

MINUTES for MRHOA Board Meeting held **Wednesday, Dec 4, 2024** at 577 Marsh Dr

- Present were Jon H, Bruce L, John B, Zelda M, and Liz F.
- Draft Minutes of Nov 13th Board meeting approved (5,0).
(Amendments or material corrections, if any, to prior minutes are noted in current minutes.)
- Next Meeting: Wednesday, January 22nd, 2025 , 6:30 pm at 577 Marsh Dr
- Officer Reports/Updates:
 - Reviewed: cash and cash equivalent account balances; dues receivable status; estimated year-end income from operations and projected 12/31 cash position.
 - Receipt of DMU refund check pending, will follow-up if not received in next week.
 - CPA Review status: work is completed, final package should arrive in next week or two.
 - No new status on arrears collection – Hellmuth & Johnson emailed for update.
 - Board approved (5,0) year-end payment of \$38,325 to Reserves. Allocation: Twinhomes \$37,500 and Single Family \$825. Allocation basis will be included in dues allocation worksheet mailing with December Newsletter.

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

- ☒ Handyman bill for twinhome maintenance (shutters and misc repairs) totaled \$1,035.68. Estimates for vinyl siding and vinyl fencing repairs are still pending.
- ☒ Federal Corporate Transparency Act / Beneficial Owners report must be filed before 12/31/2024.

[Note: Day after meeting MRHOA Board member saw notification that a federal judge in Texas just issued “a nationwide preliminary injunction that pauses reporting under the Beneficial Ownership Information Reporting Rule for all reporting companies.” The federal government has already filed an appeal to the U.S. Court of Appeals for the Fifth Circuit against this preliminary injunction. MRHOA will continue to monitor situation in case the injunction is reversed and MRHOA Board members must again file before 12/31.]
- ☒ Required physical address for MN Secy of State updated to address of a current Board Member. Board will need to draft a resolution stating the physical address going forward will always be that of a current Board Member. Change of address is easily made on Secy of State website at no cost.

■ **New Business:**

- ☒ Board debated both merits and drawbacks to holding a by-mail vote that would include changes to the governing documents, especially in light of an unavoidable need to update the association’s 25-year-old documents.
The decision was made (5,0) to proceed with a by-mail vote on two topics: election of officer and change of annual meeting date to mid-May.

Introductory information on the ballot will be included with mailing sent out no later than December 15th that will also include the 1st Quarter 2025 dues billing and the December Newsletter.

The actual ballot and return envelope will be sent out shortly thereafter.

- ⊗ Board also discussed procedure outlined by Hellmuth & Johnson for rewrite of the governing documents.

The HOA documents have been created in Word format by a generous volunteer. This will enable the Board to make the first cut of “declarant” language that no longer applies, and to focus on the specific topics in the documents that most need updating or revision.

Later in the process, every owner will receive a “comparison chart” from the attorney that shows where and why changes were made. Also, an informational meeting with Owners, Board, and Attorney will be held to discuss feedback and possible revisions before any final draft is constructed.

The last step is a by-mail, all-member ballot for owner approval. MN statute changed in 2020 – it now deems that any owner who does not return the by-mail ballot showing a “for” or “against” the new documents will be deemed to have consented to the changes. Currently the MRHOA Declaration requires a 75% approval to change the document. This law change makes that percentage easier to achieve.

■ **Business Continued to Next Meeting:**

- ⊗ The Board recently completed a full historical record of Reserve Account financial activity for use as a helpful backdrop when utilizing information provided in the new Reserve Study.

MCIOA (the Minnesota Common Interest Ownership Act) is specific that reserve funds cannot be redirected to the operating budget. The Board will use the Reserve Study and the historical record to better clarify what components and what expenditures can use Reserve monies.

Also, both the Reserve Study and the historical record will be helpful in clarifying controversial or contestable language in the governing documents regarding repair, maintenance, and capital expenditures.

- ⊗ Winter tree trimming is still on agenda for obtaining bids – as is planning for 2025 restoration of rock areas where trees or shrubs were removed in 2024.