

MVHOA Board of Directors Meeting #101 on 9-19-2023

The meeting was called to order at 8:51 a.m. at the Palazzo. Present were President Margaret Jacobson, Treasurer Ginger Sorenson, Secretary Sharon Gittleman and At-Large Directors Peggy and Randy Mudd. Director Linda Phillips was absent and excused.

Summary of Inter-Meeting Business (August 14 through September 18, 2023):

- On August 15, Director Linda Phillips agreed to assist with CC&R/R&R enforcement east of Midland; Director Randy Mudd will address enforcement matters west of Midland.
- Minutes from the August 14 Board Meeting were approved and distributed on August 24 and posted on our website the next day.
- A certified letter was mailed on August 15 to the Owner of 6021 Mia where a fire broke out on July 28 on the unit's patio from an overheated, unattended appliance. Status of the situation and needed repair work was requested.
- The Association's Summer newsletter was approved on August 24 and mailed on August 26, and emailed and posted on our website on August 30 and 31.
- Final invoices on the block wall construction and repair jobs were submitted by our contractor on August 29. The north boundary wall construction passed final pass inspection by the City on August 31.

Reports:

a) CC&R Enforcement

- Issues at 6010 Mia with a utility trailer, tools and construction equipment in the driveway and entryway, and at 9313 Vincenzo with a large pile of household items in the driveway and front yard, were quickly and satisfactorily resolved when emails were sent by the Secretary on August 14 asking why the items were there.
- New RV parking tags were printed and distributed to Board members who are monitoring CC&R/R&R enforcement matters.
- On August 14, an owner sent the HOA a series of photos of someone without a pet deliberately walking up to and raiding one of our pet waste bag dispensers. Unfortunately, the photos were taken too far away to provide any clue to the identity of the culprit.
- Another complaint of pet waste bags being dropped into residents' garbage cans on trash day after collection was received on August 31. This is the third such complaint and it's unknown if the culprit resides in Mediterranean Villas or elsewhere nearby. The Board is frustrated by such disgusting behavior.
- No other significant issues were reported.

b) Finances

- A motion was made, duly seconded, and unanimously approved to accept the July 2023 financial, balance-sheet and budget reports.
- Ginger reported our attempt to open a new account at Yakima Federal failed when the bank insisted on an original copy of the document assigning our tax identification number. This is a document the developer would have acquired several years before the Owners took over the Association. We do not have this document, no other banking institution has

required it, and Yakima Federal would not accept a copy of our taxes showing the tax identification number. Ginger and Margaret then decided to use Alliance Bank instead, which our bookkeeper Celski uses for fund transfers, for the new account. The Board concurred with this decision. \$54,507.65 has been deposited to the new Alliance account. Ginger said this should make it easier to transfer funds to our checking or other accounts as needed.

- There was lengthy discussion on the 2024 Budget. Ginger presented two options, one keeping monthly homeowner dues as they are, with a projected deficit of more than \$36,000, another raising the dues by \$10 per month and assessing RV space renters an additional \$30 a year. The dues increase would allow us to increase our deposit to reserves in 2024 to \$94,750, which is still about \$11,000 below the recommendation of the new Reserve Study, but cut the potential deficit by more than two-thirds. Ginger pointed to the increase in our 2024 bookkeeping and landscaping contracts, with the latter's hourly rate going from \$65 to \$75/hour, plus other increases across the board for most line items due to inflation. She also argued that we need to start rebuilding what we have drawn down from savings in the last few years to pay for major building maintenance projects. The Reserve Study also projects full repainting of some of our buildings in about four years which will cost around \$400,000 to \$500,000. The dues increase to \$145 is still below the \$161 our monthly dues would be had we merely kept pace with inflation over the past 20 years. In the end, by a vote of 4-1, the Directors approved the proposed budget with the dues increase, but without any increase in the RV space rent fee.

ACTION: Ginger will revise the approved 2024 Budget as agreed upon and submit it and the Supplemental Information on Reserves to the Board for review by Thursday.

c) ACC

- The final cost of the new block wall came to \$189,169.82, plus about \$2,000 in irrigation costs. The total includes both the payments to Hernandez Masonry and \$22,082 to Heritage for landscape prep work and finishing work after completion of the wall by Hernandez.
- There has been no response from the Owner of 6021 Mia to the HOA's letter requesting a status update. In the meantime, the ACC had its contractor Belza Painting & Resurfacing assess the damage. Belza has submitted a bid of \$2,755.17 to power wash the rear and privacy walls, repair the stucco that was damaged and repaint the full rear wall. The adjacent Owner only had damage to her patio cover, which is being covered by her insurance company.

