**OHA Board Meeting**

**January 18, 2023**

**Continuation of January 10, 2023 Agenda**

Present (in order of appearance on Zoom): Linnea Wren, Tanya Ericson, Liz Strauss, Heather Armstrong, Erica Braun, Heather McHugh, Michael Bowen, Kusia H., Alix Quay, Carla Scofield

Meeting called to order at 7:04 pm

**VII (a) - Treasurer's Report and Budget Discussion**

As noted in previous minutes, there was a dramatic and unexpected increase in hay prices last year, as well as an increase in our lease cost. For that reason, despite the dues increase and a special assessment enacted in 2021, OHA experienced a budget shortfall last year and faces the same this year.

Linnea reviewed the scenarios being considered to balance the OHA budget. The Board discussed and asked for some modifications to the scenarios. The Board will review the revised scenarios will hold a special meeting to vote on the preferred option – ***See below.***

**VII (b) - Rule Revision Process Proposal**

The board previously requested a proposal from the Legal Committee on a transparent and inclusive process for rule revision at OHA. A proposal has been received and will be discussed, potentially revised, and then circulated to the membership for comment.

Kusia reviewed the proposal. It was noted that the proposed process needs clarification as to leadership of the process.

The Board appointed a Board Member, Linnea, to work with the legal committee (Kusia and Elise). Following the meeting, Kusia and Elise proposed that Cheryl Fulton be invited to join the group, as she has expressed interest in participating in the process.

The proposal will be shared with the membership and members are encouraged to provide feedback.

**VII (e)(i) - 2023 EBMUD-OHA Lease Review**

OHA received a new five-year lease from EBMUD. Heather reviewed the differences between the prior and new leases.

Most significantly, the liability insurance requirements have doubled. Michael will ask the insurance broker for a quote on a policy that meets EBMUD requirements. *After the meeting, it was confirmed that OHA’s existing policy covers the higher insurance requirements.*

Heather will also request removal of a clause that has been in the EBMUD leases for decades which, rather inexplicably, prohibits keeping horses on the lease. The paragraph is intended for cattle operations, but nonetheless is contradictory for OHA. EBMUD uses the same lease template for all their grazing properties, and they typically prefer not to customize it. *Following the meeting, EBMUD declined to remove this paragraph from the lease but allowed OHA to specify that it applies to cattle leases only.*

Capital improvement credits are mentioned in the lease. Heather will request clarification as to whether we will receive capital improvement and grazing credits this year.

**January 26, 2023**

**Continuation of January 18th meeting**

Present (in order of appearance on Zoom): Carla Scofield, Tanya Ericson, Linnea Wren, Erica Braun, Heather McHugh, Michael Bowen

Meeting called to order at 7:35 pm.

Agenda item is continuation of budget discussion.

Linnea presented updated [budget balancing scenarios](https://docs.google.com/spreadsheets/d/19ZLasqXs9_I_wiGK8Ej65bKTmidq3rbW/edit?usp=sharing&ouid=115121359646123498368&rtpof=true&sd=true), which can be summarized as follows:

* Scenario 1: No change to dues, no special assessment – results in a $14,912 budget deficit
* Scenario 2: Increase dues 25% plus collect a special assessment of $204 per proprietary membership – results in a $1,424 budget deficit
* Scenario 3: Increase dues 30% plus collect a special assessment of $204 per proprietary membership – results in a budget surplus of $138

The special assessment would be earmarked to pay attorney’s fees for assistance with revisions to the OHA Rules, which are necessary to reconcile with the Bylaws adopted last year. Variations on Scenarios 2 and 3, in which a special assessment was excluded, were also considered.

Board voted unanimously in support of Scenario 2, a 25% dues increase and $204 special assessment. This scenario still results in a small deficit, which can be resolved by taking funds from the reserve. The Board chose this option with the intention of balancing the budget without depleting reserves significantly, while mitigating the effect on the membership of an even higher dues increase.

As a reminder, the Board previously approved increasing the reserve to one year’s operating expenses, which would make the reserve target $42,000. Progress toward this goal has been slowed by the unexpected expenses last year and this year. The scenario approved by the Board does not build but rather will slightly deplete the existing reserve. The current reserve in the savings account is a bit over $27,000.

Please email the Board with any questions about the scenarios.

The Bylaws state that dues and fee increases greater than 20% annually require 30 days’ notice to the membership. The publication of these minutes starts the 30-day clock. **Please send your feedback to the Board by March 1, 2023.**

**Unless the Board decides to revise their decision based on member feedback, the new dues and special assessment will go into effect for the payment due March 15, 2023.**

Linnea developed a payment plan for those who wish to defray the higher dues and special assessment over time – see [Payment Plan Option](https://docs.google.com/spreadsheets/d/1-SkaQ8FxmIN_U0bg1L7DyGIJvmID_8ux/edit?usp=sharing&ouid=115121359646123498368&rtpof=true&sd=true). Please let Linnea know if you would like to use the payment plan.

Meeting adjourned 8:36 pm

Minutes respectfully submitted by Heather McHugh.