of \$832,096.00. This was for the pay period beginning August 10, 2020, through pay period ending November 1, 2020. For the same period of time, we have expended \$856,363.00 in related payroll costs.

Note: This is not for all areas of payroll and is only for specific wages that qualify for the PPP Loan.

The Finance Committee met on Thursday, December 3, 2020, and it was noted that

the lender is not yet accepting loan forgiveness applications for loans funded in August.

At the December 8, 2020, Board of Directors meeting, President of the Board, Dick Clark suggested beginning the process of applying for forgiveness on the PPP loan as soon as possible.

At the Finance Committee meeting on Wednesday, January 6, 2021, it was noted the Association has met the criteria to move ahead with the PPP Loan Forgiveness application when the bank is ready to accept, and the Board approves.

A motion was approved at the January 12, 2021 Board meeting delegating the authority to the Board President and or the Board Treasurer to apply for PPP Loan Forgiveness application when the bank is ready to accept.

A motion was made at the March 9, 2021, Board of Directors meeting to ratify the preparation, application, and acceptance by the Board Treasurer of the second PPP (#2) loan paperwork and signatures thereto, as authorized by the Board of Directors at the January 12, 2021, Board of Directors meeting, and to note that the delegation of authority to process, sign and submit paperwork for the forgiveness of the first PPP (#1) loan and the delegation of authority to process, sign and submit the necessary paperwork for the application of and receipt of the second PPP (#2) loan remain in effect until revoked by a majority of the Board at a duly called Board meeting or by written consent, or when all paperwork is final and the makers of the loan state no further information is required.

At the Finance meeting on March 25, 2021, it was noted that the PPP Loan #1 Forgiveness Application has been submitted to the lender for the process to begin and SCSCAI needs to wait for a response from them.

D. PPP Loan #2 Update

Gerry Sokolski

April 6, 2021 – UPDATE ONLY - NO ACTION TO BE TAKEN ON THIS ITEM

A motion was approved at the January 12, 2021 Board meeting delegating the authority to the Board President and or the Board Treasurer to apply for future PPP Loans if we meet the criteria needed.

A motion was made at the March 9, 2021, Board of Directors meeting to ratify the preparation, application, and acceptance by the Board Treasurer of the second PPP (#2) loan paperwork and signatures thereto, as authorized by the Board of Directors at the January 12, 2021, Board of Directors meeting, and to note that the delegation of authority to process, sign and submit paperwork for the forgiveness of the first PPP (#1) loan and the delegation of authority to process, sign and submit the necessary paperwork for the application of and receipt of the second PPP (#2) loan

remain in effect until revoked by a majority of the Board at a duly called Board meeting or by written consent, or when all paperwork is final and the makers of the loan state no further information is required.

At the Finance meeting on March 25, 2021, it was noted that the PPP #2 loan approval has been granted by Heartland Credit Union for \$832,096 and the funds were received and deposited in the payroll account on March 11, 2021. The Fed- Ex fee was deducted from the amount.

E. RFP # 21-13 All Fitness Center Lobby Furniture Replacement -Update Jim Akers

April 6, 2021 – NO UPDATE AND NO ACTION TO BE TAKEN ON THIS ITEM

Director of Fitness is requesting to replace the chairs and end tables in the lobbies of all the Fitness Centers.

The Board reviewed this item and the recommendations at their January 12, 2021, Board of Directors' Meeting and a motion was made and approved to table this for further review of all bids and furniture examples. This included the ones from Kwalu, a Senior Living Furniture Company and another company Maxwell Thomas provided by the Executive Director, Mitzi Mills to review for aesthetics and durability for all Fitness Centers to coordinate the continuity of a "resort style furniture" which was initially designed by the developer throughout the Fitness Centers and to create an ambience of elegance.

This was returned by the Board to the Common Area Properties Committee and the Fitness Committee with the direction from the Board per their discussion and motion and will come back to the Board only after both Committees have had an opportunity to look at additional resources that offer resort over 55-type furniture instead of office furniture.

March 5, 2021 Update; The Fitness Department plans review of Kwalu Senior Living furniture at their next scheduled meeting on Thursday, March 11, 2021.

March 5, 2021 Recommendation from the Executive Director.

