

LAKE MOOVALYA KEYS
Board of Directors
Approved Meeting Minutes
November 4, 2019

CALL TO ORDER:

President Tony Gaipa called the Board of Directors Meeting of the Lake Moovalya Keys to order at 6:00 pm.

PRESENT:

President	Tony Gaipa	Lot 118
Vice President	Bill Manderscheid	Lot 228
Secretary/Treasurer	Kit Furnell	Lot 16
	Blane Coon	Lot 54
	Kathy Northcutt	Lot 73 and Lot 102
	Chuck Smith	Lot 103 and Lot 104
	Chuck Baker	Lot 117
	Jack Sweeney	Lot 197

ABSENT:

Karen Gallio	Lot 1
Chris Chambers	Lot 164

OTHERS PRESENT:

Legal Counsel:	John C. Churchill	Lot 153 and Lot 154
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General Manager/ Recording Secretary:	Heather Wilson	Lot 166
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VIA TELEPHONE:

Kevin Auman	Lot 137
Laura Parkhouse	Lot 40
Jamie Holzhauer	Lot 76
Sherry Homan	Lot 212

GUESTS:

Rosemary Carlisle	Lot 25 and Lot 110
Steven Carlisle	Lot 25 and Lot 110
Chuck Manos	Lot 53
Malin Manos	Lot 53
Lori Coon	Lot 54
Carl Bozeman	Lot 61
Dorae Pagano	Lot 62 and Lot 87
Vincent Graves	Lot 79
Kyle Sullivan	Lot 96
Ellen Cadoret	Lot 111
Gary Anslyn	Lot 113
Don Alexander	Lot 115
Donna Alexander	Lot 115
San Veld	Lot 119

GUESTS CONTINUED:

Margie Veld	Lot 119
Fabio Gaipa	Lot 120
Hamish Bell	Lot 121
Larry Santoro	Lot 134
Patty Santoro	Lot 134
Linda Mitts	Lot 136
Gary Murphy	Lot 136
Mel Duncan	Lot 146
Pam Davis	Lot 146
Leanne Carley	Lot 149
Jason Dworin	Lot 162 and Lot 163
Steve Catlin	Lot 177
Bent Kjellberg	Lot 189
Wendell Keeme	Lot 207
Jeanette Kemme	Lot 207
Jerry Barbanell	Lot 216
Steve Habermann	Lot 229
Carla Faulkner	David Plunkett Realty
Marie Gonzalez	David Plunkett Realty
David Plunkett	David Plunkett Realty
Kim Harsch	Robert Gory Realty
Curtis Mocilnikar	Robert Gory Realty
Duce Minor	La Paz County Supervisor
Anna Camacho	La Paz County Assessor
Kimmy Olsen	Chief Deputy Certified Appraiser La Paz County Assessor's Office

GUEST SPEAKERS:

Anna Camacho with the La Paz County Assessor's office reported that they are here today to educate, get educated and to bring you up to date as to what is happening at the La Paz County' Assessor's Office.

Anna Camacho reported that she is the Assessor for La Paz County and it is her responsibility as a County Official that property owners in La Paz County are informed of the changes that will be coming down the path as far as short term rental.

Anna Camacho reported that Assessors from all over the state have been meeting together, including herself to discuss the issues that are happening state wide when it comes to short term rentals so that they can come up with some resolutions.

Anna Camacho stated that is the responsibility of the Laz County Assessor to identify the people who own property in La Paz County but do not live in the County as their primary residency.

Anna Camacho reported that Kimmy Olson with her office is in charge of sending out letters to all property owners in regards to the intended use of the property and that these letters are called "Letter of Intent".

GUEST SPEAKERS CONTINUED:

Kimmy Olsen with the La Paz County Assessor's office reported that that it is the responsibility of the Assessor that during their four year term that they send out a "Letter of Intent" to all property owners that have an out of state address asking them to verify the fact that their property in La Paz County is not their primary residence.

Kimmy Olsen reported that the state of Arizona wants to know how many full time residences that La Paz County has, how many long term and short rental properties and how many commercial properties and that all of this information is passed on to the Department of Revenue.

