

INSIDE

How Proactive Maintenance Increases the Lifespan
of Your Asphalt Pavement *(pg 4)*

What's On Trend in Flooring *(pg 11)*

Balancing the Need for Privacy vs. Transparency *(pg 14)*

Spring Maintenance Priorities for
Multi-Family Properties *(pg 18)*





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TABLE OF CONTENTS

Maintenance

How Proactive Maintenance Increases the Lifespan of Your Asphalt Pavement 04

Maintenance

Basement Dehumidifiers: Your First Line of Defense Against Moisture, Mold & Creepy Crawlers 07

Tree Care

Quenching Thirst: Drought Stress Impact on Urban Trees 08

Interior Design

What's On Trend in Flooring 11

Maintenance

The Importance of Maintenance and Trustworthy Contractors 13

Legal

Balancing the Need for Privacy vs. Transparency 14

Maintenance

Quality Products and Return on Investment: A Priority for Homeowner Associations 16

Maintenance

Spring Maintenance Priorities for Multi-Family Properties 18

Amenities

The Benefits of Dog Amenities 19

Tree Care

The Benefits of Trees and Keeping Them Healthy in Midwest Multi Housing Landscape 20

Financial

What You Should Know About HOA Fraud 23

Index of Advertisers - Spring 2023

Allstar Construction & Maintenance	09
Arvig MultiWav	10
Bridgewater Bank	12
Capital Construction	02
Garlock-French Roofing	15
Gavnat and Associates	12
Greenstein Sellers	24
Hellmuth & Johnson	06
Minnesota Exteriors (MEI)	22

"Nature gives to every
time and season some
beauties of its own."

- Charles Dickens





How Proactive Maintenance Increases the Lifespan of Your Asphalt Pavement

By Heidi Sedlacek, Bituminous Roadways, Inc., SedlacekH@bitroads.com, (651) 287-6050

If part of what you do, day in and day out, is manage any type of multifamily community property, then you should know that being proactive about asphalt maintenance is your best defense against serious problems. And in a place like the Twin Cities where the weather can be harsh, unpredictable, and damaging to just about every outdoor surface, asphalt can take a beating.

But even if the weather remains relatively mild, asphalt pavement inevitably experiences degradation over time. Like any outdoor surface in Minnesota, asphalt pavement is subject to impacts from the sun, water, wind, air, traffic load, temperature fluctuations, and chemicals that come into contact with it.

Aside from those deteriorating factors, asphalt naturally degrades over time because it's composed of organic materials that, like all organic materials, have a finite, functional lifespan. If you'd like your asphalt parking lot,

trails, private roadways, and driveways in your multifamily communities to last as long as possible, it is important to understand how maintaining your asphalt pavement at different stages can extend its lifecycle.

What Does Preventive Asphalt Maintenance Entail?

When it comes to asphalt pavement, preventive maintenance services are designed to correct minor distresses in the asphalt while the pavement is still in good condition.

Proactively performing these maintenance actions has been proven to extend the service life of the pavement by protecting the asphalt from the natural stressors it's routinely subjected to. Ultimately, proactive maintenance actions save money by reducing the need for frequent or serious pavement rehabilitation.

Depending on the current condition of the asphalt, maintenance actions may

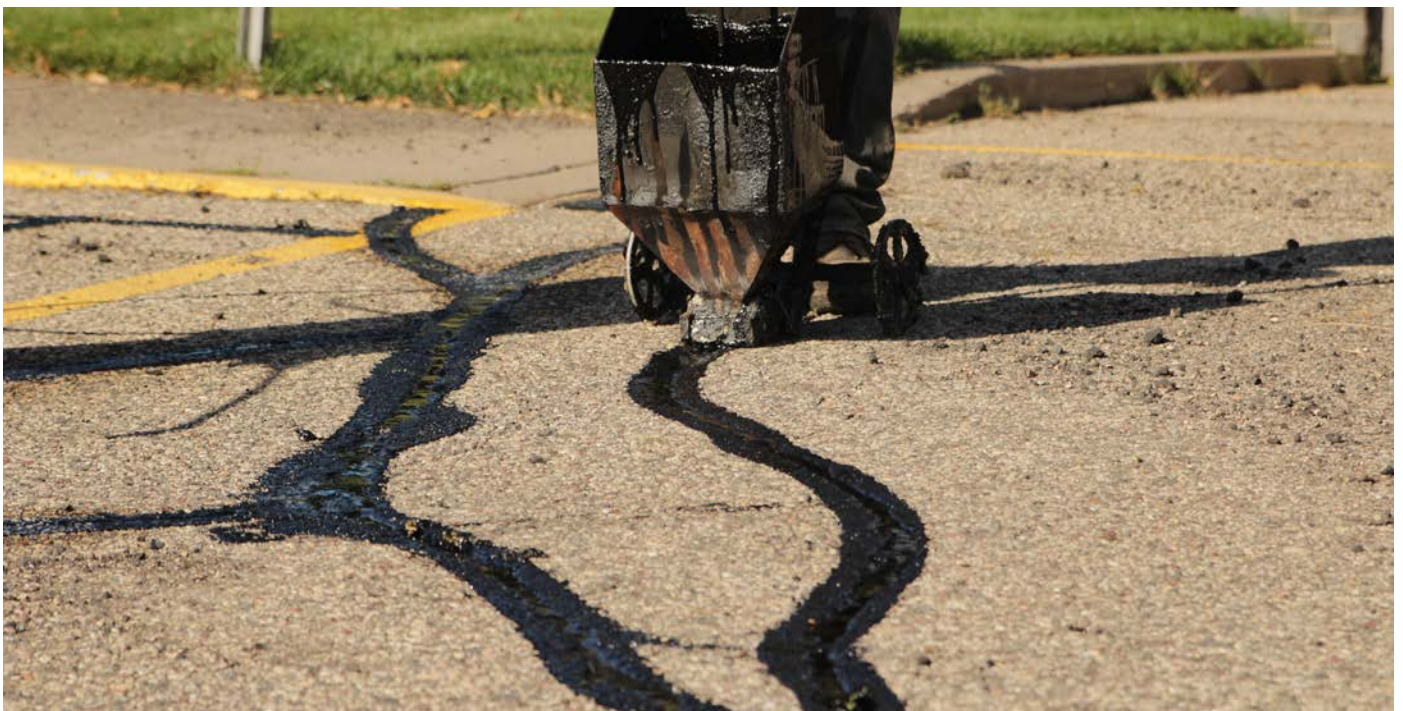
include the following:

Cracksealing

Cracksealing is a technique where hot rubber is used to seal existing, age-, temperature-, or load-related cracks in the asphalt to prevent water from entering those cracks. When water seeps through those cracks, it can negatively affect the aggregate base layer beneath the asphalt. When that water freezes and then thaws during the winter, it can cause heaving and cracking.

When cracksealing, it is important to rout the crack prior to installing the rubber. Routing will expand the crack to allow the sealant more space to adhere to the existing asphalt.

Typically, cracksealing is done when temperatures are consistently warmer overnight. Here in Minnesota, that means the season to crackseal is short. If you are looking to crackseal driveways for a multifamily community, you may want to also consider sealcoating.



Cracksealing is a good maintenance technique to use when the cracks are more linear and look less like alligator skin, otherwise known as fatigue cracking.