Furniture replacement for the Buildings is reported in the Reserve Study by combining all furniture in all building locations together. The Executive Director cautions that this creates concern that money allocated may not be sufficient if dollar amounts are not assigned to exact locations by furniture inventory. Ms. Mills advises the Board of Directors to wait until an inventory can be done by staff of all furniture, by location and an estimated dollar amount assigned by furniture type/category before funds are spent.

Following is exact information in the Reserve Study that has led the Executive Director to ask the Board to defer a decision on this item until an accurate inventory and estimated pricing is put together. The plan, design, and pricing of the replacement of the furniture should continue, so upon obtaining the background information to update the Reserves

the actual amount needed for the Fitness Center Lobby Furniture can be used as the estimated cost for replacement.

Mountain Shadows Community Center/Fitness Center	Replace in 2026 \$27,500.00
Mountain Shadows Community Center/Fitness Center	Replace in 2024 \$ 9,000.00
Pinnacle Community Center/Fitness Center	Replace in 2026 \$87,500.00
Desert Vista Community Center/Fitness Center	Replace in 2026 \$44,327.00
Sun Shadows Community Center/Fitness Center	Replace in 2021 \$30,780.00
Sun Shadows Community Center/Fitness Center	Replace in 2026 \$12,500.00

Note there is a line item for the replacement of six (6) chairs at Sun Shadows in the year 2020 in the amount of \$3,000.00 as well.

March 9, 2021 Recommendation from the Executive Director.

Ms. Mills reported at the March 9, 2021, Board meeting that her recommendation is that we follow what the Reserve Study states to ensure we have the appropriate monies and, Ms. Mills needs to reforecast the line items and look at what the breakout of the furniture is for before we can proceed and bring it back to the Board.

F. NRS-116.31087 – Rights of Unit’s Owners to Have Certain Complaints **Dick Clark
Placed on Agenda of the Meeting of the Executive Board - Filed by Sandra Krause. **Packet C****

A certified letter, dated November 19, 2020, was received on November 23, 2020, from Sandy Krause addressed to Ken Resnik, Secretary of the Board indicating displeasure and report of three alleged violations of the Nevada Statutes and or Sun City Summerlin Community Association, Inc. Governing Documents. A motion approved at the January 12, 2021, Board of Directors meeting to allow Ms. Mills to meet with Ms. Krause to make sure the complaints she had filed with the SCSCAI Board of Directors have been satisfactorily responded to or to find what further is needed.

The original alleged violations of NRS 116 reported by Ms. Krause are as follows.

1. Alleged violation of NRS 116.31031 (Power of executive board to impose fines and other sanctions for violations of governing documents; limitations; procedural requirements; continuing violations; collection of past due fines; statements of balance owed.) The nature of the complaint was that the Association’s Fine Schedule allegedly did not meet the requirements set forth in NRS 116. [December 8, 2020, the Board of Directors, at the recommendation of the Legal Services Committee adopted a Fine Schedule that satisfied the items brought forward by Ms. Krause. *Closed Complaint.*](#)

2. Alleged violation of NRS **116.3108** 3, 3 (b) and 4(c); NRS **116.31083** 5, 5(b) and 6; and NRS 116.31085 1 which addresses the right, currently being denied, of unit owners to speak at meetings and Board members to comment on the concerns expressed. Prior to April 2020 (pre-Covid-19) Owners were able to personally address the Board and speak at meetings as required by statute. Since COVID-19 and the use of ZOOM meetings, Owners are no longer allowed to speak and must send their comments to the Executive Director. [March 17, 2020 Guidance from Charves Foger, Ombudsman for State of Nevada Department of Business and Industry – Real Estate Division](#) states in writing “Regarding complying with requirement of NRS 116, we of course expect executive board members to fulfil their fiduciary duty and act in the best interest of the association (NRS 116.3103). We understand that some business may be limited, and no association will be punished by the Division for practicing social distancing and other measures as recommended by federal, state and local governments and health authorities during this time. We do however ask that proper disclosure is made and adequate documentation of any temporary changes to meetings (NRS **116.3108** & NRS **116.31083**), hearings (NRS 116.31031), elections (NRA 116.31034) etc. is kept and maintained as an association record ...”. Please note, Ms. Krause has stated this item has not been resolved as 116.3108 (5) states; A period required to be devoted to comments by the units’ owners and discussion of those comments must be scheduled for both the beginning and the end of each meeting -and – 116.31085(1) Except as otherwise provided in this section, a unit’s owner may attend any meeting of the unit’s owners or of the executive board and speak at such a meeting. *Unresolved Complaint per Complainant.*

