

To the Members of the City Council of the Town of Palm Desert:

My name is Michael Nowacki and I am a resident here in Palm Desert at [REDACTED] located at the Oasis Country Club Homeowner's Association, a not for profit, common interest development corporation.

The following documents attached to this letter are relevant to the three minute open forum comments to be delivered at the Council's meeting tonight, March 28, 2024 regarding the lack of the Code Compliance Department of the City of Palm Desert to bingo games operations governed by the Municipal Code 5.96.04. Bingo games were being conducted at the Oasis Country Club between December 2019 and December 2023 without a valid license because the Oasis Country Club does not qualify for such a license pursuant to the Penal Code Section 5.48 and Section 326.5 et seq which are attached to this letter.

When I reported to the Riverside County Sheriff's Department (the enforcement agent for those reporting alleged violations of the Penal Code) on December 27, 2023 that the Oasis Country Club (and it was determined later Chapparal CC was also conducting bingo games without a license for a yet to be determined period of time), there was a Bingo game scheduled for January 21, 2024 at the Oasis Country Club.

Through a phone call made by Riverside County Sheriff's Department Investigator Grant Grasso, an eblast was sent to Oasis Owners cancelling bingo on January 19, 2024. Since then I have been vilified in emails and in person attacks by fellow Oasis owners for "blowing the whistle" on these manner in which these bingo games have been conducted on the HOA property. Based upon information provided to me from a member of the Finance Committee at the Oasis CC, the Oasis HOA was "skimming money" from the sale of bingo cards and placing money into the budget for the HOA which was not being paid out for prizes on a per bingo night occasions here at the Oasis from December 2019 to December 2023. Money rolled over not awarded for prizes on an individual night appear not to have been awarded as prize money but instead those funds were deposited in the operating account of the HOA.

Following the suspension of bingo only two days before the January 21, 2024 scheduled date for bingo games, the Oasis HOA Board President, Rick Annis and the HOA Administration, within a short period of time, identified a charitable organization, the Coachella Valley Rescue Mission (CVRM) to apply for a license to conduct bingo operations at the Oasis Country Club.

A license application was filed in late February 2024 (see attached documents for validation which were acquired by me via a Public Records Act application filed on March 7, 2024 via the City of Palm Desert's portal for filing for such records).

A bingo license was acquired by the CVRM. The date of the license is March 1, 2024. The license states that the granting of the license is NOT a "certificate of compliance"

The Municipal Code Section 5.96.040 stipulates the conditions which must be met in order for a charitable organization (defined in the Penal Code and the Municipal Code Sections previously referenced in this letter) to conduct bingo operations at an alternate site other than the charitable organization's premises.

The Oasis Country Club announced the resumption of bingo in an eblast to owners in early March for the date of March 21, 2024.

Through a request filed on March 7, 2024 under Civil Code Section 5200 (4) with the Administration of the HOA office (through Oasis General Manager), it was confirmed on March 18, 2024 that there was no lease signed between the licensee, CVRM and the Oasis Country Club.

As currently written, the Municipal Code Section 5.94.040 appears on the surface to require such a lease be negotiated between the charitable organization who is the licensee and the host facility, which in this case is the main dining room at the Oasis CC.

On March 19, 2024, Code Compliance received a hand delivered letter indicating there were a number of the conditions of the licensee which are not being met by the manner in which bingo was being resumed on March 21. Via an email received from the City Clerk, Ms. Gloria Sanchez, the city administration indicated in this email that Code Compliance would not be sending a representative to the March 21 "resumption" of bingo event to be conducted at the Oasis CC, citing "budgetary restraints".

I attended the bingo event at the Oasis CC on March 21, 2024, as an owner here for the last six years. It was the first time I have attended a bingo event at Oasis CC.

As soon as I walked into the dining room to buy bingo cards/sheets, it was evident that no one from the CVRM was sitting at the reception desk selling cards. Only Oasis owners were continuing to conduct the sale and collection of money for bundled bingo sheets.

There are procedures set forth in the Municipal Code for the selling cards for bingo and for maintaining separate bank accounts. The failure to adhere to the ordinance by the licensee, the CVRM, is a clear and unambiguous violation of the Municipal Code stipulations of the licensee, ---one of many which occurred on March 21, 2024.

One of my choices under the circumstances was to not call the Sheriff's Department to break up a record crowd of 150 people gathered for Bingo. I elected instead to continue to make mental notes about the failure to comply with the conditions set for the licensee and must be complied with by Oasis Country Club as the host site..

There were ten games conducted on March 21, 2024 and the prizes were determined by an Oasis owner, Don Groenke, not the CVRM. I actually won the fourth game and donated all \$145 of my winnings to the CVRM as a charitable donation. I support the work of the CVRM and have for years. However, the licensee in this case has a responsibility to conduct bingo games consistent with the Municipal Code.

After the seventh game, there was a break taken and I approached the Oasis Board President, Rick Annis, the self proclaimed Dr. Bingo, who emcees and calls out the numbers and validates winning sheets. I asked him to meet with me in the next few days to discuss the multiple alleged abridgments of the bingo provisions in the Municipal Code defined in Section 5.96.040.

He refused to meet.

Among the documents being provided to you via the web portal, is a copy of the hand delivered letter dated March 22, 2024 addressed to Code Compliance detailing all of the alleged violations captured in detail of the manner in which bingo was conducted on March 21 at the Oasis Country Club. Copies of the letter were delivered also to the City Clerk (Ms. Gloria Sanchez) with copies dropped off at the receptionist at Town Hall for the City Attorney and the City Manager.

A copy of the March 22, 2024 letter was also delivered to the attention of Grant Grasso, of the Riverside County Sheriff Department who had determined that there would be no criminal prosecution for conducting bingo at the Oasis Country Club between December 2019 and December 2023. However, Deputy Grasso indicated he would add the March 22, 2024 letter to the case file T233630050 which was created by Deputy Rodriguez on December 27, 2023 when two officers came to my home to take documents which supported my allegations that the Penal Code did not permit the Oasis CC to conduct bingo operations without a license.

On March 25, 2024 at 3:07 p.m. , I received an email from Attorney Jill Tremblay of Best, Best and Krieger indicating my letters were in their possession and the matter of bingo operations conducted at Oasis CC was under active "investigation."

I had a conversation with BBK.com Attorney Idra Shah the following day. Attorney Shah and I had a verbal disagreement about whether a "cease and desist" letter could be issued while the investigation was completed and asked for my patience.

I disagreed with her legal assessment of the application of the Penal Code 5.48 as applicable to bingo operations to the Oasis, in addition to the Municipal Code.

Surprisingly, Attorney Shah, as a public servant paid for by taxpayers, took an additional step to block my ability to communicate directly with her via email.

However, Attorney Tremblay continues to receive communications from me.

The CVRM, Director of Development, Scott Wolf received emails from me this week but I refused to put into writing my allegations of non-compliance because that matter is "under active investigation" at the law firm retained by the City of Palm Desert that serves the City Attorney function. I suggested that Mr. Wolf self assess the CVRM compliance with the licensee requirements and that he file a Public Records request if he wanted copies of the letters which he was made aware had been provided in a complaint with Code Compliance that the covenants of the license were not being followed.

The Municipal Code clearly indicates on the first line of Section 5.94.040:

"All bingo games operated under licensing by the city council as provided in this chapter shall be held in strict compliance with the following restrictions."

It is my assertion in this letter and in my planned three minutes in open forum at the City Council meeting of March 28, 2024, that the letters sent to Code Compliance meets the "means test" that the City Council should have the City Manager (whose responsibilities are defined in the Penal Code sections attached to this letter) to issue a "cease and desist letter" "summarily" (which the Penal Code requires) to suspend the bingo license issued to the CVRM for the issues of non-compliance set forth in the letters of March 19 and March 22.

The Oasis Country Club should not be allowed to skim money for the operation of bingo on our premises and deposit that money into our operating account inasmuch as the Municipal Code Section 5.96.04 (F) prohibits the comingling of such bingo funds with any other fund or account.

The investigation by the law firm retained by the City of Palm Desert can continue while the bingo license is suspended.

I will make this appeal tonight in my limited time of three minutes at the City Council meeting.

Sincerely,

Michael Nowacki

[REDACTED]

Palm Desert, CA 92211

[REDACTED]

Attachments

REVENUE AND TAXATION CODE
Section 23701

23701. Organizations which are organized and operated for nonprofit purposes within the provisions of a specific section of this article, or are defined in Section 23701h (relating to certain title-holding companies) or Section 23701x (relating to certain title-holding companies), are exempt from taxes imposed under this part, except as provided in this article or in Article 2 (commencing with Section 23731) of this chapter, if:

(a) An application for exemption is submitted in the form prescribed by the Franchise Tax Board; and

(b) A filing fee of twenty-five dollars (\$25) is paid with each application for exemption filed with the Franchise Tax Board after December 31, 1969; and

(c) The Franchise Tax Board issues a determination exempting the organization from tax.

This section shall not prevent a determination from having retroactive effect and does not prevent the issuance of a determination with respect to a domestic organization which was in existence prior to January 1, 1970, and exempt under prior law without the submission of a formal application or payment of a filing fee. For the purpose of this section, the term "domestic" means created or organized under the laws of this state.

The Franchise Tax Board may issue rulings and regulations as are necessary and reasonable to carry out the provisions of this article.

23701a. (a) Labor, agricultural, or horticultural organizations other than cooperative organizations described in Section 24404 or 24405 (unless the cooperative organization is determined by the Internal Revenue Service to be an organization described in Section 501(c)(5) of the Internal Revenue Code of 1954, as amended).

For purposes of this section, the term "agricultural" includes the art or science of cultivating land, harvesting crops or aquatic resources, or raising livestock.

(b) The amendments to this section by the act adding this subdivision shall be applied in the computation of taxes for taxable years beginning on or after January 1, 1983.

23701b. A fraternal order described in Section 501(c)(8) of the Internal Revenue Code.

23701c. A cemetery company described in Section 501(c)(13) of the Internal Revenue Code.

23701d. (a) Corporations, community chests or trusts, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involved the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda or otherwise attempting to influence legislation, (except as otherwise provided in Section 23704.5), and which does not participate in, or intervene in

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(including the publishing or distribution of statements), any political campaign on behalf of (or in opposition to) any candidate for public office. An organization is not organized exclusively for exempt purposes listed above unless its assets are irrevocably dedicated to one or more purposes listed in this section. Dedication of assets requires that in the event of dissolution of an organization or the impossibility of performing the specific organizational purposes the assets would continue to be devoted to exempt purposes. Assets shall be deemed irrevocably dedicated to exempt purposes if the articles of organization provide that upon dissolution the assets will be distributed to an organization which is exempt under this section or Section 501(c)(3) of the Internal Revenue Code or to the federal government, or to a state or local government for public purposes; or by a provision in the articles of organization, satisfactory to the Franchise Tax Board; that the property will be distributed in trust for exempt purposes; or by establishing that the assets are irrevocably dedicated to exempt purposes by operation of law. The irrevocable dedication requirement shall not be a sole basis for revocation of an exempt determination made by the Franchise Tax Board prior to the effective date of this amendment.

(b) (1) In the case of a qualified amateur sports organization--

(A) The requirement of subdivision (a) that no part of its activities involve the provision of athletic facilities or equipment shall not apply.

(B) That organization shall not fail to meet the requirements of subdivision (a) merely because its membership is local or regional in nature.

(2) For purposes of this subdivision, "qualified amateur sports organization" means any organization organized and operated exclusively to foster national or international amateur sports competition if that organization is also organized and operated primarily to conduct national or international competition in sports or to support and develop amateur athletes for national or international competition in sports.

23701e. A business league, chamber of commerce, real estate board, or a board of trade described in Section 501(c)(6) of the Internal Revenue Code, except that the phrase "or professional football leagues (whether or not administering a pension fund for football players)" shall not apply.

23701f. (a) A civic league, social welfare organization, or local organization of employees described in Section 501(c)(4) of the Internal Revenue Code, except as otherwise provided.

(b) An organization is not organized exclusively for exempt purposes under Section 501(c)(4) of the Internal Revenue Code unless its assets are irrevocably dedicated to one or more purposes listed in Section 501(c)(4) of the Internal Revenue Code.

23701g. A social organization described in Section 501(c)(7) of the Internal Revenue Code.

23701h. (a) A corporation described in Section 501(c)(2) of the Internal Revenue Code, relating to certain title-holding companies.

(b) (1) Notwithstanding subparagraph (B) of paragraph (2) of subdivision (b) of Section 23038, for purposes of applying Section

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501(c)(2) of the Internal Revenue Code under this section, the term "corporation" includes a limited liability company that is classified as a partnership or as a disregarded entity.

(2) A limited liability company that, under the authority of this section, is exempt from the tax imposed by this part is also exempt from the tax and fees imposed under Chapter 10.6 (commencing with Section 17941) of Part 10.

23701i. A voluntary employees' beneficiary association described in Section 501(c)(9) of the Internal Revenue Code.

23701j. A teacher's retirement fund association described in Section 501(c)(11) of the Internal Revenue Code.

23701k. Religious or apostolic corporations, if such corporations have a common treasury or community treasury even if such corporations engaged in business for the common benefit of the members, but only if the members thereof include (at the time of filing their returns) in their gross income their entire pro rata shares, whether distributed or not, of the net income of the corporation for such year. Any amount so included in the gross income of a member shall be treated as a dividend received.

23701l. (a) A domestic fraternal society described in Section 501(c)(10) of the Internal Revenue Code, except as otherwise provided.

(b) For purposes of this section, the term "domestic" means created or organized in the United States or under the law of the United States or of any state or territory therein.

23701n. (a) A supplemental unemployment compensation trust described in Section 501(c)(17) of the Internal Revenue Code, except as otherwise provided.