Sealcoating

When your parking lot or driveway asphalt pavement is fairly new, after about five years, sealcoating could be a good maintenance option. This technique applies a layer of asphalt emulsion to the existing pavement. This layer combines with the existing oil in the asphalt creating a more flexible surface. This can help slow down the oxidation process and refreshes the look of asphalt because the emulsion material is black.

In some cases, a chip seal may be needed to create a new micro-surface of asphalt. This process is like the emulsion sealcoat, but a layer of small trap rock is installed on top of the emulsion layer. As vehicles drive over the rock, it grinds them into the existing asphalt creating that new micro-surface. This process extends the lifespan of the pavement.

Sealcoating can go hand and hand with cracksealing and patching to give asphalt pavement a fresh look.

Patching

When the cracks and potholes in your asphalt surface have become widespread, patching is a great option for maintenance. There are a couple of different ways to patch asphalt. One is a mill patch, where we grind the existing asphalt down about two inches leaving some asphalt beneath it and the other is a full-depth patch, where the asphalt is dug out down to the aggregate base.

The option of mill patching or full-depth patching depends on the severity of the problem and how widespread it is. Generally, patching can be a cost-effective maintenance option, but if the condition is fairly poor, longer-lasting solutions are recommended for prolonged pavement performance.

Mill & Overlay

A mill and overlay adds a new layer of asphalt over the existing pavement to improve the strength, curb appeal, and performance of the pavement. This service is more on the rehabilitative

side of the spectrum rather than the preventative maintenance side but could be the right choice when determining the most cost-effective way to move forward.

Other asphalt services, such as full-depth reclamation and full reconstruction, fall more on the rehabilitation side of the spectrum as well. If your pavement is at the point where it may require one of these actions, it's reaching the end of its service life and maintenance is really not an option.

Some Tips on Caring for Your Asphalt

- In the winter, determine where snow will be piled or if it can be hauled out. At the very least, make sure snow is piled close to a storm water drain or at a low point so when melting occurs the water is not sitting on the asphalt, but instead is draining off the surface.
- Develop a maintenance plan with a reputable asphalt contractor so you can stay on track with maintenance and extend the life of your asphalt.
- Crackseal every year. Cracking is an everyday occurrence, mainly due to the temperature fluctuations in Minnesota. Routing and sealing the cracks will prevent water from seeping underneath the surface, thus protecting the aggregate and subbase from failing.
- Try not to drive oversized vehicles on already damaged asphalt.

- If you've had new asphalt installed recently, remember that it is pliant and placing boats, campers, above ground metal framed pools, or heavier vehicles on the surface for long periods of time will cause depressions and puddling. Also, kickstands and chairs with feet can sink into the new asphalt on hot summer days.
- Do it right the first time, don't just use band-aid fixes. Maintaining your asphalt surface can be a cost-effective way to extend the life of your pavement, if you consider doing the right maintenance technique needed to solve the problem.

Maintaining any type of multifamily community property has many moving parts. Roofs need repairs, plumbing may need updating, and asphalt needs maintaining. All of these expenditures are large scale and budgeting can be tight. By completing the right asphalt maintenance at the right time, you could save money and extend the lifecycle of your pavement.

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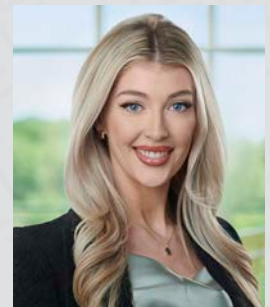


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Basement Dehumidifiers: Your First Line of Defense Against Moisture, Mold & Creepy Crawlers

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As a 13-year veteran of the property damage restoration industry IICRC certified Master Water Restorer, I have come across my fair share of damp basements. Most of the time I find myself inspecting a property because of a recent water intrusion, or because someone was unfortunate enough to discover an area of mold growth (or my preferred euphemism: advanced water damage), that had previously gone undetected. In each of these cases, regardless of the extent of the damages and requirements to restore the property to its pre-damage condition, I am always faced with the same question: how do we prevent this from happening in the future? Naturally, there is no one-size-fits-all solution. There is, however, one solution that is universally beneficial to all property managers (and owners) in our climate. That solution is the dehumidifier.

Residential grade dehumidifiers provide property managers and residents with the ability to regulate the amount of moisture present in the air. There are numerous benefits to keeping the humidity in residential, multi-family, and commercial basements lower than would otherwise occur naturally.

For one, basements in Minnesota tend to be damp and oftentimes have a “basement smell,” particularly in the summertime. This occurs because during the summer months the outside air is very humid. As a result, moisture in the air tends to collect on the walls and floors of a basement, as these surfaces are consistently cooler. Imagine a cold can of soda on a hot and humid summer day. Even if that soda was dry to the touch when you took it out of the refrigerator; once it is brought outside, what happens? Moisture in the air condenses on the cold surfaces of the soda can. The result is beads of water collect, making the can wet to the touch. The same process is occurring in our basements, but on a larger scale. By introducing a

dehumidifier to the environment and reducing the amount of moisture in the air, a property manager can effectively cut down on the moisture condensing on the surfaces in the basement, thus reducing the damp feeling. And that basement smell? The odor we all experience is actually due to the presence of bacteria, molds and other microbials which thrive in wet environments. Reducing or eliminating the moisture from the environment denies those pesky microscopic critters the moisture they require to live and grow, effectively removing them (and their odor) from that environment.

Another benefit of adding a dehumidifier to a basement is the property manager or owner already has one of the essential tools in place, should they ever experience a leak, spill or other type of water damage. Some sources of water, such as a flood, drain back-up, or pipe burst, may very well require professional assistance beyond the capabilities of a shop-vac and dehumidifier. However, minor incidents such as an air-conditioner condensate line leak or small sink overflow can be resolved and completely dried out much faster with the presence of a dehumidifier. One of the most common causes of mold growth

in a basement is when a small spill goes unnoticed or is not completely cleaned up, resulting in sheetrock, cardboard boxes, wood framing and other organic materials sitting wet for an extended period of time. The presence of a dehumidifier can make the difference between those materials drying quickly and completely, rather than holding moisture and allowing advanced water damage to begin developing.

Finally -- and this is a big one for me -- most of the little creepy crawlers we find in our basements prefer a damp environment and are not comfortable living in an environment where the air is particularly dry. So, if you (or your residents) are like me and have had the traumatic childhood experience of waking up from nap to find a centipede slowly crawling down your face, resulting in a life-long fear of small creatures with more than four legs, you're in luck. Keep that dehumidifier running and you will find the amount of insect-related panic attacks will be in sharp decline.

There is quite a bit more I could get into about selecting the right dehumidifier and how to install them. For more information, visit <http://www.dehumidifierweb.com/buying-guide/> ■





Quenching Thirst: Drought Stress Impact on Urban Trees

By Brandon Gallagher-Watson, Rainbow Treecare, commercial@rainbowtreecare.com, (952) 252-0589

Most everyone understands that plants need water, but for what are they using that water? Like most living things, plants are mostly water. In fact, up to 90% of their mass is comprised of water. Not only does water provide the pressure that keeps plants rigid, water is also their primary means of temperature control. Nearly 95% of the water a plant takes up is transpired to keep the plant cool. They also use water for many internal processes, including their primary source of energy production, photosynthesis.