3. Alleged violation of NRS 116.3103, 2 (a) and Article XI, Architectural Review Committee. Architectural Review Committee shall consist of not less than three (3) and no more than five (5) members. Committee was operating with more than five (5) members, this change never went out to the Owners for a vote. [April 6, 2021](#), the issue will be resolved with the appointment of no more than five (5) members assigned to the Committee. Alternates may be assigned as well, but they will not serve as regular members and will have no voting power. *Closed Complaint.*

Board Action Needed. The Board of Directors needs to pass a resolution to either resolve item #2 or to close item #2 without action and noting why they deem no action is needed.

G. Request for Approval of Architectural Review Development Standards John Berthelsen

April 6, 2021 – NO UPDATE AND NO ACTION TO BE TAKEN ON THIS ITEM

The Architectural Review Committee has been diligently working on proposed revisions to the current Development Standards and is requesting approval from the Board of Directors to adopt the changes made.

A motion was approved at the March 9, 2021, Board of Directors meeting to postpone the discussion until the May Board of Directors Meeting so that the new Chairperson,

John Berthelsen, and the Committee have an opportunity to review the Development Standards document before resubmitting to the Board.

H. Investment Policy Revision

Sandy Krause

April 6, 2021 – NO UPDATE AND NO ACTION TO BE TAKEN ON THIS ITEM

The current Investment Policy was reviewed at the recommendation of legal counsel as this is an area where NRED has found errors in practices by Associations, as it pertains to NRS 116A.630 (12).

Our current Investment Policy was adopted by the Board of Directors on May 03, 2016.

Upon review of our current Investment Policy by our legal counsel, they noted and recommended several changes. Changes from legal counsel were provided for consideration by the Board of Directors. In areas where legal counsel used incorrect titles for staff members or committees the Executive Director has updated the proposed policy, all Board members received the proposed policy.

At the December 8, 2020, Board of Directors Meeting a motion was approved to send the proposed revisions made by legal counsel and the Executive Director to the appropriate SCSCAI committees for review and recommendation to the Board of Directors. Board members were requested to send any suggested changes to the Executive Director, Mitzi Mills so any recommended suggestions could be formulated into one (1) document for Board review at a later date.

At the January 12, 2021, Board of Directors Meeting, Ms. Mills reported that at the December 8, 2021, Board of Directors Meeting the Board had delegated review of the Proposed Investment Policy to the Investment Sub-Committee and the Legal Services Committee for recommendation to the Board.

The proper process is for the Investment Sub-Committee to do their review and recommend changes and then for the policy with the recommended changes to go to the Legal Services Committee for review and recommendation.

Since the Investment Sub-Committee did not meet until Monday, February 1, 2021, this item was put on hold pending the Investment Sub-Committee review and the information from the Investment Sub-Committee being forwarded to the Legal Services Committee.

At the Finance Committee Meeting on Thursday, January 28, 2021, the Chair of the Investment Sub-Committee reported that the members of the Investment Sub-Committee had all received a copy of the Investment Policy proposed by the Association Attorney, noting that there were no changes made to our existing procedures for investing, but paragraphs from NRS 116 had been added and staff responsible or to be reported to

clarified. The Chair of the Investment Sub-Committee stated his Committee talked by phone in regard to the proposed document and they have no recommended changes to the policy as written by our Association Attorney, as far as procedure and policies for investing.

The Finance Committee accepted the report from the Investment Sub-Committee Chair and this recommendation can now move forward to the Legal Services Committee and then the Board.

This item is on hold pending review and recommendation by the Legal Services Committee. The Legal Services Committee is scheduled to meet on February 17, 2021, and this item will be presented as part of that meeting.

I. Directors & Officers (D&O) Insurance Update

Gerry Sokolski

April 6, 2021 – NO UPDATE AND NO ACTION TO BE TAKEN ON THIS ITEM

As noted during budget hearing narrative review of D&O insurance, at the time of the proposed 1st round draft of the budget a modest 5% was used to project D&O Insurance renewal for the policy that expires June 30, 2021. Subsequent to 1st round drafted budgets, an inquiry to Tim Foody, Producer for Risk Placement Services, resulted in Tim noting the following in an email: “From a very high-level perspective, we are experiencing an average of 20-30% increases across the majority of the management liability landscape. Certain areas like public companies, hospitality, and healthcare are experiencing change to retentions and premium well above that 20-30%. Ms. Hermann, Director of Finance reported these classes for two reasons: 1) it's relevant to the overall D&O world since the insurance companies are looking at their books as a whole, and 2) homeowners and condo associations are considered a high hazard class from a D&O perspective. That means our market options are niche, which means we can sometimes fly under the radar, but often the marketplace is aware of how few options exist for our operation, thus the changes can be more dramatic than market averages.”

