Maple Wood Condo Association (MWCA) Owners,

Following is the 2023 Annual Report. Please review this before the Annual Owners’ meeting scheduled for Thursday February 29, 2024 at 6:00 PM.

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1. **Welcome New Owners!**

Kelli and Randy Ballwahn, Maggie Edzon and Cory Roeber, Jesus Mancilla, Olivia Melberg, Nico Nijhawan, Jack Sanders, Jonathan Tremel, and Sara Williams.

1. **Background on MWCA Meetings:**

**What typically occurs at an annual meeting?**

* Voting on new Board Members
* Review of the 2024 MWCA Budget
* Identifying and voting on Special Assessments
	+ - *We have no special assessments for 2024*

**What do you need to be able to vote?**

* To vote at the Owners’ Meeting, you must have filed a Roster form and have no lien against your unit.
* Please only submit a new Roster form if something has changed or if you are a new owner. If you need one, please email maplewoodcondosmadison@gmail.com

**Why do you need to attend?**

* According to our MWCA Bylaws Article V. Section Five, we need a quorum of fifty-one percent participation to hold the annual meeting and vote.
* If we do not get 51% participation, then we will have future meetings until we do. This will delay important MWCA Business.
* It’s also in your best interest to be in attendance to receive information directly from the Board and potential board candidates. In addition, you will be able to ask any clarifying questions you have or voice concerns.

If you would like to become more involved or learn about MWCA, please consider joining the board, a committee, or lending a hand when you can. This work helps to keep our condo fees down because other associations pay additional costs for board work services.

MWCA Board Directors Marilyn Wilson and Mary Drumm both fulfilled their 1 year terms, therefore we have 2 board seat openings to vote on for this upcoming annual owner’s meeting and attached are the candidate statements that the board has received.

Nominations can be made from the floor at the meeting, but we encourage candidates to be present and a statement to be prepared and shared.

