

LAKE MOOVALYA KEYS
Board of Directors
Regular Meeting

July 18, 2011

CALL TO ORDER

President Jack Sweeney called the regular meeting of the Lake Moovalya Keys Board of Directors to order at 6:00 p.m.

PRESENT

President: Jack Sweeney

Vice President: Chuck Baker

Secretary/Treasurer: Laura Lancaster

Board Members: Chris Chambers, Gary Svider, William (Squeak) Kossnar, Joe Price, Blane Coon, Ryan Shubin & Christie May Ward

OTHERS PRESENT

General Manager: Cheryl Shockley

Bookkeeper/Recording Secretary: Sue Thomson

Legal Counsel: John C. Churchill

MINUTES

Ms. Lancaster moved to approve the June Minutes; the motion was seconded. Mr. Baker requested one correction to the Minutes, and after discussion, the motion to approve the June minutes as corrected was carried unanimously. Mr. Baker made a motion to approve the Minutes of the June Executive Session meeting. The motion was seconded and carried unanimously.

FINANCIAL REPORTS

Mr. Baker made a motion to approve the June Balance Sheet and Profit & Loss Statement, the Bookkeeper's Report, the Prepaid Bills and Bills for Approval. The motion was seconded and carried unanimously.

PREPAID BILLS

Date	Num	Name	Memo	Amount
06/07/2011	6260	Law Office of John C. Churchill	4/30/11 invoice	562.50
06/07/2011	6261	Parker Office Supply	GM supplies	101.16
06/07/2011	6262	Frontier	667-2840	58.95
		"	667-4484	58.10
06/07/2011	6263	Allied Waste Services	3-0527-0040037	2,362.34
06/07/2011	6264	Bonnie Butterworth, dba Trinity Computer	Jan.-May (final)	50.00
06/07/2011	6265	Beaver Insurance Agency	D&O	1,454.00
06/07/2011	6266	Auto-Owners Insurance	Liability/Property	2,330.39
06/07/2011	6267	Davis Building Supply	Security/grounds supplies	109.35

06/14/2011	6268	Cheryl Shockley	Advance	1,100.00
		"	Fuel Advance	100.00
06/14/2011	6269	Eric Siverson dba Advanced Gate Systems	Gate repairs	305.00
06/14/2011	6270	Parker Office Supply	2 Flags	225.78
06/14/2011	6271	Brooke Utilities, Inc.	53017-11860	272.38
06/14/2011	6272	AT&T	928-667-4484	37.61
06/19/2011	6273	Eric Siverson dba Advanced Gate Systems	Gate repairs	272.00
06/19/2011	6274	APS	732930287 & 589381281	1,662.32
06/24/2011	6275	Global Gate Controls, Inc.	10 remotes	117.50
06/27/2011	6276	Eric Siverson dba Advanced Gate Systems	Gate repairs	305.00
06/30/2011	6277	Cheryl Shockley	Balance June	1,100.00
		"	Fuel	100.00
		"	Internet	24.95
06/30/2011	6278	Otis Hall	June	650.00
06/30/2011	6278	Otis Hall	Street clean; trash disposal	100.00
06/30/2011	6279	Sue Thomson	June	800.00
06/30/2011		"	May Pitney Bowes Rental	30.94
06/30/2011		"	Postage	6.60
06/30/2011	6280	Otis Hall	Lot 27 clean up	100.00
				<u>14,396.87</u>

BILLS FOR APPROVAL

Law Office of John C. Churchill (5/31 invoices)	
HOA general	\$202.50
Grybowski	11.00
Law Office of John C. Churchill (6/30 invoices)	
HOA general	\$202.50
Grybowski	125.13
Breazeale/Ferber	788.38

GENERAL MANAGER'S REPORT

Ms. Lancaster made a motion to approve the General Manager's Report. The motion was seconded and carried unanimously.

COMMITTEE REPORTS

Website – Ms. Lancaster had nothing to report from the Website Committee. Mr. Baker asked Frank Goodyear, whose work he is familiar with, to look at the website codes that we received from Bonnie, and were e-mailed to Mr. Goodyear. Mr. Goodyear looked at all the code and our website, and he made three changes to it (updated the date of the next meeting, corrected the Board of Directors page and posted the May Minutes), then per Mr. Baker's request, Mr. Goodyear presented a proposal to Ms. Thomson for website update services. His proposal was for \$150 a year to post Minutes, update meeting dates and the Board of Directors page, plus any minor things; any major things he might charge us maybe \$20 an hour. Mr. Sweeney asked if the other committee members had anything to say, because we're in the midst of discussing what we want to do with the website; that it hasn't been finalized, and suggested we could do this on an interim basis so at least the website is up and running until we decide what we want to do. Ms. Lancaster said we could see what others want to change, but that his pricing is good compared to what Bonnie was doing. Mr. Sweeney said that the committee was formed so that we could see if anything needed to be changed. Mr. Baker said he believes the website as it is does everything we need it to do; that he just got through

doing one of his other websites with Mr. Goodyear, and that it took almost a year, and he doesn't want to be redesigning another website, and he said he is resigning from the committee, other than just having someone keep it going. If Ms. Lancaster and Ms. Ward want to come up with something else just to keep it running, they can make their recommendations. Ms. Ward asked if we still have a website committee, and are we still going to look into some issues with timeliness, and part of the way it was set up was that only Bonnie could make the changes where we were talking about getting it so that it was something someone in house could take a look at and make changes. Mr. Baker stated that what we sent Mr. Goodyear was sufficient for him to do the postings and updates. *Ms. Lancaster made a motion that the Association approve Mr. Goodyear's proposal, on a six-month trial, and that possibly a new proposal could be made by the committee around the time of the next annual meeting, after other options are explored.* Mr. Baker said he didn't know how many hits the website was getting, and that Mr. Goodyear will try to incorporate a statistic's function on our site. *The motion was seconded and carried unanimously.*

Ms. Ward commented that the website does not have the Annual Meeting Minutes for 2011 posted, and Ms. Shockley stated that she has almost finished them.