Mr. Sokolski reported at the March 9, 2021, Board of Directors meeting nothing more to note, it all is in the description. The renewal is June 30, 2021 and will come back to the Board at their May 2021 meeting for review and decision.

J. Request to Review the Board of Directors Meeting Times of each meeting.

Ken Resnik

The Board meeting schedule is being brought back to the April 6, 2021, meeting to discuss the time of the meetings.

MOTION by _____ to **(approve/deny)** the request to change the time of the Board of Directors Meeting time of the Board of Directors Meeting to _____ except for the (2) after Business hour meetings required by **NRS 116.31083 (1)** which will remain at 6 pm. **SECOND** by _____.

VII. NEW BUSINESS

A. Property Value Issue

Dick Clark

President of the Board, Dick Clark is seeking the Boards opinion on whether an Attorney is needed regarding impact and/or responsibility of Sun City Summerlin Board of Directors as it relates to issues involving property values of specific Owners lots whose property values may be impacted by actions or inactions taken by the SCSCAI Board of Directors which may affect all or some of the properties in Sun City Summerlin Community Association.

MOTION by _____ to **(approve/deny)** to seek an attorney opinion regarding the impact and or responsibility of Sun City Summerlin Community Association, Inc. Board as it relates to issues involving property values of Owners whose values may be affected by actions or inactions taken by the Sun City Summerlin Community Association Board of Directors that may affect all or some of the Properties located in Sun City Summerlin Community Association. **SECOND** by _____.

B. Ratification of the Sales Tax Audit

Gerry Sokolski

The State of Nevada Department of Taxation conducted a sales and use tax and modified business tax audit of the Sun City Summerlin Community Association records for the period January 1, 2018 through December 31, 2020 and found a deficiency, primarily because during that time several large purchases did not include the payment of sales tax, and this discrepancy was not caught by the previous accounting controller or manager. The total deficiency was \$33,540.70, broken down as Tax \$26,511.48, Penalty \$2,655.02, and Interest \$4,374.20. Per Staff upon reviewing the information, agrees that there were unpaid taxes in the amount of \$26,511.48 during that period of time. Procedures were put in place in 2020 to require the vendor and contractors to include sales tax, and it was noted verbally during the audit that the procedures were in place and being adhered to. Per a letter received on February 26,2021 we were notified that per Senate Bill 3, which provides a one-time amnesty program for businesses and individuals, that we may qualify to have the penalty and interest waived if we pay the unpaid taxes in the amount of \$26,511.48 in full.

MOTION by _____ to **ratify** the payment of past unpaid sales tax in the amount of \$26,511.48 for the period January 1, 2018 through December 31, 2020 and note that based on making the payment in full prior to May 1, 2021 that we may qualify for partial or full amnesty and not have to pay the \$2,655.02 in penalties or the \$4,374.20 in interest.

C. Appointment of Architectural Review Committee Membership

John Berthelsen

Chair of the Architectural Review Committee, John Berthelsen is presenting to the SCSCAI Board of Directors the following slate of Owners to serve on the Architectural Committee as indicated.

Architectural Review Committee Members (Voting Members)

John Berthelsen (Chair)
Jerry Adams
Ken Carocchia
Jola Oliver
Wendall Phillips

Architectural Review Committee – Alternate Members – Non-Voting

Frank Martin
Mike Stewart

MOTION by _____ to **appoint** the following Sun City Summerlin Community Association, Inc., Owners to the Architectural Review Committee as voting members *John Berthelsen, Jerry Adams, Ken Carocchia, Jola Oliver* and *Wendell Phillips* and the following Owners as non-voting alternate members *Frank Martin, and Mike Stewart. SECOND* by _____.

