

KEY LINES



June 2023

Inside this issue:

Things to do, Block Watch, Celebration, Zen	2
Safety Tips, HELP, ASC Reminders & Events	3
Jokes, Riddle, ASC, Riddle, Trivia	4
Recipe, Birthdays, Humor, Committees	5
Bulletin Board	6



Next Board Meeting
Sept 19, 2023
Clubhouse
5pm



In Remembrance

HAPPY
4th of July

A Golden Keys Homeowner's Association Publication

<http://www.GoldenKeysScottsdale.org>

NEW KID
on the
BLOCK

THERE'S A NEW "KID" ON THE BLOCK

The new updated 2023-2034 **Directories** have been published and distributed – did you notice any changes?

Some of the reference information previously published annually in the Directory has been relocated, including: the list of committee chairpersons and committee definitions; the pool rules; the clubhouse rules; and the ASC application form.

A new document, the **Key Information Document (KID)**, has been created and is intended to be a permanent reference resource for each member of our community. Copies will be distributed to members starting in the next couple of weeks. The **KID** is a consolidation of existing information, rules, policies, and forms. The content of **KID** has been previously approved by the Board of Directors and made available to the community.

The **KID** is a "living document". Each member will be responsible for retaining their original copy. Whenever any of the content is modified or deleted, or new content is added, the members will receive a package of pages to use to update their personal copy.

A copy of the **KID** will also be available on the web site.

Please welcome this new **KID** on the block into your home! We hope you are as excited as we are for this new, convenient reference document.

FINANCIAL MANAGEMENT STRATEGY

Tom Kernen 

Over the past couple of years, board members and homeowners have asked questions to better understand how the cash/liquid assets of the association are managed and how the association's money can be used. About that same time, I had been thinking of a way I could document the HOA's cash management strategy to share with future leaders. This all came together in late 2022 when I began work to create a document that provides an understanding of how the cash assets of Golden Keys are managed. This was a demanding and challenging task which was interrupted several times by higher priority projects.

This spring, I completed a draft of the document which was distributed to the directors in May for comments. I have incorporated the suggestions that I received and am now ready to publish the **GKHOA Financial Management Strategy** to the community. A copy is attached to this issue of the Key lines.



Spring Events in the Valley

Scottsdale 4th of July Celebration: Westworld, 16601 N Pima Rd. Scottsdale; Fireworks and much more; visit <https://scottsdale4th.com/>

"Cool" Indoor Venues to Visit: Musical Instrument Museum; Phoenix Art Museum; Scottsdale Museum of Contemporary Art; Arizona Science Center; Odysea Aquarium; Butterfly Wonderland; Sealife Aquarium; Arizona Museum of Natural History.



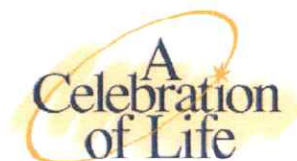
Thanks to all our **GK Neighborhood Watch family** for helping this community stay safe. Neighborhood Watch programs are shown to be one of the most effective crime prevention programs in the United States. We could not do this without each and every one being the eyes and ears of our neighborhood. Your time and participation helps everyone. With summer plans taking many residents on holiday, please stay vigilant!

Attention Co-Captains: We will be meeting in early September to discuss plans for the October Neighborhood Watch Block Party. Date to be determined. Thanks so much for your commitment!

Fran Nicoletti

Celebration of Life for Karl Warner

Karl Warner's Bon Voyage hosted by Stephen Miles



WHEN: Sunday, August 27, 2023 2:00 PM to 4:00 PM

WHERE: Orpheum Theater, 203 West Adams Street, Phoenix, AZ

Please join us for a celebration of Karl Warner.

You are encouraged to wear Karl's favorite color green.

Reception with light snacks following service.

Live streaming/recording details to follow.


Please RSVP by July 15, 2023 to:

Stephen Miles – 602-326-2662 or ginkysmiles@hotmail.com

Zen Quotes: "Everything that has a beginning has an ending. Make your peace with that and all will be well." – Jack Kornfield



Safety Tips: Fireworks

The City of Scottsdale is required to allow consumer permissible fireworks from June 20 to July 6.  Fireworks are not permitted on any city-owned property – this includes city streets.

If you do use fireworks, be smart, not cool!

There are many resources with great suggestions – let's highlight a few: have a bucket of water handy; light one device at a time; do not handle lit fireworks; do not try to light or re-light mal-functioning fireworks. Drinking alcohol? - HECK NO!!


WE NEED YOUR HELP!



After serving as a director for 10 years, holding multiple key positions in that time, **Tom Kernen** is stepping down from his director position effective 8/1/2023. We need someone to fill his director role from 8/1/23 till the annual meeting next March where we will hold a formal election to fill that position. We have some big shoes to fill. Tom serves as our Treasurer and as the head of the Communications Committee. The new director doesn't need to take on everything Tom has been doing in those two roles. We can share some jobs across the existing board members and with other volunteers in the community. Also, there are many, many other tasks that Tom has just taken responsibility for over the years. We could use a few volunteers to take on some of these jobs. Sue Kernen will also be ending her role as editor of the Key Lines. This role involves use of a publishing tool to put the Key Lines content together for each month's edition. Please contact a board member if you are interested in filling the director role or if you are willing to help carry a piece of the workload that Tom has performed quietly and faithfully for the board and for the community.

