

MINUTES for MRHOA Board Meeting held **Wednesday, Nov 13, 2024** at 577 Marsh Dr

- Present were Jon H, Bruce L, John B, Zelda M, and Liz F.
- Draft Minutes of Sept 11th Board meeting and Sept 22nd annual meeting both approved (5,0).
(Amendments or material corrections, if any, to prior minutes are noted in current minutes.)
- Next Meeting: Wednesday, December 4th, 6:30 pm at 577 Marsh Dr
- Officer Reports/Updates:
 - Reviewed handout showing: cash and cash equivalent account balances; dues receivable status; year-to-date income from operations; list of 2024 expenditures on repairs/maintenance/grounds; anticipated 2024 interest income and income tax liability on investment earnings.
 - Reviewed renewal of one 6 mo savings certificate (\$12,580). Voted (5,0) to auto-renew at 4.10%.
 - \$98,340 from money market savings invested in US Treasury T-bills at 4.625% and 4.467%.
 - Due to water usage reduction, DMU will refund MRHOA entire \$3,129.62 budget billing balance.
 - Materials requested by CPA firm for 2023 Review have been uploaded to their document system. Firm will be sent an email request for tentative completion date.
 - Hellmuth & Johnson will be emailed on the status of arrears collection.

■ Unfinished Business: left over from previous meeting(s) for discussion and/or action.

- ☒ Three sidewalks were mudjacked to correct hazards (\$2625). Gutters on 30 units were cleaned (\$4094), 2 units not cleaned have un-removable covers.
- ☒ Bids will be obtained from multiple vendors for essential tree trimming during the winter season. Bids for spring treatment of crab trees for scab will also be obtained.
- ☒ Repair issues pending resolution: quality of lawn repairs; repair estimates for vinyl siding and fences. (Irrigation system was turned off the first week in October.)
- ☒ MN Lakes authorizations updated to reflect current Association status and legal provisions.

■ New Business:

- ☒ During winter months the Board will formulate plans for 2025 restoration of rock areas where trees or shrubs were removed in 2024.
- ☒ Federal Corporate Transparency Act / Beneficial Owners report must be filed before 12/31/2024. Report requires info from board members who must supply legal name, address, DOB, and image of driver's license. The full report must be updated whenever there is a changeover in board members.
- ☒ Above report and Minnesota annual Secy of State filing require Association provide a "physical" address, and not just a post office box. Owner of current physical address on file has sold the unit. Going forward, address will be updated as needed with physical address of a current board member or officer. This address can be updated online at no charge on MN Secy of State website.
- ☒ Reserve Study was received by email on October 18th and consists of a 46-page report and an Xcel spreadsheet with built-in formulas that allow the association to explore different scenarios than provided by the report as submitted – including recategorizing components and adjusting timelines.

The Board has identified some initial adjustments they would like to consider that better fit this Association's expectations against what is outlined in the governing documents, including re-evaluation of repair and maintenance sharing with unit owners.

Additional discussion of study to be placed on agenda for December 4th meeting so board members have additional time to delve deeper into the study and its consequences for the association.

- ☒ Ongoing discussions of board member qualifications, board member elections, other by-law changes, language in outdated Declaration, and results of reserve study are amplifying need to have MRHOA governing documents rewritten to current law and the current economic conditions HOA's have to deal with, both in general and specific to MRHOA.
- ☒ Secretary to draft a by-mail ballot on board member election, bylaw changes, and accompanying information sheet for Board review.

Throughout Nov 13th meeting, discussion turned to need for an increase to twinhome dues. In particular, consideration of:

- recent property insurance increase (\$234/yr per TH unit)
- need to resume contributions to long term reserve funds
- simultaneous need to provide essential repairs, maintenance, and groundskeeping costs (over and above contractual arrangement).

As written in the Declaration (Art VI, Sec 3), the association Board can only increase annual assessments up to 10% per year without an 80% affirmative vote by the members.

The meeting concluded without a formal motion on a TH dues increase.

Addendum to Nov 13 2024 Meeting:

Additional materials were emailed to board members on 15-year history of twinhome dues increases, and updated 2022-2023-2024-2025 allocations of twinhome dues.

Also noted was the necessity to mail notice of a dues increase 30 days prior to effective date of such increase.

- Motion was made by email on Nov 15th to "Increase our 2025 HOA dues by 10%."
- Motion was seconded on Nov 16th to open discussion - and also to amend original motion to read "a 10% increase in twinhome dues beginning Jan 1 2025." A separate suggestion was made to address change to single family dues in a separate vote after information on SF dues history and allocations were made available.
- Amended motion to increase twinhome dues by 10% beginning Jan 1 2025 was unanimously approved (5,0) by email voting Nov 17, 18, and 19, 2024 in an email chain solely dedicated to the original Nov 15th motion.

Paper copy of email chain will be filed in records book with final minutes of Nov 13 meeting. Notice of increase will be mailed to all twinhome units to arrive by Dec 1 2024.