D. Request for Versa Cleaning Machine Waxie for Disinfecting and Bacteria Removal in Restrooms, Locker Rooms, Showers and Pool Decks. **Dick Clark**
Packet D

Brandon Balek, Director of Facilities is requesting purchase of three (3) Waxie Versa High Performance Cleaning caddies from Waxie Sanitary Supply at a cost of \$4,164.45 or \$12,493.35 for all three, plus a \$7.75 transportation surcharge and tax of \$1,046.97 making total expenditure of \$13,548.07. This is for disinfection of floors and tile walls in all restrooms, locker rooms, showers and pool decks.

This will be paid out of 2020/2021 operating expenses for COVID-19, and then be added to the Reserves for future replacement as it benefits our new cleaning and disinfecting program.

MOTION by _____ to **(approve/deny)** the purchase of three (3) Waxie Versa High Performance Cleaning caddies from Waxie Sanitary Supply at a cost of \$4,164.45 each with total amount for the machines \$12,493.35 plus shipping \$7.75 and tax of \$1,046.97 making total expenditure of \$13,548.07. This is for disinfection of the Sun City Summerlin Community Centers, to be paid out of the 2020/2021 Operating Expense Budget, COVID-19 line. **SECOND** by _____.

E. Request by Food & Beverage to Increase Prices at Tavern at the Falls & the Summit Restaurant **Gerry Sokolski**

During the 2021/2022 Budget Hearing, Anthony Marrone, Food & Beverage Manager presented a request to make an adjustment to the prices on the SCSCAI

menus for both the Summit Restaurant and the Tavern at the Falls Restaurant. At that time, it was suggested by the Board of Directors, that these adjustments need not wait until the July 2021, and that the Board should consider and implement the changes now. The proposed adjustments would be to increase all meal items by two dollars for both locations and increase the draft beer pint by one dollar from \$4.00 to \$5.00, a pitcher of draft beer by 2 dollars, from \$10.00 proposing to \$12.00. The wine price would increase by one dollar from \$5.00 to \$6.00.

MOTION by _____ to **(approve/deny)** a request to increase pricing on menu items for both the Summit Restaurant and the Tavern at the Falls Restaurant. The proposed increases would be to increase all meals items by two dollars for both locations, and increase the draft pint of beer by one dollar from \$4.00 to \$5.00, a pitcher of draft beer by 2 dollars, from \$10.00 proposing to \$12.00. The wine price would increase by one dollar from \$5.00 to \$6.00. **SECOND** by _____.

F. 2021-2022 Budget Ratification

Gerry Sokolski

The Budget Hearing concluded in mid-March with staff making a recommendation that the dues per household for the 2021/2022 Fiscal year remain the same as they were for 2019/2020 and for 2020/2021. This recommendation was qualified with a statement from staff that normally staff would encourage the Board to at least take a small percent increase, so in the future large increases are not needed, however the COVID-19 Pandemic has provided challenges for our Owners, and it appears at the end of the year we will have a surplus that we can contribute to the Reserve Fund offsetting the need to raise the dues in order to fund the Reserves, which in 2019/2020 was done at a small rate because of the concern we may need the funds for COVID-19 expenditures. Staff proposed the annual assessment for 2021/2022 fiscal year of \$1,647. 00 (\$137.25/month) be allocated as follows: \$1,530.24 for Operating, \$28.66 for New Capital, and \$88.10 for Reserves.

On March 25, 2021, at the Finance Committee Meeting it was noted that the Finance Committee members had been invited to participate in the Budget Hearing meetings and many had done so, all were given the budget material to review and comment on. With that noted a motion was made and unanimously approved by the Finance Committee to make a recommendation to the Board of Directors to approve an annual assessment for 2021/2022 fiscal year of \$1,647. 00 (\$137.25/month) allocated as follows: \$1,530.24 for Operating, \$28.66 for New Capital, and \$88.10 for Reserves.

MOTION by _____ to **(approve/deny)** the Finance Committee recommendation to the Board of Directors that the annual assessment for 2021/2022 fiscal year be set at \$1,647. 00 (\$137.25/month) and allocated as follows: \$1,530.24 for Operating, \$28.66 for New Capital, and \$88.10 for Reserves, and send the necessary budget information out to the Owners with a ballot for them to vote to ratify or deny the 2021/2022 budget. The ballot packet will include all of the information required by

NRS 116, as well a letter signed by the SCSCAI Board of Directors. The packet to be mailed once the SCSCAI Board of Directors has had ample time to review and amend if needed the letter from the SCSCAI Board. **SECOND** by _____.