Kimmy Olson reported that this year she sent out over 1,000 "Letters of Intent" to property owners with out of state primary addresses asking them if they use their property as a rental or not, whether it be short term or long term and asked them to mail the information back to our office so that we can update the information in our data system. Kim Olsen also reported that this information does not change any assessment ratio or their assessment value, that all it does it allows us to put the data into the system so that the State of Arizona can determine how many primary residences we have and how many rental properties we have.

Kimmy Olson reported with all of the new data that is being sent to the State of Arizona, they now are experiencing the fact that the not all short term rental properties have a "Tax Payer Identification Number" and just this past year the State of Arizona passed a law that basically states if you rent out your home based on a short term /weekend rental you need to have a "Tax Pay Identification Number" for your rental property.

Kimmy Olson reported that is the responsibility of the La Paz County Assessor's office to send out a letter to all property owners who do not reside at their Arizona home to please fill out the form and send it back so that they have an official document from the property owner stating as to whether or not the house is used as a rental and that she has sent out about nine hundred (900) of these letters with very little response, so therefore the Assessor's office has been reaching out to the local Realtors and Home Owners Associations to assist us with the gathering of the data.

Anna Camacho reported that all of this information is new and that her office will continue to do the research so that they can be informed of what the future holds in regards to short term rentals and be able to pass on the information to the residences of La Paz County.

Duce Minor the La Paz County Supervisor for our district reported his office has been receiving a number of telephone calls in regards to short term rentals and that one of the questions was, "**Why is this Happening Now**" and that the reason why this is happening now is because the Arizona State Legislator passed a new law last year that took effect this summer that there are now penalties in place that the State of Arizona can access to those people who are allowing short term rentals without a Transaction Privilege Tax (TPT).

GUEST SPEAKERS CONTINUED:

Duce Minor stated that if you rent out your home short term, then you need to go on the website, and fill out the license and get your TPT in order to avoid any fines or penalties from the State of Arizona.

Duce Minor reported that La Paz County may not prohibit vacation rentals or short terms rentals but with the new law Counties that have adopted the new ordinance in regards to the vacation and short term rentals may regulate/restrict the use of a vacation rental or a short term rental based on their classification of use or occupancy.

Duce Minor also reported that La Paz County has not currently adopted any type of ordinance in regards to short term rentals, but he has submitted the ordinance to our District Attorney's office for review, but this is a long process and that public hearings will need to be held and that the planning and zoning committee will need to get involved before it comes to the Board of Supervisors for review and approval.

Duce Minor stated that Coconino and Yavapai counties who have adopted the short/vacation rentals ordinance reported that they would like to see if the assessor's office can assess the short term rental properties as "commercial use" and that the commercial use tax is 18% versus the residential use of 10%. Duce Minor stated that this is not a law yet but are being pursued by other counties.

Jack Sweeney asked the Assessors if we as an association are required to provide our rental information to the Assessor's office.

Kimmy Olson reported that it is completely up to the HOA as to whether or not they want to provide that information to the Assessor's Office

Anna Camacho stated that she would rather base her investigation off of facts rather than just guess and that it is in everyone's best interest to fill out the form that came with the letter that they receive from the Assessor's office identifying the use of their property.

CALL TO THE PUBLIC:

Jamie Holzhauer homeowner of Lot 76 reported that she rents out her home through online booking agencies and that part of their agreement with you is that they pay the taxes on your behalf for your short term rental.

Duce Minor reported that you still need to obtain your own TPT tax number from the State of Arizona Department of Revenue and that you need to put your TPT tax number on any type of advertising that you use to market your rental property.

Vincent Graves homeowner of Lot 79 asked the Board if we as an association, by allowing short term rentals within our association if it is putting us at risk liability wise, because from what he has seen there are people jumping off of things that they should not be jumping off of and at some point in time someone is going to get hurt.

CALL TO THE PUBLIC CONTINUED:

Mr. Churchill reported that when our CCR's were drafted back in the 90's there was no internet or Air BNB, and that our CCR's were highly restrictive to be used as single family use only, including renters and now that the landscape for the rental industry has dramatically changed with the intervention of the internet and other things, we now have hundreds of people coming into our HOA and utilizing the residences sometimes not as a single family, certainly there is going to be a drastically increase in potential liability, the insurance rates are going to go up, property damage is going to go up and the complaints will increase, so the question is what can we do about this and my answer to that is we refer back to the CCR's which clearly states that rentals are to be rented to single families only.

