

Desert Illusion, Inc.  
Annual Shareholders Meeting Minutes

Date: January 20, 2024

Time: 10:00 AM

The annual meeting of the Shareholders of Desert Illusion, Inc., a Utah corporation, was held online on the 20th day of January 2024 beginning at 10:00am. Roll was taken and shown as follows:

1. Call to Order

The meeting was called to order by Dale Zwart at 10:05 AM.

2. Roll Call

Attendance was taken, confirming the presence of a quorum. Present were:

Chris Henderson Weeks (#23)

Ken Walters (#38)

Matt Johnson (#22)

Jared Lake (#22)

Brent Jenkins (#20 & 21)

Rodger Dodge (#29)

Tracy Haze (#28)

Glen Funk (#34)

Lahn Simmons (#39)

Laurel Simmons (#39)

Kevin Donohue (#24 & 31)

Dale Zwart (#30)

Tim Loser (#25)

Cassie Smith (with Henderson) (#23)

### 3. Approval of Minutes

The 2023 minutes were presented and a motion was made by Brent Jenkins and seconded by Chris Henderson to approve. The minutes were unanimously approved.

### 4. State of the Corporation (Addressed by Dale Zwart)

- a. Discussion about a discrepancy in share representation (22 shares representing 21 weeks. The consensus is to allow the officers to correct the issue caused by a share split in week 36.
- b. Confirmation of good standing with the State of Utah and the bank.
- c. Report on financial activities including tax payments and bank account status.
- d. Update on houseboat UT number change and status of last year's dues paid.
- e. Addressing the issue of half a share in arrears from the second half of Week 36 Shares, resulting in 21.5 paying shares. The owners consensus was to write off the \$1125.00 as uncollectible.
- f. Stock certificates need to be issued for Ken Walters(38), Chris Henderson (23, 35), and Glen Funk (34).
- g. Discussion on docking certificate requirements and insurance implications of having multiple members named on the insurance policy. There was a consensus to survey owners to obtain names of people who will be operators of the boat and thereby reduce the insurance burden.

### 5. Financial Report

- a. Review of the Ledger and Balance report. The books are balanced and available for review by all owners for two weeks and will then be taken down from the website.
- b. Explanation of a bank transfer to Pamela Auster for \$8,000 which was held in escrow.
- c. Announcement of new Zelle account for easier transactions.

### 6. Boat Condition Report (Presented by Tracy Haze)

- a. Overview of engine and generator use.
- b. Maintenance updates including oil change procedures and Sea Deck condition.
- c. Instructions for cleaning A/C filters and spotlight repairs.
- d. Safety reminders and additional installation plans for the boat (e.g., 120V outlet, GFI outlet replacement).
- e. Request for careful handling of lake water strainers.

## 7. Proposed Budget and Operating Schedule

- a. Discussion of new installations like Temperature and Leak sensors and Starlink.
- b. Operating schedule available on the Desert Illusion website.
- c. Budget considerations including ethanol fuel treatment and distilled water for batteries.
- d. Engine maintenance and generator repair plans.
- e. The estimated dues for each share are \$3100.00, subject to final insurance cost.

## 8. Open Discussion

- a. Discussion on replacing the main TV and adding a wave runner docking system.
  - 1) Replace the TV with a Smart TV
  - 2) Table the docking system discussion until we determine if the swim platform can support the weight of a jet ski.
- b. Discussion on the condition of upper deck screens and pilot training requirements for insurance.
  - 1) Owner consensus is to replace upper deck screens.

## 9. Insurance

- a. Extra costs incurred due to additional names on the insurance.
- b. Need to audit and update the operator list for insurance purposes. We will create a survey form to obtain the insureds names.

## 10. Resolutions

- a. Resolution #1: Motioned for approval by Chris Henderson, seconded by Matt Johnson. Passed unanimously.

**RESOLUTION #1:** WHEREAS, the following individuals, having been duly nominated shall be re-elected as Directors of Desert Illusion, Inc. for a period of one year, or until their successors shall be duly nominated and elected:

KEVIN DONOHUE: Director

BRENT JENKINS: Director

TRACY HAZE: Director

JIM REIDY: Director

DALE ZWART: Director, Chairman of the Board

- b. Resolution #2: Motioned for approval by Lahn Simmons, Chris Henderson Seconds. Passed Unanimously.

**RESOLUTION #2:** WHEREAS, the Board of Directors and the members of Desert Illusion, Inc have convened and discussed various matters as pertained to the operations, management, budget and future planning of the entity;

WHEREAS, said discussions and subsequent decisions have been duly recorded and documented in the minutes of the meetings held on January 20, 2024;

BE IT RESOLVED, that the members and the Board of Directors hereby accept and adopt the modifications and decisions made in the year 2024 as they have been presented and recorded in the minutes.

#### 11. Adjournment

The meeting was adjourned by Dale Zwart at 12:30 PM.