

The Marsh Ridge HOA Board met Wednesday, January 17, 2024 at 6:30 pm at 577 Marsh Dr. Board members Jon H, Zelda M, Bruce L and Liz F were present, John B was absent. One homeowner was also in attendance.

OFFICER SELECTION

In conjunction with filling Officer positions, Liz F proposed the Board consider a Special Appointment, an additional officer position, as permitted in Article VII Section 4 of the Bylaws.

The position, Accounting Manager, would bring the bookkeeping function back in-house and coalesce the Association's financial activities, reports, and records into a more cohesive and responsive management role.

The Bylaws permit the Secretary to also hold the role of Treasurer. This position would be similar but would not have signature authority on any financial accounts. The Accounting Manager would work with the Treasurer to perform and maintain all the necessary financial recordkeeping and reporting for the Association.

After discussion on the proposal, a motion was made and approved (4-0) to create the Special Appointment of Accounting Manager. Following discussion on filling each position, a motion was made and approved (4-0) on the following 2024 slate of Officers:

President	Jon Holzer
Vice-President	Bruce M Larson
Treasurer	Zelda Malo
Member at Large	John Beltrand
Secretary	Liz Fautsch
Accounting Mgr	Liz Fautsch

Jon H will contact the current bookkeeper, relate the Board's decision, and advise on the transfer of records. (Note: both Director and Director serving as Officer are non-compensated positions.)

FINANCIAL REPORT

■ Preliminary year end 2023 cash & accrual basis income statements were reviewed. The Bylaws state "The financial statements shall be delivered to all Members within 120 days of the end of the fiscal year." To save on postage, the final 2023 year end statements will be mailed at the end of March along with the 2nd Quarter dues billing.

■ Accounts Receivable and Investments were reviewed. No action was taken.

■ Income Tax returns for an HOA filing the Federal 1120-H and Minnesota M4NP are due by April 15th, along with the tax due. Taxable interest income for 2023, after allowed deductions, is expected to be approx. \$8,730.

■ A decision on whether to proceed on a CPA audit or review will be put forth to the membership at a tentative all-member meeting in the spring – based on one bid received.

- A one year only Audit + Tax Prep: \$1,590
- A one year only Review + Tax Prep: \$1,290
- A two-year Audit + Tax Prep: \$1,490 per yr
- A two-year Review + Tax Prep: \$1,190 per yr

- Liz F summarized as yet unreimbursed additional administrative expenses that were incurred in 2023 for two by-mail all member votes, the MN state mandated annual report, quarterly newsletters, and setting up email domain. An itemized list with receipts will be turned in for reimbursement approval.
(Some incurred expenses are voluntarily being treated as donations towards pilot procedures.)

It is hoped increased use of email can reduce dependency on postal mail to just the legally required use of same. Note: effective Jan. 21, 2024 the First-Class Mail Forever stamp increases 2-cents - from 66 cents to 68 cents.

- The Board discussed proceeding with obtaining bids for a reserve study. A reserve study may be the only way to determine the appropriate amount the Association should annually transfer into reserves insofar as the study will differentiate reserve components and related expenditures properly paid out of reserve funds from expenditures properly paid out of operating funds. It could aid in determining minimum reserve funding levels to aim for.

MISC

- The Corporate Transparency Act, which went into effect January 2024, requires small businesses to report information about ownership to the government. Information posted on our attorney's website indicates HOA's in general are not exempt from filing and that *"noncompliance with the CTA carries significant risks." "Reporting companies that already exist must file an initial BOI by January 1, 2025."* MRHOA will further investigate and confirm its obligation to file before actually filing the report. Additional information is available at:
hjlawfirm.com/should-homeowners-associations-pay-attention-to-the-corporate-transparency-act-yes

The next board meeting is scheduled for Wednesday, February 21 6:30 pm at 577 Marsh Dr