Jenny Scrivner, Golden Keys HOA President/ASC Chair, 602-920-

REMINDER from the Architectural Standards Committee: 5PM at the Clubhouse

 An owner wanting to make changes to the exterior of his/her home, including painting, needs to submit an Application for Design Review to the Architectural Standards Committee (ASC) at least 10 days before an ASC meeting. Contact **Jenny Scrivner at 602-920-0837** or e-mail at **GKHOA.jenny.scrivner@gmail.com** for an application form.

The ASC will hold meetings at **5PM at the clubhouse** on the 2nd Tuesday of every month (whenever there are applications on the agenda). are due no later than **July 1, 2023** to be on the agenda for the meeting on **July 11, 2023**.

-Jenny Scrivner, Architectural Standards Committee Chair

Events/Meetings/Social

Bridge Players	Mondays 12:30pm – Clubhouse Retta Kelly 480-945-3303
Poker	Wednesday @ clubhouse Bruce Cross – 602-920-6003 bcross42@cox.net
Book Club	Monthly Retta Kelly 480-945-3303
Men's Lunch Fridays	Friday's -Bob Will 480-946-4889 or Dan Svoboda 480-946-5055 (every Friday)
Bunco	Jun 27 & July 25,2023 Clubhouse 6:00pm (4th Tuesday) Carolyn Cuneo 602-538-1423
Creative Crafters	July 18, 2023 4-6pm Nancy Dallett 480-861-8776 Sue Kernen 602-619-3377
Golden Girls Money Sense	July 6, 2023 10-noon clubhouse (1st Thursday) Shelly Lear 480-993-3136
Arch Stds. Committee	July 11, 2023 5:00 PM Clubhouse (2nd Tuesday of the Month) Jenny Scrivner 602-920-0837
HOA Board Meeting	Sept 19, 2023 Clubhouse, 5:00pm 3rd Tuesday of each month (not July & August)
Ladies Who Lunch	July 21 2023 Noon Gloria Keenan 602-228-3189



The Gay Side of Life:

After a preacher died and went to heaven, he noticed a New York cab driver had been awarded a higher place than he. "I don't understand," he complained to God. "I devoted my entire life to my congregation." God explained to him, "Our policy here in heaven is to reward results. Now, was your congregation well attuned to you whenever you gave a sermon?" "Well", the minister had to admit, "some in the congregation fell asleep from time to time." "Exactly", said God, "and when people rode in this man's taxi, they not only stayed awake, they even prayed."

Did you hear the good news about reincarnation? It's making a comeback.

A cult of cannibals eats a car full of circus clowns. In the middle of the meal one cannibal turns to the other and asks, "Does this meal taste funny to you?"



ARE YOU INTERESTED IN PARTICIPATING IN THE ASC?

Prior to the COVID lockdown of the clubhouse we had members attend our ASC meetings on a regular basis. Even though the ZOOM information for the ASC meetings was well publicized, members not on the committee or not submitting an application on that agenda rarely attended via ZOOM and still are not participating now that meetings are back at the clubhouse.

The ASC committee is seeking members who have an interest in helping share the work of this committee or becoming members of the committee. If you are interested, please contact any member of the ASC. You will then start receiving the agenda and copies of all the applications on the agenda. You can participate shoulder to shoulder with the rest of the committee so you can learn about the roles and responsibilities of the committee and get to know the committee members and vice versa. The committee desires to expand the participation (and perhaps the size/ composition of the committee) to include a broader spectrum of our community. Changes in membership of this committee require board approval. Our goal is to evolve the committee so it more fully represents the community at large.

ASC Committee: Debbie Dillon, Pam Heckaman, Retta Kelly, Jenny Scrivner, Martha Spruell



Riddle: "What question can you never answer yes to?"

Answer: Are you asleep yet

Trivia and Fun Facts - July 4th

Every year on July 4, descendants of the Declaration of Independence signers tap the Liberty Bell 13 times. The tradition was created as a way to honor the original 13 colonies.

In a letter he wrote to his wife, Abigail, John Adams declared that July 4 should be filled with games, sports, parades, and laughter. He basically planned the day for us!

James Monroe, John Adams, and Thomas Jefferson all died on the patriotic day. (Adams and Jefferson passed in 1826, and Monroe passed five years later in 1831.)

President Zachary Taylor died after falling ill at a July 4 celebration.

America's 30th president, Calvin Coolidge, was born on July 4, 1872.





RECIPE OF THE MONTH - Fran

Debbie Dillion shared this recipe. Thanks so much Debbie!

Mozzarella pasta salad:

For the pasta:

8 ounces bowtie pasta
3 cups spinach, roughly chopped
1 pint grape tomatoes, halved
8 ounces mozzarella, diced
Salt & pepper to taste

Pasta is the best guilty
pleasure!

For the parmesan balsamic vinaigrette:

1/3 cup olive oil	1 t parmesan
3 tablespoons balsamic vinegar	1/4 t Dijon mustard & crushed garlic
2 tablespoons mayonnaise	pinch of dry basil
	salt & pepper to taste

Directions

Step 1 - Fill a large pot with water and add the salt. Bring the water to a boil over high heat.

Step 2 - Add the bowtie pasta and continue to boil until the pasta is tender, according to the package directions.