Mr. Churchill stated that at some point in time we may have to, as suggested, go into litigation in regards to the interpretation of CCR's that were drafted before the internet and on line rental agencies were being used to market rental properties.

Mr. Churchill reported that if you are thinking about purchasing a home for the sole purpose of renting, keep in mind that sometime down the road you may be classified as commercial use and to be for warned that the Arizona Department of Revenue will be watching and going after revenue in any way.

Steve Habermann homeowner of Lot 229 asked Mr. Churchill what his position is on the rentals is he for the rentals or against the rentals, because it appears to him that he is against the rentals. Mr. Churchill stated that he has no position that all he is stating is what the CCR's say.

Rosemary Carlisle homeowner of Lot 25 and Lot 110 asked Mr. Churchill if the state can trump our CCR's or do our CCR's trump the State. Mr. Churchill stated that the CCR's can trump state law, unless the CCR's are less restrictive than state law and that state law is considered the minimum and that the you can be more restrictive in your CCR's.

Tenant Information Sheets

Jamie Holzhauer reported that half of the people that stay at her house are her family and friends and that she does not consider them renters and was wondering if she is required send in a Tenant Sheet Information Sheet for her friends and family.

Ms. Wilson reported that if your house is a rental house and you are not staying there then you need to send in a rental sheet.

Voting System

Rosemary Carlisle reported that she is concerned about the Moovalya Keys voting system and that it makes many of us homeowners uncomfortable with the method that is currently being used in the collection and counting of the votes and is asking that the Association employ an outside, unbiased source.

Mr. Sweeney reported that the counting of the votes was performed by a pro-renter and non-renter therefore it was not bias or unbiased, but he has no problem with looking into the employment of an outside source.

CALL TO THE PUBLIC CONTINUED:

Voting System Continued

Mr. Gaipa reported that most associations do utilize an outside source for the counting of the votes and that the Board will be looking into this matter and will report back.

Keys Property Owner Circulated Letter

Rosemary Carlisle reported that she is concerned about a letter that was circulated to some Moovalya Keys homeowners, which she was not one of them, but that someone had forwarded the letter to her and that it was sent out by "Keys Property Owners" and she was wondering if anyone knows who sent this letter out.

Rosemary Carlisle also reported that she hopes that the people that did receive the letter have read it because it is very concerning, because in the letter there are statements that the meetings that we are having now are violent, that we have financial risks, that we have shout downs and intimidating behavior happening.

The consensus of some of the people that were in attendance, agreed that this is happening. Mr. Gaipa stated that we need to give things time and give the Board the opportunity to work through our issues and that not all of our issues are due to the renters that we have issues with homeowners as well.

Telephone Conferencing

Steve Habermann asked if the Board would consider purchasing some type of phone conferencing system that can be utilized for those that cannot make it to the meeting, that currently people are calling in on cell phones and is it not effective.

Mr. Gaipa reported that if Steve Habermann wants to do the research and put together something to present to the Board at the next Board meeting for the Board's consideration that would be great. Steve Habermann will report back at the next meeting.

BOARD OF DIRECTORS MEETING MINUTES:

Mr. Smith made a motion to approve the **October** 2019 **Board of Directors Meeting Minutes**. Mr. Coon seconded the motion and the motion carried unanimously.

Rosemary Carlisle reported that she would like to make a change to a statement that she made at the September meeting, that what was written on the minutes is not what she said and she would like the minutes to be changed.

Mr. Sweeney asked Rosemary Carlisle to email her request so that the Board has an opportunity to read the change so that they can determine as to whether or not to approve the change.

Homeowner asked if the Board could post the unapproved meeting minutes on the website so that the homeowners can have an opportunity to review the minutes prior to coming to the meeting so that they can have input.

BOARD OF DIRECTORS MEETING MINUTES:

Don Alexander homeowner of Lot 115 reported this is a Board of Directors Meeting and that these are Board Meeting Minutes not an open members meeting nor are they open member’s minutes, and that he is not too sure if we as members have anything to say about the Board of Directors minutes.