ACTION: Sharon will send another letter to the Owner of 6021 Mia on behalf of the Board to give him notice and a copy of the Belza bid so he knows what he will be billed for the work.

- All buildings were assessed by the ACC for stucco issues. A list of minor issues has been compiled but none have been deemed serious enough to require repair at this time; all will be reevaluated in the Spring to determine the need for repair in 2024.
- The Heritage bid was clarified as to number of prunings. The hourly rate is currently \$65/hour but will rise to \$75/hour with the new two-year contract that begins January 1, 2024. The bid, with taxes included, totals \$154,815 annually.
- Ginger also presented Heritage's separate contract for snow removal, also at the \$75/man-hour rate. She was authorized by the Board to sign the contract. Les Jacobson will be the one to call Heritage when and if the need arises for snow removal per our usual policy.

- ACC Member Kathy McKinney has done considerable research on options to repair the lettering on the monument on Midland Lane but did not attend the September ACC meeting and no bids have been received for evaluation. Simply regluing the letters to the masonry did not turn out to be a viable option.
- Regarding the 2024 power washing and trim repainting project mentioned at the last Board meeting, Sharon asked for clarification as to whether it will cover Phase 4 as originally platted. Ginger said a simpler approach will be taken by doing the 33 units with Majestia Lane addresses, as the earliest of those date back to 2007.

d) RV Storage Operations

- There are two spaces available.
- Data on the spreadsheet is still not accurate, but Sharon will be contacting a few users to get information corrected. Once all the data is verified as accurate, Sharon will turn over maintenance of the records to Peggy Mudd. Only one user is out of compliance with out-of-date tabs at this time and will be notified to comply as soon as possible.

ACTIONS: Sharon.

e) Palazzo

Peggy reported no issues.

f) HOA Phone and Email

No issues were reported.

g) Rentals

Sharon reported we are still at our limit of 45 rented units and there are five Owners on the Waiting List. However, if 6013 Vincenzo now on the market is sold, there will only be four names on the Waiting List.

Old Business

None.

New Business

a) Annual Report/Election Preparation

Sharon presented a draft Annual Report, along with a cover letter, ballot for voting on Directors and signature page for ratifying the 2024 Budget. Owners will have a 6 p.m. deadline on October 9, 2023, to submit their ballot and ratification votes. All materials, including the revised 2024 Budget and Supplemental Information on Reserves, must be ready to go to the printer by Friday, September 22. Randy volunteered to step into the Vice President’s role.

ACTIONS: Sharon will revise the materials based on discussions and decisions made at today’s meeting and send the revised versions to the Board for approval. Ginger will do the same for the financial material.

b) City Trees on Broadmoor Blvd.

Margaret reported that Hernandez Masonry, in the course of repairing a section of our wall damaged by one of the City’s trees, noticed cracks emerging elsewhere on the Broadmoor wall. Because City employees last year acknowledged the remaining trees could also damage our

wall, an email will be sent to those City employees to alert them to the emergence of new cracks and asking them to take steps to avoid more damage to our wall.

ACTION: Sharon.

c) Inquiry from Broadmoor Estates Owner

A homeowner on Buckingham Drive sent an email claiming Hernandez Masonry killed his row of arborvitaes adjacent to our property. The Board discussed the fact that the arbs were likely already dying on the side facing our fence long before it was replaced with the masonry wall as arbs will not stay green where blocked from sunlight. This happens with our own arbs in Mediterranean Villas. The email and attached photos will be turned over to our contractor to address.

ACTION: Sharon.

d) Potential Board Candidate

Another of our Owners recently expressed interest in filling the vacancy on the Board of Directors and was to come to this meeting to be interviewed and discuss a possible role. The individual did not show and will be told that if still interested in the Spring and a vacancy still exists, the meeting with the Board can be scheduled for our April 2024 Board meeting.

ACTION: Sharon.

Adjournment

There being no other business before the Board, a motion was made, duly seconded, and approved to adjourn the meeting at 11:00 a.m. The next meeting will be October 10.

Respectfully submitted,

Sharon Gittleman
Sharon Gittleman
MVHOA Secretary