Step 3 - Drain the pasta in a colander and rinse under cool water. Set it aside while preparing the rest of the salad.

Step 4 - Add the spinach, the tomatoes, and the mozzarella to a large bowl.

Step 5 - Add the pasta to the bowl with the mozzarella and the vegetables. Ensure it is mostly cooled so as not to melt the cheese or wilt the spinach.

Step 6 - Prepare the salad dressing by blending the olive oil, the balsamic vinegar, the mayonnaise, the parmesan, the Dijon mustard, the garlic, the basil, the salt, and the cracked pepper until combined.

Step 7 - Pour the salad dressing over the bowl with the pasta, the cheese, and the vegetables and toss to coat.

Step 8 - Serve immediately or store in the refrigerator.

Recipe Corner- Please submit recipes to:
msfran7441@hotmail.com or drop it off at **6310 E. Pinchot Ave**



Communications Committees

Editor /Tom Kernen GKHOA_ tom.kernen@yahoo.com

Publishing/Copy Editor /Sue Kernen skernen@cox.net 602-619-3377

Clubhouse Reservations /Christie Schroeder 602-228-4590 cks0@cox.net

Humorist / Dan Svoboda 480-946-5055

Pool/ Alice Mastin- see directory for contact information

Recipe of the Month /Fran Nicoletti msfran7441@hotmail.com

Neighborhood Block Watch/ Fran Nicoletti msfran7441@hotmail.com

Safety, Reminders & Community Tips / Tom Kernen 602-619-2700 (Need Help)

Around Town / Need help with this one, any volunteers? Tom Kernen

Delivery Crew /Barry Downs 480-945-2557 (Cecily DeRosa, Pam Smusz, Elizabeth Ottosen)

Landscaping/ Chris Anderson 602-499-0232 chrissyanderson213@gmail.com

Paint request / Jenny Scrivner 602-920-0837 c email: GKHOA.jenny.scrivner@gmail.com

Real Estate /Pam Heckaman 602-481-2216 gkhoarealestate@gmail.com (Cecily DeRosa-Welcome Neighbors)

★HAPPY★
BIRTHDAY!

DeVito, Susan	7/2
Nicoletti, Francine	7/4
Rouse, Robert N.	7/6
Dallett, Nancy	7/7
Rutherford, Vera	7/9
Hollenback, Kimberly	7/10
Pearson, Craig	7/11
Salisbury, Laurie	7/14
Van Witbeck, Mavis	7/17
Strickland, Nancy A	7/19
Heil, Jeannine	7/20
Ferguson, Heidi	7/20
Langley, Debra	7/22
Coppins, Burge	7/23
Howe, Ruth	7/23
Delgado, Glenn Marie	7/26
Cramer, Barbara	7/27
Anderson, Robert M	7/27
Hawes, Paul	7/30
Shelly, Lisa Carol	7/31
Ferguson, Patricia	8/1
Hoye-Mortrude, Debra	8/1
Miles, Stephen	8/4
Pham, Cong	8/8
Engstrom, Evan	8/9
Husic, Carl J.	8/10
Bowden, Iver	8/11
Scrivner, Jenny	8/11
Evans, Donald	8/12
Portillo, Abner	8/15

If it doesn't challenge
you, it doesn't
change you!





Golden Girls Money Sense
Shelly Lear 480-993-3136
July 6, 2023 10am
Clubhouse 

Monthly Scottsdale Brush and Bulk Alleyway Pickup

Bulk trash pick-up is scheduled for the week of **July 24, area #4**.
Reminder: 9 DAY RULE - Residents may place bulk/brush out for collection no sooner than 9 days prior to the Monday of scheduled collections week.
Please put bulk/brush pickup behind your wall, not your neighbors.
Any questions or concerns please call the City of Scottsdale - Solid Waste 480-312-5600
<https://www.scottsdaleaz.gov/solid-waste/brush-bulk-collection>



Bunco Clubhouse
June 27, 2023, 6pm
Next date is
July 25, 2023, 6pm
Clubhouse
Carolyn Cuneo
please call or email:
602-538-1423

Free stuff:

Twin black metal headboard(2)
Bed frame, adjustable from twin to king size (2)
Stationary recumbent bike (Elite Total body)
21" Samsung flat screen TV w/remote



Please contact **Sue Kern** 602-619-3377 or skernen@cox.net
No delivery, must be able to move it yourself!

Bridge Players
Retta Kelly
480-945-3303
Monday's at 12:30PM 



Creative Crafters:
Nancy Dallett 480-861-8776
nldallett@gmail.com
Sue Kern 602-619-3377
skernen@cox.net
July 18, 2023 4-6pm
Clubhouse
RSVP please to Sue

4th of July humor:



1. How come there aren't any knock-knock jokes about America?
Because freedom rings.
2. What kind of tea did the American colonists want?
Liber-tea.
3. What's the difference between a duck and George Washington?
One has a bill on his face, and the other has his face on a bill.
4. What did the colonists wear to the Boston Tea Party?
Tea-shirts.
5. What was George Washington's favorite tree?
The infantry.
6. What would you get if you crossed George Washington with cattle feed?
The Fodder of Our Country!

