

## McNaughten Grove 2020 HOA Annual Meeting September, 23, 2020 6:30 – 7:15 PM

HOA President (Mr. Schultz) opened the meeting at 6:30 PM. The first topic addressed was the re-election of the volunteer board. **97%** of the voters voted for the existing Board members to continue serving their existing terms.

Mr. Schulz explained that there did appear to be a very exciting possibility of one or more additional Board members, nominated by voters in the second portion of both the E ballot and the hard copy ballot. Efforts will continue to vet the nominees over the next 30-45 days. These new Board members are **nominated** but **not elected** by the HOA. As such, would serve as **non-voting members** until the next election.

The third portion of the E Ballot and hard copy ballot provided additional write in nominees for home owners to work on projects for the Board. These potential volunteers will also be vetted over the next 30 – 45 days.

### Mr. Schultz provided a recap of the Board's activities over the past 12 months.

- 1) Board frequency of communication to HOA Increased from 3-4 E communications / year to 15 +per year
- 2) Re-introduction of holiday lighting at the front entrance November 2019
- 3) Enhancement of the Welcome Kit / Welcome Letter
- 3) Addition of weekly punch for landscaper to check off their activities prior to weekly walk through
- 4) Expanded Website content in 2020 to include newsletters and City of Columbus information
- 5) First of many Satisfaction Surveys launched this year
- 6) First digital / virtual meeting so that all homeowners can attend in the privacy of their home
- 7) Increased Annual Meeting voting population from approximately **65** per year to 139=14 = **153**
- 8) Provided "correct your voter information now" information in preparation for November
- 9) Provided covenant guidance on displaying signs/banners/flags other than the American Flag
- 10) Addressed landscaper equipment and staffing levels mid- season
- 11) Added a mosquito control treatment in May 2020 due to the significantly wet spring
- 12) Provided hard copy Annual Meeting ballots, postage paid envelopes for homeowners with no email
- 13) Provided refrigerator magnets with HOA website and Board email info to all homeowners
- 14) We assisted 3 homeowners with challenges adhering to the covenants without engaging the law firm
- 15) Law firm assisted 2 homeowners who persistently violated the covenants / \$290 cost passed to owners
- 16) We are on target to enter 2021 in the strongest financial position in years

Mr. Schultz provided commentary on Satisfaction Survey Scores. The scores (on a 5 point scale) are in the exhibit below.

Average Score	Topic	# of Comments
4.21	Rain One's Irrigation Service	22
4.14	The Board's content & frequency of communication	28
4.03	Front entrance plantings & holiday decorations	24
3.55	Helpfulness of the HOA website	22
3.51	Spring mulching	25
3.39	Lawn clean up	28
3.24	Lawn mowing	38
2.75	Edge trimming & weed prevention	40
2.71	Snow removal	38
No Score	Additional services you would be willing to pay for	45

Mr. Schultz shared that **TRANSPARANCY, COMMUNICAITON, & ENGAGEMENT** with the HOA was a primary focus of the Board this year. He shared a sample of the 28 comments from (*The Board's content & frequency of communication*).

Very much appreciated that the Board is so transparent.

Much improved over last few months

I am quite pleased with how the Board keeps me informed.

Thanks for being volunteer board members, the communication, newsletters, etc.

Pleased with the increase in frequency and the sharing of information regarding our community

Monthly newsletter is great... I like the final page that lists the Board members and their titles. Great job.

Getting much better with the monthly reports. Keep it up!

Communication has improved with more frequent newsletters and timely information.

A great improvement over last year. Very satisfied.

I appreciate the newsletter and find it informative for issues that concern me.

VERY RESPONSIVE Great job in this area!

Mr. Schultz provided an overview of the final category on the Satisfaction Survey (**What additional Services would you like to see provided, and how much would you like to pay for those additional services**). There were 45 responses to this survey question. The most common response was:

***"No additional services, I like the services that arrive for what I pay, not interested in paying anything more"*** A few suggestions as to additional services were received, all regarding increased snow removal in the form of ***Shoveling Driveways and Sidewalks***. Responders with that suggestion were mostly undecided how much extra they thought that increase in service was worth.

