

**LAKE MOOVALYA KEYS
Board of Directors
Annual Meeting**

**La Paz County Board of Supervisors Meeting Room
Parker, AZ**

**April 7, 2012
9:30 A.M.**

CALL TO ORDER

President Jack Sweeney called the Annual Membership and Board of Directors meeting of Lake Moovalya Keys Property Owners Association to order at 9:30 a.m.

PRESENT

President Jack Sweeney, Vice President Chuck Baker, Secretary-Treasurer Laura Lancaster; Board Members Chris Chambers, William (Squeak) Kossnar, Blane Coon, Ryan Shubin, Christie May-Ward & Kit Furnell

ABSENT

OTHERS PRESENT

John Churchill, Legal Counsel; Sue Thomson, Business Manager and Recording Secretary; Cheryl Shockley, General Manager; Carla Faulkner Property Manager, David Plunkett Realty; Andy Neill

PROPERTY OWNERS PRESENT

The sign-in sheet of those present at the Annual Meeting is on file with the Association. The number of owners present at the meeting was 28. The number of members who voted either by regular ballot or absentee ballot was 78.

INTRODUCTIONS

The Board members, Legal Counsel, Business Manager and General Manager introduced themselves to the membership. The owners and meeting guests introduced themselves.

MINUTES

The Minutes of the 2011 Annual Meeting were approved by the Board of Directors on September 12, 2011.

FINANCIAL STATEMENTS

Mr. Baker moved to approve the 2011 Financial Reports; the motion was seconded and carried unanimously.

BALLOT PROPOSITIONS

Mr. Sweeney explained the ballot proposition and the reason for the requested reduction of the Board of Directors to nine members (from the maximum 11 members) by stating that it would be easier for quorum and voting issues. There was no discussion by the membership.

Mr. Sweeney reported that the streets were recently seal coated and striped, after the cracks were filled. The streets will stay in good condition for about two years.

Mr. Baker reported on the residential rebuild at Lot 10 on Moovalya Drive. A nice house was rebuilt after lengthy litigation, due to the property's poor condition for about ten years.

Mr. Tozer commended the T&C Seal Coating crew for their excellent coordination in getting the street project done with minimal inconvenience.

PROPOSED PROJECTS

Mr. Sweeney reported that the Association is going to look into a new gate system that will provide increased security at both (entrance and exit) gates. Too many people know the gate codes, or they wait to follow someone else in. We will be looking into different systems in the hope of reducing thefts and vandalism. He said that after the recent rash of thefts, the police have increased their patrols, and the perpetrators were finally apprehended and jailed.

ELECTION RESULTS

Mr. Sweeney announced the election results with the following persons being elected to the Board:

	<u># of Votes</u>
Jack Sweeney	68
Chuck Baker	66
Laura Lancaster	56
Chris Chambers	55
William (Squeak) Kossnar	56
Blane Coon	59
Ryan Shubin	54
Christie May-Ward	54
Kit Furnell	68

Mr. Sweeney announced that the ballot proposition to reduce the Board of Directors to nine members was voted on by 77 members. The proposition passed by more than the required 2/3's of all 77 votes cast (64 YES & 13 NO votes cast)

ADJOURNMENT

The meeting adjourned at 9:54 a.m.

Submitted by Sue Thomson, Recording Secretary
APPROVED BY BOARD OF DIRECTORS JUNE 4, 2012

LAKE MOOVALYA KEYS, INC.

12/31/11 Balance Sheet

ASSETS

Current Assets

Checking/Savings

General Account

26,311

Savings

315

CD

108,386

Capital Improvements Reserve

77,290

Security Deposits

42,508

Total Checking/Savings

254,810

Accounts Receivable

Accounts Receivable

-2,350

Total Accounts Receivable

-2,350

Other Current Assets

Inventory Asset

509

Petty Cash - Gen'l. Mgr.

230

Total Other Current Assets

739

Total Current Assets

253,199

Fixed Assets

Capital Impr./Bldgs.

5,200

Capital Impr./Bridges

342,239

Capital Impr./Gate

44,364

Capital Impr./Streets

175,940

Accumulated Depreciation

-342,587

Land

23,000

Office Equipment

2,461

Total Fixed Assets

250,617

TOTAL ASSETS

503,816

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Deposits

42,508

Total Other Current Liabilities

42,508

Total Current Liabilities

42,508

Total Liabilities

42,508

Equity

Retained Earnings

440,989

Net Income

20,319

Total Equity

461,308

TOTAL LIABILITIES & EQUITY

503,816

LAKE MOOVALYA KEYS, INC.

	<u>2011 Income & Expenses</u>	<u>2012 Budget</u>
Ordinary Income/Expense		
Income		
Clickers	615	650
Dues	153,155	151,800
Fines	525	500
Interest Income	726	725
Late Fees	1,043	1,000
Transfer/Disclosure Fees	1,400	2,000
Trash (VDMA)	1,756	1,710
Total Income	<hr/> 159,220	<hr/> 158,385
Cost of Goods Sold		
Gate Clickers/Cards	813	800
Total COGS	<hr/> 813	<hr/> 800
Gross Profit	158,407	157,585
Expense		
Accounting	3,400	350
Attorney Fees	8,685	7,000
Bad Debts	828	
Bank Charges	8	
Equipment Rental	403	420
Fuel	2,400	2,400
Gate Cards & Clickers	-366	-365
Insurance - Liability/Property	4,143	4,500
Insurance - Workers Comp.	1,684	1,700
Interest - Security Deposits	150	150
Licenses & Permits	10	10
Office Expense	255	300
Office Supplies	1,470	1,500
Outside Services		
Bookkeeper	11,700	13,800
General Manager	24,650	22,200
Grounds/Landscape	9,699	12,000
Security Guards	6,183	4,200
Website Maintenance	320	150
Total Outside Services	<hr/> 52,552	<hr/> 52,350
Postage	902	925
Repairs & Maintenance		
Bridges		400
Gate & Guardhouse	2,488	2,500
Miscellaneous	1,142	1,200
Streets	1,305	2,000
Trash Enclosures		500
Total Repairs & Maintenance	<hr/> 4,935	<hr/> 6,600
Storage	248	250
Taxes		
Income Tax	463	400
Property Tax	2,363	2,400
Total Taxes	<hr/> 2,826	<hr/> 2,800

	Utilities		
	Electric	19,641	19,800
	Internet (GM)	299	300
	Telephone	1,839	1,900
	Trash	29,119	30,500
	Water	3,120	3,600
	Total Utilities	<u>54,018</u>	<u>56,100</u>
	Total Expense	<u>138,551</u>	<u>136,990</u>
Net		19,855	20,595
Income			
	CAPITAL EXPENDITURES		
	Less annual transfer to Reserve A/C		<u>-7,562</u>
	Available cash flow after transfer		13,033