1. **2023 Board projects Completed.**
* Successfully recruited and onboarded a new property manager, effectively filling the vacancy left by the previous manager who resigned after 20 years of dedicated service.
* Negotiated a fair but lower cost Property Management contract for 2023.
* Established a Property Manager Contract that eliminated extra fees that had been added on in the past, and a contract that encouraged doing work in-house eliminating outsourcing whenever possible.
* Developed and distributed comprehensive instructions and transition documents for new board members, aimed at maintaining seamless operational continuity.
* Conducted the 2023 MWCA survey: effectively created, disseminated, gathered, analyzed, and presented the findings to gain insights into the priorities of the owners.
* Enhanced the welcome packet for new owners by updating and adding essential documents, focusing on educating them about best practices and integrating them into the community.
	+ Created a Move In Move Out checklist for Welcome packet.
	+ Created a Rules and Regs Summary page for Welcome packet.
* Revised and updated the list of recurring tasks for the association, as outlined in Attachment 2, to reflect current operational needs and responsibilities.
* Established a new, centralized official email address for the condominium (maplewoodcondosmadison@gmail.com) to streamline communications. This initiative addresses the issue of inaccessible passwords and disparate email accounts. previously used by individual board members.
* Created MWCA Email Account Director Folders and Files for Incoming information.
* Improved the procedure for reviewing invoices by transitioning from manual checks to an all-electronic system, enhancing efficiency and ensuring continuity, particularly beneficial for volunteer board members.
* Successfully completed the heat calculations for the 2022-2023 heating season, ensuring accurate assessment of heating costs.
* Developed and distributed a comprehensive explanation of the heat calculation process to all owners, enhancing transparency and understanding of the heating cost allocation.
* Successfully cleaned up and organized the Maple Wood office. Fixing many broken fixtures and elements, deep cleaning the bathroom and organizing paperwork. We added internet to the office as well as received a donated printer and purchased a low cost computer to provide more organization for Maple Wood documents.
* Learned how to update the MWCA Website.
* Updated the MWCA website periodically to include up to date board meeting minutes and materials.
* Updated the MWCA website to include the new property managers contact information.
* Printed and distributed the new property manager’s contact information to all owners.
* Emailed MWCA Owners of new property manager’s contact information.
* Printed and distributed MWCA Meeting Agendas and Board Minutes for 2023.
* Created and distributed the Summer and Winter Holiday party flyers-sign up sheets, announcements.
* Created and distributed MWCA Committee Information and Sign up documents.
* Obtained gift cards from neighboring businesses for the summer picnic raffle.
* Added $50k to the Elevator Fund for future repairs and included about $9800 each in the budget for short term fixes in buildings 1&5 and 10&14 in 2024.
* Sent out delinquent memos for owner’s who are in arrears on their condo fees and special assessments.
* Resolved all the owner arrears.
* Obtained a business debit card for the board which allows them to make small association purchases without having to wait for reimbursement.
* Automated bill payment and check issuance, lowering our accounting fees.
	+ This lowered the time the accountant spent on issuing checks.
	+ Eliminates the need to purchase more checks for the Association.
	+ It also speeds up the payment process.
* Changed the invoice and payment system for the heat reconciliation to save the excess fees charged by the accountant. (Fees were $500 each).
* Eliminated extra payments to the accountants and the property managers for move-in fees. These services are a part of their regular duties as outlined in their contracts.
* Developed Late Fee rules of engagement.
* Developed an Annual Meeting Checklist
* Developed this 2023 Annual Report.
* Made significant updates to the owners' directory, including the addition of new owners and the introduction of an alphabetical sorting option. Plans are in place to distribute the updated directory once new board members are appointed, enhancing accessibility and organization.
* Distributed updated 2024 MWCA Directory
1. **2024 Ongoing MWCA Board projects**
* Collecting detailed information about the ongoing lawsuit, which has been active for over three years. Successfully updated and coordinated next steps with the legal team to ensure strategic handling of the case.
* Obtaining a property easement for MWCA and engaging an eminent domain representative, demonstrating proactive measures in representing MWCA’s interests in property-related matters.
* Addressing the issue raised by the previous treasurer regarding inaccuracies in the heat calculations for the last 3-5 years. However, took steps to rectify these before the 2022-2023 heating season calculations, ensuring accuracy and transparency in utility cost assessments.
* Initiating the process of obtaining bids for conducting an external third-party financial audit. This step demonstrates a commitment to financial transparency and accountability within MWCA.
* Updating the cost-sharing agreement with Maple Wood Green, reflecting current terms and conditions to ensure a fair and mutually beneficial arrangement.
* Implementing Late Fee rules of engagement. This initiative is designed to establish clear guidelines and policies regarding late payments, promoting timely financial contributions and maintaining the financial health of MWCA.
* Creating MWCA Email Distribution List
* Redesigning of the MWCA Website
* Improving Internal Process of Receiving and Responding to MWCA Board Emails
* Migrating condo documents and digitizing documents as needed under the new official MWCA email drive. This move leverages the secure services included in our Gmail account, ensuring easy access and continuity as board members transition.
* Adding $20,000 to the elevator fund in 2024.
	+ Our goal is to continue to add to this fund yearly so we will not need to dip into our Regular Reserves to pay for them.
* Voting on a new negotiated Property Manager 2024 contract.
* Updating the website with an updated 2024 Property Manager contract.
1. **2023 Summary of Financial Information**

The MWCA Reserve balance is at a total of $297,313.36 as of December 31, 2023. The Reserves consist of $67,485 in a high rate Money Market account earning 4.7%, $152,000 in a High rate Jumbo CD earning 5.3%, $25,941 in a regular CD at Old National Bank. Two additional CD’s are being held at BMO Bank for a total of $51,887, both earning over 4% interest. Each CD matures in a different year for the next 3 years. This ladders our cash flow to be sure we always have enough liquid funds for future projects. We were able to add over $11,000 in interest income to our revenues for 2023. We had a $16,000 increase to top line income. This allowed us to keep from raising condo fees for 2024.