(b) The following references in Section 501(c)(17)(E) of the Internal Revenue Code shall be modified as follows:

(1) The phrase "under Section 23701" shall be substituted for the phrase "under subsection (a)."

(2) The phrase "Section 23701l" shall be substituted for the phrase "paragraph (9) of this subsection."

23701p. A trust or plan which meets the requirements of Public Law 87-792, 76 U.S. Stats. 809, approved October 10, 1962 (the Self-Employed Individuals Tax Retirement Bill of 1962), but only if such trust or plan is not exempt from taxation under Section 17631.

23701r. (a) A political organization. However, a political organization shall be subject to tax under this part with respect to its "political organization taxable income" and such income shall be subject to tax as provided by Chapter 3 (commencing with Section 23501).

(b) For purposes of this section, the political organization taxable income of any organization for any taxable year is an amount equal to the excess over one hundred dollars (\$100) (if any) of--

(1) The gross income for the taxable year (excluding any exempt function income), over

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(2) The deductions allowed by this part which are directly connected with the production of the gross income (excluding exempt function income).

(c) For purposes of this section, the term "exempt function income" means any amount received as— (1) A contribution of money or other property, (2) Membership dues, a membership fee or assessment from a member of the political organization, or (3) Proceeds from a political fundraising or entertainment event, or proceeds from the sale of political campaign materials, which are not received in the ordinary course of any trade or business, to the extent such amount is segregated for use only for the exempt function of the political organization.

(d) For purposes of this part, if any political organization-- (1) Contributes any amount to or for the use of any political organization which is treated as exempt from tax under subdivision (a) of this section, (2) Contributes any amount to or for the use of any organization described in paragraph (1) or (2) of Section 509 (a) of the Internal Revenue Code of 1954, which is exempt from tax under Section 23701, or (3) Deposits any amount in the General Fund or the Treasury of the United States or in the General Fund of any state or local government, such amount shall be treated as an amount not diverted for the personal use of the candidate or any other person. No deduction shall be allowed under this part for the contribution or deposit of any amount described in the preceding sentence.

(e) For purposes of this section--

(1) The term "political organization" means a party, committee, association, fund, (including the trust of an individual candidate) or other organization (whether or not incorporated) organized and operated primarily for the purpose of directly or indirectly accepting contributions or making expenditures, or both, for an exempt function.

(2) The term "exempt function" means the function of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any federal, state, or local public office or office in a political organization, or the election of Presidential or Vice Presidential electors, whether or not such individual or electors are selected, nominated, elected, or appointed. The term includes the making of expenditures relating to an office described in the preceding sentence which, if incurred by the individual, would be allowable as a deduction under Section 162 (a) of the Internal Revenue Code.

(3) The term "contributions" has the meaning given to such term by paragraph (2) of subdivision (b) of Section 24434.

(4) The term "expenditures" has the meaning given to such term by paragraph (3) of subdivision (b) of Section 24434.

(f) For purposes of paragraph (1) of subdivision (e), a separate segregated fund (within the meaning of Section 610 of Title 18 of the United States Code or of any similar state statute, or within the meaning of any state statute which permits the segregation of dues money for exempt functions, within the meaning of paragraph (2) of subdivision (e)) which is maintained by an organization described in Sections 23701a through 23701p or Section 23701s which is exempt from tax under Section 23701 shall be treated as a separate organization.

(g) (1) For purposes of this section, a fund established and maintained by an individual who holds, has been elected to, or is a candidate (within the meaning of paragraph (3)) for nomination or

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election to, any federal, state, or local elective public office for use by such individual exclusively for the preparation and circulation of such individual's newsletter shall, except as provided in paragraph (2), be treated as if such fund constituted a political organization.

(2) In the case of any fund described in paragraph (1) the exempt function shall be only the preparation and circulation of the newsletter.

(3) For purposes of paragraph (1), "candidate" means with respect to any federal, state, or local elective public office, an individual who does both of the following:

(A) Publicly announces that he or she is a candidate for nomination or election to that office.

(B) Meets the qualifications prescribed by law to hold that office.

(h) The requirements set forth in subdivisions (a), (b) and (c) of Section 23701 shall not apply to a political organization or newsletter fund described in this section. However, in the case of a corporation incorporated or organized in this state or qualified to do business in this state, such corporation shall either pay the minimum tax provided in Section 23153 or obtain a certificate of exemption from the Franchise Tax Board before the corporation files with the Secretary of State its articles of incorporation or a duly certified copy thereof.

(i) The requirements set forth in Section 23772 or Section 23774 shall not apply to a political organization or newsletter fund. Further, the requirements set forth in Sections 18505, 18506, and 18601 shall not apply to a political organization or newsletter fund described in this section, except that if it has political organization taxable income for any taxable year, the political organization shall be required to file income tax returns or statements as determined by the Franchise Tax Board under Chapter 3 (commencing with Section 23501).

23701s. (a) An employee-funded pension trust described in Section 501(c)(18) of the Internal Revenue Code, except as otherwise provided.

(b) The last sentence in Section 501(c)(18) of the Internal Revenue Code, relating to excess contributions under Section 4979, shall not apply.

23701t. (a) A homeowners' association organized and operated to provide for the acquisition, construction, management, maintenance, and care of residential association property if all of the following apply:

(1) Sixty percent or more of the gross income of the organization for the taxable year consists solely of amounts received as membership dues, fees, and assessments from either of the following:

(A) Tenant-stockholders or owners of residential units, residences, or lots.

(B) Owners of time-share rights to use, or time-share ownership interests in, association property in the case of a time-share association.

(2) Ninety percent or more of the expenditures of the organization for the taxable year are expenditures for the acquisition,

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construction, management, maintenance, and care of association property and, in the case of a time-share association, for activities provided to or on behalf of members of the association.

(3) No part of the net earnings inures (other than by providing management, maintenance, and care of association property or by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual.

(4) Amounts received as membership dues, fees, and assessments not expended for association purposes during the taxable year are transferred to and held in trust to provide for the management, maintenance, and care of association property and common areas.

(b) The term "association property" means:

(1) Property held by the organization.

(2) Property held in common by the members of the organization.

(3) Property within the organization privately held by the members of the organization.

In the case of a time-share association, "association property" includes property in which the time-share association, or members of the association, have rights arising out of recorded easements, covenants, or other recorded instruments to use property related to the time-share project.

(c) A homeowners' association shall be subject to tax under this part with respect to its "homeowners' association taxable income," and that income shall be subject to tax as provided by Chapter 3 (commencing with Section 23501).

(1) For purposes of this section, the term "homeowners' association taxable income" of any organization for any taxable year means an amount equal to the excess over one hundred dollars (\$100) (if any) of--

(A) The gross income for the taxable year (excluding any exempt function income), over

(B) The deductions allowed by this part which are directly connected with the production of the gross income (excluding exempt function income).

(2) For purposes of this section, the term "exempt function income" means any amount received as membership fees, dues, and assessments from tenant-shareholders or owners of residential units, residences, or lots, or owners of time-share rights to use, or time-share ownership interests in, association property in the case of a time-share association.

(d) The term "homeowners' association" includes a condominium management association, a residential real estate management association, a time-share association, and a cooperative housing corporation.

(e) "Cooperative housing corporation" includes, but is not limited to, a limited-equity housing cooperative, as defined in Section 33007.5 of the Health and Safety Code, organized either as a nonprofit public benefit corporation pursuant to Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code, or a nonprofit mutual benefit corporation pursuant to Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code.

(f) The term "time-share association" means any organization (other than a condominium management association) organized and operated to provide for the acquisition, construction, management, maintenance, and care of association property if any member thereof holds a time-share right to use, or a time-share ownership interest in, real property constituting association property.

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(g) The amendments made to this section by the act adding this subdivision shall apply to taxable years beginning on or after January 1, 1998.

23701u. An organization is operated exclusively for exempt purposes listed in Section 23701f and its net earnings are devoted exclusively to charitable purposes if that organization is a nonprofit public benefit corporation organized under Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code, and if the specific and primary purpose for which the corporation is formed is to render financial assistance to government by financing, refinancing, acquiring, constructing, improving, leasing, selling, or otherwise conveying property of any kind to government. This financing ability shall be limited to the issuance of certificates of participation, or similar security arrangements.

For purposes of this section, "government" means the State of California, a city, city and county, county, school district, board of education, public corporation, hospital district, and any other special district.

An organization is not organized exclusively for the exempt purposes referred to in the first paragraph unless its assets are irrevocably dedicated to one or more purposes listed in Section 23701f.

Dedication of assets requires that in the event of dissolution of an organization or the impossibility of performing the specific organizational purposes, including default of lease payments, the assets would continue to be devoted to exempt purposes. Assets shall be deemed irrevocably dedicated to exempt purposes if the articles of organization provide that upon dissolution the assets will be distributed to an organization which is exempt under this section, Section 23701d, or Section 23701f, or under Section 501(c)(3) or Section 501(c)(4) of the Internal Revenue Code or to the federal government, or to a state or local government for public purposes; or by a provision in the articles of organization, satisfactory to the Franchise Tax Board, that the property will be distributed in trust for exempt purposes; or by establishing that the assets are irrevocably dedicated to exempt purposes by operation of law. Any organization that has had its exemption revoked by the Franchise Tax Board for failure to comply with Section 23701f may request a further review of its status under this section.

23701v. (a) An organization of owners of manufactured homes or mobilehomes, who are tenants in a mobilehome park, formed for the purpose of purchasing the mobilehome park to convert it to condominium, stock cooperative, or other resident ownership interests.

(b) An organization shall not fail to meet the requirements of subdivision (a) merely because it manages, maintains, or cares for the mobilehome park it has purchased.

23701w. A veteran's organization, as defined by Section 501(c)(19) of the Internal Revenue Code.

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23701x. (a) A corporation or trust described in Section 501(c)(25) of the Internal Revenue Code, relating to certain title-holding companies.

(b) (1) Notwithstanding subparagraph (B) of paragraph (2) of subdivision (b) of Section 23038, for purposes of applying Section 501(c)(25) of the Internal Revenue Code under this section, the term "corporation" includes a limited liability company that is classified as a partnership or as a disregarded entity.

(2) A limited liability company that, under the authority of this section, is exempt from the tax imposed by this part is also exempt from the tax and fees imposed under Chapter 10.6 (commencing with Section 17941) of Part 10.

23701y. A credit union as defined in Section 14002 of the Financial Code. In addition, those credit unions are exempt from all other taxes and licenses, state, county, and municipal, imposed upon those credit unions, except taxes upon their real property, local utility user taxes, sales and use taxes, state energy resources surcharges, state emergency telephone users surcharges, unrelated business income taxes pursuant to Section 23731, motor vehicle and other vehicle registration license fees, and any other tax or license fee imposed by the state upon vehicles, motor vehicles, or the operation thereof.

23701z. An organization established pursuant to Section 5005.1 of the Corporations Code by three or more corporations as an arrangement for the pooling of self-insured claims or losses of those corporations.

Chapter 5.48 BINGO

Sections:

- 5.48.010 Permitted for certain organizations.
- 5.48.020 Definitions.
- 5.48.030 License – Required.
- 5.48.040 License – Application – Contents.
- 5.48.050 Applicant must be qualified.
- 5.48.060 Investigation of applicant.
- 5.48.070 Contents of applications.
- 5.48.080 License – Suspension – Revocation.
- 5.48.090 License – Alternative to revocation.
- 5.48.100 License – Revocation – Appeal.
- 5.48.110 Maximum amount of prize.
- 5.48.120 Profits to be kept in separate fund or account
- 5.48.130 Financial interest in licensee.
- 5.48.140 Exclusive operation by licensee.
- 5.48.150 Bingo games open to public.
- 5.48.160 Attendance limited to occupancy capacity.
- 5.48.170 Bingo games conducted only on licensee's property.
- 5.48.180 Minors not to participate.
- 5.48.190 Intoxicated persons not to participate.
- 5.48.200 Hours of operation.
- 5.48.210 Participant must be present.
- 5.48.220 Receipt of profit by a person a misdemeanor under State law.
- 5.48.230 Peace officer access.
- 5.48.240 City may enjoin violation.

Prior legislation: Ords. 564 and 661.

5.48.010 Permitted for certain organizations.

A. Pursuant to the conditions and restrictions of California Penal Code Section 326.5, bingo shall be permitted to be played in the City only for the benefit of organizations included by the provisions of Penal Code Section 326.5(a).

B. Pursuant to the conditions and restrictions of California Penal Code Sections 326.3 and 326.4 and this chapter, remote caller bingo shall be permitted to be played in the City for the benefit of organizations included by the provisions of Penal Code Section 326.3(b). [Ord. 1274 § 1, 2010; Ord. 1001 § 12, 1995. Code 1987 § 5.29.010].

5.48.020 Definitions.

"Bingo" means a game of chance in which prizes are awarded on the basis of designated numbers or symbols on a card which conform to numbers or symbols selected at random. It shall include cards having numbers or symbols which are concealed and preprinted in a manner providing for distribution of prizes. The winning cards shall not be known prior to the game by any person

participating in the playing or operation of the bingo game. All such prepared cards shall bear the legend: "For sale or use only in a bingo game authorized under California law and pursuant to local ordinance."

"Remote caller bingo" or "remote caller bingo game" means a game of bingo announced by a natural person present at the site at which the live game is conducted, and the organization conducting the bingo game uses audio and video technology to link any of its in-state facilities for the purpose of transmitting the remote calling of a live bingo game from a single location to multiple locations owned, leased, or rented by that organization. [Ord. 1274 § 2, 2010; Ord. 1001 § 12, 1995. Code 1987 § 5.29.020].