Water inside plant cells and carbon dioxide (CO₂) are the two components needed for photosynthesis to take place. CO₂ enters the leaves through the stomates, which are little openings in the underside of the leaf where gases go in and out – a process that is often equated to breathing. This is where a plant is often in a quandary – they need their stomates open to receive CO₂, but if the stomates are open too long on a hot day, they lose too much water and become drought stressed. If the stomates

stay closed, the water stays inside, but the reduced CO₂ input results in a significant loss of energy production. Because of this, plants are always trying to get the largest amount of CO₂ while losing the least amount of water possible.

Trees and Drought

Trees are affected by drought in a few different ways. Mostly we think about wilting as a drought symptom, but often by the time a plant wilting it has been stressed for a while. This is especially true for trees, as drought stress can take some time to appear, and due to their rigid structure, wilting isn't a first indicator.

Additionally, symptoms that occur before we can see them include an increase in a hormone that plants use to open and close those 'breathing holes' mentioned earlier. Greater amounts of this hormone allow the tree to respond to hot, dry conditions by quickly closing these holes.

Drought stressed trees also become more susceptible to secondary pests such as boring insects and bark beetles. A healthy

tree can fight off these invaders by pushing them out with sap and producing defense compounds to make them less tasty. When water supplies are low the trees are unable to defend themselves, and the insects cause further stress. In the natural forest, these insects play a key role in weeding out weakened trees. In an urban forest where the preservation of trees is critical to your landscape, an ISA Certified Arborist can provide treatment options as part of a management plan to help bolster the trees' defenses against these drought-induced pests.

How to Manage Drought Stressed Trees

Fortunately, drought is an issue that has several management options in the toolbox. The obvious remedy for lack of water is to simply add water. There are many formulas out there for calculating how much water a tree needs, but since you are not likely to know the soil conditions of every property you manage, it's best to use simple rules-of-thumb. An easy rule to follow is 5 minutes of sprinkler time per inch of the tree's diameter at breast height (DBH) once a week during the hot season. Thus, for a 12" DBH tree, it is best to run the sprinkler for an hour each week. Utilizing watering aids, such as gator bags, are a great way to help newly established trees get through dry stretches of the season.

While water alone will go a long way towards keeping trees healthy when it's not raining, adding mulch around the tree will also be a major improvement. Research has shown replacing turf under trees with a few inches of organic mulch significantly improves tree roots by increasing soil aeration, retaining moisture, increasing nutrient availability, and, most importantly, removing the grass that is a fierce competitor for the same water resource as the tree.

Stressed trees that are now susceptible to secondary invaders like boring insects and



bark beetles can be protected by applying systemic insecticides. Systemic treatments, however, rely on transpiration, and thus water, to move within the tree. Ensuring proper irrigation, especially after the application, is key to protecting drought-stressed plants. There are several different tools your arborist may recommend based on the species of tree, the pest in question, property management goals, and the conditions of the growing site.

Drought in 2023

Drought stress is a very serious condition for urban trees that are already dealing with hotter and drier conditions than their counterparts in the natural forest. Will 2023 return to average precipitation levels or be another drought year? Unfortunately, it is impossible to say for sure. What we do know is that not many climate experts predict more rain and cooler temperatures any time soon. Fortunately, with the help of tree care professionals, better-educated tree owners, and comprehensive management plans for tree health, drought is a condition that can be managed, and the investment and benefits of your mature trees can be enjoyed for years to come. ■



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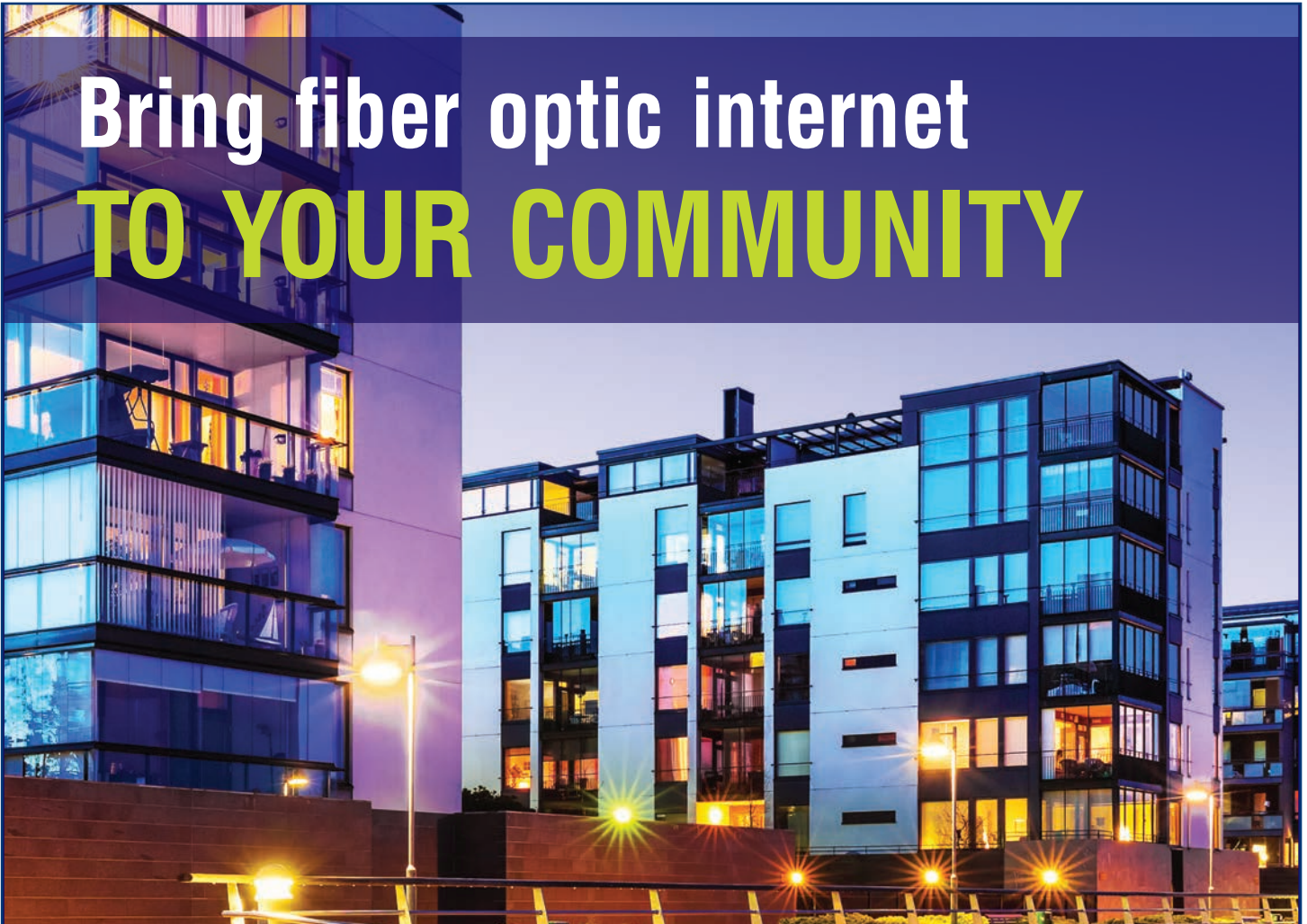


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What's On Trend in Flooring

By Shelly Pepera, Bloomington Carpet One, shelly@bloomingtoncarpetone.com, (952) 698-0834

Spring is hopefully right around the corner. With the season shifting, we might get motivated to change our scenery! One change of scenery may be with a “facelift” in our home. The carpeting may have gotten some extra wear this year from all of the snow and additional time being in our homes. This brings up some common questions. What is durable and trending?