Ladies Who Lunch
Gloria Keenan
602-228-3189
July 21, 2023
Pierogi Kitchen
Mesa, AZ 



Men's Lunch
for more information contact:
Bob Will 480-946-4889
Rides available
Every Friday
Hope to see you there!



Today will be great, no matter how I feel, I will dress up, show up, and not give up!

DRAFT - Golden Keys HOA Board Meeting Minutes
Clubhouse 3016 N 62nd Place, Scottsdale, AZ 85251
June 20, 2023 – 5:00PM to 6:43PM

1. **Agenda** approved with modification to add under New Business (b) change the amount and add item (d).
2. **Meeting called to order at 5:00PM.** The meeting was recorded separately by Stu Mass and Shawn Bridges.
 - Attendees: D. Dillon, P Heckaman, A. Mastin, C. Schroeder, and J Scrivner. C. Anderson, and T Kernen were absent.
 - Sixteen members were in attendance.
3. **Ratify previous board meeting minutes and financial reports**
 - **Motion** to approve May 16, 2023, Board Meeting **approved**, five yes, zero no, zero abstain, two absent.
 - **Motion** to approve May 2023, **Financial Report**. Seconded; **approved**, four yes, one no, zero abstain, two absent.
4. **Standing Committee Reports – Please note that committee reports are published in the website version of the Key Lines**
 - a. Community Liaison - Retta Kelly
 - b. Architecture - Jenny Scrivner
 - c. Communications - Jenny Scrivner for Tom Kernen
 - d. Finance - Jenny Scrivner for Tom Kernen
 - e. Clubhouse - Christie Schroeder
 - f. Landscaping - Pam Heckaman for Chris Anderson
 - g. Pool - Alice Mastin
 - h. Real Estate - Pam Heckaman
5. **Old Business**
 - a. Update on plans to modify Golden Keys Entrance Signage
 - b. Update on Status of investigating change in legal counsel - Jenny Scrivner.
6. **New Business**
 - a. Publication of Directory and Keys Information - Jenny Scrivner
 - b. **Motion** to authorize expenditure not to exceed \$450 for binders for the Key Information Document (KID). This includes a cost to add 3-hole punch to the document print job - Jenny Scrivner. Seconded; **approved**, five yes, zero no, zero abstain, two absent.

Second Amendment: Change to add 3-hole paper in lieu of punch. Seconded; **approved**, five yes, zero no, zero abstain, two absent.

First Amendment: Change to folder/binders. Seconded; **approved**, five yes, zero no, zero abstain, two absent.
 - c. **Motion** to authorize expenditure not to exceed \$200 for new mailbox and large sign for the mailbox. It is hoped that this will make mail delivery more reliable. - Jenny Scrivner. Seconded; **approved**, five yes, one no, zero abstain, two absent.
 - d. Board needs to appoint a new director to fill term to be vacated by Tom Kernen effective 8-1-2023. Need decision by early July to allow 1 month for transition. Resignation read aloud with permission of Tom.
7. **Open Forum**
 - a. Idea to create a forum to air differences in a productive way.
8. **Executive Session: N/A**

9. Adjourn. Meeting adjourned by Jenny Scrivner via motion. Seconded; **approved**, five yes, zero no, zero abstain, two absent at 6:43PM
Respectfully submitted, Debbie Dillon, Secretary

Overview

The members of the Golden Keys Board of Directors hold a fiduciary responsibility to act in the best interest of the association as a whole, and not as an individual homeowner in the community. This requires total objectivity and the ability to use business judgement, and not personal judgement in carrying out assigned duties. A fiduciary in the HOA space represents the best interests of the community as a whole rather than individual segments.

There is also the confidentiality aspect of being a fiduciary that may require maintaining a tight-lipped protocol on board discussions or individual homeowner meetings with the board. This is similar to attorney-client privilege, which protects both parties when maintained.

There are additional duties of directors in carrying out their roles on the association board, but for the purpose of this analysis, the focus will be on financial management.

Cash and Liquid Assets Held by Golden Keys Accounts

Income to Golden Keys HOA comes from the following sources:

- Annual assessments paid by members each fiscal year.
- Interest and dividends received from banking and brokerage investments.
- Disclosure fees – the amount charged when a property is sold to a new owner.
- Miscellaneous income such as late fees, copy charges, etc. which are minimal and are not considered as part of the budgeting process.

Golden Keys reports the association's cash and liquid asset holdings in one of three categories:

1. **Operating Funds:** Money designated as part of operating fund is used to pay the HOA's on-going expenses which correlate to the expenses identified in the annual operating budget. Historically, these funds have been held in the association's Bank of America checking account.
2. **Reserve Funds:** Arizona statutes require that "planned communities" (i.e., HOA's) have a reserve fund established. HOA reserve funds are designated sums of money set aside for future expenses, such as building repairs or replacement of assets of the association. It is important for HOAs to have a healthy reserve fund to prevent unexpected financial burdens on individual homeowners. Responsible HOA's use reserve fund specialist consultants to help develop periodic reserve studies to identify which items should be included in the study.

These funds are held in FDIC-insured certificates of deposit issued by US-chartered banks and purchased through the association's Vanguard brokerage account.