G. Ratification of Wall Repair Damage – Lake Mead & 215

Dick Clark

There was an accident on Lake Mead Boulevard and the 215 just before midnight on February 17, 2021, when a vehicle drove into the perimeter wall and damaged it. A police report that was filed and SCSCAI has notified the drivers insurance Company, Allstate Insurance and placed a claim with Allstate for the damages. Brandon Balek, Director of Facilities Maintenance has submitted a PO#11774 for a quote from Sierra Masonry to repair the wall at Lake Mead Boulevard and 215 in the amount of \$4,850.00.

MOTION by _____ to **(approve/deny)** the amount of \$4,850.00 to be paid to Sierra Masonry to repair the damaged wall located at Lake Mead Boulevard & 215 and SCSCAI. This will be paid from the Operating Account and reimbursed to the operating account once we receive payment from the driver’s insurance carrier, Allstate Insurance. **SECOND** by _____.

H. Huntress Cyber Security Agent

Jeff Rorick

At the March 30, 2021, IT Committee, the IT Committee made a recommendation to install Huntress Cyber Security Agent software on ninety-two (92) workstations and six servers at a cost of \$490.00 a month. This will help protect against Ransomware, Footholds and maximize our Managed Anti-Virus software.

This is not budgeted for in 2020/2021

This is not included in the proposed budget for 2021/2022

MOTION by _____ to **(approve/deny)** the recommendation from the IT Committee to install Huntress Cyber Security Agent software on ninety-two (92) workstations and six servers at a cost of \$490.00 a month, this is unbudgeted operating expense. **SECOND** by _____.

I. Realtors & Trial Period of Real Estate Signage

John Berthelsen

Sun City Summerlin Community Association, Inc. (SCSCAI) does not allow the placement of unauthorized signs in the common areas. This includes areas such as medians, landscape beds, entrance planters, green belts, parkways, park areas and landscape areas abutting the sidewalks. The City of Las Vegas does not allow the placement of unauthorized signs in the medians, street poles or any other City of Las Vegas property.

As part of the daily care and maintenance of SCSCAI and to keep common areas and the areas of City of Las Vegas property that SCSCAI is required to maintain via a

maintenance agreement, any unauthorized signs or authorized signs placed in the wrong location are removed.

Realtors met with the Executive Director and presented a concern that the SCSCAI sign rules that restrict the placement of directional “Open House” signs along the parkways, hinders their ability to effectively market homes in SCSCAI. In order to address this concern a trial period allowing direction Open House signs was allowed, with the following restrictions that were strictly enforced.

Open House Direction Sign Rules During the Trial Period*
(Trial Period Begins December 10, 2020, end date has not yet been determined, but will be a maximum of 90 days)

- 1. Open House Directional Signs are limited to one (1) per agent per change of direction at an intersection corner.**
 - a. Signs must be of the A-frame style and must be freestanding and cannot penetrate the ground. The frames can be white black or dark brown.
 - b. Signs shall be placed in the landscaped area (turf or planter) between the curb and sidewalk, or a maximum of three feet back from the curb when no sidewalk is present.
 - c. At no time will more than three (3) Open House Directional Signs be allowed at the same intersection corner, pointing in the same direction. Multiple Open House signs pointing in the same direction must be placed within three (3”) of one another and in line to appear as one sign.
 - d. If more than three (3) Open House Directional Signs are located at the same intersection, pointing in the same direction SCSCAI will confiscate as many signs as necessary to reduce the total to three.
 - e. Open House Directional Signs are not allowed in any other location, including entrances to SCSCAI, along the roadways or in the medians.
 - f. If there is a large strip of road with no intersections, and you would like to place directional signage in these areas, you can contact the Community Standards office 72 hours in advance of placement to apply for a variance, if approved, the approval will be given in writing.
 - g. Signs in violation of any of the criteria in this section will be confiscated.
- 2. Sign Specifications.**
 - a. Size – 12” x 18”
 - b. Material – Metal or Corrugated Plastic (no other materials are allowed)
 - c. Realtors – Sign must state Open House and be professionally made. Signs that display your logo and company name, and any other identification required by the State of Nevada are allowed.
 - d. For Sale by Owner – Sign must state Open House and be professionally made, no hand written or decal lettering signs are allowed. Signs must be brown with white lettering. Sign must state Open House.
 - e. Signs in violation of any of the criteria in this section will be confiscated.