Common end goals are creating a warm and inviting atmosphere that is easily maintained as well as being affordable and durable. Vinyl planking and carpet can both achieve this - but which is better?

Vinyl planking has been a go-to for several years now and is still trending strongly. Planking that simulates wood provides a calm and peaceful feel in your home. Being made of water-resistant material makes it a great solution for high traffic areas. It is also very pet friendly and can handle accidents along with muddy/wet paws.

Vinyl planking has a wide variety of price ranges, quality levels, and visuals. Material can typically range from \$2.00/sf and up and can last in a home 10 to 20 years on average when well cared for and maintained. There is a glue-down profile and a tongue & groove floating profile. The floating profiles typically have a pad attached that works as a sound barrier to help reduce noise and can even help provide some insulation. The higher-end planking will have better options that may include rubber or even cork attached backings. There are also options of adding a separate barrier to achieve the sound levels that are desired.

Condominiums and townhomes with limited space benefit from installing vinyl planking throughout the main area of the home. It can run continuously from the living room, kitchen, bathroom, mudroom, and laundry room creating a much more open and larger feel in the home. We are seeing this often specified by architects,

designers, and homeowners.

What color floors are in style for 2023? Homeowners are gravitating toward more natural, neutral floor colors. This palette can be versatile enough to fit with a variety of living spaces, from dining rooms to bedrooms. Shades of white, cream, and honey can be used in homes as well as luxury condos and even commercial spaces.

Carpeting in a home is still a popular choice for bedrooms or a cozy family room. Carpet does provide more warmth, softness, and sound benefits overall. It also typically requires much less floor prep on the front end than hard surface products. Carpeting also has a wide variety of price ranges. Material can typically range from \$1.50/sf and up. A higher-end carpet can sometimes be similar in pricing to a mid-grade vinyl planking. The average life span of a carpet when cared for and maintained can be from 5 to 15 years. Maintenance

requires routine cleaning by a professional and can add more overall costs to your investment, but this care will also maintain the manufacturers’ warranties.

Regarding carpeting, this year we are seeing a shift towards colors inspired by nature as well as bold tones in vibrant and eye-catching hues. Carpets in the home are also trending towards more texture and designs. We are seeing more animal prints, stripes and plaids for any room or staircase you want to “pop”. If you are looking for carpet and like to play it on the safe side, a soft plush carpet will always be on trend as well as cut and loop carpets.

These days, the sky is the limit when it comes to home décor. Always have your style and active home life in mind when selecting your flooring. Don’t be afraid to reach out to the professionals! Let them know what your ultimate look and feel are for the room/area you are doing, along with the how the space is going to be used. ■



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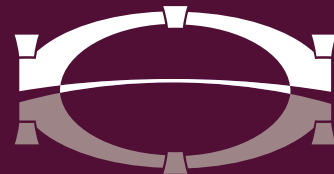


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The Importance of Maintenance and Trustworthy Contractors

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As spring approaches, it's crucial to be aware of the condition of your roof and your building's exterior, especially given the harsh winter we have experienced. Whether you reside in a townhome, common interest community, apartment building or you own an investment property, seasonal inspections are a simple and valuable tool you can use to maintain and protect your home and/or investment. A reputable construction or roofing company should always prioritize repairing and maintaining your property's exterior before immediately recommending a full roof or siding replacement. It's hard to know when the next repair or damage from the elements may happen to your property. This is why having a trusted contractor who understands the importance of maintenance and being there for you is key.

In this article we will walk you through some trends we saw this winter, what to look for when hiring a contractor or maintenance company, and what you can expect if you choose to invest in a maintenance program.

This winter we have seen record snowfalls, varying temperatures, multiple types of precipitation, and high wind. There have been multiple reports of larger than normal ice dams, wind-driven rain leaks, wind damage to roofing systems, as well as other issues throughout this season. Fun fact: the biggest misconception we see when it comes to ice damming is that the ice dam is caused by the roofing system. Actually, ice dams are caused by either inadequate insulation or ventilation. While some of these things may seem like small and easy fixes, if ignored they can add up to some longer term property damage.

If you experienced any of the above issues with your property this winter,

it may benefit you to seek a contractor to come assess your property early this spring so you can get an idea of any damage that was done and to get an accurate report on your roof's remaining life expectancy.

Here is a list of things to look for when deciding on a reputable contractor:

- Insurance
 - A reputable company will be fully insured so you as the property owner will not be liable for any accidents that happen with a contractor on your roof or property.
- Licensing
 - All contractors must be licensed by the state of Minnesota.
- Certifications
 - Most reputable contractors will have certifications through their supplier to provide you with peace of mind.
- Warranties
 - Most reputable contractors will be able to offer you both workmanship warranties and manufacturer warranties for work done on your property.

If you were to partner with a contractor or maintenance company, here is a list of common services that are completed when you have a regularly scheduled maintenance program in place:

- Identify Repairs
 - Every roof has a life expectancy. Taking care of any minor repairs as they come up and before they grow larger is a great way to minimize cost and prolong the life of the roofing system.
- Seasonal Damage/Regular Cleaning
 - As stated above, wind, snow, water, and falling debris can cause

damages and impede the roofing systems ability to shed water. Regular cleaning can prevent drainage issues and address immediate repairs.

- Leak detection/Energy Efficiency
 - Most companies use thermal imaging to find and address any water damage that cannot be seen by the naked eye. This can also be helpful in finding any hotspots on your exterior to create a plan to maximize energy efficiency.
- Security
 - Many owners do not think of the roof as an easy access into their property by thieves. Having someone regularly inspect the roof will help address any access points and look for any evidence of attempted break-ins.
- Peace of Mind
 - Regular and consistent inspections give homeowners and business owners the peace of mind that their roofing systems will not fail, resulting in costly repairs. Having periodic inspection reports also makes the process of valuing and selling your property much less time consuming, as you will have detailed inspection reports from a licensed and certified roofing contractor.

Ultimately, understanding the importance of maintenance and how to seek out a reputable contractor for this service can save money, make budgeting much more efficient and accurate, and give homeowners, business owners, and resident peace of mind that their property is being properly maintained. ■



Balancing the Need for Privacy vs. Transparency

by Phaedra J. Howard, Esq., Hellmuth & Johnson, PLLC, phoward@hjlawfirm.com, (952) 941-4005

Homeowners' associations are established for the benefit of all the owners and residents within the community. A board of directors that is charged with managing the affairs of the association has a fiduciary duty to act in the best interests of the association as a whole. Part of that duty entails being open and honest with the members about what the board is doing and how it is spending the association's money and otherwise governing the association. But there are times when certain information should not be shared with the membership for the protection of individuals within the community. It is not always easy for boards and managers to navigate that line between being transparent and protecting the privacy of the members, especially when dealing with older association documents that were drafted before some of the current privacy laws were in place. There is a tendency with many boards to either share too much or not enough.