OLD BUSINESS

Mr. Sweeney tabled the current legal issue with Lot 220 for Executive Session.

NEW BUSINESS

Mr. Sweeney reported some demolition on Lot 118. Ms. Shockley got a construction deposit from the owner whom she talked to before she went on vacation. The owner thought he still had a deposit on his Lot 120, thus the deposit delay on Lot 118. There is rotted wood on the front patio side resulting in some reconstruction, and the same with the garage area. The owner demolished only the fireplace, and he is merely repairing rotting structures, and therefore the owner did not need to submit plans, but he did need a permit for the fireplace. The owner said he would submit plans if we wanted them. Mr. Sweeney said as long as he's just doing that, we're fine. Mr. Churchill said plans are not required for repairs only. Ms. Shockley said the repairs will alleviate a parking problem by removing brick and pouring concrete. Mr. Churchill said if he changes the exterior, the owner needs to submit a plan.

Mr. Kossnar reported that the tree at the guard shack continues to lean, and Mr. Sweeney said that it needs to be shored up or taken down quickly. Ms. Shockley said she has contacted Bob Kerbs about the date palms, and they are also scheduled to trim all the trees for \$400. She also reported that either Parker Tree or APS will help with the flag.

Mr. Baker asked about the gate status. Mr. Sweeney said that the manufacturer has been into the system two or three times, and they can't find anything wrong with it, but it continues to lock people out. Mr. Sweeney recommended a completely different system for \$1,200, with a different manufacturer, with page and call buttons, which system would work more to our benefit than the current system. The current manufacturer wanted us to reset the system to factory specifications, even though Mr. Sweeney didn't

change any master code to get in, but resetting would erase all of Ms. Shockley's input, the entering of up to 300 phone numbers. Mr. Sweeney said the new system he looked into for \$1,200 can hold 3,000 entries, and he could install it himself.

Mr. Baker said it has been a pain for Ms. Shockley to continually have to program the current unit. Mr. Sweeney explained that users keep getting locked out for about two minutes at a time, and he attested to the fact that the codes were input correctly, but then some stopped working. Mr. Churchill asked if the new unit has an extended warranty. Mr. Sweeney said that labor would not be under warranty, but the problem is that each time the unit would have to go back to the manufacturer, it would need to be reset, resulting in a loss of all the codes. He said the new unit would be under warranty, that it has pretty good reviews, is internet programmable, and has been for quite a few years, and it's used on a lot of larger complexes.

Mr. Baker made a motion that the Association invest in a new gate entry system for \$1,200 as recommended by Mr. Sweeney. The motion was seconded. Mr. Sweeney said he's spent hours trying to get the current system to work, and he would not want to have to do it all over again in the hopes it might work. Since it's a completely different brand, and a bigger unit, we would need a new shade due to the increased size of the unit and the screen. Ms. Lancaster inquired if we could sell the existing unit on E-Bay. Mr. Coon suggested we keep both units so we have a back up. Ms. Lancaster asked if the current manufacturer should be contacted via letter from our attorney. Mr. Sweeney said he spent four or five hours going through each code to see if each one worked, and each time he got to three that didn't work, he'd get locked out for two minutes, and the non-working codes were always in a row. The codes he fixed worked temporarily, and then they stopped working. He also said the unit works in up to 180°. There being no further discussion, the motion carried unanimously.

Mr. Chambers asked about the status of Labor Day security guard service. Mr. Sweeney said it hasn't been resolved. Mr. Churchill reported that our insurance company may not insure us at all if we hire armed guards. Mr. Chambers said he understood that all security guards should have their own liability insurance policy, and Mr. Shubin said that the Association should be named as an additional insured. Even a contractor should be licensed, bonded and insured. Mr. Sweeney said typically a contractor will add us as an additional insured on a certificate of insurance. He also inquired if there are other security guard companies, perhaps the one at Havasu Springs. Mr. Sweeney said that all law enforcement officers have to carry their guns, even when they are off-duty, so the solution would be for the Association not to hire anyone from the Sheriff's Office. Mr. Churchill stated that off-duty officers still qualify under our worker's compensation policy as independent contractors. *Mr. Price made a motion that the Association not hire anyone without their own liability insurance policy, and that no guns be allowed. The motion died due to lack of a second.*

The meeting adjourned to Executive Session at 6:29 p.m.

The regular meeting resumed at 6:43 p.m.

Ms. Lancaster made a motion that if the owner and tenant of Lot 220 do not comply with the CC&R's by September 30, 2011, that a lawsuit be filed against them, with no further

notice after September 30. The motion was seconded. Mr. Churchill is to write the notification letter to the owner's attorney. The motion carried, with Mr. Svider opposing and Mr. Shubin abstaining.

Mr. Price made a motion that the Association be prohibited from hiring any security guards with guns, and that all hired security personnel either provide their own liability insurance certificate, or they be insurable under our liability insurance as well as under our workers' compensation insurance. The motion was seconded and carried unanimously.

Mr. Shubin said the Sheriff's Office can continue to park a patrol car on site without violating the no-gun rule.

ADJOURNMENT

The meeting adjourned at 6:48 p.m.

Submitted by Recording Secretary, Sue Thomson

APPROVED BY BOARD OF DIRECTORS 9/12/11