Mr. Schultz turned his attention to addressing a few comments from the Satisfaction Survey that deserve a response the Board.

<b>Board Communication Question</b>	I would like to see us as a more connected community. i.e. updated resident directory, Coronavirus check-up on each other, a way to notify us is a neighbor has contracted COVIC-16, updated vendor list.
<b>Mr. Schultz</b>	<i>The Board follows national privacy regulations (permissible purpose issues), and therefore has not distributed a resident directory. The Board will not be addressing the Covid-19 crisis due to HIPA regulations and the fact that national health issues are a public policy, government issue. The Board does not endorse or promote vendors. Dozens of vendor lists and ratings are available via a simple internet search.</i>
<b>HOA Website Question</b>	I remember we used to have the neighborhood broken down by sections and there was an individual each section that we could direct inquiries to. I have been living here since 2012 and don't remember when this changed.
<b>Mr. Schultz</b>	<i>The change was made when the Board centralized all pertinent communication on the HOA Website 3 years ago. One will also notice on the final page of each monthly newsletter, the Board's email address. Inquiries or concerns sent to this email address are distributed to the Board member closest to the issue being raised.</i>

HOA Treasurer (Mr. Berns) addressed the attendees with a simple overview of the current 2020 Budget. The presentation reflected the Board's mid- year amended budget, primarily driven by the approval of additional landscaping expenses.

	<b>2018 Actuals</b>	<b>2019 Actuals</b>	<b>2020 Budget</b>
Association Dues		110,641.00	110,480.00
Late Payment Fee Income		2,025.00	3,472.00
Capital Improvement Funds		3,000.00	2,500.00
Total Income		<b>121,744.00</b>	<b>117,209.00</b>
Administrative Expenses		9,294.00	9,639.00
Lawn care & Landscaping		77,198.00	69,514.00
Misc. Repair & Upkeep		2,015.00	1,188.00
Snow Removal & Salt		2,788.00	859.00
Irrigation Systems		15,720.00	17,030.00
<b>Total Expenses</b>		<b>109,650.00</b>	<b>100,468.00</b>
<b>Ending Balance</b>	<b>64,000.00</b>	<b>76,249.00</b>	<b>91,584.00</b>

*Not all income or expenses listed / major line items only / one may view the complete budget on the HOA website*

Mr. Berns provided an explanation of the \$9,639 Administrative Expenses. Primary expenses in this area are \$5400 for the HOA Bookkeeper (*recall that the Board never handles HOA money*), \$700 for the law firm's annual retainer, and \$2400 for ad hoc legal fees. Most of the ad hoc legal fees are recoverable and passed along to the homeowner who is being assisted by the law firm.

Late fee payment income was discussed. For those looking to avoid late fees, Mr. Berns recommending an automated payment service provided by one's bank of choice. MGA is on target to collect over \$3000 in late fees this year.

2020 Litigation activity (MGA lien and foreclosure activity) was presented. MGA had two homes with liens mid-2020, with one homeowner remedying the delinquency. The second lien –foreclosure may be attempting to cure the \$1900 in arrearages this month. All permissible legal fees and all late fees will be collected by the HOA if this transpires.

The next topic addressed was **Realtor Disclosure Document**. The Board is having significant challenges enticing the MGA Seller to provide the required one page to their Realtor when their home is listed for sale. This is a very important and necessary step in selling a home in a deed restricted community (HOA). The single page document is referenced on the last page of each monthly newsletter. It is posted to the website. The single page document contains very clear covenant driven disclosures regarding the following:

**No Rentals or Income Properties**  
**No Tier II or Tier III Sex Offenders**  
**Delinquency addressed with Title Transfer**  
**No Condominiums here / we are an HOA**  
**Capital Improvement Fee of \$500 triggered by Title Transfer (not sale)**

The Board is putting in 1 to 2 hours per sale to address the absence of the seller not taking 4 minutes to providing their Realtor the required one page document. This will be a Board opportunity to increase awareness in 2021 for the potential seller population.