5.48.030 License – Required.

A. No bingo shall be played without a valid and unexpired license.

B. Only those organizations set forth in Penal Code Sections 326.3 and 326.5 are eligible to apply for a bingo license. Eligible organizations shall file a written application for a bingo license with the City on a form provided thereby.

C. The license issued shall be for a term of one year from the date of issuance, subject to renewal and annual fee.

D. A license issued to an organization set forth in Penal Code Section 326.3 allowing for remote caller bingo shall be subject to the following conditions:

1. Bingo games shall not be conducted by any licensee on more than two days during any week, except that a licensee may hold one additional game, at its election, in each calendar quarter.
2. The licensed organization is responsible for ensuring that the conditions of this chapter and Sections 326.3 and 326.4 of the Penal Code are complied with by the organization and its officers and members [Ord. 1274 § 3, 2010; Ord. 1001 § 12, 1995. Code 1987 § 5.29.030].

5.48.040 License – Application – Contents.

A. Said application for license shall contain the following:

1. The name of the applicant organization and a statement that the applicant organization is eligible to apply for a license under the terms of State law and this chapter;
2. The name and signature of at least two officers, including the presiding officer of the organization;
3. The address of the particular property within the City which is owned or leased by the applicant, used by the applicant for an office or for performance of the purposes for which the applicant organized, and on which bingo will be conducted, together with the occupancy capacity of such location;
4. Proposed hours and days of operation;

5. a. A statement that the applicant agrees to conduct bingo in strict accordance with the provisions of California Penal Code Section 326.5 and this chapter, as either may be amended from time to time;

b. With respect to remote caller bingo, an additional statement that the applicant also agrees to conduct bingo in strict accordance with the provisions of California Penal Code Sections 326.3 and 326.4, and this chapter, as either may be amended from time to time;

c. A statement that the applicant agrees that the license may be revoked by the City upon violation of any such provisions;

6. Proof that the applicant organization has owned or leased property within the City that was used by the applicant for an office or for performance of the purposes for which the organization is organized, for a period of at least 12 months immediately preceding the filing of such application, and the property upon which any bingo game is to be conducted is property so owned or leased by the applicant;

7. Written verification from the Community Development Department of the City that there is improved vehicular access to the premises wherein a bingo game is to be conducted and that such premises contain off-street vehicle parking facilities on the basis of not less than one parking space for each two seats, one seat being defined as an area of seven and one-half square feet;

8. Written verification from the Community Development Department of the City that the operation of such game or games is in compliance with LEMC Title 17.

B. The application shall be signed by the applicant under penalty of perjury.

C. The application process fee and annual license fee as set by resolution shall accompany the application. If an application for a license is denied, one-half of the license fee shall be refunded.

D. A certificate of determination of exemption under Section 23701 of the California Revenue and Taxation Code, or a letter of good standing from the Exemption Division of the Franchise Tax Board in Sacramento showing such exemption shall accompany the application.

E. A certified list of officers from the Secretary of State, which shows the status of the organization. [Ord. 1274 § 4, 2010; Ord. 1001 § 12, 1995. Code 1987 § 5.29.040].

5.48.050 Applicant must be qualified.

No license shall be issued to any organization unless such applicant is an eligible organization under LEMC 5.48.010, and its application conforms to the requirements, terms and conditions of this chapter. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.050].

5.48.060 Investigation of applicants.

Upon receipt of the completed application, fees, and exemption information, the City Manager shall refer the same to interested departments of the City, including, but not limited to, City Attorney, Sheriff Department, and the Fire Department, for investigation as to whether or not all of the statements in the application are true, and whether or not the property of the applicant qualifies and the extent to which it qualifies as property on which bingo games may lawfully be conducted as to fire, occupancy, and other applicable restrictions. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.060].

5.48.070 Contents of applications.

Upon a satisfactory conclusion of this investigation, the City Manager shall issue a license to the applicant. The license shall contain the name and nature of the organization to whom the license is issued, the address where bingo is authorized to be conducted, the occupancy capacity of the room or rooms in which bingo is to be conducted, the expiration date of the license, and such other information as may be necessary or desirable for the full enforcement of the provisions of this chapter. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.070].

5.48.080 License – Suspension – Revocation.

A. If a licensee is conducting bingo or allowing bingo to be conducted in violation of any provision of this chapter, the City Manager shall have the authority to suspend the license summarily and order the licensee to cease and desist from any further operation of bingo within the City.

B. An order and suspension issued under this chapter shall also notify the licensee that it shall have five days from the date of the order to request a hearing to determine whether such license shall be revoked. If no such hearing is requested within this five-day period, the license shall be revoked.

C. Within 10 days after receipt of a timely hearing request by the licensee, the City Manager shall provide and conduct such a hearing. At this hearing, the suspended licensee may appear for the purpose of presenting evidence and information tending to show why the license should not be revoked.

D. No license shall be revoked under subsection (C) of this section unless notice of the time and place of the hearing has first been given at least five days before the hearing by depositing in the U.S. mail a notice directed to the suspended licensee at the address given in licensee's application. Notice shall set forth a summary of the grounds advanced as the basis for the suspension and revocation.

E. An organization whose license is revoked under this section shall conduct no bingo in the City unless the City Council, on appeal, sets aside the license revocation. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.080].

5.48.090 License – Alternative to revocation.

A. If the licensee is conducting bingo in violation of any provisions of this chapter, or the license was obtained by fraudulent representations, and if no summary suspension is ordered under LEMC 5.48.080, the license may be revoked; provided, however, that the licensee may appear before the City at

the time set by the City for the purpose of presenting evidence and information why the license should not be revoked.

B. No license shall be revoked under this section unless written notice has first been given at least five days before the hearing by depositing in the U.S. mail a notice directed to the suspended licensee at the address given in licensee's application. Notice shall set forth a summary of the grounds advanced as the basis for the suspension and revocation.

C. An organization whose license is revoked under this section shall conduct no bingo in the City unless the City Council, on appeal, sets aside the license revocation. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.090].

5.48.100 License – Revocation – Appeal.

A. A licensee whose license is revoked shall have the right within 15 days after notice of revocation is mailed pursuant to this chapter to file a written appeal with the City Council. This appeal shall set forth the specific grounds on which it is based. The City Council shall hold a hearing on this appeal within 30 days after its receipt by the City, or at such time as is thereafter agreed upon, and shall cause the appellant to be given at least 10 days' written notice of such City Council hearing. At this hearing, the appellant or its authorized representative shall have the right to present evidence, information and argument in support of the appeal. The determination of the City Council on the appeal shall be final.

B. An organization whose license is revoked by the City Council may not apply again for a license to conduct bingo in the City for a period of two years from the date of such revocation; provided, however, that if the ground for revocation is cancellation of the exemption for the organization under Section 23701 of the California Revenue and Taxation Code, such organization may apply again for a license upon satisfactory proof of reinstatement of this exemption. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.100].

5.48.110 Maximum amount of prize.

Except as may be provided pursuant to LEMC 5.48.010(B), the total value of prizes awarded during the conduct of any bingo games shall not exceed \$500.00 in cash or kind, or both, for each separate game which is held. [Ord. 1274 § 5, 2010; Ord. 1001 § 12, 1995. Code 1987 § 5.29.110].

5.48.120 Profits to be kept in separate fund or account.

All profits derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other fund or account. The licensee shall keep full and accurate record of the income expenses received and disbursed in connection with its operation, conduct, promotion, supervision and any other phase of bingo games which are authorized by this chapter. The City, by and through its authorized officers, shall have the right to examine and audit such record at any reasonable time and the licensee shall fully cooperate with the City by making such record available. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.120].

5.48.130 Financial interest in licensee.

No individual, corporation, partnership or other legal entity except the licensee shall hold a financial interest in the conduct of such bingo game. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.130].

5.48.140 Exclusive operation by licensee.

A bingo game shall be operated and staffed only by a member of the licensee organization. Such members shall not receive a profit, wage, or salary from any bingo game. Only the licensee shall operate such game, or participate in the promotion, supervision or any other phase of such game. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.140].

5.48.150 Bingo games open to public.

All bingo games shall be open to the public, not just to the members of the licensee organization. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.150].

5.48.160 Attendance limited to occupancy capacity.

Notwithstanding the requirement of Penal Code Section 326.5 that bingo games are open to the public, attendance at any bingo game shall be limited to the occupancy capacity of the room in which such game is conducted as determined by the Fire Department and Building Department of the City in accordance with applicable laws and regulations. Licensee shall not reserve seats or space for any person. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.160].

5.48.170 Bingo games conducted only on licensee's property.

A licensee shall conduct a bingo game only on property owned or leased by it, and which property is used by such organization for an office or for performance of the purposes for which the organization is organized. The license issued under this chapter shall authorize the holder thereof to conduct bingo games only on such property, the address of which is stated in the application. In the event the described property ceases to be used as an office and as a place for performance of the purposes for which the licensee is organized, the license shall have no further force or effect. A new license may be obtained by an eligible organization, upon application under this chapter, when it again owns or leases property used by it for an office or for performance of the purposes for which the organization is organized. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.170].

5.48.180 Minors not to participate.

No person under the age of 18 years shall be allowed to participate in any bingo game. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.180].

5.48.190 Intoxicated persons not to participate.

No person who is obviously intoxicated shall be allowed to participate in a bingo game. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.190].

5.48.200 Hours of operation.

No licensee shall conduct any bingo game more than six hours out of any 24-hour period. No bingo game shall be conducted before 10:00 a.m. nor after 2:00 a.m. of any day. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.200].

5.48.210 Participant must be present.

No person shall be allowed to participate in a bingo game unless the person is physically present at the time and place where the remote caller bingo game is being conducted. A person shall be deemed to be physically present at the place where the remote caller bingo game is being conducted if he or she is present at any of the locations participating in the remote caller bingo game in accordance with this chapter. [Ord. 1274 § 6, 2010; Ord. 1001 § 12, 1995. Code 1987 § 5.29.210].

5.48.220 Receipt of profit by a person a misdemeanor under State law.

It is a misdemeanor under Section 326.5(b) of the Penal Code of the State for any person to receive a profit, wage, or salary from any bingo game authorized under this chapter, a violation of which is punishable by a fine not to exceed \$10,000, which fine shall be deposited in the general fund of the City. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.220].

5.48.230 Peace officer access.

Any peace officer of the City shall have free access to any bingo game licensed under this chapter. The licensee shall have the bingo license and lists of approved staff available for inspection at all times during any bingo game. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.230].

5.48.240 City may enjoin violation.

The City may bring an action in a court of competent jurisdiction to enjoin a violation of Section 326.5 of the Penal Code or of this chapter. [Ord. 1001 § 12, 1995. Code 1987 § 5.29.240].

This page of the Lake Elsinore Municipal Code is current through Ordinance 1285, passed August 24, 2010.
Disclaimer: The City Clerk's Office has the official version of the Lake Elsinore Municipal Code. Users should contact the City Clerk's Office for ordinances passed subsequent to the ordinance cited above.

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California Code, Penal Code - PEN § 326.5

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(a) Neither the prohibition on gambling in this chapter nor in Chapter 10 (commencing with Section 330 (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000217&refType=LO&originatingDoc=1f54cad0a284911ed8be796fe11e5d7>) applies to any bingo game that is conducted in a city, county, or city and county pursuant to an ordinance enacted under Section 19 of Article IV of the State Constitution (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000203&refType=LO&originatingDoc=1f54cad00284911ed8be796fe11e5d7>) if the ordinance allows games to be conducted only in accordance with this section and only by organizations exempted from the payment of the bank and corporation tax by Sections 23701a (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000222&refType=LO&originatingDoc=1f54cad01284911ed8be796fe11e5d7>) 23701b (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000222&refType=LO&originatingDoc=1f54cad02284911ed8be796fe11e5d7>) 23701d (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000222&refType=LO&originatingDoc=1f54cad03284911ed8be796fe11e5d7>) 23701e (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000222&refType=LO&originatingDoc=1f54cad04284911ed8be796fe11e5d7>) 23701f (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000222&refType=LO&originatingDoc=1f54cad05284911ed8be796fe11e5d7>) 23701g (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000222&refType=LO&originatingDoc=1f54cad06284911ed8be796fe11e5d7>) 23701k (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000222&refType=LO&originatingDoc=1f54cad07284911ed8be796fe11e5d7>) 23701w (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000222&refType=LO&originatingDoc=1f54cad08284911ed8be796fe11e5d7>) and 23701l of the Revenue and Taxation Code (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000222&refType=LO&originatingDoc=1f54cad09284911ed8be796fe11e5d7>) and by mobilehome park associations, senior citizens organizations, and charitable organizations affiliated with a school district; and if the receipts of those games are used only for charitable purposes.

(b) It is a misdemeanor for any person to receive or pay a profit, wage, or salary from any bingo game authorized by Section 19 of Article IV of the State Constitution (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000203&refType=LQ&originatingDoc=lf54cfb20284911ed8be796fe11e5d7>) Security personnel employed by the organization conducting the bingo game may be paid from the revenues of bingo games, as provided in subdivisions (j) and (k).

(c) A violation of subdivision (b) shall be punishable by a fine not to exceed ten thousand dollars (\$10,000), which fine is deposited in the general fund of the city, county, or city and county that enacted the ordinance authorizing the bingo game. A violation of any provision of this section, other than subdivision (b), is a misdemeanor.

(d) The city, county, or city and county that enacted the ordinance authorizing the bingo game may bring an action to enjoin a violation of this section.

(e) Minors shall not be allowed to participate in any bingo game.

(f) An organization authorized to conduct bingo games pursuant to subdivision (a) shall conduct a bingo game only on property owned or leased by it, or property whose use is donated to the organization, and which property is used by that organization for an office or for performance of the purposes for which the organization is organized. Nothing in this subdivision shall be construed to require that the property owned or leased by, or whose use is donated to, the organization be used or leased exclusively by, or donated exclusively to, that organization.