Attached are year-end financials showing the financial state of the Association. It has a healthy increase in Reserves and an emphasis on strong cost saving measures.

At year-end we are at budgeted amounts for 2023, which include significant savings on many major projects, which is the result of the careful attention of our Property Manager. We are also able to hold the budget essentially the same for 2024 while still tackling many large projects such as elevator repair. boilers, etc. A copy of this budget is also included and additional comments are noted at the bottom. You can see that we came in under budget for 2023 and will maintain the same spending levels for 2024.

In summary, Maple Wood is on a slow and steady climb to improved financial and reserve status, so expect that we will stay the course and continue to improve our financial position over the coming years.

1. **Property Manager Report**

On April 1, 2023, I began my duties as your new property manager. In the course of my work, I’ve met many of you and look forward to meeting all of you eventually.

1. **2023 Routine Projects Completed**
* Replaced/repaired missing and defective light fixtures. On-going: replaced burnt bulbs.
* Replaced all defective emergency and exit lighting.
* Replaced four leaking or defective hose bibs.
* Repaired three inoperable deck swinging doors.
* Repaired unlatching mailbox tilt cabinet.
* Power washed entry areas of all buildings.
* Replaced sump pump in 10/14
* Rebuilt one garage fan in 10/14
* Replaced boiler whole-system circulating pump in 1/5
* Cleared garage rain trench in 2/6 and 1/5
* Repaired several door handles/latches.
* Added vinyl flooring over concrete in Steensland laundry room.
* Replaced door seals and painted door casing on all non-power entry doors.
* Conducted hedge trimming and weed control.
* Maintained pond fountain and chemicals.
* Conducted fall and leaf clean up.
* Oversight of bids and selection of a new snow removal vendor.
* Completed 62 Written Service Requests (Via Form Submission)
	+ And at least as many service requests via telephone calls or personal requests.
* OVERSIGHT OF CONTRACTOR-NEEDED REPAIRS TO:
	+ Electrical, plumbing, heating, drainage, intercom, fire system, lock hardware, gutter cleaning, garage power washing, elevators and garage doors.
1. **2023 Special Maintenance Projects Completed**
* Steensland – Paint exterior of wood windows: This was on the 2023 Special Projects list projected at $2669. Completed. Cost was $2300.
* Steensland – Rain leaks into two garages, onto vehicles and property. Asked by the Board President to remedy this ongoing problem. Investigated. Water leaking (mainly) from around MGE boxes on easement property above garages. Landscape project in 2018 causes water to pool and leak in this area.
* Estimate from Contractor to regrade/seal was $15,000.
	+ Solution: Installed an “internal gutter system” to catch and redirect water. Cost was $1700.
* Building 1/5 rain water in the garage – Landscaping along 1/5 was on 2023 Special Projects list projected at $10,000. Asked by the Board to prioritize solutions to this long-standing problem. Investigated.
* Findings – Water is entering 1/5 garage for three reasons. Slight increase in water table level in the area because of Oscar Meyer closing. The main reason for water entry mid garage is the builder used the wrong type of concrete joint between a storage unit and the foundation wall.
* The reason for water entry at the southern stairwell is improper construction of the footing for the southern door vestibule. (Evidenced by the straight crack in all the floor tiles.)
	+ Solution 1 – Changed a sump pit to a permeable sump pit, and added a new sump pit/pump mid garage to address slightly higher water table. Cost was $3153
	+ Solution 2 – Management sealed the foundation wall the entire length of the western wall of 1/5. Cost was $50 in materials.
	+ Solution 3 - Estimate pending for injection sealing of the concrete joints of the storage units.
	+ Solution 4 - Estimate pending for below ground “wrapping” of the vestibule footing and injection sealing of footing/storage unit. Cost may be prohibitive.
	+ Solution 5 – Landscaping / regrading will still help in overall water movement and should be considered in the near future.
* Building 1/5 parking ramp retaining walls – Landscaping in this area was on the 2023 Special Projects list projected at $10,000. Completed. Cost was $3505.
* Building 1/5 parking ramp retaining wall repairs – Management found the walls to be severely compromised in the tallest areas with cracks also in the lower height sections. Years of improper rain water management and a broken underground rain gutter pipe were forcing the southern wall to act as a dam instead of a retaining wall.
	+ Solution: Had a Carbon Fiber Crack Stabilization System installed. Cost was $5868. Management bypassed the broken underground pipe to move rainwater out of the area. Cost was $40 in materials. Repair blacktop - This was on the 2023 Special Projects list projected at $10,000. Completed. Cost was $3505. Black top was crack-filled only in 2023, not resealed and repainted. That estimated cost is $11,385 and should be completed in the near future.
1. **2024 Planned Maintenance Special Projects**