3. **Surplus/Emergency Funds:** Golden Keys has been fortunate to have had strong financial management actions by the board, in addition to volunteer services from members to allow some cash (that was allocated for operating expenses) to be retained at the end of some fiscal years. While this has not happened each year, over time, this

GKHOA Financial Management Strategy

Prepared by Tom Kernen, Treasurer

May 16, 2023

has allowed the association to build funds in this category. These funds can be spent on unplanned expenses as needed throughout the year. Historically, these funds are split between the association's Bank of America savings account and CDs held in the Vanguard brokerage account.

Budgeting

Under the guidance of the Treasurer, the board of directors prepares an annual budget based on the estimated operating expenses for the upcoming fiscal year. The date for the budget workshop is set for the first Monday in February. The budget is presented for board acceptance and approval at the regular February Board of Directors meeting.

In addition to the projected operating expenses, the budget contains an important line item for the amount of money that must be contributed to the association's reserves account, as specified in the current reserve study of the association.

The recommendation for the individual member's annual assessment is also made from the budget workshop and approved at the February board meeting. This allows the new budget and amount of the annual assessment to be presented to members at the annual membership meeting held in March. Historically, invoices for the annual assessment are sent to or delivered to members on April 1, with a due date of May 1.

Operating Spending Guidance

Operating expenses are typically paid from the HOA's checking account by written check or online transfer. The association has elected not to have any debit or credit cards in its name as a policy that supports the organization's conservative and highly responsible fiscal guidelines.

Individual directors and members may incur valid expenses on behalf of the association. These are submitted to the Treasurer for review, approval, and payment. Expense reports submitted by the Treasurer are sent to the President of the board for review and approval.

There is a formal expense reimbursement policy for directors, approved by the board, that is used as a guideline for approving expenses. There is also a formal process defined for submitting expense reimbursement requests.

Reserve Spending Guidance

The association has a formal Reserve analysis study that identifies major recurring expenses such as maintenance and replacement of assets. The study is prepared by professional reserve funds consultants working with the board and committee chairpersons. To keep this important document current, it is suggested that the study be updated every 5-8 years.

The frequency for repair or replacement of items identified in the study is based on the experience and recommendations of the study consultant. These are not expected to be exact as many variables exist that affect the actual functional life for each estimated asset of the association. Spending of funds in the reserve accounts should be limited to items identified in the study.

Since most items identified in the study are a major expense (generally more than \$1,000 - \$2,000), the association requires that a minimum of 3 vendors be solicited for estimates.

Previous and existing vendors are included in the process as much as possible. The final vendor selection is made by the board, with the recommendation of the appropriate committee chairperson, and selection can be based on price, prior experience, and other specific considerations.

Surplus/Emergency Fund Spending Guidance

There is no formal requirement for the association to maintain a Surplus/Emergency Fund. Over the history of the association, there has been an occasional residual balance in the Operating Fund at the end of a fiscal year. This is primarily the result of the fiscal decisions made by the board, in conjunction with the volunteer efforts of board members and homeowners. Any surplus money has typically been set aside in the Surplus/Emergency Fund.

Financial professionals consistently advise that homeowners and businesses, owning real assets, maintain such a fund to allow for unplanned events, such as:

- Major repairs or replacement of assets (not identified in the reserve study). For example, in 2022, the association was advised that the electric service panel in the clubhouse be replaced as the brand of the existing panel was known to be a fire hazard in commercial applications. Even though there was no known problem at the time, once the board was aware of the risk, the decision was made to upgrade the service, as well as correcting and cleaning up the wiring in the pool equipment building.
- Interruption to the planned income of the association due to a large number of unpaid annual assessments.
- Costs that have risen beyond what could be anticipated.

While not ideal, this fund can be used to supplement the operating income of the association in a year when expenses were higher than budgeted. Major expenditures for unplanned repairs and replacement of assets should follow the same vendor selection guidance as set forth for major expenditures.

The existence of this fund is a layer of financial protection to the association members that may preclude higher annual assessments, or the use of a special one-time funding assessment.

Capital Improvements and Enhanced Amenities

Capital improvement projects have been undertaken in the past, using funds from various sources. The current monthly financial statements for the HOA clarify the reporting of the association's funds, making it easier for the directors and the association members to understand how the cash assets are allocated for use. As such, the board is better prepared to honor and execute its fiduciary responsibilities to the community.

The Golden Keys HOA does not have an approved plan for making capital improvements and enhancing the amenities in the community. On occasion, members have requested specific upgrades to the physical assets of the community as well as new amenities. There have been member surveys taken in recent years, and there has not been a clear response of support for this type of expenditure.

Possible reasons for this reaction from the members include:

- General reluctance to spend association funds, possibly due to details and estimates not contained in the survey.
- Lack of understanding for the need and benefit of a proposed project.
- An incomplete project concept may have been presented to the members. That is, one or more pieces of an overall project may be proposed, but the members feel related follow-on projects may be proposed.
- There may be a difference in the opinions held by individual members. Both points of view are valid and should be considered.

Strategies for Capital Improvement and Amenity Enhancement Projects

The Golden Keys HOA should consider establishing a formal policy for considering and initiating capital improvement and amenity enhancement projects for the community. A sound approach to identifying desirable projects for the community includes the following:

- The board of directors should consider the creation of a new committee responsible for capital improvement and amenity enhancement projects.

The committee should also include members of the community – a diverse mix of members is desirable. The committee must clearly understand that its role is not to focus on any one particular segment or special interest of committee members, but on the assets of the community as a whole.