There are a number of statutory provisions governing associations that are aimed at ensuring a certain level of transparency by the board to the members. For associations governed under the Minnesota Common Interest Ownership Act ("MCIOA"), these include requirements that members receive proper notice of member and board meetings and that board meetings be open to the members except under certain specific circumstances where meetings may be closed, such as to discuss any pending or potential litigation, arbitration or potentially adversarial proceedings where the board determines that closing the meeting is necessary to discuss strategy or to protect the position of the association or the privacy of a unit owner. Associations are also required to provide all members with certain information and documents on a regular basis, including an annual

report containing certain information and a copy of the association's reviewed or audited financial statements. Additionally, members are entitled to review and obtain copies of documents used to prepare the annual report or financial statements, as well as records of membership, unit owners meetings, board of directors and committee meetings, contracts, leases and other agreements to which the association is a party and other material correspondence and memoranda relating to its operations. Associations not governed under MCIOA are not required to hold open board meetings unless their documents provide otherwise but are subject to the provisions of the nonprofit corporations act, which contain similar requirements as MCIOA regarding the inspection by members of the association's books and records. Most governing documents also include various provisions relating to meetings and records aimed at providing some level of transparency to the members.

Even if your association is not governed by MCIOA or required to hold open meetings, it is recommended that you operate with as much transparency as possible. The reason for this is obvious. Boards that operate in secret (or that are seen to be doing so) create distrust among the community, which results in more dissension and disputes with the members. These disputes can be time-consuming and energy-draining. Additionally, time spent having to justify and defend one's actions takes away from time that could be spent more productively on other things.

That being said, there are times when the board cannot or should not divulge information to the members. As indicated above, matters that are adversarial in nature should not be discussed in an open board meeting or

shared with other members. It goes without saying that if the association is involved in any actual or potential litigation with an owner or other third party, the board should not be disclosing information about the matter that might either jeopardize its position or disclose strategy or things of that nature. Any communications with legal counsel also must be kept confidential and not shared with members or outside parties, as doing so may result in a waiver of the attorney-client privilege that would otherwise attach to those communications. If you are involved in any such litigation, you should work with your attorney both to put together a statement about the pending litigation that can be included in the annual report and/or any resale disclosure certificates that the association may be required to provide as well as to determine what, if any, information about the pending matter can or should be shared with the members and how that should be done.

Issues involving collection of unpaid assessments, rule enforcement matters or any other disputes between owners or between an owner and the association or board are also deemed adversarial in nature and should not be discussed in an open board meeting or otherwise in front of other people. If a resident is complaining about rule violations by another resident and then demands to know what the board or management is doing about it, the board must respect the privacy of the alleged violator and resist the urge to share information with the complaining party. An appropriate response to the complainant would be to assure them that the board takes their complaint seriously and is doing everything within its power to evenly enforce the documents or rules whenever a violation can be verified, but not to divulge any specifics about the particular situation or how it is being handled.

Similarly, although many older association bylaws contain provisions requiring the association to disclose in its annual report the amount of delinquent assessments owed by each unit, MCIOA only requires the report to include a total amount of all past-due assessments without identifying which units are delinquent or by how much. In this case, it is generally best to comply with the statutory requirements rather than the bylaws, as disclosing personal information about an owner's debt may be deemed harassment and/or give rise to invasion of privacy claims. Damages for these claims would likely outweigh any possible damages suffered or claimed to be suffered by an association member as the result of the association refusing to personally identify the delinquent owners and/or the amount that each such owner owes to the association. This situation can also arise when the association is taking particular action to collect delinquent assessments from an owner. Neighbors may see or speak with a process server or read a foreclosure

notice in the newspaper and want to know more about what the association is doing to collect those assessments. Even if certain matters become public record due to documents being filed with the court or in the property records, or legal notices being published in newspapers, that does not mean that the board is at liberty to discuss it with other members or that it should be disclosed in the regular meeting minutes that a certain unit is in foreclosure or that the owner has filed bankruptcy.

Another area where privacy concerns outweigh the need for transparency is in regard to requests for reasonable accommodations or modifications. If an owner or occupant requests an accommodation for a disability and provides information or documentation about their disability and the need for the accommodation, the board has an obligation to keep that information private and not to divulge it to other residents. This can sometimes be tricky when another resident pointedly asks why their neighbor has a dog in a no pet

property or a similar question regarding an accommodation that the board has granted. The board or manager must find a way to respond that does not reveal any private information about the individual receiving the accommodation. It helps if the board can be proactive about what general information is put out to the community rather than having to be reactive to a particular situation.

Balancing the need for transparency with the need to protect the privacy of individuals is not always easy. However, if the board explains that it is acting in the best interest of all members by protecting their private information while properly disclosing information pertaining to the association as a whole, members will hopefully understand and be more accepting of the difficult position that the board is in. When in doubt about what information can and cannot be shared with members, work with your association's attorney to develop proper procedures and/or to help respond to a particular situation. ■

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Quality Products and Return on Investment: A Priority for Homeowner Associations

By Andy Lindus, Lindus Construction, andy.lindus@lindusco.com, (651) 212-4221

The COVID-19 pandemic has changed our lives in so many ways. It's also changed where we live. For owner-occupied properties, quality materials, creativity in small spaces, and comfort seem to be driving remodeling trends, which is a change from what has been seen in the past.

About 15 to 20 years ago, homeowners focused on savings, giving the lowest bid priority, whether for a roof, siding, windows, etc. Today the focus is changing. Owners not only live in their homes, but many work and exercise there, too. A growing emphasis is being placed on making the most of every inch of the housing unit for livability, comfort, and resale. Today there are several trends

driving these updates and renovations.