3. **No item is allowed to be attached to the Open House Directional Sign** – This includes, but is not limited to; sign riders, pennants, streamers, balloons, flags, whirlybirds, posters, lights and sound making devices. Signs in violation of this criteria will be confiscated.

4. **Direction Open House Signs – Display Hours.**

- a. Homes for sale by a Real Estate Company - Directional Open House Signs can only be in place during the time there is an active Open House taking place with a licensed real estate salesperson at the premises the signs are being placed for.
- b. Homes for sale by Owner - Directional Open House Signs can only be in place during the time there is an active Open House taking place with the Owner or legal agent of the Owner at the premises the signs are being placed for.
- c. Placement and Removal Time – Open House Directional Signs are allowed to be displayed up to two (2) hours prior to the Open House and must be removed no later than two (2) hours after the conclusion of the Open House.
- d. Signs in violation of any of the criteria in this section will be confiscated.

**This trial period can be discontinued at any time and is contingent upon the appearance of signs on the parkways and compliance with these temporary rules. These rules may be changed from time to time by the Executive Director and it is up to the user to only rely on the rules published by the Executive Director and not published by or reproduced by any other publication or person.*

March 10, 2021, the open House sign Trial period was extended to Sunday, April 18, 2021 to assess further compliance.

The Director of Community Standards has reported that many of the Realtors are not adhering to the rules and Community Standards, Building Maintenance and Landscape Maintenance have spent numerous hours, including weekends removing and storing signs, and suffered ridicule and bullying when doing so. The Community Standards office strongly recommends that when this Trial Period ends on Sunday, April 18th, that it not be extended any further and SCSCAI go back to the guidance of not allowing open house signs.

MOTION by _____ to **(approve/deny)** the recommendation of the Community Standards office, that based on non-compliance by many of the Realtors, SCSCAI discontinue the trial period allowing directional Open House Realtor signage to be placed on the SCSCAI common areas at the end of the day on Sunday, April 18, 2021, and to go back to the guidance of not allowing open house signs.

SECOND by _____

J. **401 K Audit Proposal - Pension Assurance, LLP**

Gerry Sokolski
Packet E

Pension Assurance, LLP has performed our 401K audits for the last

several years.

MOTION by _____ to **(approve/deny)** the proposal from Pension Assurance, LLP to perform the Annual 401K Audit for period of January 1, 2020, through December 31, 2020, in the amount of \$8,000.00. This is a budgeted operating expense.

SECOND by _____.

K. Global Music Licensing Rights

Ellen Bachman
Packet F

Global Music is a performing rights organization that represents an exclusive group of top songwriters and performing artists who create the world's most popular music. They license their clients' catalogs and distribute royalties for the public performances of their works. A license from Global Music Rights allows companies to legally perform Global's songwriter's music in a place of business, protecting the business from the risk of copyright infringement.

SCSCAI already carry ASCAP Music License for music, and licenses for videos, however Global Music Licensing is stating we need to carry their license as well. It appears this overlaps other licenses, and we have also found that other communities are not subscribing to this. However, we continue to get threatening emails from this company and staff is seeking guidance from the Board of Directors on how the Board would like to proceed.

We did budget for this expense for 2021/2022, but they are demanding we enter into an agreement now or they will turn us over to legal counsel.

MOTION by _____ to **(approve/deny)** the Global Music Licensing agreement at an estimated annual cost of \$2,350.00.

SECOND by _____.

L. Request to Use Mountain Shadows for Golf Outings

Ken Resnik

Anthony Marrone, Food & Beverage Manager & Donny Long, Director of Golf are requesting to use Mountain Shadows Community Center for Golf Gatherings in the upcoming months. The Governor of Nevada is allowing events to occur with strict guidelines. These guidelines consist of 50% Capacity which is 100 people. We can have 6 guests to a table, and they will have to have their masks on when entering the building. When they are seated, they can remove their masks and when they get out of their seat, they will need to have their masks on. We will set up a sanitation station that the Health Department is requesting so that they guests can clean their hands if needed. These events are asking for food as well so the Food and Beverage Department will be plating food and serving it to them when they are seated. The following dates are being requested:
Monday May 17th PGA Annual Meeting
Guests: 50-60 people

Saturday May 22nd Lions Club Golf Outing
Guests: 100 people

Sunday June 13th Gordie Hill Memorial
Guests: 100 people

MOTION by _____ to **(approve/deny)** the request to allow use of the Mountain Shadows Community Center for three (3) Golf Gatherings - Monday, May 17, 2021 for the PGA Annual meeting, Saturday, May 22, 2021, Lions Club Golf Outing and Sunday, June 13, 2021, the Gordie Hill Memorial with the Governor's COVID guidelines in place. **SECOND** by _____.