(g) All bingo games shall be open to the public, not just to the members of the authorized organization.

(h) A bingo game shall be operated and staffed only by members of the authorized organization that organized it. Those members shall not receive a profit, wage, or salary from any bingo game. Only the organization authorized to conduct a bingo game shall operate such a game, or participate in the promotion, supervision, or any other phase of a bingo game. This subdivision does not preclude the employment of security personnel who are not members of the authorized organization at a bingo game by the organization conducting the game.

(i) Any individual, corporation, partnership, or other legal entity, except the organization authorized to conduct a bingo game, shall not hold a financial interest in the conduct of a bingo game.

(j) With respect to organizations exempt from payment of the bank and corporation tax by Section 23701d of the Revenue and Taxation Code (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000222&refType=LQ&originatingDoc=lf54d7050284911ed8be796fe11e5d7>) all profits derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other fund or account. Those profits shall be used only for charitable purposes.

(k) With respect to other organizations authorized to conduct bingo games pursuant to this section, all proceeds derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other fund or account. Proceeds are the receipts of bingo games conducted by organizations not within subdivision (j). Those proceeds shall be used only for charitable purposes, except as follows:

(1) The proceeds may be used for prizes.

(2)(A) Except as provided in subparagraph (B), a portion of the proceeds, not to exceed 20 percent of the proceeds before the deduction for prizes, or two thousand dollars (\$2,000) per month, whichever is less, may be used for the rental of property and for overhead, including the purchase of bingo equipment, administrative expenses, security equipment, and security personnel.

(B) For the purposes of bingo games conducted by the Lake Elsinore Elks Lodge, a portion of the proceeds, not to exceed 20 percent of the proceeds before the deduction for prizes, or three thousand dollars (\$3,000) per month, whichever is less, may be used for the rental of property and for overhead, including the purchase of bingo equipment, administrative expenses, security equipment, and security personnel. Any amount of the proceeds that is additional to that permitted under subparagraph (A), up to one thousand dollars (\$1,000), shall be used for the purpose of financing the rebuilding of the facility and the replacement of equipment that was destroyed by fire in 2007. The exception to subparagraph (A) that is provided by this subparagraph shall remain in effect only until the cost of rebuilding the facility is repaid, or January 1, 2019, whichever occurs first.

(3) The proceeds may be used to pay license fees.

(4) A city, county, or city and county that enacts an ordinance permitting bingo games may specify in the ordinance that if the monthly gross receipts from bingo games of an organization within this subdivision exceed five thousand dollars (\$5,000), a minimum percentage of the proceeds shall be used only for charitable purposes not relating to the conducting of bingo games and that the balance shall be used for prizes, rental of property, overhead, administrative expenses, and payment of license fees. The amount of proceeds used for rental of property, overhead, and administrative expenses is subject to the limitations specified in paragraph (2).

(j)(1) A city, county, or city and county may impose a license fee on each organization that it authorizes to conduct bingo games. The fee, whether for the initial license or renewal, shall not exceed fifty dollars (\$50) annually, except as provided in paragraph (2). If an application for a license is denied, one-half of any license fee paid shall be refunded to the organization.

(2) In lieu of the license fee permitted under paragraph (1), a city, county, or city and county may impose a license fee of fifty dollars (\$50) paid upon application. If an application for a license is denied, one-half of the application fee shall be refunded to the organization. An additional fee for law enforcement and public safety costs incurred by the city, county, or city and county that are directly related to bingo activities may be imposed and shall be collected monthly by the city, county, or city and county issuing the license; however, the fee shall not exceed the actual costs incurred in providing the service.

(m) A person shall not be allowed to participate in a bingo game, unless the person is physically present at the time and place where the bingo game is being conducted.

(n) The total value of prizes available to be awarded during the conduct of any bingo games shall not exceed five hundred dollars (\$500) in cash or kind, or both, for each separate game which is held.

(o) As used in this section, "bingo" means a game of chance in which prizes are awarded on the basis of designated numbers or symbols that are marked or covered by the player on a tangible card in the player's possession and that conform to numbers or symbols, selected at random and announced by a live caller.

Notwithstanding Section 330c (<https://1.next.westlaw.com/Link/Document/FullText?>

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as used in this section, the game of bingo includes tangible cards having numbers or symbols that are concealed and preprinted in a manner providing for distribution of prizes. Electronics or video displays shall not be used in connection with the game of bingo, except in connection with the caller's drawing of numbers or symbols and the public display of that drawing, and except as provided in subdivision (p). The winning cards shall not be known prior to the game by any person participating in the playing or operation of the bingo game. All preprinted cards shall bear the legend, "for sale or use only in a bingo game authorized under California law and pursuant to local ordinance." Only a covered or marked tangible card possessed by a player and presented to an attendant may be used to claim a prize. It is the intention of the Legislature that bingo as defined in this subdivision applies exclusively to this section and shall not be applied in the construction or enforcement of any other provision of law.

(p)(1) Players who are physically present at a bingo game may use hand-held, portable card-minding devices, as described in this subdivision, to assist in monitoring the numbers or symbols announced by a live caller as those numbers or symbols are called in a live game. Card-minding devices may not be used in connection with any game where a bingo card may be sold or distributed after the start of the ball draw for that game. A card-minding device shall do all of the following:

- (A) Be capable of storing in the memory of the device bingo faces of tangible cards purchased by a player.
- (B) Provide a means for bingo players to input manually each individual number or symbol announced by a live caller.
- (C) Compare the numbers or symbols entered by the player to the bingo faces previously stored in the memory of the device.
- (D) Identify winning bingo patterns that exist on the stored bingo faces.

(2) A card-minding device shall perform no functions involving the play of the game other than those described in paragraph (1). Card-minding devices shall not do any of the following:

- (A) Be capable of accepting or dispensing any coins, currency, or other representative of value or on which value has been encoded.
- (B) Be capable of monitoring any bingo card face other than the faces of the tangible bingo card or cards purchased by the player for that game.
- (C) Display or represent the game result through any means, including, but not limited to, video or mechanical reels or other slot machine or casino game themes, other than highlighting the winning numbers or symbols marked or covered on the tangible bingo cards or giving an audio alert that the player's card has a prize-winning pattern.
- (D) Determine the outcome of any game or be physically or electronically connected to any component that determines the outcome of a game or to any other bingo equipment, including, but not limited to, the ball call station, or to any other card-minding device. No other player-operated or player activated electronic or electromechanical device or equipment is permitted to be used in connection with a bingo game.

(3)(A) A card-minding device shall be approved in advance by the department as meeting the requirements of this section and any additional requirements stated in regulations adopted by the department. Any proposed material change to the device, including any change to the software used by the device, shall be submitted to the department and approved by the department prior to implementation.

(B) In accordance with Chapter 5 (commencing with Section 19800 (<https://1.next.westlaw.com/Link/Document/FullText?>

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of Division 8 of the Business and Professions Code, the commission shall establish reasonable criteria for, and require the licensure of, any person that directly or indirectly manufactures, distributes, supplies, vends, leases, or otherwise provides card-minding devices or other supplies, equipment, or services related to card-minding devices designed for use in the playing of bingo games by any nonprofit organization.

(C) A person or entity that supplies or services any card-minding device shall meet all licensing requirements established by the commission in regulations.

(4) The costs of any testing, certification, license, or determination required by this subdivision shall be borne by the person or entity seeking it.

(5) On and after January 1, 2010, the Department of Justice may inspect all card-minding devices at any time without notice, and may immediately prohibit the use of any device that does not comply with the requirements established by the department in regulations. The Department of Justice may at any time, without notice, impound any device the use of which has been prohibited by the commission.

(6) The Department of Justice shall issue regulations to implement the requirements of this subdivision, and the California Gambling Control Commission may issue regulations regarding the means by which the operator of a bingo game, as required by applicable law, may offer assistance to a player with disabilities in order to enable that player to participate in a bingo game, provided that the means of providing that assistance shall not be through any electronic, electromechanical, or other device or equipment that accepts the insertion of any coin, currency, token, credit card, or other means of transmitting value, and does not constitute or is not a part of a system that constitutes a video lottery terminal, slot machine, or device prohibited by Chapter 10 (commencing with Section 330 (<https://1.next.westlaw.com/Link/Document/FullText?findType=L&originatingContext=document&transitionType=DocumentItem&pubNum=1000217&refType=L0&originatingDoc=lf54ef6f0284911ed8be796fe11e5d>)).

(7) The following definitions apply for purposes of this subdivision:

(A) "Commission" means the California Gambling Control Commission.

(B) "Department" means the Department of Justice.

(C) "Person" includes a natural person, corporation, limited liability company, partnership, trust, joint venture, association, or any other business organization.

< [Back to chapter list \(https://codes.findlaw.com/ca/penal-code/\)](https://codes.findlaw.com/ca/penal-code/)

< [Previous part of code \(https://codes.findlaw.com/ca/penal-code/pen-sect-326-45/\)](https://codes.findlaw.com/ca/penal-code/pen-sect-326-45/)

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> [code/pen-sect-327/">code/pen-sect-327/\)](https://codes.findlaw.com/c)

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Yes



No



Code Compliance
City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, California 92260

March 22, 2024

Dear Code Compliance:

Las night as an owner of a property at the Oasis Country Club (hereafter OCC) , I arrived at approximately 5:15pm at the main dining room with the intention of attending a scheduled and announced to the owners (and by me on Next Door) a public Bingo game as defined in 5.48.020 of Chapter 5.48 and the City of Palm Desert Municipal Code 5.96.040.

When I arrived in the lobby of the Oasis Main Clubhouse, there were two tables for the purchase of Bingo cards for the event being conducted via a Bingo license granted by the Coachella Valley Rescue Mission (hereafter CVRM) dated March 1, 2024 by the City of Palm Desert.

The license number is BLSP2024-002. The license specifically states in part that the license is not "certification of compliance."

Based upon the contents/allegations set forth in this letter that Code Compliance enforce the provisions granted to it via Chapter 5.48.080 that the City Manager, "shall have the authority to suspend the license summarily and to cease and desist from any further operation of bingo within the City." In this case the City is the City of Palm Desert who issued this license.

This letter requests that the City Manager summarily issue a letter to the CVRM a to cease and desist order too the CVRM and the Oasis Country Club for operating

any further Bingo operations and set forth under provisions in Section 5.48.080 and 5.48.100.

The sections of Chapter 5.48 of the Penal Code, requires the City Council conduct a hearing to allow CVRM and the Oasis Country Club respond to the allegations the opportunity to take the necessary steps to be in compliance with the Municipal Code 5.96.040 --in order to remove the "cease and desist" provisions and resume Bingo games by the fall of 2024.

This letter writer supports the work of the CVRM. However, the operations of Bingo conducted at the Oasis HOA must be done in compliance with provisions in the California laws which govern Bingo "games of chance".

The City Manager of the City of Palm Desert has a responsibility to enforce the stipulations set forth in Chapter 5.48 of the California Penal Code and the Municipal Code Section 5.96.040.

Based upon the contents of this letter which reference his personal observations about the Bingo games conducted last night, March 21,2022 at the Oasis Country Club from approximately 5-8;30 would be justified in issuing a cease and desist letter "summarily."

The license for Bingo was awarded to the CVRM. The licensee has requirements set forth in the Municipal Code of the City of Palm Desert 5.96.040 to operate the Bingo games conducted at the Oasis Country Club consistent with the Municipal Code and also with the Penal Code Chapter 5.48 on Bingo.

Having attended the Bingo games conducted at the Oasis Country Club on March 22, 2022, this letter alleges violations of the Municipal Code 5.96.040:

- "B". There appears to be no lease existing between CVRM and Oasis CC for the rental or use of Oasis Country Club which this section of the Municipal Code requires since there are no offices of the CVRM on site at the Oasis CC. A lease protects the interests of both parties but also defines that the Oasis CC has the right to all food and beverage revenues, food and beverage expenses, protects the HOA from any legal liabilities in the event

of injuries incurred from staging such an event and moreover establishes the responsibilities to be allocated to the CVRM as the licensee for conducting Bingo operations at the Oasis in the future.

- "D". This section requires "All Bingo Games shall be operated and staffed only by members of the authorized organization which organized them. The Bingo license is issued to CVRM. At no point in time was money collected for the sale of Bingo Cards by any member of CVRM. When I arrived at approximately 5:15 to purchase Bingo cards, there were four Oasis CC members who were collecting money: Don Groenke (former chair of the Finance Committee at Oasis Country Club), Julie Annis (wife of the President of Oasis Club Rick Annis who was the "emcee" for the Bingo game calling out numbers and involved in validating "winning" Bingo cards and explaining the specific ten games organized and selected by the Oasis CC...not CVRM), Susan Matter (Chair of the Events Committee at Oasis CC) and Marsha Minol (Oasis member). It is believed that these four individuals were involved during the period of December 2019 to December 2023 in which the OCC was conducting Bingo competitions without a license. Materials have previously been presented to the Palm Desert Sheriff's Department and to the City of Palm Desert Code Compliance, City Clerk, City of Palm Desert's Attorney which support the allegations that the City of Palm Desert was unaware of Bingo games being conducted by Oasis CC which was not eligible to own a Bingo license or operate Bingo games because it is a not for profit, common interest development corporation and cannot meet the statutory requirements to own a Bingo license.
- "E." This section of the municipal code states: "No individual corporation, partnership or legal entity except the organization to conduct a Bingo game shall hold a financial interest in the conduct of the Bingo games." Since there is no lease between

the CVRM and OCC, the terms of the use of existing property owned by OCC (Boards, daubers, bingo cards which do not conform to Section H), the Oasis CC has and additional financial interest in the operation of Bingo through the serving of drinks and food at the Bingo game. The failure to have such a lease and the collection of money by Oasis CC for the purchase of cards, "clouds" who is actually executing the obligations of the licensee. One Board member of the CVRM, made an appearance at the beginning of the evening and was allowed to address the approximately 150 participants at the Bingo event on March 21, 2022.