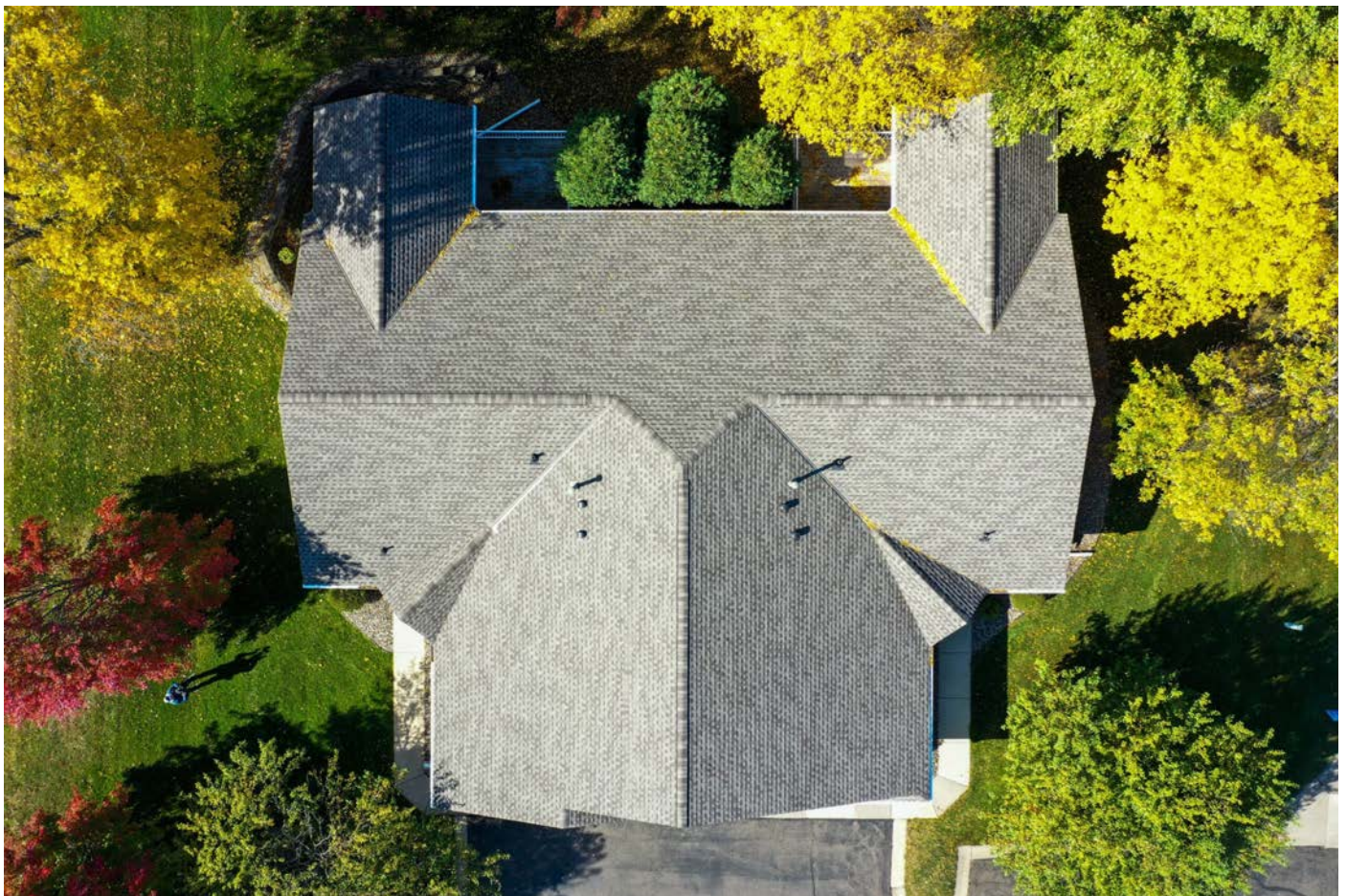
Quality Materials

Homeowner Associations are noticing what happens when you put a mediocre quality shingle, cost-driven siding, or low-end gutters on a property. They typically need to be replaced sooner than later, which means capital improvement funds need to be replaced sooner as well.

An increased focus on higher quality materials is being seen. For example, more homeowner associations are opting for a Class 4 shingle, an extremely durable product. To receive a Class 4 rating, a roofing shingle must withstand a 2-inch steel ball dropped multiple times from a height of 20 feet. For more perspective,

if this same test is repeated on a 4-inch concrete paver, the force of the steel ball would crack the paver in half. This process would also damage lower class shingles on the market. Not only does the shingle last longer, but it eases insurance headaches. For example, a roof older than 10 years that's heavily damaged in a storm may no longer qualify for full replacement. Instead, many local homeowners will get cash value only. Opting for a more durable shingle may cost more upfront, but homeowners enjoy savings down the line.

Builder-grade materials, the standard for many townhomes and condos, don't always allow for peak performance, and the difference is noticeable as properties age. Windows are the perfect example of this





concept. We have installed new windows in a number of owner-occupied units with the homeowners seeing noticeable results in both their heating/cooling bills as well as sound prevention. Two other updates in this category worth investing in are the home's front door and garage doors. These are two areas where high-end materials can prevent energy loss, add appeal, and keep outside noise outside where it belongs.

Bringing in The Light

Whether it be single family homeowners or the collective of homeowner association members, we are noticing an increasing number of clients opting for solar installations, especially if they are already going through the roofing process. The savings are undeniable, with energy bills dropping, for example, from \$350 a month to \$50. Certainly, solar requires a cost up-front, but the long-term benefit, coupled with tax savings, are attractive to a growing number of homeowners.

Light itself, or rather harnessing "brightness", is a strong priority for many homeowners in dwellings that may only have windows on two sides of the home. Entryways and bathrooms are two spots where natural light may be nil. Sun tunnels have been found to be an effective, ingenious, and sought-after solution that channels sunlight from your roof down a highly reflective tube and into a room below. This allows natural light to pour into spots that were once dark.

Investing in the Place You Live, Work, Exercise, and Relax

Prior to the pandemic, many of us had a daily routine that included leaving home for work and possibly hitting the gym on the way to or from work. With more working remotely, more are opting to bring the gym experience home. Taking that a step further, many homeowners are also expanding their outdoor spaces in which to work, live, and relax. In short, homeowners are now willing to spend more money on updates to their homes because they spend the majority of their days there.

The most common updates being seen in condo and townhome living, for example,

includes kitchen renovations that bring in colors like blue or green cabinets. Bathroom upgrades focus on spa-like relaxation and include soaker tubs, sauna-quality shower features, and in-floor heating. Homeowners should be careful to keep the return on investment in mind when making these types of updates. For example, if you spend \$15,000 on a kitchen remodel, you're more likely to get the majority of that investment back, as opposed to if you spend \$150,000.

Another updating preference resulting from the pandemic is the deck or porch. Here in the Midwest, we value our warmer Spring and Summer months. Many of us choose these areas to work and relax. That's why we're noticing many homeowners opting for fresh, no-maintenance decking, better seating, outdoor kitchen appliances for cooking capabilities, flat screen TVs, targeted landscaping, and more. With the creative functionality being integrated into these spaces, it's becoming a regular part of the outdoor punch list.

Whether it's the roof and windows, kitchens and baths, or garage doors and outdoor spaces, making the most of home with energy efficient solutions, creative design, and high quality materials is no doubt a smart strategy for owner-occupied and homeowner association properties looking for both long-term return on investment AND happy residents. ■





Spring Maintenance Priorities for Multi-Family Properties

By Joe Halstead, Allstar Construction & Maintenance, joe@allstartoday.com, (952) 522-5952

If you manage or live in a multifamily residential property, you know that maintenance never stops. No matter the season, there are always tasks that need to be done to keep the multifamily units and community in shape.

This is especially true when Spring arrives. You not only need to repair any damage caused by winter storms, but also must make sure everything is ready to transition into the warmer months ahead. In multifamily communities, you need to think of not only each unit individually, but the buildings and landscaping overall.

Among the most important Spring maintenance jobs is making sure the exterior envelope of the building is up to par. This handy checklist will help ensure that the community is ready for the change of seasons:

- Have the roof inspected. Pay a professional to examine the roof for loose shingles and other areas that may need to be repaired. A roofing pro will be able to identify and assess damage that may not be obvious to an untrained eye, including unseen “bruising” that hail can cause to roofing underlayment. They can also clear any debris that may have gathered on the roof, and assess whether moss, lichens and other buildup needs to be removed.
- Clean the gutters. It is important to clear all the leaves and debris out of gutters in the Spring so that water can flow freely. Heavy rains can cause leaks and other issues if the gutters are clogged. Water seeping into the structure from blocked gutters can cause extensive and expensive damage like warped walls and mold, which is a significant health hazard. Building occupants could end up getting sick, and the building operators could be legally and

financially responsible if the water issues are neglected.