M. Proceeding with Hearings on Outstanding Violations

We have been in a holding pattern on moving forward with Hearings on outstanding violations. Several events caused this, but primarily these were put on hold as the Board members debated what the Fine Schedule should be and what the Hearing Protocol should be. This hold up has caused staff to get behind on their duties and we are seeking specific direction from the Board on how to proceed at this time. The Executive Director is recommending that the Board of Directors allow the staff to proceed in pursuing and curing violations using the current adopted documents.

Hearing Protocol – Adopted by the Board
Fine Schedule – Adopted by the Board

We presently have 42 homes in violation that have received the first letter and need to receive the second letter. On some because of the time delay we will need to reissue the first letter, but before we do this, we want to know that we have a Hearing Committee in place, and that the Board has given us authority to use the Adopted documents and that we no longer have to wait for modifications to establish one Hearing Committee and the procedure for one Hearing Committee.

	Number of Outstanding Violation
September 2020	3
October 2020	13
November 2020	4
December 2020	4
January 2021	2
February 2021	6
March 2021	10
	42

MOTION by _____ to **(approve/deny)** the request from SCSCAI Staff to proceed as follows for outstanding violations that received their first notification letter between September 1, 2020 and January 21, 2021, send the wording from the first violation letter with the current Fine Schedule adopted at the December 8, 2020 Board of Directors Meeting attached to the letter. Follow up in 14 days to see if the violation has been cured and if it has not, proceed with the sending the second letter and issuing a Hearing date for the month of May 2021, on a date that complies with the notification schedule as stated in NRS 116. The Hearing to be held as stated in the current Complaint and Hearing Protocol adopted at the October 13, 2020 Board of Directors Meeting.

SECOND by _____.

MOTION by _____ to **(approve/deny)** the request from SCSCAI Staff to proceed as follows for outstanding violations that received their first notification letter between February 1, 2021 and March 14, 2021, follow up to see if the violation has been cured and if it has not, proceed with the sending the second letter and issuing a Hearing date for the month of May 2021, on a date that complies with the notification schedule as stated in NRS 116. The Hearing to be held as stated in the current Complaint and Hearing Protocol adopted at the October 13, 2020 Board of Directors Meeting.

SECOND by _____.

VIII. BOARD OF DIRECTORS COMMENTS –

Dick Clark
Ellen Bachman
Ken Resnik
Gerry Sokolski
Jim Akers
Leo Crawford
Sandy Krause
Jeff Rorick
John Berthelsen

IX. OWNER COMMENTS - Second Session

X. ADJOURNMENT:

MOTION by _____, that there being no further business to come before the Board of Directors, that the meeting be adjourned. **SECOND** by _____.

The next Board meeting is May 13, 2021, at 9:00 am.

Note: A resident has the right to

- Have a copy of the minutes, a summary of the minutes or a recording of the meeting upon request (\$.10 per page and \$1.00 for the recording per meeting) (NRS116.31083).

- Copies of the minutes and recordings of recent Board meetings may be downloaded from the website without charge.
- Speak to the Executive Board unless the Executive Board is meeting in Executive Session (NRS116.31083).
- The Agenda is posted on the Association bulletin boards and website on the Friday prior to the meeting.
- Recordings of Board meetings will be made. The recordings will be kept for a period of ten years in the Administration's Executive Director's office in the Mountain Shadows Community Center.
- Recordings, minutes, or a summary of minutes will be available not more than 30 days after the meeting (NRS116.31083). Depending upon meeting schedules, on occasion, the minutes or summary of the minutes may be in draft form.

Board of Directors Meeting Schedule Next Three Scheduled Meetings

May	05-04-2021	Board Meeting
June	06-01-2021	Member Budget Ratification Meeting Board Meeting follows
July	07-06-2021	Evening Board Meeting

Anyone interested in listening to the details of the meeting can obtain an audio recording (CD) from Administration for \$1.00 or download the recording online at www.suncitysummerlin.com.