

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

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

**April 4, 2015
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

Board Members: Christie May-Ward, Kit Furnell & Tony Gaipa

ABSENT

Secretary-Treasurer Laura Lancaster

Board Members: Chris Chambers, Ryan Shubin & Mark Nicholls

OTHERS PRESENT

John Churchill, Legal Counsel; Sue Thomson, Bookkeeper and Recording Secretary; Heather Wilson, General Manager; Kim Gory Harsch (Robert Gory Realty); Carla Faulkner (David Plunkett Realty)

MEMBERS 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 32. The number of members who voted either by regular ballot or absentee ballot was 67.

INTRODUCTIONS

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

MINUTES

The Minutes of the 2014 Annual Meeting were approved by the Board of Directors on June 2, 2014.

FINANCIAL STATEMENTS

Mr. Sweeney reported that the HOA is fully funded and in good shape financially. *Mr. Baker moved to approve the 2014 Financial Reports; motion seconded by Mr. Gaipa and carried unanimously.*

NOMINATIONS FOR BOARD OF DIRECTORS

None aside from incumbents and Robin Dean listed on the ballot.

PAST PROJECTS

General maintenance and beautification has been completed at the front entrance with new decorative rock. A new key pad was installed and has been working well. The only difference to the user would be to press # instead of *.

PROPOSED PROJECTS

The streets will be seal coated this month. New bumpers will be installed on the first bridge, and wood on the other bridges will be re-sealed, with lumber being replaced as necessary.

RENTAL ISSUES

Mr. Gaipa reported on improvements being made regarding short-term rental issues. He has been encouraging a “good-neighbor policy” with his renters, letting them know there are full-time residents living in the Keys and to be respectful. A revised Tenant Info Sheet has been put in place which has a post-rental evaluation section at the bottom to which the General Manager can refer. He encourages landlords to communicate with the GM, and if there are any bad tenants, he lets the GM know, and they are blacklisted from renting again. He also says he places stickers on the patio door reminding all tenants of the rules. Mr. Gaipa said these procedures are voluntary, but he encourages other landlords to follow suit and to just practice awareness in general.

CANALS

There was a discussion about improving the water flow in the canals. Trish Wikoff (Lot 95) faxed a letter to the Board two days ago requesting the HOA look into ways in which water flow can be increased in order to improve the water quality; if water quality and sledge can be tested; exploring options to kill vegetation that’s inundating the canals; and the feasibility of dredging. Mr. Baker said dredging is probably no longer an option, as there are barely any vacant lots left to relocate the sledge so that it can be dried out and then moved to another location. Mr. Baker said we avoided a fine by the Army Corp of Engineers several years ago for putting down visquine in an attempt to kill vegetation, and that removing vegetation from the river bottom violates Federal law. Mr. Baker reported that the depth of the canals hasn’t changed much in the 15 years he has been testing the depth at his property. Ms. Ward said the public can check online to see water flow in real time so that depths can be compared accurately. It was noted that there was a ‘changing of the guard’ at the Army Corp, and perhaps the new man in charge could be invited to speak at the next Annual Meeting.

Mr. Sweeney said persons interested in this matter are welcome to come to a regular meeting so a committee can be formed to address the built-up silt issue. He said more than one person would be

needed to formulate a plan, as it's a lot of work to put together a plan and move silt, which involves lots of digging, drying and relocating dirt.

One homeowner asked if there's any information about this subject on the Army Corp.'s website, and another question was asked about the legality of removing floating vegetation. Mr. Sweeney said upriver trash floats into our canals, and there is a diverter at the first bridge to divert flow to canal number two. It was noted that the water is really shallow at the first two houses after the first bridge on the first canal. Mr. Sweeney said that was a result of the sewer installation process years ago where a de-silting basin was installed to collect most of the silt.

OTHER BUSINESS

Ms. Smith (Lot 103/104) said there are four beavers hanging around Lots 102-104 and eating the tree located near the water at Lot 102. Mr. Sweeney said he could trap the beavers and relocate them to the Bill Williams Refuge.

Ms. Smith also asked about recycling bins, and the reply was that they don't work in the Keys because people just throw their trash over the gates. Our groundskeeper is good about separating and processing recyclables. It was reported that the recycling bins in town on Kofa do not take glass or newspaper, but plastic and aluminum can be recycled together in the same bag. Mr. Sweeney said there is a full recycling drop off location in Big River. Ms. Furnell said our local trash company does not pick up recyclables. However, people can bag their recyclables separately and leave it outside the gate, and our groundskeeper will process it when he cleans out the dumpster area.

