

Klamath Falls HOA Meeting Minutes

Date: July 8, 2025

Time: 6:30 PM

Location: Joe Jardine's Residence

Attendees

- Joseph Jardine, President
- Dan Sharp, Treasurer
- Teresa Saubolle, Secretary
- Tanner Owens
- **Absent** - Chris Arzaga

1. Call to Order

The meeting was called to order at 6:30 PM by President Joseph Jardine.

2. Financial Report

Treasurer Dan Sharp presented the financial report including a detailed review of bank statements and transactions for 2023, 2024, and 2025. Key points:

- MGM Management's filtered bank statements were analyzed. Issues noted include reversed debit/credit signs and inconsistent monthly/yearly balances, with discrepancies ranging from \$100 to over \$300 annually.
- Noted payments for landscaping services to two different companies—Eloy and Sons Landscape (\$18,000) and Earnest Industries (\$28,000)—with Earnest providing installation of grass and trees. CBH contributed \$21,000 towards Earnest's payment, but an outstanding balance of approximately \$6,900 remains to the HOA.

- Total funds potentially recoverable from MGM due to overpayments, mismanagement, and unapproved fees are approximately \$27,413. Review and calculation to be completed by Treasurer, Dan Sharp before the meeting with MGM coming in the near future.
 - MGM's changing management fees and unauthorized condo certification fees were noted as concerns; to be addressed by Dan & Joe at the upcoming meeting with MGM.
 - Reports of residents being incorrectly charged late fees despite having paid dues were discussed as evidence of MGM's mishandling of funds. As well as dues being applied to wrong homeowner accounts, and erroneous refunds to one particular homeowner.
 - MGM has yet to provide direct bank statement access as required by state law; board members Joseph Jardine and Dan Sharp should be signers on the account within a reasonable time after the Board takeover. Board has surpassed 30 days of takeover & requested access in the first week of June IN-Person during the meeting w/ MGM. No response, followthrough, nor compliance has occurred by MGM.
 - Motions were made and seconded to: initiate steps toward relieving MGM **and** to begin soliciting bids for a new management company. Both motions passed unanimously.
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3. Landscaping Proposal

- Dan Sharp introduced a landscaping proposal from Price Lawn Care, owned by Jarom Price, as an alternative to current provider Lawn Logic. Highlights include:
 - Annual contract of \$26,000 with a three-year price lock.
 - Services include weekly mowing, edging, weed control, flowerbed spraying, fall cleanup, snow shoveling and ice control, and sprinkler system management.
 - A prorated fee of \$10,900 proposed for August 1, 2025, takeover.
 - Optional sprinkler system annual inspections by specialist Scott (estimated \$2,000/year) could reduce Price Lawn Care's annual contract to \$24,000.
 - Lawn Logic's failure to perform requested walkthroughs and poor responsiveness were noted. The contract includes 30-day termination with no penalty.
 - Motion to terminate Lawn Logic place and passed unanimously.
 - Motion to contract Price Lawn Care starting August 1, 2025, was seconded and passed unanimously.
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4. Management Company Discussion and Reporting

The board discussed ongoing issues with MGM:

- Necessity for board members to be signers on HOA bank accounts.
 - Problems with MGM's communication, particularly with staff members, whose poor responsiveness and lack of organization between departments (account managers & ARC division) hampers operations.
 - Delays in receiving compliance drive-through reports: May's report was only received in June, and June's report is overdue; not received prior to Board's meeting as requested.
 - Requirement for monthly reports to be delivered no later than the 6th of each month for timely board review before meetings.
 - Upcoming meeting dates established & reported to MGM previously: August 12, September 9, October 14, November 11 (noting potential conflict for Veterans Day), December 9, 2025.
 - Intent to move to bi-monthly meetings after August if compliance improves.
 - Plans to negotiate future contracts with compliance performance tied to payments.
 - Action plan to formally notify MGM of expectations regarding reports, billing discrepancies, and immediate access to bank statements.
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5. Other Business and Closing

- Discussion on improving transparency and accountability in HOA finances and management.
- Plans for formal communication and possible repercussions if MGM fails to comply.
- Meeting adjourned.