The committee should meet regularly, and minutes of its meeting should be kept, with a monthly committee report submitted to the board, as is standard with other standing committees.

- The committee should be responsible for bringing ideas together for projects under its guidance. The most effective approach would be to identify one or more key project areas such as clubhouse beautification, grounds beautification and conservation, recreation, etc.

The committee would then identify sub-projects under each key project, and then prioritize them. While difficult, the committee should also have some sizing cost estimates for the work being proposed.

- Once the key projects are identified, the community should be surveyed to solicit feedback. This will likely require some member meetings to allow the committee to present its ideas and hear feedback from members.

The results of these community surveys are not binding but can be used to provide the committee and the board with the opinion of the association members.

- Once the board formally approves that a capital improvement and amenities enhancement plan be developed, a strategy for building a fund to support the work should be defined. There are 3 possible approaches to building the fund. These can be adopted individually or as a combination.

GKHOA Financial Management Strategy

Prepared by Tom Kernen, Treasurer

May 16, 2023

1. A series of special assessments levied on the members to funds projects. Of all the alternatives, this would create the greatest hardship on individual homeowners and would likely be the least popular.
 2. Expand the reserve study to include planned projects, thereby increasing the annual contribution to the reserve fund. This would also have a direct effect on increasing the annual homeowner assessment and may require member approval if an increase exceeding 10% is requested.
 3. Implement a transfer fee to be assessed at the time a sale of a Golden Keys property occurs. Article V of the 2004 Amended and Restated CC&R's permits the implementation of such a fee. This is a funding method used by several other Arizona communities.
- As project plans are reviewed by the board and approval to proceed given to the committee, more detailed project plans should be created, and bids sought per the association's approved bid process. If sufficient funds exist, the committee can take their proposal to the board to authorize the expenditure and approval to proceed.

Summary

The Golden Keys HOA is a well-funded and financially stable association. It is important that all current and future leaders of the association maintain the same conservative and responsible financial management policies followed over the past 60 years of leadership.

There are needs and opportunities to provide for capital improvements and the addition of new amenities to the existing facilities, but this should be addressed as a new initiative of the association. This will expand the responsibilities of the Board of Directors but can be achieved with the kind of dedication and commitment that members have provided in the past.

**Golden Keys Homeowner's Association
3016 N. 62nd Place, Scottsdale AZ 85251**

ASC Board Report – June 2023

Golden Keys Architectural Standards Committee (ASC) Meeting

Attendees: Debbie Dillon, Pam Heckaman, Retta Kelly, Jenny Scrivner, and Martha Spruell – two members of the community attended the meeting.

ASC Members Absent: none

Applications for changes to the following residences: all were approved unanimously.

- 6290 E Catalina Dr. – deferred from May meeting
- 6258 E Avalon Dr. (submitted 5/18/23)
- 6258 E Avalon Dr. (submitted 6/1/23)

Applications that notify the ASC regarding maintenance actions: no further action required

- 6313 E Catalina – Upgrade 3 windows to dual pane – no size or design changes

Other Topics:

- Neighborhood Assessments:
 - Spring 2023 Walkthrough – properties with findings – 34
 - Landscape findings: 24 – 22 completed as of 6/3/23
 - Paint/structure findings: 13 – 3 completed as of 6/3/23
 - Spring 2022 Walkthrough – properties with findings – 41
 - Landscape findings: all complete as of 8/23/22
 - Paint/structure findings: 16 (15 complete as of 4/10/23)
 - One Lot owner requested additional time to find a contractor to do the repairs.
- Policies and Practices: topics for discussion:
 - Paint Palette subcommittee status
 - Suggestions from Oct 2020 Board meeting that should be discussed by this committee include:
 - No longer allow repainting same color
 - Constrain colors of front doors to base or trim color of house
 - ASC members to provide comments on draft of possible new policy regarding duct work prior to next meeting
 - ASC membership/roles – Jenny to submit article for Key Lines soliciting interest in ASC participation

Applications are due **July 1, 2023**, for the agenda of the **July 11, 2023**, meeting.

Jenny Scrivner, Architectural Standards Committee Chair

June clubhouse report

From: Christine Schroeder (cks0@cox.net)

To: cks0@cox.net

Date: Saturday, June 17, 2023 at 09:22 PM MST

We have had one (1) party reservation.

Plumbing company (Petris) will be here Thursday, June 22 to scope the sewer line and clean out the oleander roots again if necessary.

We have lost another screen from the top windows from wind. I propose at the September Board meeting we revisit having the screens removed and have the windows tinted instead. We have an estimate of \$2270.00 from Phoenix Home Window Tinting for this service.

Sent from my iPad

FW: June Community Liason Report

From: retta@rettakelly.com (retta@rettakelly.com)

To: retta@rettakelly.com

Date: Sunday, June 18, 2023 at 04:19 PM MST

-----Original Message-----

From: retta@rettakelly.com <retta@rettakelly.com>

Sent: Sunday, June 18, 2023 4:07 PM

To: retta@rettakelly.com

Subject: June Community Liason Report

Report from Community Liaison

1) Cross-cut canal:

On 6/9/23 the SRP Ombudsman advised via e-mail that they would do their clean up ASAP.

2) Quad:

Their maintenance crew trimmed all the over-hang, freeing up access to the black disposal cans.