Mr. Berns turned his attention to sharing select comments from the Satisfaction Survey.

<b>Rain One</b>	Very satisfied, as usual.
<b>Comments from survey</b>	They are timely and do a good job on education and letting me know when I need to replace any of the sprinkler heads. They respond quickly to requests and provide excellent service. Services and courtesy are wonderful. Cost of repairs is a bit pricey.
<b>Entrance Visuals</b>	Think the annuals this year don't look as nice as years past. Holiday lights were perfect.
<b>Comments from survey</b>	Front looks good, welcoming and well maintained. Much better. Thank you for the improvement I think we should increase the budget for this coming season.

#### Survey comments deserving a response from the Board

<b>Rain One Statement</b>	All they do is see if the sprinklers work. They don't make sure everything that is supposed to get watered gets watered.
<b>Mr. Berns</b>	<i>Rain One is contracted to start up your irrigation system; confirm all of your sprinkler "heads" are working; drain your irrigation system; and execute the necessary paper work for the Back Flow Test. If there are areas of your yard that are not being watered, that is an owner opportunity to engage Rain One to add additional zones.</i>
<b>Entrance Visuals</b>	We would like to see more Christmas color at the holidays instead of just white lights.
<b>Mr. Berns</b>	<i>This is Board budgeted line item. The Board is mindful of the long standing community preference for nondenominational holiday displays.</i>

## **The 2021 project to replace of the existing entrance walls was presented**

### **Facts**

The existing walls are deteriorating badly, both the stone facades and stucco surfaces  
The existing electrical is compromised  
The existing irrigation is insufficient  
The Board decided in 2019 not to restore the existing walls, scheduling wall replacement for spring 2021

### **Initial Thoughts for the new entrance walls**

2 new entrance walls should reflect the \$40M in real estate here a MGA  
The new walls should communicate THIS IS A VERY NICE PLACE TO LIVE  
Might be straight lines, not curved like the current walls  
New signage might be white metal, possibly halo lit from behind each letter  
The word Grove may be under the word McNaughten  
Enhanced electrical, and irrigation should be introduced  
Curvilinear multiple level retaining walls for perennial landscaping are a possibility  
Seasonal color could be scaled back to 1/3 of what we have now, color driven primarily by perennials  
A Lancaster OH based architect has been recommended by the project manager to design the walls

### **The Board does not plan on any Assessments to fund this project.**

All of us are incredibly fortunate that the owners of 130 homes for 22 years have been building the reserve necessary to correctly replace our single community asset, the two entrance walls. Proactive late fee collection; diligent litigation with delinquent homeowners; and the introduction of the Capital Improvement title transfer fee 5 years ago contribute our strong balance sheet and ability to replace these walls without a special assessment.

Once an architect is engaged to design this project, renderings of the new entrance walls could be available as early as January 2020. The Board will ensure they will be posted to the website.

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#### **2021 Entrance Walls Timeline at a glance**

		<b>Status</b>
Board decision to not restore existing walls at \$38K+, with wall replacement 2021	Fall 2019	Complete
Communication of above decision to HOA with wall replacement in spring 2021	January 2020 Newsletter	Complete
Re - Communication of above decision to HOA with wall replacement in spring 2021	February 2020 Newsletter	Complete
Removal of current entrance walls	April 2021	Not Started
New entrance walls completed	May 2021	Not Started

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#### **The HOA Landscaping Chair (Mr. Bartholomew)**

Mr. Bartholomew presented general observations on the survey that Mulching and General Mowing received the highest ratings with twice as many people giving Brightview a 4&5 vs 1&2 in those areas. The lowest score was for trimming and weed control where the residents registered more 1&2 vs 4&5.

Some of the areas observed that remain issues are insufficient clean up (e.g. patios) blowing of grass into the beds, and turf damage by turns on the lawn.