I have a video recorded of those comments. During the course of my recording, Steve Smith actually attempted to stand in front of me to block the recording of comments being made before the Bingo numbers were drawn to interfere with my right to collect evidence of who was operating these Bingo games.

A Board member of Oasis CC (Sherry Gentry) then began recording my standing at the rear of the event recording comments made by Oasis Board President Rick Annis and Oasis co-emcee Steve Smith which related to the "suspension" of Bingo games without indicating that the Oasis CC was in non-compliance with the statutes and municipal code by operating for four years Bingo games for profit by the HOA without having a license to do so.

Because this is a public event, it is my belief my recording of comments made at a public event does not violate any laws of the State of California. The fact that an Oasis Board member was also recording the ambient comments being made and was recording me suggests the conduct of recording comments indirectly directed towards me as the "original whistleblower" on the conducting of Bingo contests at Oasis CC without a

license that resulted in a suspension of Bingo competitions without a valid license, was entirely appropriate.

Prior to the commencement of the Bingo competitions, a participant in the Bingo operations actually suggested it was inappropriate that I was even there for Bingo. Obviously, this individual is unaware that a public event is just that—open to the public.

At a later time in the evening (7th inning stretch at the end of the 7th of 10 games of Bingo), I spoke to Board President Rick Annis and indicated that there were continuing issues of non-compliance with the Municipal Code but that I elected not to have any law enforcement people called. I complimented him on his skills as and emcee for Bingo. I also commented on my long term interests in “rescue mission” activities in Bridgeport, Connecticut and here in the Coachella Valley. However, I said it was necessary to take the actions in December because the HOA did not have a license to operate Bingo and even though a license has been obtained by the CVRM, that last night’s Bingo operations were still not being conducted consistent with the Municipal Code and invited him to meet with me in the next few days to review the issues of non-compliance.

Mr. Annis did not accept that invitation to meet which results in this letter reviewing the non-compliance of the statute and the Municipal Code necessary to submit to Code Compliance and the Manager of the City of Palm Desert.

Following my conversation with Mr. Annis, the companion of co-emcee Jeanne Dalton suggested I owed an apology to all of those present for taking actions that resulted in the suspension of Bingo nights at the Oasis for January and February 2024. Her partner, Steve Smith, actually stepped between us because of the aggressive finger pointing done by Jeanne Dalton.

The same man (believed to be a former owner of a property at Oasis CC named Dave Nicholas who I have had a prior history) who approached me before the Bingo competition again confronted me suggesting that when I donated my Bingo card winnings of \$145 to the CVRM (instead of profiteering from an event which I believed was flawed in its construction on March 21), it was an pre-planned act of "ego". I laughed and walked away thinking "no good deed will go unpunished" by even donating money to the good works of the CVRM.

The fact that all of the proceeds collected on March 22, 2024 were collected by Oasis members who then determined the amount of the payout for each of the ten games, created the "impression" that the Oasis CC was conducting the Bingo operations, not the licensee. Therefore, this letter asserts that Section "E" of the municipal code has been abridged by the licensee and therefore a cease and desist order is unfortunately the appropriate action by the City Manager.

In fact, Oasis owner Don Groenke was asked by the Emcee Board President Rick Annis at some point in time before or during each of the ten games, what was the prize for each game, Groenke would announce or signal the amounts which were awarded as follows:

- Game 1 (two winners at \$40)
- Game 2 (one winner at \$120)
- Game 3 (one winner at \$135.00)
- Game 4 (one winner at \$145.00. I was the winner and
Donated my entire winnings to CVRM)
- Game 5 (one winner at \$155.00)
- Game 6 (one winner at \$175.00)
- Game 7 (two winners split \$175.00)
- Game 8 (one winner at \$195.00)
- Game 9 (one winner at \$200.00)

Game 10 (one winner at \$200.00)

In all, approximately \$1690.00 was paid out in prizes. Some of winners donated all or part of their winnings all paid in cash to CVRM.

Base upon my observations, the unofficial number of people attended the event approached the 150 attendees who appeared to be owners, guests of owners, renters at Oasis CC, bought \$25.00 worth of cards. If that observation is somewhat reasonably accurate then the total money collected would be \$3500 for 140 participants who showed up (there were some empty seats. Therefore if the prizes were \$1690, there would be a maximum of \$1,000 awarded to the rescue mission, then expenses of \$900 would seem to be on the high side suggesting then the HOA was "profiteering" from conducting bingo and therefore if that was the case, then the Oasis CC would then be in abridgment of Section % of 5.96.040.

- "F". This section of the municipal code mandates that a "special fund" to be created to account for expenses, prizes awarded, and other allocations of financial resources and such funds could not be comingled with any other accounts. Because only Oasis owners were involved in the calculations of the ten Bingo games payouts, and were also involved in solicitations for additional contributions to the CVRM, there is clear evidence that there is no CVRM members involved in the executions of the operations of Bingo. CVRM must receive 20% of the proceeds from the Bingo operations and it was stated that \$1 per card sold would be considered a "donation" from each card purchased on March 21, 2024.

There is also a potential violation of the solicitation for charitable organization which is another section of the Municipal Code that may being abridged by Oasis CC.

Payment for the license fee is only \$25.00 so the financial analysis of the funds collected versus payouts and expenses is exactly why establishing a "special fund" is a requirement of the municipal code so there is no co-mingling of funds between the CVRM and Oasis CC.

A lease agreement where the Oasis CC would receive some compensation for use of its facilities would perhaps resolve the issue of how all funds collected would be used.

No such lease agreement exists according to Eve Weber's email to me that was one of the documents provided to the City Clerk in a letter delivered on Wednesday, March 20, 2024 and also distributed to the City of Palm Desert's Attorney.

- "H". This section of the Municipal Code requires specific language to be printed on the Bingo cards which states this legend: "For sale or use only in Bingo games authorized under California law and pursuant to local ordinance."

The Bingo cards sold last night at the Oasis CC on March 21, 2024 contain no such language and appear to be "stock" items ordered for prior Oasis CC Bingo games conducted without a valid license.

Based upon these facts, the City Manager must follow the rule of law and suspend the license issued to the CVRM and set forth in Chapter 5.48080 and 5.48.090 and 5.48.100.

Finally, Section 5.48160 of the Chapter 5.48 on Bingo requires that there be an occupancy limit requirement be posted. The Oasis CC has no occupancy established by the Fire Department and the Building Department.

In addition, reserved seating is not permitted by the licensee based upon section 5.48.160.

The City also has an alternative to a "cease and desist" letter issued to the CVRM which is stipulated in Section 5.48.240 of the Penal Code.

It is unfortunate that the Oasis CC and the CVRM have failed in their duty to comply with the state of California statutes governing Bingo in the past and the event conducted on March 21, 2024 benefitting the CVRM also appear to abridge the covenants of the license.

The need to issue summarily a "cease and desist" letter is established based upon the factual accounting of the Bingo operation conducted at Oasis CC on March 21, 2022 which alleges multiple and significant failures of compliance with the California laws governing Bingo and the Municipal Code of the City of Palm Desert.

Based upon this letter and the prior communications with Code Compliance, it is reasonable and fair that a "cease and desist" letter be issued suspending Bingo operations for the CVRM conducted at the Oasis CC be suspended.

The CVRM and the Oasis CC will have the opportunity to respond to these allegation by participating in public hearings to be conducted by the City of Palm Desert to address the alleged violations of the California Statutes on Bingo and the Municipal Code Section 5.96.040 set forth in this letter.

It is unfortunate that CVRM and the Oasis CC attempted to circumvent the compliance with the California Statutes governing Bingo operations as well as the covenants of the Municipal Code 5.96.040.

It is my hope and anticipation that by November 2024, an agreement can be reached between the City of Palm Desert, the CVRM and Oasis Country Club to establish the proper adherence to the letter and the spirit of the Municipal Code so the donations from conducting Bingo can assist in the worthy causes of the CVRM and the Oasis CC owners as contributing to the success of the CVRM mission statement.

Sincerely,

Michael J Nowacki

Michael Nowacki

42594 Liolios Drive

Palm Desert, CA 92211

mnowacki@aol.com

(203) 273-4296

Note: Video recording of a portion of the Bingo operation at Oasis CC is being sent by email to code compliance and the city clerk for distribution.

Important notice: This publication has moved to General Code's eCode360 platform and this site is no longer being updated. View the current version on eCode360.

5.96.040 Operation of licensed bingo games.

All bingo games operated under licensing by the city council as provided in this chapter shall be held in strict compliance with the following restrictions:

A. No minors shall be allowed to participate in any bingo games.

B. An organization authorized to conduct bingo games pursuant to Section 5.96.020 shall conduct a bingo game only on property owned or leased by it, and which property is used by such organization for an office or for performance of the purposes for which the organization is organized. Nothing in this subsection shall be construed to require that the property owned or leased by the organization be used or leased exclusively by such organization.

C. All bingo games shall be open to the public, not just to the members of the authorized organization.

D. All bingo games shall be operated and staffed only by members of the authorized organization which organized them. Such members shall not receive a profit, wage or salary from any bingo game. Only the organization authorized to conduct a bingo game shall operate such game or participate in the promotion, supervision or any other phase of such game.

E. No individual, corporation, partnership or other legal entity except the organization authorized to conduct a bingo game shall hold a financial interest in the conduct of such bingo game.

F. With respect to organizations exempt from payment of the Bank and Corporation Tax by Section 32701(d) of the Revenue and Taxation Code, all profits derived from bingo games shall be held in a special fund or account and shall not be commingled with any other funds or accounts. Such profits shall be used only for charitable purposes. With respect to other organizations authorized to conduct bingo games pursuant to this section, all proceeds derived from the bingo games shall be kept in a special fund or account and shall not be commingled with any other fund or account. Such proceeds shall be used only for charitable purposes except as follows:

1. Such proceeds may be used for prizes;

2. A portion of such proceeds, not to exceed twenty percent of the proceeds before the deduction for prizes or one thousand dollars per month, whichever is less, may be used for rental of property, overhead, including the purchase of bingo equipment, administrative expenses, security equipment and security personnel;

3. Such proceeds may be used to pay license fees.

G. No person shall be allowed to participate in a bingo game unless such person is physically present at the time and place the bingo game is being conducted.

H. The total value of prizes awarded during the conduct of any bingo game shall not exceed two hundred fifty dollars in cash or in kind, or both, for each separate game which is held.

I. As used in this section, "bingo" means a game of chance in which prizes are awarded on the basis of designated numbers or symbols on a card which conforms to numbers or symbols selected at random. Notwithstanding Section 330c of the Penal Code, the game of bingo shall include cards having numbers or symbols which are concealed and preprinted in a manner providing for distribution of prizes. The winning cards shall not be known prior to the game by any person participating in the playing or operation of the bingo game.

All such preprinted cards shall bear the legend "for sale or use only in a bingo game authorized under California law and pursuant to local ordinance." It is the intention of the council that bingo as defined in this subsection applies exclusively to this section and shall not be applied in the construction or enforcement of any other provision of law. (Ord. 288 § 4, 1982)

Contact:

City of Palm Desert, 760-346-0611. Email: cityclerk@palmdesert.gov

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Code Compliance
City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, California 92260

March 19, 2024

Dear Code Compliance:

On December 25, 2023, I wrote to Oasis Board President Rick Annis requesting a meeting with him on December 26, 2023. We were both candidates for three open Board of Directors positions of the Oasis HOA Election which was ongoing with ballots having been sent out to the 662 owners of record on or about December 23, 2023.

Mr. Annis wrote an email to me at 8:34 calling my request for a meeting on the day after Christmas "shameful". That email is attached to this letter.

In short, he refused to meet with me.

On or about December 27, 2023, I met with two officers of the Palm Desert Police Department at my home at 42594 Liolios Drive. The Palm Desert Police Department is, a division of the Riverside County Sheriff's Department who is charged with the responsibility for enforcing the State Statutes governing Bingo operations. A copy of the pertinent statutes was provided to Officer Rodriguez along with other supporting documents that proved that the Oasis Country Club had resumed conducting Bingo operations in December 2019 by sending an eblast to an estimated 600 of the 662 owners.

At the December 27 meeting with two officers, one of whom provided me with a case number opened on my complaint that the Oasis Country Club since at least December 2019 had been conducting Bingo operations at the Oasis Country Club main dining room located at 330 Casbah Lane in the City of Palm Desert.

The case file number opened that date by Deputy Rodriguez was T233630050. Documents handed to Deputy Rodriguez included various documents

My complaint with the officers who met with me, including Deputy Rodriguez, was that the Oasis Country Club since at least December 2019 was operating a bingo game operation despite not having a valid license to do so.

A copy of Chapter 5.48 of the California State Statutes was provided to Deputy Rodriguez.

A snapshot of the front page of the Oasis CCR's was taken by Deputy Rodriguez which identified the Oasis as a not for profit, Common Interest Development Corporation. According to Chapter 5.48 entitled "Bingo", Section 5.48.010, only charitable organizations, mobile home parks and over 55 communities can operate Bingo but in all cases a license to conduct Bingo operations still needed to be obtained for the authorized issuing authority which in the Town of Palm

Desert appears to be the Compliance Code department.

In many municipalities in the State of California, the local police department in each municipality issue and enforce the compliance with the pertinent State Statutes and local ordinances that govern Bingo operations.