- Inspect windows and doors. Look for cracks in window glass and loose seals that may allow air leaks around the edges of window and door frames. Check screens for holes and tears. If fogging or excessive condensation are found, it may be failure of seals between panes, which will need to be replaced.
- Inspect the siding. Look for damage including cracks, chips, warping, and general wear. Assess whether the siding needs to be simply washed or if replacement is necessary. If there is excessive staining or discoloration, this may indicate a problem with the roof or gutters, which can allow water to flow down the exterior.
- Patch up landscaping. Winter weather can leave exterior landscaping worse for wear. Remove branches that have been downed by storms, clean up remaining leaves, reseed bare patches of lawn, and prune dead or dying branches from trees and shrubs. If

an irrigation or sprinkler system is in place, get it ready before warm weather arrives.

- Repair sidewalks. Check for cracks, heaves, and other damage caused by Winter freeze-and-thaw cycles. Sidewalks, walkways and driveways may need to be repaired in the Spring, or they may simply need to be washed.
- Check the foundation. Winter can damage building foundations. Inspect basement walls, floors, masonry, and concrete for cracking, heaving, or staining that may indicate water intrusion.

Ongoing maintenance is one of the biggest challenges faced by multifamily communities, and it’s one of the areas where a professional property management company can be of the most help.

Allstar Construction and Maintenance specializes in exterior maintenance and roofing for multi-family and HOA properties. For more information contact us at 952-234-9995. ■





The Benefits of Dog Amenities

By Hannah Giersdorf, Minnesota Wisconsin Playground, info@mnwiplay.com, (763) 546-7787

Dog Amenities are obviously a big advantage for canine residents and the people who love them, but providing equipment and features that help keep dogs healthy and happy also provides huge benefits to the entire community.

Make Your Property More Desirable

Millennials were already more likely than any other generation to have pets, with Gen Z not far behind, before rates of pet ownership skyrocketed during the pandemic. Younger generations aren't just more likely to have pets; they are more likely to prioritize pet care - and willing to spend more money on it.

According to a survey by Consumer Affairs, 81% of millennials prefer their pet to at least one relative, and 30% of millennials prefer their furry companion to their significant other! A buyer choosing between your multifamily community and another is very likely to take Fido's preference into consideration, so it's important to stand out by providing places for dogs to play, relieve themselves, and be washed.

Protect Your Investment

Adding areas for dogs to your community isn't just about tempting buyers; it's also a critical way to keep the property in top shape. Thoughtful additions help circumvent some of the issues that occur in pet-friendly communities, because healthy dogs with access to enrichment are less destructive.

The pandemic taught us all a lesson about the dangers of going stir crazy. It's not just slippers; doors, cabinets, and baseboards are much more likely to be chewed by bored dogs. Providing a space where dogs can relieve themselves is a good first step, but consider going beyond the basics by adding agility equipment.

Hoops, ramps, climbers, shimmy poles, and jumps give dogs a way to burn off energy and play with their humans as well as other dogs. Agility equipment provides opportunities for mental enrichment, exercise, and socialization, which are all critical for dogs' happiness.

Step it up even further with a pet wash station or two. It may sound a little extravagant, but wait until you tally up the potential savings from having

designated drains for pet hair to collect instead of having to play whack-a-mole/snake-a-drain with every bathtub in the building. Not to mention that having an accessible place to make muddy pets into clean pets will keep your common areas and entry ways more clean.

Increase Value

Unfortunately, dogs cannot take themselves to the park, so don't forget to create extra value for your human residents with benches, shades, lighting, and maybe even a place to grill. Don't forget to keep everything as tidy as possible by providing pet waste stations. Making your dog areas comfortable for everyone will increase the use of the facilities and the impact of the benefits you want to get from your investment. These touches will also give the residents a place to create community, a critical piece of encouraging good relationships among neighbors.

Make them a Paw-fer They Can't Refuse

If you are looking for ways to attract buyers, protect your property, and keep good residents, consider the benefits that dog amenities can provide. ■





The Benefits of Trees and Keeping Them Healthy in Midwest Multi Housing Landscape

By Greg Williams, ISA Certified Arborist #MN-4822A, YTS Companies, Greg.Williams@ytsco.com
(612) 709-1863

Our long winter has come to an end, and with spring upon us we will be more active outdoors enjoying the warmer weather. We observe birds and waterfowl returning to nest and wildlife with their young tagging along. One of the first signs of spring are trees waking up, their buds opening after being dormant all winter and new leaves developing. The tree canopies gradually fill with green foliage, producing shade, oxygen, and beauty. Trees are an extremely valuable entity and offer tremendous benefits to our communities. Since we see trees growing everywhere, it's a common and normal mindset to take trees for granted. Following are the reasons why we should not do this.

Benefits of trees can be broken down into three broad categories: ECONOMIC, ENVIRONMENTAL and SOCIAL. The following examples for each category is a reminder of the importance of proper tree care and maintaining the health of trees.

Economic Benefits

- Trees are an asset to your property, and they have a real dollar value. As they grow, they appreciate in value. Healthy small to medium size trees such as Oaks, Lindens, Maples, Spruce and Pines have a value of \$900 to \$1,800. As they mature into healthy larger trees their value increases from \$5,000 to \$10,000 per tree. A property with 50 healthy large trees represents an asset value of \$250,000 or more.
- Trees save money in energy costs. According to the USDA Forest Service, trees that are properly placed and spaced around a home or building can reduce air conditioning costs by up to 30% and heating costs decreased by 20 to 30% and higher.

- Healthy mature trees add an average of 10% to a property's value, and according to Arbor National Mortgage & American Forests, they have a "strong impact" on the salability of homes.

Environmental Benefits

- Trees are our greatest warriors combating climate change. Trees absorb carbon dioxide, removing and storing the carbon while releasing oxygen back into the air. In one year, an acre of trees can absorb and store the amount of carbon emitted by a car driven 26,000 miles.
- Trees clean the air. Trees absorb odors and pollutant gasses (nitrogen oxides, ammonia, sulfur dioxide and ozone) and filter particulates out of the air by trapping them on their leaves and bark.
- Trees help prevent water pollution. They reduce runoff by breaking rainfall, thus allowing the water to flow down the trunk and into the ground below the tree. This prevents storm water from carrying pollutants into our streams, rivers, lakes, and oceans. Trees act like a sponge that filters the water naturally and uses it to recharge groundwater supplies.
- Trees help prevent soil erosion. On hillsides or stream slopes, trees slow water runoff and hold soil in place.
- Trees restore the ecological cycles of plant growth, reproduction, and decomposition both above and below ground, and natural harmony is restored to the environment.

Social Benefits

- Our response to trees goes well beyond simply observing their beauty. We feel serene, peaceful, restful, and tranquil in a grove of trees.

- Because of their potential for a long life, trees are frequently planted as living memorials.
- Trees can reduce crime. Communities with high levels of trees and green space have lower crime rates than nearby communities with fewer trees and little green space.
- The calming effect of trees and urban green space can significantly reduce stress levels, fatigue, and even decrease the recovery time needed after surgery.
- Trees can mask concrete walls or parking lots and block unsightly views. They muffle the sound from nearby streets and freeways and create an eye-soothing canopy of green for the community.