3) Alleys:

I have requested the Catalina/Quad and the Avalon south alley paving be smoothed and covered with cooling material. Additionally, I requested that the alleys be paved wall-to-wall. No response. I will attempt a phone call on Monday.

Communications Committee Report – prepared by Tom Kernen

June 20, 2023

1. Production of the *Key Lines* and curation of the web site continue as planned.
2. The mid-summer *Key Lines* will be printed the last week of July. All articles and announcements must be submitted to Sue Kernen no later than **Friday, July 28**.
3. Worked with Jenny Scrivner to support the publishing of the updated members' directory and the "Key Information Document".
4. Over the summer, the website will be updated to include the new ***Key Information Document*** and also the storage of the documents that have been published regarding the governing documents certification project.
5. Prepared a plan to improve the physical mailbox location including a larger name plaque as a way to motivate the USPS to recognize and utilize our corporate mailing address with reliability. Motion will be made at the June 20 meeting to approve expenditure.

Treasurer's Office and Finance Committee Report – prepared by Tom Kernen

June 20, 2023

- 1) Bank accounts are balanced for May 2023.
 - a. Monthly reports distributed to all Directors for review on June 3, 2023.
 - b. All invoices received through June 16, 2023 are paid in full.
- 2) More effort than usual was necessary in the last week of May to resolve unpaid assessments of 16 members – this was a larger number than past years. As of the date of this report, 1 member is not 100% paid. That member has paid 50% of the amount due, and the 10% late fee has been assessed. The unpaid balance should be paid in October.
- 3) Over the past couple of years, board members and homeowners have asked questions to better understand how the cash/liquid assets of the association are managed and how the association's money can be used.

About that same time, I had been thinking of a way I could document the HOA's cash management strategy to share with future leaders. This all came together in late 2022 when I began work to create a document that provides an understanding of how the cash assets of Golden Keys are managed. This was a demanding and challenging task which was interrupted several times by higher priority projects.

This spring, I completed a draft of the document which was distributed to the directors in May for comments. I have incorporated the suggestions that I received and am now ready to publish the **GKHOA Cash Management Analysis** to the community. A copy will be attached to The June issue of the Key lines.

- 4) I have developed a plan for creating a new standing committee for the association – the Capital Improvement and Amenities Committee (CIA). The following details were sent to the directors for consideration and comments on May 30. A motion will be made at the June 20 board meeting to create this committee.
 - a. *"The Capital Improvements and Amenities Committee (CIA) is proposed as a resource of the association to review, plan, and manage proposed changes to the HOA facilities in response to the changing environment and needs of the community.*

"The CIA is proposed to consider projects that are beyond the scope of the current standing committees. Those committees are responsible for managing and maintaining the current operations of the community facilities, including short-term operations and longer-range maintenance as set forth in the 2018 Reserve Study.
 - b. **"Capital Improvements and Amenities Committee**

"The Capital Improvements and Amenities Committee (CIA) manages the total life cycle of proposed and approved HOA projects that include capital

improvements and new amenities that are beyond the scope of operating and reserve study budgets.

"Primary functions include, but are not limited to:

- i. "Propose funding strategy for committee projects.*
- ii. "Propose and review suggestions from the board, committee, or association members.*
- iii. "Coordinate with the board regarding recommendations and approval decisions.*
- iv. "Seek community input as needed.*
- v. "Prepare statement of work, preliminary design, and estimate project costs.*
- vi. "Coordinate with local government agencies and utility companies.*
- vii. "Obtain competitive vendor bids.*
- viii. "Negotiate with vendors.*
- ix. "Recommend vendor to the board for approval.*
- x. "Manage active projects.*

Treasurer's Cash Summary Report a/o 5/31/2023

Submitted to Board of Directors

5/01/2023 - 5/01/2023 -
5/31/2023 4/30/2024

CASH ASSETS

Checking	\$ 113,213.86		
Savings	\$ 8,511.52		
Vanguard	\$ 230,189.11		
Vanguard - Settlement Cash Account		\$ 1,189.11	
<u>VG Surplus Brokerage CD Accounts</u>			
VG-CD M&T Bk 5.25% 12/01/2023		\$ 30,000.00	
VG-CD GoldSach 2.25% 04/15/2024		\$ 41,000.00	
<u>VG Reserve Brokerage CD Accounts</u>			
VG-CD M&T Bk 5.25% 5/30/2024		\$ 31,000.00	
VG-CD JPMorgan 4.7% 05/30/23		\$ 18,000.00	
VG-CD GoldSach 0.75% 01/19/2024		\$ 40,000.00	
VG-CD BMOHarris 3.15% 06/17/25		\$ 18,000.00	
VG-CD Discover Bank 4.4% 10/10/25		\$ 51,000.00	
Uneposited Funds	\$ 2,250.00		
Total Cash Assets	\$ 354,164.49		

