

**Continental Country Club
Homeowners Association
Regular Meeting of the Board of Directors
May 22, 2018 3:00pm
Meeting Minutes**

1. **Call to Order:** Bill McGrath, President, called the meeting to order at 3:00pm
2. **Roll Call:** All members of the board were present. Others present were Chris Shields, Kim Rushing, Carole Swain, Jeff Plattis, Chris Mandziuk and Tahlia Murray.
3. **President of the Board Address:** McGrath welcomed everyone to the May Meeting. He thanked the returning homeowners and new homeowners that he saw in the audience for attending the meeting. McGrath announced the appointment of Robert Hoadley to the Board of Directors. He stated that the next morning after the April Board Meeting Dave Whitmore met with Chris Shields and withdrew his application for the Board. He also announced the resignation of Brian Vance. He thanked Brian for his years of service to the Board and the countless projects he has done around the club over the past five years. McGrath encouraged anybody interested in serving on the Board of Directors to submit an application by the June 26th Board Meeting.
 - **Carl Wood- 1860 Rain Tree Road-** Asked for clarification as to when the Board Application was due to be considered for the open position? McGrath stated all applications must be submitted by the June 26th Board Meeting at 3pm.
 - **John Nilsson- 5105 E. Mount Pleasant Drive-** Asked McGrath for clarification on how Robert Hoadley was appointed to the Board when it was a tie vote between Hoadley and Whitmore. Nilsson referenced the CCC Bylaws which state that you must have a majority vote of the Board to appoint a new Board Member.
 - McGrath asked that the Board consider that they as a whole look at the appointment of Robert Hoadley and that Robert Hoadley not participate in this meeting as a Board Member. All agreed.
 - John Nilsson also pointed out that they could not re-vote on Robert Hoadley this meeting because it was not on the original agenda. Steven Schlosser agreed with this statement and stated we must give 72 hours notice. McGrath requested that the ratification of appointment for Robert Hoadley be added to the June agenda.
 - **Carl Wood- 1860 Rain Tree Road-** Mr. Wood expressed his frustration with the process at which the open positions for the Board have been handled because he was under the impression there was more time. He expressed to the Board the he feels that at this juncture the Board has to open both positions up to the membership and cannot hold one position for Robert Hoadley.

4. Approval of Agenda:

- ***Goitia made a motion to approve the agenda. The motion was seconded by Rhoton and carried unanimously. (MSCU)***
 - **John Nilsson-5105 E. Mount Pleasant Drive-** Mr. Nilsson asked Mr. Schlosser if the Board as a whole is allowed to make changes to the agenda. Mr. Schlosser stated that the Board is not allowed to make changes the day of the meeting because the agenda must be available up to 48 hours in advance.

5. Approval of Minutes:

- Regular Meeting of the Board- April 24, 2018
 - ***Chambers made a motion to approve the minutes. The motion was seconded by Rhoton and carried unanimously. (MSCU)***
 - **Carl Wood- 1860 Rain Tree Road-** Is there a reason why the homeowners cannot see the minutes from a meeting until they are approved? Chris Shields stated that he does not think that there is any law preventing the HOA from allowing the minutes from being released as long as they are stamped draft.
 - **John Nilsson- 5105 E. Mount Pleasant Drive-** Stated that a law recently passed stating that minutes cannot be released until they are approved by the Board of Directors but recordings can be released immediate.
 - **Carl Wood- 1860 Rain Tree Road-** Expressed his frustration as to why the minutes do not have more detail. He feels that the minutes are lacking and should be able to explain what happened in detail. Carl also pointed out the Secretary's name is not documented as approving the minutes. He inquired if this was happening.

6. Homeowner Participation:

This portion of the meeting is for items that are NOT on the agenda. **Please limit comments to three minutes.**

- **John Nilsson- 5105 E. Mount Pleasant Drive-** Mr. Nilsson stated that he went back through 2012 minutes and financials to date. The CC&Rs and Bylaws show the HOA dues increases listed differently. Mr. Nilsson stated the every single one of the HOA documents have a violation of Arizona State Statutes such as Approving Financials. You are supposed to "Accept Financials." He stated that he took all four years of these documents and violations to the Attorney General's Office and he was told that this was a Civil Case, meaning he could file a civil lawsuit against the HOA. He stated he isn't going to do file a suit because it would hurt him too, because he is part of the HOA.
- **Steve Raymer and Star Kelley-Raymer- 1641 Continental Drive-** Expressed frustration regarding the Short Term Rental next door to her house. She stated they have been lighting open fires in the back yard and is worried about her wellbeing.
- **Don Richardson- 4701 E. Green Mountain-** He agrees that the minutes need more detail. Mr. Richardson stated that the Board is a set of homeowners who represent the community as a whole and are responsible for setting policy and assisting in enforcing our CC&Rs. Using the analogy of a Corporation the homeowners could be