While trees offer many valuable benefits, they won't stay completely healthy on their own - specifically in Urban Forestry settings where trees are exposed to much more stressful conditions than natural forests and rural settings. The higher the stress on trees, the more susceptible they are for disease and insect issues. In the Midwest, trees are susceptible to a variety of disease and insects that target select tree species, but this can generally be managed if diagnosed and treated properly. A diagnosis by ISA Certified Arborist is suggested.

It's very important for property managers and owners to report trees that appear stressed or sickly to an arborist as soon as possible so the trees can be evaluated for proper treatment while the tree is still in good condition. When a tree is in poor condition, it's more than likely past investing money into treatments; there is no magic wand to salvage a tree that is in major decline in health.

Some of the most common disease and insect control treatments are:

- Apple Scab fungal disease control in crabapple trees
- Japanese Beetle control on crabapple, linden, birch and elm trees (linden and young elm mostly targeted by beetles)
- Emerald Ash Borer in ash trees
- Needle Cast (Rhizosphaera) fungal disease in spruce trees
- Oak Wilt Disease in oak trees
- Dutch Elm disease in elm trees
- Twolined Chestnut Borer in oak trees
- Dothistroma and Diplodia Tip Blight in pine trees
- Cedar-Hawthorn Rust in Hawthorn trees

This is a relatively short list of some of the most common disease and insect control treatments. There are dozens of other disease and insect problems that can affect the health of trees.

Tree pruning is both an art and a

science. Poorly maintained trees can be a significant liability. Proper pruning can help with both structure and vigor of trees as well as provide better curb appeal and reduce possible damage to structures and parked vehicles. Proper pruning also reduces storm damage.

The following is a list of some of the reasons and benefits of proper tree pruning:

- The removal of dead, diseased, and broken branches. This prevents decay producing fungi from penetrating and infecting other areas of the tree.
- Proper tree pruning will occasionally remove live interior branches to allow increased sunlight exposure and air circulation within the canopy.
- Improves and enhances the tree's structure and form, otherwise known as branch architecture.
- Protects against storm damage and danger of falling limbs.
- Provides appropriate clearance away from buildings, rooflines, decks, light posts, and other structures to reduce

or eliminate any potential damage.

- Helps provide safety and sightlines by elevating the tree's branch collar to an appropriate height over sidewalks, steps, driveways, and roadways.
- Allows more sunlight to get through the tree which is beneficial for plants, lawn, and accessibility to mow beneath the tree canopy.

Trees offer so much value and are mostly resilient in adjusting to extreme weather conditions here in the Midwest. Certain trees won't attract disease or insects the same as other tree species and won't need more than routine pruning. If possible, when replacing or planting new trees, it's beneficial to plant trees native to your state and to research in advance whether they are susceptible to possible disease and insect issues. It takes quite a few years for trees to mature in size, so it makes sense to protect your investment by working with a professional ISA Arborist who can recommend an honest and accurate evaluation and suggest a tree care plan for the long-term health of your trees. ■





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What You Should Know About HOA Fraud

By Darin Styles, CPA, CFE, Abdo, darin.styles@abdosolutions.com, (952) 449-6212

Fraud can happen within any organization, and homeowner associations are no exception. Unfortunately, even a single instance of fraud can lead to devastating financial and operational losses, which can hamper an HOA's ability to pay bills and maintain its community.

The good news is, there are things you can do to both prevent fraud and mitigate its impacts within your HOA. It's important to know what to look for and how to take action. To help you prevent fraud from taking hold in your HOA, here are a few things to know.

Common fraud schemes affecting HOAs

Without oversight or proper organizational standards, your HOA could be susceptible to the following common fraud schemes:

Misappropriation of assets

This fraud scheme is when someone takes HOA assets and uses them for personal gain. Also referred to as embezzlement, misappropriation of assets could include pocketing homeowner dues and payments, altering financial documents, and issuing checks in one's name.

Kickbacks

If a vendor gives an HOA board member or manager a gift or portion of the contract money in exchange for hiring their company, this is a kickback—and a common fraud scheme affecting HOAs.

Red flags that could signal fraud

Anything that falls outside of "business as usual" could be a sign of fraud. Typical red flags include a surprise vendor replacement, expenses that spike without explanation, and errors on financial documents.

Pay special attention to revenue from property assessments; make sure it adds up as it should. If the amount seems off

or incorrect, fraudulent activity could be to blame.

How to prevent HOA fraud

When fraud happens within an organization, it often can be traced back to a lack of oversight. Within an HOA certain operations, such as the collection of assessments or paying of property taxes, can present tantalizing opportunities for dishonest individuals.

Having a good system of internal controls—that is, checks and balances—is critical to keep the HOA running as it should. Here are a few actions you can take to bolster your HOA's defenses.

- Require all checks to be made out to the HOA—not to any one board member or individual.
- Require two board members to sign checks. You could institute this for transactions exceeding a certain amount.
- Require board approval for all new vendors.
- Delegate financial responsibilities to different board members, to prevent any one person from being solely in charge of finances.
- Double-check your insurance policy to see if you have an option to insure your HOA for fraud.

What to do if you suspect fraud

If you suspect fraud, the best thing to do is to bring it to the attention of someone who can take the appropriation action. In other words, if you suspect something, say something. Although the appropriate action will depend on the situation, it typically includes reaching out to a CPA firm that specializes in forensic accounting.

Before engaging with a CPA firm, however, there are calculations an HOA can perform to better assess the situation. These include calculating expected assessment revenue based on occupancy

and comparing this to actual revenue. This calculation can also be done with other monthly expenses.

Other forensic tests include horizontal and vertical expense analyses, a payroll analysis to look for ghost employees or excessive payments, invoice testing to look for unsupported payments to individuals or fictitious vendors, membership testing, and cash analysis to compare bank activity to what the HOA has received in revenue.

Finding oddities or inconsistencies in these calculations and tests could signal the presence of fraudulent activity. Also, having this information will better prepare you for a discussion with a CPA.

A CPA can help to confirm your suspicions and, if fraud is detected, gather evidence of the crime. Some of the ways in which a CPA may investigate fraud include analyzing your HOA's balance sheets and bank statements to identify trends that suggest fraud and possibly pinpoint the individual who could be responsible.

If you wish to press charges against the individual, you'll need to get an attorney involved. Your CPA will provide their report to your attorney and, if needed, law enforcement.

Be proactive in your fight against fraud

It's easy to become complacent and assume fraud won't happen within your HOA. Unfortunately, this can lead to devastating consequences. Instead, follow fraud prevention practices, stay vigilant for red flags, and if you see something, say something. Bringing fraud to light is the easiest way to snuff it out—and to keep your HOA from being hindered in its important work.

Darin Styles, CPA, CFE is a partner at Abdo who helps organizations solve challenges with a focus on fraud prevention and forensic analysis. ■

Welcome, New Members!

The following is a list of those who have joined
MHA's CIC Midwest since January 1, 2023

Angela Acevedo, Board Member

Westbrooke Patio Homes Association, Inc.
dba Cranberry Pointe

Catherine Abts, Board Member

River Pointe Condominium

Dean Bondhus, Board Member

Weston Woods on the River Association

Kevin Jordahl, Board Member

Westbrooke Patio Homes Association, Inc.
dba Cranberry Pointe

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