INCOME & EXPENSE

**2023-24
Budget**

INCOME

H/O Assessments	\$ 114,474.00	\$ 114,474.00	\$ 138,000.00
Late Fees	\$ -	\$ -	\$ -
Interest-Savings Acct	\$ 0.07	\$ 0.07	\$ 4.50
Vanguard -CD Interest	\$ 1,135.57	\$ 1,135.57	\$ 7,579.50
Vanguard Dividend Income	\$ 102.97	\$ 102.97	\$ -
Disclosure Fee - purchasing home	\$ -	\$ -	\$ 2,000.00
Returned Check Charges	\$ 10.00	\$ 10.00	\$ -
Uncategorized Income ¹	\$ 10.85	\$ 10.85	\$ -
Total Income	\$ 115,733.46	\$ 115,733.46	\$ 147,584.00

OPERATING EXPENSES

ADMINISTRATIVE---Expenses	\$ 6,148.29	\$ 6,148.29	\$ 19,976.00
CLUBHOUSE---Expenses	\$ 395.00	\$ 395.00	\$ 7,952.80
LANDSCAPING---Expenses	\$ 5,369.46	\$ 5,369.46	\$ 49,408.00
POOL UPKEEP---Expenses ²	\$ 2,041.33	\$ 2,041.33	\$ 23,460.00
REAL ESTATE---Expenses	\$ -	\$ -	\$ -
UTILITIES---common areas	\$ 2,111.57	\$ 2,111.57	\$ 25,299.20
Total Operating Expenses	\$16,065.65	\$ 16,065.65	\$ 126,096.00

NET FY 2022-2023 OPERATING BALANCE \$ 99,667.81 \$ 99,667.81 \$ 21,488.00

TOTAL RESERVE EXPENDITURES \$ - \$ - \$ -

Footnotes:

¹Fees for replacement keys; member copies; deposit adjustment (=\$0.10)

²Contains \$500.00 credit from prior pool vendor for overcharge after cancellation.

Golden Keys HOA June 2023

Landscape Committee Report
Chris Anderson

Many thanks to the "Pool Ladies" for hosing down the pool area after the recent tree trimming. The pool was cleaned on Thursday night and available for swimming on Friday.

In addition to the palms, olives and oaks trimmed on May 31 and June 1, the Palo Verde by the main pool entrance was also trimmed. Debris will continue to fall from palms during wind storms (an unfortunate byproduct of palm trees). Hopefully, with a thorough trimming of the palms and olive trees in the islands some of the grass will grow, however grass does not grow that well around olive trees.

The tidying up and trimming of the oleander hedge on the west and southwest side of the pool revealed two broken abandoned light fixtures. Ted Ardans safely capped those off, along with another fixture southwest of the pool.

AZMetro applied Pre-emergent on June 16 in advance of the anticipated monsoons. An adjustment to irrigation was done at island 9.

Oak trees on north side of common area were watered. Sweet potato vines are planted in the small planters outside the main entrance. This type of plant should withstand the heat of the summer as well as winter weather. The flowers in the planters will die off.

The electrical outlet near the main gate was separated out by the electrician so now the lights and the irrigation run separately.

To be done: An inground landscape light on the south side of the pool is out.

Backflow testing is due to be completed on June 16 after a repair awaiting parts is done. The vendor provides the report to the city and notifies us of completion.

Another draft of proposed signage is attached. The plan is to propose a motion for the September board meeting along with information on costs for new signage. Additional comments may be sent to me. I will also obtain the correct Spanish translations.

Summary of Current Neighborhood Signage
For June 20, 2023

Current City Signs - in addition to traffic directional signs located on the islands, there is a Speed Limit 25 sign on a separate stake beside the monument at the west entrance and a Speed Limit 25 sign on a separate stake beside the monument at the north entrance. Additionally, there is a No Thru Traffic posted at Earl/63rd St.

Current GK HOA Signs

West Entrance on Island #1

- No Soliciting - in red on a stake below the City traffic directional sign

North Entrance on Monument

- No Soliciting - in red (same size as West Entrance sign)

West end of short alley north of Avalon on a stake

- NO DUMPING /Favor de No Tirar Basura - Ordinance 800 [need correct cite]

West end of alley south of Catalina

- No Pedestrian Outlet/No hay salida para peatones

West end of alley south of Catalina

- NO DUMPING /Favor de No Tirar Basura - Ordinance 3448 [need to correct cite]

(note: this is a different reference than on the Avalon alley sign)

East end of alley behind Catalina

- Two signs attached to the wall no longer have any visible text

Proposed Signage at the Entrances:

Welcome to Golden Keys
Pick up after your pets
Speed Limit 25 mph
No Thru Traffic
No Soliciting

Proposed Signage for Alleys with applicable City ordinance :

Catalina - at both entrances. We have permission the quad to post on their side of the wall:

No Pedestrian Outlet/No hay salida para peatones
Garbage bins for exclusive use of residents/[need Spanish translation]
NO DUMPING /Favor de No Tirar Basura

Avalon at all entrances (4) on HOA's south side of the walls:

Garbage bins for exclusive use of residents/[need Spanish translation]
NO DUMPING /Favor de No Tirar Basura

The board approved purchase of two Block Watch signs. Placement is pending, but may be attached to the City speed limit signs at each entrance per usual practice in other neighborhoods.

REAL ESTATE COMMITTEE REPORT FOR BOARD MEETING OF JUNE 20, 2023

May 20 -June 20 closings:

There were no closings this past month.

There is one home currently for sale

3045 N 62nd St

There are no homes in escrow.

Leased Properties:

There are currently seven leased properties.

There is no wait list at this time.

Respectfully Submitted By:

Pam Heckaman