Mr. Gaipa reported that we are going to continue to proceed with the current approval process of the Board of Directors Meeting minutes and if a member wants to make a change to something that they as an individual stated that is on the minutes, they can request it to be changed in writing so that it can be submitted to the Board.

BOOKKEEPERS REPORT, PREPAID BILLS AND BILLS FOR APPROVAL:

Mr. Manderscheid made a motion to approve the **October 2019 Bookkeepers Report, Prepaid Bills and Bills for Approval.** Mr. Sweeney seconded the motion and the motion carried unanimously.

OCTOBER PREPAID BILLS

Date	Num	Name	Memo	Amount
10/07/2019	DEBIT	MyFax Services	Virtual Fax Fee	10.00
10/11/2019	DEBIT	Frontier	667-2840	110.50
		"	667-4484	108.06
10/15/2019	DEBIT	Republic Services	3-0527-0040037	4,263.70
10/15/2019	7676	Heather Wilson	GM Advance	1,200.00
		"	Fuel	100.00
		"	Recording Secy. Advance	125.00
10/15/2019	7677	Quill	Envelopes	285.00
		Davis Building		
10/15/2019	7678	Supply	Lawn care & supplies	157.44
		"	Gate supplies	19.34
		"	Flag	71.23
		"	Cleaning supplies	35.04
		"	Trimmer line	43.83
		CopperPoint	Worker's Comp Installment 2 of	
10/15/2019	7679	Mutual	3	408.43
		"	Audit premium	457.00
		La Paz Co.		
10/15/2019	7680	Treasurer	311-41-249C	1,586.12
		"	311-41-003B	5.52
		"	311 40-027B (new Brooke	
		"	acquisition)	412.92
10/22/2019	DEBIT	APS	6125100000	1,640.65
10/22/2019	DEBIT	APS	6276651000	65.59
		McIntosh Controls,		
10/29/2019	7681	Inc.	Service/repairs to gate system	1,328.89
			Irrigation valve, timer & 2	
10/30/2019	7682	Pat Porterfield	solenoids	116.00
		"	Labor	80.00
10/31/2019	7683	Heather Wilson	Lots 111, 200 & 250	150.00
10/31/2019	7684	Heather Wilson	GM Balance	1,200.00

		"	Fuel	100.00
		"	Recording Secy. Balance	125.00
10/31/2019	7685	Otis Hall	October Groundskeeping	800.00
10/31/2019	7686	Sue Thomson	October Bookkeeping	1,250.00
		"	Postage	11.55
		La Paz County	Boathouse Mtg. Rm. 11/3 &	
10/31/2019	7687	Sheriff	11/4	100.00
				16,366.81

BILLS FOR APPROVAL (invoices attached separately)

Law Office of John Churchill (Aug, Sept. & Oct. HOA)	\$742.50
NetServeOnSite (Members-Only area added to website)	\$250.00

Balance Sheet

Mr. Sweeney made a motion to approve the **October 2019 Balance Sheet**.
 Mr. Baker seconded the motion and the motion carried unanimously.

Profit and Loss Report

Mr. Smith made a motion to approve the **October 2019 Profit and Loss Report**.
 Mr. Baker seconded the motion and the motion carried unanimously.

GENERAL MANAGER’S REPORT:

Mr. Manderscheid made a motion to approve the **October 2019** General Manager’s Report. Mr. Baker seconded the motion and the motion passed unanimously.

OLD BUSINESS:

Construction Progress Report

Ms. Wilson reported that we currently have eleven(11) Lots that are under some type of construction/home improvements or are pending building permits; Lot 14, Lot 25, Lot 56, Lot 67, Lot 76, Lot 101, Lot 117, Lot 123, Lot 208, Lot 227 and Lot 231.

Down River Boat Ramp Repair

Mr. Chambers reported that he is out fighting fires and that he will not be back for a couple of weeks and will report back.

Key Pad Access Code

Ms. Wilson reported that the Board has voted to only have one key pad access code for the keypad at the entrance gate and that she will be sending out notices in the next **quarterly dues statement** in January notifying homeowners of the new key pad access code that will take effect on **February 1, 2020** and that it will be changed annually.

Ms. Wilson also reported that the emergency services access code will remain the same.