The Long-Range Planning Committee did a thorough analysis of our existing reserves with the purpose of maintenance project planning to assist the board and the MWCA Community. Below is the summary provided by the Committee. The Committee worked with the Board to set a Special Projects Budget of $18,000 for 2024.

**Highest Priority 2024 Special Project**: Work on our aging elevators are the highest priority because MWCA is not in the position to absorb the cost of a new elevator, let alone four, at roughly $175,000 each, and with a 5-6 week down time to install. The obsolescence of parts in our elevators could also result in several days of downtime in some instances. We are taking steps in 2024 to minimize the risk of repair downtime and to increase the life expectancy of our elevators to build reserves specifically for elevator replacements.

**2024 Elevator Planned Maintenance:**

A thorough study was completed in 2023, and the Board is acting on three recommendations from the Long-Range Planning Committee:

1. Install a Solid-State “Soft-Starter” on 10/14 Elevator to substantially reduce wear and tear on the system. Cost is $9800.

2. Install a Solid-State “Soft-Starter” on 2/6 Elevator to substantially reduce wear and tear on the system. Cost is $9800.

3. Purchase as on-site stock, approximately $2000 in repair parts to minimize the chance of 3-10 day down times in the event of common parts failures with elevators of our vintage.

**Additional 2024 Maintenance Special Projects:**

Management and our Long-Range Planning Committee also identified the following Projects:

1. Sidewalk/brick repairs and leveling. (Too many trip hazards)

2. Pond silt removal.

3. Enhancing the complex entrance gates/signs.

- This was on the 2023 Special Projects list budgeted for $10,000. No work was done in 2023.

4. Storage unit joint injection repair in building 1/5.

5. Further conversions to LED lighting.

6. Paint/Carpet

7. Tree trimming

Our LONG-RANGE PLANNING COMMITTEE includes: Sue Douglas, Heather Johnson, Kelli Ballwahn with analysis and helpful input from our Property Manager Steve Marchillo.

1. **2024 Board Goals:**
* Put in place the proper standard of work to ensure continuity and the proper sense of urgency for ad-hoc requests year after year.
* To continue the upward trend in Financial security for MWCA, this includes additions to Reserves at a higher rate and additions to the Elevator Fund.
* Find more opportunities for reducing costs through more efficient processes, find lower cost providers where it makes sense, and eliminate any unnecessary expenses.
* Continue to manage assets and reserve accounts in a manner to maximize interest and other income.
* Manage funds so that no special assessments or condo fee increases are necessary.
* Collect all outstanding debts to bring all owners current on any amounts owed.
* Seek more input from Owners on improvement projects for the Maple Wood Grounds.
* Make transition to a new Accounting firm and keep accounting fees to a minimum.
	+ Identify and enlist a firm to do a full audit of the MWCA financials.
* Work on updating and obtaining feedback from owners on needed changes to the ByLaws and Rules and Regulations