It was reminded that the HOA provides basic lawn care and lawns with specific disease or other soil conditions that inhibit a healthy turf remain the responsibility of the homeowner to address. Aeration and reseeding is an additional service that if a resident would like to have done would do or contract that on their own. For people with drainage

issues that causes excessively soggy yards in the spring and after a rain, whatever lawn service we contract will struggle with delivering a good result. They make their best guess as to proceed with mowing or not. Steps to mitigate drainage problems to resolve mower issues in those yards are the financial responsibility of the homeowner. Mr. Bartholomew communicated that the survey results along with the comments, weekly walks (conducted up through end of July) as well as individual inputs will be used by the HOA Board to develop next year's plan. All options are in consideration and the board will meet to agree upon most prudent direction to continue to improve service.

Mr. Bartholomew turned his attention to sharing select comments from the Satisfaction Survey.

<b>Lawn Cleanup Comments</b>	It seems to me that cleanup is great. I haven't noticed any areas that weren't properly addressed after mowing, edging and trimming were performed. The mowers have been throwing the grass clippings into the flower beds. However, it appears that that problem may have been addressed because it was better this past week.
<b>Lawn Mowing Comments</b>	They have improved dramatically since the first few mowings of the year. I am quite pleased with the results I see in our neighborhood.  (Former lawn care firm) knew every inch of our neighborhood. It is gradually improving with Brightview; so I guess it is a learning curve for them. Very happy. They are working hard to improve our lawns. I appreciate their diligence.
<b>Edging &amp; Weed Control Comments</b>	Edge trimming is fine but weeds are still not under control I really like the True Green subcontract. I'm just happy I don't have to do edge trimming and weed prevention.

#### Survey comments deserving a response from the Board

<b>Mulching</b>	For the past two years I have put down my own mulch. I would still however like to have the beds cleaned up and prepared in the spring. It seems that by not accepting the mulch I am subsequently disqualified from having my mulch beds touched in any way.
<b>Mr. Bartholomew</b>	<i>In 2020 "No Mulch for me" was interpreted as "do not edge or mulch my front yard beds". In 2021 the Board may look into a broader interpretation of "No Mulch for me".</i>
<b>Lawn Cleanup</b>	The grass is in our mulch and the patio is full of grass up to the house. They come up on the patio to clean it up but the grass should not be all over our patio.
<b>Mr. Bartholomew</b>	<i>Addressing this remains an opportunity for our landscaper. The Board has noticed improvement in this area, and acknowledges we all want better.</i>
<b>Lawn Mowing</b>	I realize these are "mass productions" and not attuned to individual issues but I wish there would be more attention to the topography in terms of equipment use (smaller mowers in narrow and uneven areas)
<b>Mr. Bartholomew</b>	<i>The Board and Brightview agreed to use of smaller equipment and additional staffing levels in early July.</i>
<b>Fertilization</b>	They should be letting the residents know what chemicals are being used as most residents have pets.
<b>Mr. Bartholomew</b>	<i>The Board has already implemented an advanced notice of chemical application giving pet owners an opportunity to <b>choose</b> to limit access to their lawns for 24 hours.</i>

### **Questions and Answers portion of the meeting**

The Q&A portion of the meeting was moderated by Ms. Meeks. The first question was regarding how the homeowners without computers are to know of Board communications. Mr. Berns responded that the HOA website is available from any computer... the public library is an example of where one can find publically accessible computers. The population of homes allegedly with no internet connectivity is under 14, out of a population of 130.

For the September 2020 Annual Meeting the Board made available 14 printouts of the (1) September Newsletter, (2) Voting Ballot, (3) postage prepaid envelope so that this population could vote and participate in the Annual Meeting (via phone).

The second and final question of the evening was on the base level lawn care that is provided by the HOA and the disparate visuals of some homes. Mr. Bartholomew responded that the Board absolutely provides base level lawn care. The survey results addressed by Mr. Schultz earlier in the evening brought to our attention that most homeowners are not interested in paying anything more for additional/concierge level services. As for MGA homes that have what appears to be “better” lawn care, that is a direct result of those homeowners employing gardeners, and other lawn care specialists at their own expense.

With only two questions asked and responded to, Mr. Schultz thanked everyone and concluded the meeting at 7:15 PM.