viewed as shareholders. These shareholders or homeowners expected timely communication. We expect a board that has depth and leadership. We demand a board that has no conflicts of interest and follows the code of conduct. We demand a board that is a unified team when approaching issues. Case in point, most recently when the Written Consent Form was mailed out a Board Member took issue with 12.2 on the Written Consent Form merely due to homes being bought and sold for investment purposes. This Board Member is a real estate agent in town. This Board Member addressed their concern with the one year waiting period in 12.2 at a Northern Arizona Realtors Meeting as well as with individual homeowners. Conflict of Interest? Yes. Code of Conduct Violation? Yes. The Board must take a unified approach when moving forward on single family violation and tenant registration. The Board has two positions coming open in August and it imperative that these people take the Code of Conduct seriously and know that these positions are to serve the community of Continental Country Club.

- **Michael Chadburn- 1341 La Costa Lane-** He stated that he has a VRBO behind his home that is advertised for up to 20 people. He inquired on the status of Lake Elaine?
 - **Bill McGrath-** Stated that the Board has a settlement conference on 5/24-5/25 with Judge Slayton.
 - **Carl Wood- 1860 Rain Tree Road-** What Board Members will be present?
 - Bobby Goitia, Dave Chambers, Steven Schlosser, Chuck Thompson, Bill McGrath and Gary Smith
- **Bob Prida- 6030 E. Laurel Loop-** Inquired if the Board is able to make a final decision on Lake Elaine Settlement without sending it out to the Homeowners for approval?
 - According to the HOA attorney a quorum of Board of Directors are able to negotiate a settlement. If a quorum is not able to be in attendance then the board can appoint three Board Members to negotiate the settlement.

7. Department Reports:

FGMC Report –Jeff Plattis: Jeff stated that FGMC is currently under budget. All lakes have been stocked with fish. Some areas have required hand watering due to dry conditions. #8 tee box has been seeded, fertilized and blanketed. #8 has been uncovered and mowed. They will continue topdressing over the next few weeks. FGMC will begin Tee projects on #8 and #13 the week of June 4th. Aspen Valley has had three fires set on their back 9. The Flagstaff Fire Department and Police Department feel at this time that this arson situation. Please keep your eyes open and if you see anything call the police department.

Golf Committee Report –Chuck Thompson: Chuck informed the Board of the Committee Meeting held on May 16th. He stated that #8 and #13 tee boxes will be closed beginning the week of June 4th for leveling. He stated that FGMC is still looking for part time employee to assist with gopher trapping. Financially the course is doing great and running \$60,000 ahead of last year! The Caddy Shack snack shop for the golfers has not been staffed consistently and is a growing concern. Pro Shop Revenue is \$5000 is ahead of last year. Next tournament is NACE.

- Chambers asked questions regarding the new Flash Report. He wanted know specifically what the comparison was between the old reports and new report is on the Golfer Benefit Card “Peaks Pass Card.”
- **Don Richardson-4701 E. Green Mountain-** Dave, How much of the staff’s time is allocated to the golf course? Dave said it’s hard to say, Tahlia probably the most out of all of them.

GM Report – Chris Shields: Shield’s announced that he recently hired three new staff members for the pool who will be starting on June 2nd. Some maintenance projects that have been completed around the club are:

- Flowers have been planted by Warner’s Nursery
- All Lakes have been stocked with fish
- Aerators were repaired at Walnut Canyon Lakes
- Stereo System at Pool was repaired
- Speakers at front entrance of the club repaired
- Currently replacing all broken parking bumpers in parking lots

Shields announced the success of Mother’s Day Brunch with almost double the covers of last year. He stated that he working diligently with the golf staff to ensure that the course is marked properly for ground under repair for men’s and ladies club. Lastly, he stated that Bobby Zweifel and he have decided to move fitness on demand upstairs into the Continental Room as their will be plenty of room for people to spread out. He asked homeowners to stay tuned as they install all the required hardware!

- **Bob Prida- 6030 E. Laurel Loop-** Informed Chris that the Geese are back at Walnut Lake and it time to get the Maintenance person back on weekly sweeps again.
- **Shila Lorey-** Stated that she is the Yoga and Pilates Instructor at the club and requested that if there is going to be more traffic in the Continental Room that she has all of her equipment stored in the closet and asked if the club could install a lock to ensure nothing is taken.

Golf Operations: Chris Mandziuk: Mandziuk reported that the April Golf exceeded forecast. Cart Fee Revenue was up \$10,600. Green Fee Revenue was \$4,000. Merchandise Sales were up \$3,000. In April Continental Golf Club hosted two tournaments, Navajo Nation and NAU Scholarship Tournament. The Golf operation also sold two new golf memberships.