Oasis Country Club President, Richard Annis, refused to meet with me on December 26 to discuss the Oasis Country Club noncompliance with the provision in the Bingo State Statutes but also the municipal Code of the City of Palm Desert, as defined in Section 5.96 of the Municipal Code. Mr. Annis candidate profile (attached to this email) refers to himself as Dr. Bingo,

Therefore, an email was sent to certain owners by me on December 26, 2023. Mr. Annis sent an email responding to my email dated December 28, 2023 in which he stated in part, "Lastly, he threatens to have our monthly Bingo games cancelled. That's going to get him a lot of votes! We will go forward as scheduled."

The Oasis Country Club is a not for profit, Common Interest, Development Corporation—which does not qualify the HOA to be even eligible to acquire a Bingo License.

Despite being a non-active Attorney, the Oasis Board President Richard Annis seemed to be of the belief that he could continue to operate Bingo games in the City of Palm Desert. The attached documents support that the Oasis Country Club resume Bingo Games operations in December 2019 except when the Oasis Main Dining Room was under renovation for a period of time.

Not only did the Oasis Country Club operate Bingo operations without a license and announced Bingo would resume in January 2024, but there were a number of Riverside Country Health Department Code violations which were cited during the renovation of the main dining room which closed down Bingo operations for the most part in 2020-2021 and due to the Covid epidemic.

In January 2024, the HOA offices sent out an eblast to Oasis owners (approximately 600 of 662 owners received this email blast) indicating Bingo operations would resume on January 18, 2024, even after the Board President Richard Annis was made aware that the Oasis HOA could not obtain a license to operate Bingo Games.

On January 16, 2024, an eblast was sent to owners indicating that Bingo was cancelled. It is my belief that the Palm Desert Police Department contacted the HOA after reviewing my complaint and the law and contacted the HOA stating:

"Dear Members,

After a complaint was sent to the City of Palm Desert and after extensive research and staff time, we have determined that the Oasis is unable to comply with the City's Bingo statute at this time. Bingo at the Oasis is therefore cancelled indefinitely."

At the annual meeting of the HOA, I was personally attacked in a non-recorded annual owners meeting by various owners of the HOA, including Bonnie Cadman and Steve Smith, who claimed he was part of the "organizing committee" for Bingo operations claiming that I had in some way

called attention to an unlawful operation of Bingo games and was publicly reviled for doing so. I handed Steve Smith a card at the meeting indicating that the Oasis had to have a charitable organization obtain a license and then and only then could the Oasis Country Club be utilized for hosting Bingo operations on behalf of a certified "charitable organization."

The conduct of owners at the annual meeting was deplorable when I attempted to speak at Open Forum. The Bylaws of the Oasis includes a Code of Conduct and interrupting a speaker at any meeting was prohibited in the Oasis HOA public meetings. Unfortunately there is not a video recording of this meeting despite a request that the owner's meeting (not the Board meeting following) be videorecorded by the General Manager of the Oasis Country Club Eve Weber.

At the Annual Meeting, President Annis vilified me and announced to a rousing applause, Dr. Bingo will be back.

Subsequent to the Election results being announced, the Board sent out a note of "apology" in an eblast after I pointed out that the Code of Conduct and the Bylaws governing this HOA had been violated at the Annual Meeting where I was told to "move", to "f" myself, calling me a convicted felon (untrue and blasphemous" in an effort for me to deliver three minutes of preprepared remarks which I attach to this complaint to Code Compliance.

The annual meeting disruptions followed similar disruptions in a recorded candidate forum conducted on or about December 6, 2023 which was recorded but did not address the Bingo violations cited in this complaint.

On or about, March 7, 2024, in an eblast sent to owners resuming Bingo operations here, I requested via an email sent to Oasis General Manager Eve Weber, to provide me with a copy of the lease between the Oasis Country Club and the Coachella Valley Rescue Mission. A lease appears to be a requirement by the ordinance 5.96 of the City of Palm Desert Municipal Code for the rental of a property not owned by the charitable organization where Bingo operations may be conducted.

On Monday, March 16, Eve Weber in an email to me indicated there were no documents responsive to my request. I immediately challenged the General Manager in an email about the need to have such a lease, quoting from the municipal Code requirements for such a lease between the charitable organization and the host site, which in this case is the Oasis Country Club.

I believe the failure to file such a lease with Code Compliance is the basis for a violation of the municipal code that requires such a lease if for no other reason than to protect the HOA from liability for the failure to comply with the license. The license itself has language on it relating to the issue that having a license does not confer "compliance" with the municipal code.

Furthermore, I believe that the Coachella Valley Rescue Mission is along with the Oasis Country Club in noncompliance with the provision which requires the Bingo operations here must be open to the public.

Late last week, the Oasis Country Club on its website "closed" registrations at 130 people. All reservations were made on the Oasis website only. While there are a number of "guests" listed as accompanying owners, there was no "public invitation" extended indicating that the Bingo

resumption here on March 21 is in fact "open to the public". In fact, I posted a notice that the Oasis Country Club was the host site for Bingo to be operated under a license acquired on March 1, 2024 by the Coachella Valley Rescue Mission with up to 20% of the proceeds of the Bingo operation going to the good works or the Coachella Rescue Mission.

The closing of the registration by Oasis Country Club and the establishment of a "wait list" appears to be an arbitrary decision that would eviscerate the "open to the public" requirement of the City of Palm Desert Municipal Code.

In fact, I posted on Next Door at about 10:30 last night an open invitation to attend Bingo here on Thursday with an open call to the public to appear at 4:30 to reserve a seat at the Oasis Bingo operation which is scheduled from 5-8.

The charitable cause should be the centerpiece of the granting of a Bingo license; not an afterthought.

Based upon the above commentary and documents attached it is my belief that the Code Compliance Department should be working with the Palm Desert Police Department Investigator Grant Grasso, who was assigned to investigate the potential criminal liability for the HOA inasmuch as the Oasis Country Club was operating Bingo without a license for four years, and was co-mingling Bingo purchases for cards and comingling the income from selling cards (which may or may not have had the necessary statutory language on the Bingo Cards as required by the City of Palm Desert municipal code) indicating that the required cards were being used in the Bingo operations for Thursday March 21, 2024 and prior games conducted at the Oasis CC since December 19, 2019 through December 2923.

The law provides the authority for the City of Palm Desert to issue a fine of up to \$10,000 for operating Bingo games in California without a license.

Documents supporting the communications with the Oasis Country Club, its law firm Delphi LLC and the City of Palm Desert and the Compliance Code Department are now being withheld from disclosure until April 10, 2024.

This arbitrary extension of time To April 10, 2024 provided through an email received from Ms. Sanchez last night via an email (see attached) received at approximately 5pm would seem to be inconsistent with the Public Records Act which required compliance with the ten day requirement for delivery of all documents due by today, March 17., 2024.

Finally, the Oasis Country Club appears to be in non-compliance with the Fire Marshal code requirements to have a "capacity" of the Oasis Dining Room facilities posted after the renovation project was completed in 2021 in which there is no apparent "completion certificate" for the renovation on file.

Therefore, it is my opinion that the Bingo operation planned for Thursday, March 21, 2024 should be postponed for the reasons set forth in this letter and the documents attached.

Please do not hesitate to respond via email to mnowacki@aol.com to build a record of this communication and your response.

I asked earlier this week that Code Compliance have a presence at the Bingo operations this

Thursday and that request was denied by Ms. Sanchez in the attached email received last night at about 5pm claiming that non-compliance issues could only be addressed when they actually occur and not as a preventive measure. This letter defines specific areas of non-compliance with the municipal code including the failure to:

- Have a valid lease on file with the Compliance Code between the Coachella Valley Rescue Mission and the Oasis Country Club as required by municipal code Section 5,96;
- The failure to leave the registration process open to the public and closing registrations to the Bingo competition only on the Oasis proprietary website open to owners only'
- The failure to have a "certificate of completion" on file for the renovations conducted two years ago at the Oasis Country Club including with fulfillment of certain requirements of the Riverside Health Department which were identified more than two years ago which also may be subject to the issuance of a certificate of compliance;
- The apparent failure to have a "maximum" capacity sign posted at the Oasis HOA upon the completion of the renovation project.

Based on the above, it is my position, the Oasis Country Club is in non-compliance with multiple sections of the municipal code including those involving Bingo operations.

Again, please respond in writing to this complaint to mnowacki@aol.com to build a record of your responses to my complaint hand delivered to the Compliance Code Department, the City Manager's Office and the Palm Desert Police Department whose investigative officer Grant Grasso did no return my phone call yesterday to discuss the resumption of Bingo operations at Oasis Country Club planned for 5pm -8pm on Thursday, March 21 at 330 Casbah main dining room of the Oasis Country Club.

Sincerely,



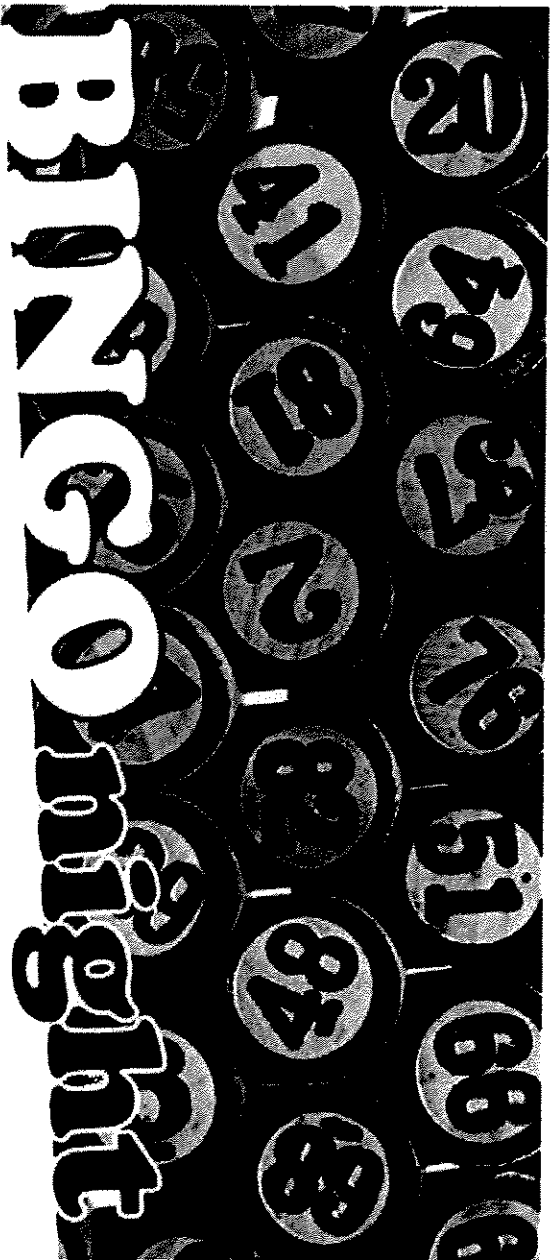
Michael Nowacki

42594 Liolios Drive

Palm Desert, CA 92211

mnowacki@aol.com

Note: Delivered by hand



BINGO IS BACK!

Hosted by Coachella Valley Rescue Mission

Dr. Bingo is looking forward to seeing you all!

Bingo is scheduled for Thursday, March 21st the Main Dining Room. Cards are sold at 5:00 p.m. with Bingo starting at 5:30 p.m.

Seating is limited.

To make reservation Call (760) 345-5661 or [click HERE](#)



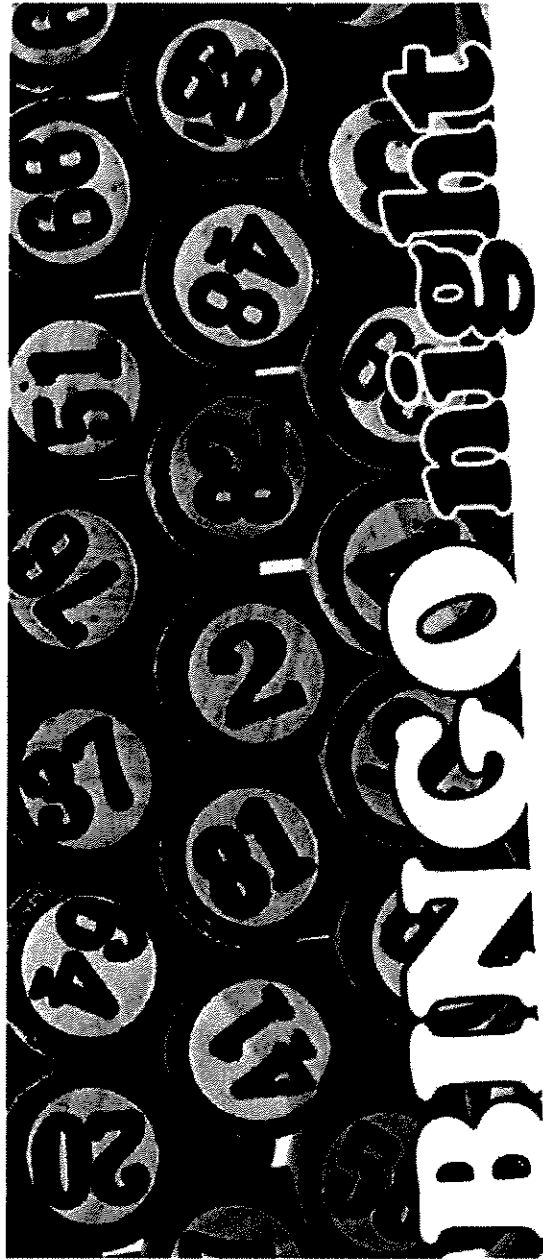
This email was intended for mnowacki@aol.com by The Oasis Country Club
42330 Casbah Way | Palm Desert | CA | 92211
[Update Preferences](#) | [Unsubscribe](#)

Oasis Bingo

From: Oasis Admin (oasishoa@theoasiscountryclub.com)

To: mnowacki@aol.com

Date: Thursday, March 7, 2024 at 12:25 PM PST



BINGO IS BACK!