ELECTION RESULTS

Ms. Thomson announced the election results with the following persons being elected to the Board:

	<u># of Votes</u>
Chris Chambers	62
Jack Sweeney	61
Mark Nicholls	59
Tony Gaipa	58
Laura Lancaster	57
Christie May-Ward	56
Ryan Shubin	52
Kit Furnell	36
Chuck Baker	35

Write-in's:

Chiles	10
Northcutt	9
Kreutzen	1
Manderscheid	1
Carlisle	1
Spangler	1

ADJOURNMENT

The meeting adjourned at 10:18 a.m.

Submitted by Sue Thomson, Recording Secretary

APPROVED BY BOARD OF DIRECTORS MAY 4, 2015

12/31/14 Balance Sheet

ASSETS

Current Assets

Checking/Savings

General Account	47,747
Savings	20,339
CD	108,739
Capital Improvements Reserve	67,979
Security Deposits	55,663

Total Checking/Savings 300,467

Accounts Receivable

Accounts Receivable	-33
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Total Accounts Receivable -33

Other Current Assets

Inventory Asset	486
Petty Cash - Gen'l. Mgr.	200

Total Other Current Assets 686

Total Current Assets 301,121

Fixed Assets

Capital Impr./Bldgs.	5,200
Capital Impr./Bridges	342,239
Capital Impr./Gate	46,814
Capital Impr./Streets	208,340
Accumulated Depreciation	-442,579
Land	23,000
Office Equipment	2,461

Total Fixed Assets 185,475

TOTAL ASSETS **486,595**

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Deposits	55,662
Workers Comp. Liability	139

Total Other Current Liabilities 55,801

Total Current Liabilities 55,801

Total Liabilities 55,801

Equity

Retained Earnings	410,841
Net Income	19,954

Total Equity 430,795

TOTAL LIABILITIES & EQUITY **486,596**

	<u>2014 Income & Expenses</u>	<u>2015 Budget</u>
Ordinary Income/Expense		
Income		
Clickers	2,520	2,000
Dues	151,005	151,800
Fines	1,350	1,500
Interest Income	310	300
Late Fees	492	500
Transfer/Disclosure Fees	1,400	1,500
Trash (VDMA)	1,755	1,800
Total Income	<hr/> 158,832	159,400
Cost of Goods Sold		
Gate Clickers/Cards	1,776	1,500
Total COGS	<hr/> 1,776	1,500
Gross Profit	<hr/> 157,056	157,900
Expense		
Accounting	300	3,600
Attorney Fees	1,584	1,600
Bank Charges	-8	
Equipment Rental	336	336
Fuel	2,400	2,400
Gate Cards & Clickers	-687	-500
Insurance - Liability/Property	4,199	4,300
Insurance - Workers Comp.	1,911	1,900
Interest - Security Deposits	80	80
Licenses & Permits	10	10
Office Expense	121	400
Office Supplies	587	800
Outside Services		
Bookkeeper	13,800	13,800
General Manager	22,200	22,200
Grounds/Landscape	9,875	10,000
Security Guards	9,829	10,000
Website Maintenance	390	400
Total Outside Services	<hr/> 56,094	56,400
Postage	622	800
Repairs & Maintenance		
Bridges	0	1,000
Gate & Guardhouse	8,685	4,000
Miscellaneous	2,923	2,000
Streets	2,890	3,000
Trash Enclosures	537	700
Total Repairs & Maintenance	<hr/> 15,035	10,700
Storage	248	250
Taxes		

Income Tax	106	200
Property Tax	2,559	2,600
Total Taxes	<u>2,665</u>	<u>2,800</u>
Tools & Equipment	59	500
Utilities		
Electric	19,540	20,000
Telephone	1,771	1,600
Trash	28,430	30,000
Water	2,468	2,500
Total Utilities	<u>52,209</u>	<u>54,100</u>
Total Expense	<u>137,766</u>	<u>140,476</u>
Net Income	19,291	17,424
Less annual transfer to Reserve A/C		<u>-7,562</u>
Available cash flow after transfer		9,862
2014 Capital Expenditures (new keypad at gate)	2450	