

MINUTES for MRHOA All-Member Special Meeting held **Wednesday, May 8, 2024, 6:00 pm**, at Delano Senior Center.

- Board Members Present were Bruce L, Zelda M, John B, and Liz F. Absent: Jon H
Quorum of 47 was achieved by member presence plus member proxies.
- Meeting was called to order by Bruce L, Board Vice President. Initial purpose for special meeting was to hold a membership vote for or against hiring a CPA firm to perform either an audit or a review of the Associations financial statements arising from Sept. 17, 2023 membership vote to solicit bids for same.
- First order of business was a summary review of the 2023 fiscal year end income statement and balance sheet (complete statements previously mailed to all members at end of March). Slide presentation included detail showing \$57,284 spent in 2023 on three categories: landscaping extras; twinhome repair and maintenance; and capital expenditures (3 driveway replacements).
- Initial discussion began on planning budget for allocation of approximately \$62,000 tentatively available for yet to be determined expenditures in 2024. Possible outlays: tree trimming, tree removal, shrub removal, shrub replacement, irrigation repairs, handyman work, mulch to cover tree roots. Also listed were CPA audit/review (bid approx. \$1,600) or Reserve Study (bid \$4,200).
- Further presentation was made on status of MRHOA's current reserve balance and distinction between provisional allocation for common reserve components, i.e. irrigation system, and reserve components for 50 twinhomes.
- Illustration offered to support one significant reason for obtaining a reserve study - to determine the appropriate funding level for the Association.
 - Full Funding – fund balance at end of each year is 100% of the deterioration value of the reserve components.
 - Threshold Funding – set a reserve contribution rate to achieve, then maintain, a funding level of a certain percentage (e.g. \pm 70%, or 50%, or to be determined).
 - Baseline Funding – insufficient fund balance is risky, leaves very little room for flexibility, increases the possibility of excessive special assessments.
- In addition to funding plan tables, Reserve Study includes an onsite visual inspection, component inventory and condition assessments, remaining useful life calculations, and expenditure plan tables.
- Two votes were taken.
 - Motion made and seconded to not proceed on CPA audit or review. Floor discussion opened, subsequently followed by a roll call vote. 45 voted in favor of the motion, 2 voted against the motion.
 - Motion made and seconded to proceed with a reserve study. Floor discussion opened, subsequently followed by a voice vote. No voices were raised against the motion, voice vote was recorded as unanimous in favor.

- Discussion returned to allocation of limited funds for 2024 summer landscape and maintenance projects needing priority attention. Board will assemble and prioritize lists based on Owner requests and general observation.
 - Removal of dead and/or overgrown trees and shrubs.
 - Replacement of removed plantings.
 - Soil and/or mulch coverage of exposed tree roots.
 - Routine, and individually requested, repair & maintenance on twinhomes.
 - Current irrigation doghouses are very unsafe for unassisted access to controllers. Require replacement or upgrades to safely comply with expected watering restrictions.

- Open Discussion Talking Points:
 - Exposed tree roots are a natural occurrence in some species, including ash trees. Owners were alerted that cutting into the roots is detrimental to tree health and raises the risk for disease or pests.
 - Condition of lawns is uneven with some needing additional attention or repairs.
 - Sprinkler heads undiscoverable in tall grass areas continue to be a problem with many yards shrinking in depth due to inadequate mowing. Can not be determined if these heads are wastefully watering the rough turf areas.
 - No replacement of plastic edging with paver edgers took place in 2023. List of twinhomes not yet changed over needs to be created for future planning.
 - History of driveway replacements for Reserve Study will identify which twinhome drives are still original asphalt.
 - Determination of maintenance responsibility for owner established plantings.

Some Owners have expressed willingness to contract for removal or replacement of shrubs or trees at their own expense, while other Owners have past landscape projects undertaken at their own expense.

Expectation of Association responsibility for long term maintenance of plantings can be problematic when subsequent Owners are not aware of plant history, or landscape contractor is expected to provide individualized plant maintenance to any given unit.

- Maintenance Request Form was introduced for twinhome Owners to notify Board of specific repair and maintenance issues. Form will be uploaded to Association website.

- Suggestion was made, and positively received, to form a Board/Owner Jenco committee to address ongoing groundskeeping issues.

- Meeting was adjourned. No date set for next Board meeting.