OLD BUSINESS CONTINUED:

Members only Section on the Website

Ms. Wilson reported that the Board voted on setting up a “Members Only” section on the website and that is currently being set up by Netserve and that only the membership of the Moovalya Keys will have access.

Ms. Wilson stated that we can post things like the homeowner directory, financial reports and the annual voting package. Ms. Wilson also stated that prior to posting anything on the website, it must be approved by the Board prior to posting.

Ms. Wilson also reported that the password for the “Members Only” section will be sent out in the “**Annual Meeting Package**”.

Homeowners On Line Directory – Request for Authorization Form:

Ms. Wilson reported that a request for “Authorization Form” will also be enclosed in the “**Annual Meeting Package**” and that it will need to be filled out and mailed back to the Moovalya Keys only by the homeowners that want to authorize to have their telephone number and email address added to the membership directory that is posted in the “Members Only” section on the website, and that the current membership directory only has contact names and addresses.

New Homeowner Vehicle and Trailer Lot Stickers

Ms. Wilson reported that she has received a price to reprint twelve (12) Lot Stickers for each lot so that we can give homeowners four (4) and have spare one on file in the amount of Nine Hundred Twenty Dollars (\$920.00) not including tax.

Mr. Sweeney made a motion to approve Nine Hundred Twenty Dollars (\$920.00) to print new vehicle lot stickers. Mr. Baker seconded the motion and the motion passed unanimously.

Mr. Gaipa reported that it is mandatory that when parking in the overflow or common areas that vehicles are identified either by a homeowner’s lot sticker or temporary parking passes for renters to avoid the possibility of being towed.

Forming of a Rules Committee

Mr. Gaipa reported that a lot of our rules are not clear and need to be revisited for clarity so that they can be enforced, there for we are forming a rules committee to review the rules and come back to the Board with their recommendations so that the Board can determine if it is something the Board can resolve or if it needs to go out to the membership to vote on.

Mr. Gaipa suggested that the committee only consist of a few people and that the committee member does not have to be a Board member, that in the past we had too many people on the committee and there has been no progress, so the Board would like to scale down the number of people that are on the committee so that the Board can make some decisions.

OLD BUSINESS CONTINUED:

Forming of a Rules Committee Continued

Mr. Sweeney volunteered to co-chair the committee with Kathy Northcutt. Mr. Gaipa reported that the membership elected the Board members to represent the HOA and to make decision on the behalf of the HOA, so he suggested that we leave it to the Board at this point to review the rules and submit their suggestions to the membership.

Mr. Sweeney reported that our rules are over fifteen years old and they need to be looked at to deal with the issues that we are dealing with today that we were not dealing with fifteen years ago and that it is very possible that we will be coming up with some new rules to present to the membership.

Mr. Sweeney stated that the committee welcomes suggestions and to contact himself or Ms. Northcutt if you have something that you would like the committee to consider or you can send an email.

Mr. Gaipa reported that the committee names and contact information will be presented at the next meeting.

NEW BUSINESS

Lot 201 – 8664 Hopi – Kristie Walker Citation Dispute

Mr. Gaipa reported that Kristie Walker is disputing the citation that she received for one of her renters parking a motorhome in the overflow parking lot with the slides out and the generator running and that Kristie Walker is not present at the meeting today to represent herself.

Mr. Sweeney made a motion to not dismiss the citation and that we enforce the citation. Chuck Baker seconded the motion and the motion passed unanimously.

Lot 204 – 8690 Hopi – Maria Lucero Citation Dispute

Tony Gaipa reported that Maria Lucero is disputing the citation that she received for dumpster abuse and that Maria Lucero is not present at the meeting today to represent herself.

Mr. Sweeney made a motion to not dismiss the citation and that we enforce the citation. Chuck Baker seconded the motion and the motion passed unanimously.

Drawings for Approval - Lot 8769 Papago Loop

Mr. Sweeney reported that he has received a drawing to modify an existing garage door to match the existing door and that he recommends that the Board approve the drawing.

Jack Sweeney made a motion to approve the drawing to extend the garage door to match the other garage door. Chuck Baker seconded the motion and the motion passed unanimously.

Next Board of Directors meeting is December 2, 2019.

Meeting adjourned at 7:44 pm

Submitted by Recording Secretary, Heather Wilson