Hosted by Coachella Valley Rescue Mission

Dr. Bingo is looking forward to seeing you all!

Bingo is scheduled for Thursday, March 21st the Main Dining Room. Cards are sold at 5:00 p.m. with Bingo starting at 5:30 p.m.

Seating is limited.

To make reservation Call (760) 345-5661 or [click HERE](#)



This email was intended for mnowacki@aol.com by The Oasis Country Club
42330 Casbah Way | Palm Desert | CA | 92211
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RICHARD ANNIS (Incumbent)

Oasis Address: My wife of 30 years, Julie, and I have made our home at 42725 Turqueries our permanent full-time residence since 2016, along with our new Havanese puppy, Ruby Tuesday.

Activities and Civic Service Experience:

- President, Board of Directors, 2021-2023
- Treasurer, Board of Directors, 2019-2021
- Board Rep and Member of the Finance Committee, 2018-2021
- Member of the Oasis Men's Golf Club, 2016-present
- Bingo Night Organizer, 2021-present
- Party in the Park Organizer, 2021 - present

Business Background:

- Certified Public Accountant, State of California, 1971-1977
- Senior Accountant, Arthur Andersen & Co., 1969-1972
- Admitted to practice law in California, all Federal Courts and U.S. Tax Court, 1976-2018
- Senior Partner Annis & Spievak
- Judge Pro Tem, San Diego Superior Court
- Special Master and Settlement Judge, by appointment of San Diego Superior Court
- Instructor, University of San Diego Law School and Cal Western Law School, courses in legal accounting and community property
- Member of San Diego County Bar Association, 1976-2018

Vision Statement:

I believe my legal and accounting background has significantly benefitted the Board and The Oasis community. My experience as Treasurer and serving on the Finance Committee gave me insight to our finances. I have now been involved in the budget process for the past 5 years. Despite Covid and escalating costs, such as minimum wage, food costs, utilities and inflation, we have been able to keep dues increases to a minimum. I was also instrumental in bringing in Sysco to assist in reducing costs in our F&B operation. This continues to be a challenge on which I will focus in the coming year.

This next year will see the retirement of our beloved General Manager, who will be difficult to replace after 26 years. This past year I initiated the search for a replacement. During this process, I have reviewed dozens of resumes as well as outside management companies. I want to continue leading the effort to find the right person for the job. It is a commitment I want to keep.

For those who don't know, I also resurrected our monthly Bingo night (yes, my alter ego is Dr. Bingo) and I organized the Party in the Park which is one of the year's highlights and generates substantial income from food and beverage sales. These two entertainment activities were initiated by me, individually, not as a Board project.

I am proud of the accomplishments of the Board this past year. In addition to hiring a new chef and F&B manager, we successfully implemented the irrigation system replacement which will save substantially and the hiring of a new landscaping contractor at a reduced cost.

Despite those who characterize this volunteer task as a "thankless job" I continue to enjoy the challenges and the privilege of serving our community.

Legal threats

From: Richard Annis (rjannis@pacbell.net)

To: mnowacki@aol.com

Cc: eweber@theoasiscountryclub.com; jmccormick@delphillp.com; zsmith@delphillp.com; rjannis@pacbell.net

Date: Monday, December 25, 2023 at 08:34 PM PST

Mr. Nowacki,

Your email below, sent to me on Christmas day, is shameful. As a member of our Oasis community I would hope that you would make some effort to become a useful and contributing member and to build up our community. Instead, with each communication you send, you demonstrate a propensity towards dissension and hatefulness. I will not meet with you or otherwise engage with you on what appears to be an insatiable desire to bad mouth me and other members of our community and management.

If you continue your hateful and spiteful behavior, I will simply block your email as you've encouraged others to do as well. Please understand that you will be held responsible for any defamatory comments you publish about me.

In the spirit of this season, I remain hopeful that you will stop your hateful behavior, your conspiracy theories, and what appears to be a desire to destroy our wonderful community. If you choose otherwise, however, I will defend myself and hold you responsible for your actions.

Richard Annis

Aol Mail.

Search your mail or the web



Back

 New
 Keep
 as
 Move
 Delete
 Spam
 ...

Today on AOL

- New Mail 81K
- Old Mail**
- Starred
- Drafts 509
- Sent
- Spam
- Recently Deleted
- ^ Less
- Views Show
- Folders Hide
- + New Folder
- Saved Mail 6
- Archive
- Boxbe Waiting ... 925
- Civil and Corporatio...
- Drafts
- eve weber emails on...
- eve weber emails re...
- mccormick communi...
- membership lists--p...
- MJN Emails to Eve ...
- MJN Emails to Board
- Notebook
- Notes
- opt out form and pa...
- SavedIMs

FW: Election message

Aol/Old Mail ☆



katatca@aol.com
 From: katatca@aol.com
 To: 'Michael Nowacki'



Wed, Dec 27 at 1:28 PM ☆



Kat Green Q
 katatca@aol.com
 Edit contact

-----Original Message-----

From: Richard Annis <rjannis@pacbell.net>
 Sent: Wednesday, December 27, 2023 1:12 PM
 To: Richard Annis <rjannis@pacbell.net>
 Subject: Election message

>

>

>> Dear Members,

>>

>> On Christmas Day, I received threats and demands from Michael Nowacki that if I did not comply by 5 PM with his demand to meet the next day, he would send out false and defamatory claims to all of you, and file a complaint with the State Bar of California (despite the fact that I am retired). And he has the audacity to wish me "Happy holidays". I obviously did not respond to his threats.

>>

>> My advisors (and lawyers) tell me to just ignore him. Most of you know how hateful and divisive he is, and how he has cost our community tens of thousands of dollars. He will continue to threaten us, which is why so many of you understandably don't want to speak up. I will not be bullied by him, and I will not submit to his demands and threats. For five years I have volunteered to our community, and I will not be silenced by any individual who seeks to harm our Board, our volunteers, our management, and our community.

>>

>> His claim about our acquisition of our property is an example of his ignorance. The Board, my friends and our GM, know the details. The cost was easily in excess of fair market value. Attorneys were involved. But do I owe him an explanation? Absolutely not.

>>

>> He thinks he knows something about practicing law since he tried to practice law back in Connecticut (Google Michael Nowacki Connecticut). As President of our HOA, I am obligated to sign contracts, and if I can negotiate better terms, good for our HOA. When I personally negotiated a lower interest rate and origination fee on our irrigation loan, I saved our members over \$160,000 over the course of the loan. I was pleased to do so.

>>

>> Lastly, he threatens to have our monthly Bingo games cancelled. That's going to get him a lot of votes! We will go forward as scheduled.

>>

>> If you have read this far, thank you. Don't be afraid to speak up. He has made himself a public figure by reason of his "on and off and on" again candidacy. If you disagree with me, I will not threaten to sue you or retaliate.

>>

Fw: Please read this entire email and attachments before you vote for the Oasis Board Member Candidates

From: Michael Nowacki (mnowacki@aol.com)

Bcc: laudafun@gmail.com; rpietsch55@gmail.com; kjperegrin@comcast.net; ferrarini34@icloud.com; ddolan04@gmail.com; dianagraves@dc.rr.com; forsigi@icloud.com; boris6412@msn.com; render.mary@gmail.com; barker1773@roadrunner.com; jkts1951@msn.com; norsbenz.grella@gmail.com; red-barn@comcast.net; dashcasillas@gmail.com; pvcchpmv@yahoo.com; wturner743@hotmail.com; drpaws1@aol.com; redfang90066@yahoo.com; jsampson48@yahoo.com; ruggierojo@aol.com; fasteddiemillard@gmail.com; rpyebocs@gmail.com; zchfxzyh@gmail.com; lvivas@comcast.net; marciaminol1952@gmail.com; jeffrysdotson@gmail.com; brucehdolph@aol.com; sthornhill2@msn.com; lsmithfly@aol.com; ramclemore@verizon.net; chris.ferrill@gmail.com; rkprosser@comcast.net; ladams1354@aol.com; jlprideaux@sbcglobal.net; shawn7219@sbcglobal.net; skomoto@telusplanet.net; dianemolina12@gmail.com; sfreints12@gmail.com; renice43@aol.com; ctowne60@gmail.com; tkaino@lighthouseproperty.com; hanigant@msn.com; eevetk@gmail.com; twobsorry@aol.com; sallyjeanlawson@gmail.com; jgf@textainer.com; zinslikr@aol.com; joannekelley10@comcast.net; srwernig@gmail.com; clowery103@icloud.com; jbaratz@me.com; htteryr@comcast.net; skywagon@comcast.net; turbocwt@gmail.com; a-wbaker@hotmail.com; bsstern@comcast.net; sbullard@cox.net; schultzd32@yahoo.com; ednaerb@aol.com; mchalachan@dc.rr.com; surfanth@aol.com; trish@papillongraphics.com; d_rolls@hotmail.com; bnfspring@aol.com; jblack@earthlink.net; jrcrump2003@yahoo.com; dennis.j.dubois@gmail.com; irishlooby@aol.com; livinlazy1@gmail.com; doug.garner@stanfordalumni.org; k4morrison323@gmail.com; gcadman@shaw.ca; mbautista44@gmail.com; sadierabe@yahoo.com; auntlaura50@aol.com; camerongaye@gmail.com; martanw@msn.com; gkoshman@ipcregina.com; treybien1234@gmail.com; dcleponis@aol.com; dcarersp@outlook.com; gzeetza@aol.com; ecolson4@hotmail.com; papawondrfl@gmail.com; jackwmcginley@gmail.com; caroletierney@att.net; sschmidt@prodigy.net; carlweiss@msn.com; fsb@juxta.com; lynn.bruner2@gmail.com; carlandshirley425@gmail.com; rbukowski@dc.rr.com; lik2ski@msn.com; karin.mc73@yahoo.com; joanmlally@aol.com; scross1019@gmail.com; victorlemieux1@gmail.com; jeffoverman56@gmail.com; oneillirishmiss@yahoo.com; kaydemars@aol.com; michelerazee@yahoo.com; dmerlino@ecgmc.com; fmthuney@me.com; sannanc@yahoo.com; matt_strong@outlook.com; slwoods1@verizon.net; bdtucker@sbcglobal.net; ahstarresq@icloud.com; chipbrewton@sbcglobal.net; tmallis3498@gmail.com; tisha.rogers@gmail.com; kathyann@scattercreek.com; lindarice12@hotmail.com; progerson1@att.net; joyce.ben@earthlink.net; imwalter2001@gmail.com; gstevkovski@yahoo.com; drjaideplal@gmail.com; kevinpete99@gmail.com; barbarabergan@live.com; scarlsonco@aol.com; bobrous3@hotmail.com; daverne760@yahoo.com; davidkp@aol.com; jim.rudy@att.net; gkhibert@shaw.ca; dviolick@aol.com; lfkct@aol.com; tghat1970@gmail.com; lanaschmid@aol.com; snowbird@rucls.net; mshendie@gmail.com; jimstjohn32@gmail.com; barbcoble5@gmail.com; wrldtrotr@aol.com; browncl@earthlink.net; waynehills@live.com; bobwg@aol.com; bano76@aol.com; jamesschmitz34@aol.com; patandcliff@aol.com; conradhg@hotmail.com; msriesen@comcast.net; tcarmody@outlook.com; lwpsack@gmail.com; atquad4282@att.net; kelly@kellyazzarello.com; sjmeit96@gmail.com; stoneywbmc@aol.com; golfmama16@gmail.com; c88forbes@gmail.com; wbbamo@gmail.com; jashlock@pacbell.net; taycar@telus.net; tamara_bland@msn.com; georgene123@yahoo.com; galoakwood@gmail.com; craigatowns@hotmail.com; lrwallie@yahoo.com; tony2smom@gmail.com; klhelm@telus.net; thebainteam@hotmail.com; anaya5714@me.com; annetteomartin@gmail.com; jane.berg@vacationclub.com; rlacek2443@aol.com; richard.belmont2@verizon.net; deblovsin@gmail.com; jmerlino@comcast.net; onedeolden@aol.com; jamesjacob9180@gmail.com; maxwelljk@aol.com; runninggirl4735@aol.com; jdesertmannings@aol.com; dsvean@gmail.com; cwallman@msn.com; todd_d_murphy@yahoo.com; dianahartwell@comcast.net; cc@zenstaycation.com

Date: Tuesday, December 26, 2023 at 02:18 PM PST

— Forwarded Message —

From: Michael Nowacki <mnowacki@aol.com>

To: MICHAEL NOWACKI <mnowacki@aol.com>

Cc: Eve Weber <eweber@theoasiscountryclub.com>

Sent: Tuesday, December 26, 2023 at 09:37:35 AM PST

Subject: Please read this entire email and attachments before you vote for the Oasis Board Member Candidates

To All Oasis Owners,

Hopefully, all of you on this email enjoyed a joyous holiday season.

In the last few days, most Oasis owners have received in the mail, the official ballot for the 2024 Oasis Board of Directors Election.

My name appears on the ballot.

Before casting your vote and placing it into a sealed envelope, please consider the current management of the business affairs at the Oasis contained in this email which has resulted in an 55% increase in HOA fees in the last five years.

On December 4, I announced at the end of the candidate forum, that I was resigning as a Board candidate in hopes it would clear the way for my appointment to the subcommittee for food and beverage operations.

However, on December 20, 2023 the Board adopted unanimously a charter that set forth criteria for the potential appointees which did not include those with "income producing/marketing" experience.