Drive Log – Carole Swain: Swain reported since the April Meeting she issued 141 violations. She stated that she currently has 34 unresolved. She has been focused on fire hazards, Utility Trailers, accumulation of items and trash.

- **Carl Wood-1860 Rain Tree Road-** The City of Flagstaff gets behind frequently on bulky trash pick-up. What should I do? Carole stated that she is aware of this issue and she does not issue violations relating to bulky trash because of the City’s tardiness.

Marketing Report- Tahlia Murray: Murray gave a brief update to the Board regarding the marketing of Golf. She stated that most of what has been occurring has been covered in the other reports. She continued to inform the Board of upcoming Golf events and tournaments. She informed the Board of a meeting held between Murray, Shields and two contacts from the Pickle ball group. The group discussed drop-in Pickleball play, training days and tournament dates. Murray continued to the CCC Tennis program where she stated that herself and the new Tennis Pro Trent Hayward have met on a few occasions to organize the promotion of Drop-in Tennis for Members and a Thursday Night Doubles League. Lastly, Murray covered some new additions to the calendar this year including Water Aerobics and Barre 3!

- **John Nilsson- 5105 E. Mount Pleasant** - Brought to the Boards attention that there is Mixed Content within the email service that Continental is using called Act-on for email blasts. This mixed content is causing users, such as gmail, to not receive any email blasts. He provided pages worth of coding to prove that there is a problem and asked that the Board take it seriously as the homeowners deserve to know what is going on within the HOA.
 - Questioned if the HOA has IT security insurance?

Finance Committee Report: Kim Rushing- Rushing reviewed the April 2018 Financials with the Board.

- **Carl Wood- 1860 Rain Tree Road-** Mr. Wood suggested a monthly P&L Memo. He questioned if the HOA financials are cash or accrual basis? Dave Chambers clarified that the financials are accrual. Mr. Wood asked if budget can be posted to website. The Board all agreed that the 2018 Budget could be posted.
- **John Nilsson- 5105 E. Mount Pleasant** - Mr. Nilsson suggested that the Board do a quarterly financial presentation as opposed to a monthly presentation. The Board agreed that this would save time but they would continue to post the financials to the website for the homeowners to review on a monthly basis.

8. Discussion Items

- Tenant Registration Form- Bill McGrath reviewed the approved Tenant Registration Form which includes the \$25 fee per rental. McGrath stated that although the form is finalized the Board and staff are working on the way it will be enforced. He stated that the Board is still working on finalizing contracts with Security and outside businesses that will be assisting.
 - **Carl Wood-1860 Rain Tree Road-** How do you know who is a STR and if they have done a Tenant Registration Form?
 - Steven Schlosser- Mr. Schlosser posed the question how do we communicate to all the renters what you can do and what you can't do. Suggests work with law enforcement to see what an enforceable issue is.
 - Robert Hoadley- how do you know if the owner is just hosting family for a BBQ or for a weekend and it is a Short Term Rental situation?
 - **Michael Chadburn- 1341 N. La Costa Lane-** Mr. Chadburn asked if the club is still working on single family enforcement.

- **John Nilsson- 5105 E. Mount Pleasant** - Mr. Nilsson wants clarification on the \$25 Tenant Registration due date. Is it due prior to the arrival? Mr. Nilsson stated that he also believes that the \$15 fee per Governor Ducey is for a late form, not an incomplete form. Mr. Nilsson requested that the form needs “single family” added to it as well.
- **Brian Teske- 4236 E. Coburn Drive-** Feels that the tenant registration fee is illegal. There is nothing in the current CC&Rs that allow such a fee. Strict guidelines are set in his rental. Why doesn't CCC give guidelines a chance? Why do homeowners feel the money would be spent properly? How much money is being spent on legal fees to get this all put together for a small sector of our homeowners? Does the board want to represent all homeowners?
- **Shila Lorey-** Ms. Lorey saw another HOA charged an annual fee per stay. She said it seems like that would be easier on the homeowner and the staff. She suggests a security guard for enforcement for after hours. Lastly, she asked if the HOA can set guidelines on the number of people per bedroom.
 - John Nilsson- Per Governor Ducey you cannot do annual fees. John Nilsson caution the board on setting guidelines and that they need to apply to all homes and not to just STRS.

9. Action Items

- Approval of April 2018 Financials
Chambers made a motion to accept the April 2018 Financials. The motion was seconded by Thompson and carried unanimously. (MSCU)

10. Informational Items to and From Board Members and Staff

11. Agenda Items for Next Month

12. Next Meeting: June 26, 2018

13. Adjourn:

- *Chambers made a motion to adjourn the meeting at 5:41pm. The motion was seconded by Rhoton and carried unanimously. (MSCU)*

Respectfully Submitted By,
Tahlia Murray
Director of Marketing