

MINUTES: MRHOA All-Member Annual Meeting Sep 22, 2024
Sunday 6:30 pm Delano Senior Center

- Board Members Present were Jon H, Bruce L, Zelda M, and Liz F. Absent: John B
Minimum quorum of 44 was not achieved – 39 units were represented: 30 in person and 9 by proxy.

Every attendee received a two-page handout: 1) a detailed agenda; and 2) a preliminary allocation of dues for 4 years (2022-2023-2024-2025).

[Both handouts were also attached to a group email on October 1st.]

- Meeting was called to order by Jon Holzer, Board President.
- The 2023 financial statements were mailed to all units prior to the May 8, 2024 All Member meeting and were reviewed at that time. The requisite 2024 Annual Report was mailed to all units August 31st along with the notice for this annual meeting. There was one question on arrears amount as shown in the Annual Report. Board responded that one account has been handed over to attorney for collection.
- Handout on preliminary dues allocations was briefly reviewed with emphasis from Board that 2024 and 2025 allocations are based on partial year figures. A more accurate allocation will be completed after fiscal year end and Reserve Study have been consolidated into a cohesive picture of the Association's financial position going forward.
- Insurance renewal paperwork for premium year beginning Oct 1 2024 was finally received on September 10th. Twinhome property insurance increased 24%. The new annual premium is \$60,216 (\$234.06 per twinhome).

Property values increased 10% which affects each owners separate deductible for wind/hail coverage in Minnesota. The new values will be sent to each owner with the end of September quarterly billing and newsletter so each owner can update their HO-6 coverage.
- The Board has contracted with the Michael P. Mullen, CPA firm for a 2-year review of financial statements: FYE 12/31/2023 and FYE 12/31/2024 (\$1,190/yr). Since 2005 the Association has never had a professional CPA review and, in view of the current financial environment for HOA's in general, a current Review and Reserve Study are both necessary requirements should the Association ever find itself in need of a bank loan.
- The Reserve Study is expected to be completed and sent to the Association in October.
- Board introduced an additional option for investment of reserve funds that satisfies three primary objectives: safety first, liquidity second, yield third. The Association can directly purchase and manage both U.S. Treasury Bills (4-52 week terms) and U.S. Treasury Notes (2,3,5 year terms) by creating a corporate account on treasurydirect.gov with no go-between needed. The rates are comparable to bank CDs of similar terms. Additionally, income from T-bills and T-notes is exempt from state income tax (MN 9.8%).
- Due to the convergence of an extremely wet spring and irrigation system down for repairs, Association water bills will be considerably less than 2023, possibly freeing up cash for other uses.

- Updates on Groundskeeping and Repairs and Maintenance were discussed.

Jenco:

- Lawn repairs will be performed next week.
- Formation of a Jenco committee will depend on volunteers coming forward at a board meeting.

Gutters:

- Washmasters submitted an acceptable bid to clean gutters on 31 qualifying twinhomes. Owners will be emailed when work is scheduled.

Sidewalks:

- Bids are being sought for sidewalk repairs where there are tripping hazards or step risers that exceed building code.

Fence & Siding Repairs:

- Handyman must complete on-site inspection of each requested repair before estimates can be submitted to Association.

Removal of Stumps & Replacement of Plantings Removed:

- Removal and replacement will be held off until a plan is finalized, and work can be bundled for bidding purposes into a single itemized estimate.

Trees:

- Tree trimming can also be done in winter months so a list of essential trimming that is possible for winter work will be submitted for a bid.
- Flowering Crab trees in the area are all showing signs of "scab", a fungal disease that can only be treated for in early spring when leaves are budding. A list of trees will be created for bidding.

Miscellaneous:

- Pest control is the responsibility of unit owners. Some owners are experiencing bees, wasps, or hornets that are building hives or nests inside their building. Serious infestations are best dealt with by a professional service that has the necessary expertise and equipment.
- If owner believes an exterior repair is the responsibility of the Association, a Maintenance Request Form should be turned in with specific details on the nature and location of the repair.

- Election of Officers Postponed due to lack of quorum. Discussion ensued on four ballot issues that are under consideration for a by-mail all member vote. Additional information will be mailed and emailed regarding the following possible ballot questions that were discussed:

1. Number of and Qualifications for Directors be restored to original Bylaws Section 2 – five natural persons, of which at least three must be unit owners – instead of current (2) single family owners and (3) twinhome owners.
2. Annual elections and staggered terms be reaffirmed to follow a (2) seat/(3) seat rotation.
3. Election of two Directors for 2025, if possible, to reinstate the (2) seat/(3) seat rotation.

Reason for above three changes is a lack of owners willing to relieve long serving board members who wish to retire – plus no immediate expectation of younger buyers joining the association.

4. Change date of annual meeting from mid-late September to early-mid May, effective Spring of 2025. May is a more advantageous time for reviewing previous year-end financial statements and planning for upcoming summer work.

- Meeting was adjourned.

- Next Board meeting set for Wednesday, November 13th at 577 Marsh Dr.