As a result, I am restoring my interest in serving on the Board, which could have been similarly achieved by advocating owners via this email to write in my name as a candidate for the Board.

I became the first volunteer for the subcommittee in my comments in Open Forum on October 25. The minutes to the October 25 Board meeting make no reference to my Open Forum comments.

There would have been no subcommittee formed with the efforts made by me **and other owners** to expose the food and beverage operational deficits of \$458,000 in the audited financial statements in the fiscal year just ended.

The Food and Beverage **DEFICITS** require a subsidy funded through social dues. Reducing the deficit from the golf course and the food and beverage operations would reduce your HOA dues inasmuch as social dues now represent \$211 of your monthly HOA dues.

If you vote for Beverly Adams, Rick Annis and Ray Winters your vote will support further exponential increases in HOA dues.

If you want change to occur here in the operations of the Oasis via improvements in the financial management of your HOA dues (including decreasing social dues), please consider voting just for me when you vote for the Board of Directors.

Here are the professional, non-Oasis credentials of the candidates for the Board. Beverly Adams is a retired IRS employee. Rick Annis is a retired divorce mediator and is an "inactive" member of the California Bar Association (which means he cannot engage in the practice of law despite doing so). Ray Winters is a retired dentist.

My far more extensive credentials and skill sets are outlined in my four page candidate resume contained in your ballot package. My skills would be additive to the existing Board members, Steve Oates (a retired law enforcement officer) and Sherry Gentry (a retired health care executive).

All five Board members have protected the interests of the golfers who have supported them in voting blocks in past elections. Our family golf memberships are significantly underpriced and I support increasing these family memberships by \$1,000 per year. In the proposal attached below further improvements in the income and expenses for both golf operations would reduce the \$155,000 deficits to a break even level by 2024-2025 fiscal year--further decreasing social dues in future years.

I seek your sole vote for me to overcome the block voting by golfers who want to elect candidates who will not increase these family golf membership fees as outlined in the Landmark Study sent to owners two months ago.

As a Board candidate, I support restoration of the overnight security at the Oasis. When the overnight front gate security was eliminated it saved the Oasis owners no money. The overnight security guard was merely transferred to daytime duty. I don't believe that the workers for Santucci Builders Inc. workers should be provided quicker access through the front gate by having an extra daytime employee..

It is my candidate view, owners should not be forced to adopt the Steve Oates initiated change in the security system to transfer one worker to the daytime front gate shift from the nighttime shift. This manpower shift in our security staff is not in the best interest of the security of our community.

I don't believe that Ray Winters statement at the candidate forum that restoring the security guard at the front gate would cost an extra \$50,000. That statement was disingenuous made by Ray Winters. Moving one daytime security guard back to nighttime duty costs nothing.

As a candidate I do not support utilizing an estimated \$135,000 from the Capital Account to fund the expenditure to fund two Bocce courts as "a priority" for the owners.

The current Long Range Planning Committee plan is to award Santucci Builders Inc. \$45,000 for the deconstruction of a seating area in the main tennis court area. This Bocce plan is being pushed by Board candidate Beverly Adams, who the former chair of the recreation committee. Beverly Adams has no data to support that owners knew the cost of this project when a "survey monkey" document was sent to owners to fund this "new amenity". Yet, the current Board seems to have committed to support this absurdly expensive use of the capital funding.

Here is some information on our Board President Rick Annis, which you may want to consider before casting a ballot for him as the "leader" of the Oasis HOA:

- Owners need to know Rick Annis is not a registered, licensed attorney since 2018 in the State of California. He is listed as "inactive" on the California Bar Association website. An "inactive" attorney has no rights to practice law, in California. Yet, Mr. Annis continues to do so by signing and negotiating contracts instead of utilizing the law firm of the Board to do so..
- In his opening statement on the Candidate Forum recorded on December 4, Rick Annis clearly stated that "he personally drafted the solar litigation settlement terms." Such a statement by Mr. Annis indicates that he was operating as an attorney without a properly filed renewal of his license to practice law in California. It is believed that Mr. Annis in making his comments at the December 4, Candidate Forum violated portions of the confidentiality provisions of the settlement agreement as applied to Section 7 of the agreement.
- Rick Annis claimed settling the litigation was the Board's greatest achievement in the last two years.
- I share equally in achieving a settlement by also signing the settlement agreement in early March 2022. The settlement put an end to an increasingly acrimonious litigation. A court of proper jurisdiction in February 2021 did not "dismiss" the litigation despite legal filings made by Association counsel Delphi LLC and a trial was scheduled in May 2022.
- In fact, the court determined that a "prima facie" case had been made by my legal team (that included Oasis owner Robert Thompson). The judge determined in its 2021 ruling, that: the: **"Plaintiff has demonstrated a likelihood of prevailing."** The Board at that time which included Rick Annis never informed the Oasis owners of this decision.
- At the candidate forum on December 4, I made it clear that I had no financial benefit from the solar litigation, despite speculation by some members that I "benefited financially" in the settlement.
- When the Board settled the case, it was already aware that there would be a change in the cost of the new liability insurance carrier and therefore bringing up this subject in the Candidate Forum was a likely violation of the settlement agreement especially in light the candidate forum was posted on YouTube.
- During the last two years, Rick Annis also negotiated the terms of the irrigation loan as a non-attorney (as noted in the recording of the Candidate Forum of December 4, 2023) which contains a cross-collateralization agreement (in the Security Agreement) which will not allow the Oasis to borrow any money without the approval of First Bank. That means, in all likelihood, any Oasis road repairs long overdue here could be paid for with borrowing and only by an assessment First Bank approved the loan;
- Rick Annis refused to distribute to all owners at no charge a copy of the irrigation loan agreement, security agreement and the 32 page Deed of Trust. If you would like a free copy of these documents to confirm my statements please contact me since I acquired the documents by paying \$35.00.
- Did Rick Annis also serve as the "closing attorney" in his purchase of a second "investment property" as 76606 Morocco in November 2022?
- Isn't the sale price paid by Rick Annis for \$220,000 in cash, the lowest sales price for any residence at the Oasis in the last six years?
- Was the prior 88 year old owner Laura Stephens paying her HOA dues or did Mr. Annis use "insider information" to secure a deal which produced him over \$100,00 in estimated "paper profits".
- Were other Oasis owners provided equal access to the knowledge of the availability of this property at this "low price" which was over \$100,00 less than the 2024 Riverside County Property Tax Appraisal used for establishing the property taxes on 76606 Morocco?
- Did Rick Annis receive "favored nation's pricing" from work done after acquisition at his investment property at 76606 Morocco from Santucci Builders Inc?;

- Did Rick Annis fulfill his two food minimums required by October 31, 2023?;
- Did Rick Annis get a special exemption to transfer the costs of his golf membership to a "future year" when he started to have back problems while other owners were turned down for similar "medical issues" on fulfilling food minimums or golf memberships?;
- Here is the specific language in the bylaws governing "egregious behavior" in Section 6.5 of the Oasis Second Amended Bylaws: **Egregious Behavior:** The Director engages in any of the following types of behavior"
 - (1) Receives any type of monetary gain, or other gain such as services, products, gifts or gratuities of a significant value, which have provided in relation to a Director's service on the Board, and which is not disclosed. Disclosure must take place at an open Board meeting and be recorded in the minutes. Compensation for services duly approved by the Board and unrelated to duties as a Director or Officer of the Association, or reimbursement of expenses associated with service to the community do not constitute unethical or detrimental behavior and are permissible."
 - Mr. Annis was asked via an email yesterday to meet with me in person to discuss these matters relating to his purchase of the second residence at the Oasis to answer these questions. At 8:24 last night he wrote an email to me declining to meet and copied the legal counsels of the HOA. He declined to meet and was informed that owners can infer whatever they want about why he refused to meet with me prior to sending this email. He was informed in an email from me in response that a complaint would be filed with the California Bar Association for his practice of law, despite being "inactive" with the California Bar since 2018 but has been operating as an attorney in writing the settlement agreement on solar, as recorded in the Candidate Forum in his opening statement. Please watch the video to confirm his exact phrasing.
- The State of California Gaming Commission controls the licensing of bingo games in the State of California. Did the Oasis acquire the required license to operate "Bingo" at the Oasis?
- Where does the money go at the Oasis for Bingo? There is no accounting in the audited financial statements for the Oasis Bingo operations here. "Dr. Bingo" (Rick Annis anointed himself as such in his campaign documents mailed to you), should have known that a "gaming license" was required and proper state guidelines for accounting practices (after all Mr. Annis was an accountant at one time) in place before initiating and operating Oasis Bingo games for the last two years.
- All cash collections need proper accounting and controls here at the Oasis and that also includes "horse racing" by employees as well;
- Why were Oasis owners not informed by the Board that Oasis General Manager Eve Weber has been operating as the Chief Financial Officer of Santucci Builders Inc. (see the certificate filed by Santucci Builder's Inc. with the Secretary of State office below as the red colored pdf file) since at least January 10, 2018 while also employed at the same time by the Oasis HOA as General Manager?;
- Doesn't this Board President and the entire Board understand what a "conflict of interest" this dual role of Eve Weber represents?
 - An estimated \$1 million of Oasis contracts in the last six years have been awarded to Santucci Builders Inc.
 - Projects awarded to Santucci Builders Inc. included: the pavers installed in the golf practice area (5.5 pallets of pavers left over from that project were loaded on to Santucci trucks and according to a former owner here who followed the trucks on

- Google Earth, were deposited outside of the driveway next to the Santucci residence on Beaver Trail and installed at a neighbor's house driveway there),
- Did Santucci Builders Inc. reimburse the Association for the 5.5 pallets of pavers which could have been used by Oasis owners for their driveways and compensate the Association for those materials used on their private properties?
 - The construction contract for the elevator project here in which Santucci Builders failed to move a pipe over the elevator which was required by the City of Palm Desert which delayed the use of the elevator. Was this pipe ever moved? If not doesn't the failure to move this pipe potentially invalidate insurance coverage if that pipe was to burst and impact the electrical systems of the elevator?
 - A handicap walkway leading up to the fitness center which did not meet ADA standards and had to be redone by Santucci Builders Inc. Did the Oasis owners pay for the change order for the handicap walkway or did Santucci Builders absorb the cost of the installation error?
 - The dog park construction project which cost the Oasis owners \$43,000 was awarded to Santucci Builders.
 - The Oasis dining room project. Santucci Builders Inc. was awarded hundreds of thousands of dollars, for a sizable portion of the construction and deconstruction costs of the dining room project. There was no assessment of the impact of removing the ceiling tiles and another \$25,000 was required to be spent to soften the acoustics in the room
 - Santucci Builders did not acquire a building permit on the dining room renovation to start the construction work prior to the work commencement. I blew the whistle on this issue because if there was a fire on the project prior to a work permit being acquired, it may have invalidated our insurance coverage.
 - Numerous construction errors by Santucci Builders resulted in subsequent work (estimated at \$40,000) awarded to Santucci Builders Inc. without bidding out these change orders, after the Health Department refused to approve a completion certificate on the Dining Room Project until those additional construction defects were corrected;
 - The current LRPC plan is to award a \$45,000 contract on the proposed Bocce courts, which as a candidate, I oppose this project and the awarding any further contracts to Santucci Builders LLC until Eve Weber departs the Oasis as the General Manager or as a "consultant".
 - A failure by the Board to produce documents (which I requested last week under Civil Code Section 5200) that indicated on each of these projects and each and every change order that the proper conflicts of interest forms required by Civil Code Section 5155 were filed by Eve Weber and discussed in an open Board meeting and recorded in the minutes;
 - Further work done by Jerry Santucci for individual owners is not included in the Board approved work here. Ever wonder why Jerry Santucci's truck is seen after hours and on weekends outside the Oasis Administration offices? Was Eve Weber using the Oasis servers and software to operate as the CFO of Santucci Builders Inc?;
 - Based on the above conduct, Rick Annis was informed by an email sent to him yesterday in connection with this email being sent to the owners identifying questions he refused to meet in person and answer, that a complaint will be filed by me this week with the proper State of California Bar Association enforcement authorities noting that Oasis Board President Rick Annis is operating as our Board President without a law

license ("inactive") and seek appropriate investigation and potential sanctions available by the California Bar Association.

- **Based on the above considerations, it is my belief Mr. Annis should immediately resign from his candidacy for the Board. Mr. Annis should agree that the defense of his conduct (not relating to his work as a Director) will be paid out of his own funds- and not be paid for by the HOA Director's insurance policy.**

Voting for Rick Annis, Beverly Adams and Ray Winters will just hand them a blank check to keep raising our HOA dues.

Finally, Ray Winters suggested in an email to owners that they could drop off their ballots at the Administration offices. There are no provisions in the Election Rules or documents sent by NLB as the Inspectors of the Election that dropping off ballots at the Administration offices is appropriate. This is a secret ballot and no one in the Administration offices should be involved in observing owners place any sealed ballot in even a lock box.

The Election Rules clearly allows my ability to copy all owners who have been provided a ballot to ensure all owners are aware of the facts and position statements of the candidates before they cast their ballots.

Please vote for the best qualified candidate, Michael Nowacki who has the skills to lead a clean-up of the operations of the Oasis Country Club and in doing so reduce in the current fiscal year changes that will reduce social dues in the next fiscal year and thus reduce your HOA dues.

Thanks for your consideration for voting only for me. This is the only email you will receive from me before you cast your vote.

Please accept my thanks for the service of the current Board members and their appointed committee members, but there is a need for change in the leadership here.

Sincerely,

Michael Nowacki



Summary Document--Zoom Call 11-30-2023 for Ideas for Food and Beverage Revenue Enhancement and Cost Reductions.docx
27.3kB



16480612-1 (2).pdf
74.3kB