

Saddle Ridge Estates Association, LTD

599 Saddle Ridge

Portage, WI 53901

Website: www.saddleridgeestates.net

Email: saddleridge139@gmail.com

(608) 742-6850

ANNUAL MEETING OF OWNERS

September 20, 2022

Bethlehem Lutheran Church, Portage, Wisconsin

Directors Present - Linda Brzezinski, Brett Johanen, Tom Joswiask, Winnie Schumann, Vicki Vogts

CALL TO ORDER & CERTIFY QUORUM:

Schumann called the annual meeting to order at 7:00 pm. There was not a quorum present (owners attending in person or by proxy) and the Agenda was posted in accordance with Wisconsin Statutes.

READING & APPROVAL OF THE 2021 ANNUAL MEETING MINUTES

Vogts read the minutes from the September 21, 2021, annual meeting. Juanita Rockhill (U6021) made a motion to accept the minutes as read, Jerry Braun (U311) seconded the motion, and all approved.

DIRECTOR REPORTS:

Schumann recognized and thanked board members who served this past year:

- Mary Guckenberger, secretary
- Ryan Lang, buildings
- Mark Mostrom, secretary
- Pam Barreau, utilities

Schumann introduced current board members:

- Treasurer: Tom Joswiask
- Secretary: Vicki Vogts
- Grounds: Linda Brzezinski (term expiring)
- Roads: Brett Johanen

All of these individuals were gracious enough to serve on the board and serve the owners and residents of the SREA. They have given up their personal time to help make this community a better place. Without their time and commitment, we would be in a world of hurt.

Grounds:

Brzezinski reported:

- TRK - the SREA has signed a three-year contract starting the new lawn mowing season of 2023. TRK will be cutting grass on Wednesday and Thursdays so the lawns look good for the weekend. Brush pick up will be on the third Tuesday each month and the fall pick up will be in late October/early November.
- Tree cutting and trimming will be done by Hoffman Tree Service in October. About 10 trees will be cut down including the one at the end of Hole 2 near U6001 condo Lawrence condo. The UW arborist came out to look at tree near U402 - why did it die suddenly? Pine bore. One tree fell down in the 6000s from a storm - only storm damage this year.
- Thank you to the volunteers for repairing lawns in the spring from snow plowing. Some yards were reseeded and regraded for water to run away from the condo building. Brad Walker installed two french drains.
- Five (5) woodchucks and 2 racoons were trapped and let go miles away.
- Barreau (U6012) asked if there was going to be fall fertilizing - no. TRK will do it in the future.
- U6022 has mole damage on the side of the yard.
- Some trees will be trimmed for mowers.

Roads:

Johanen reported:

- Roads (in progress):
 - Request for bids sent out to 11 contractors with a deadline of July 31, 2022 - heard from two contractors and received one estimate.
 - Repave Court 3 circle - Davis Construction \$28,000
 - Sawcut pothole and repave at entrance to Court 4 – Davis Construction \$800
 - Crack-filling throughout SREA - \$5,000 past annual expense on rotation
 - List of contractors contacted below - open to comments, help contacting and additional suggestions:
 - Davis
 - Scott
 - Holmes
 - Custom Seal
 - Patriot
 - NW Asphalt
 - Wells
 - Hometown
 - Picketts
 - Gasser
 - Abbs

Consideration for delaying any major pavement repair projects (unless emergency) until development of remaining lots is complete. Proceed with Court 3 as the budget allows.

- Additional Driveway Parking (complete)
 - Received 6 requests
 - One installed, two pending, others declined
 - New process:
 - Unit owner submits Work Order with approximate location/dimensions. NOTE: A physical, paper copy work order must be received for consideration from the Board.
 - Board approves
 - Unit owner contacts and coordinates with Contractor
 - Unit owner and contractor responsible for restoring common area, lawn, etc.
- Unit 614 Driveway Drainage (complete)
 - Owner wanted grass instead of Board recommended gravel and proper grading.
 - Board no longer liable for drainage issues at that unit related to this project.
- Grading Cart Path (in progress)
 - Grade Cart Path – Davis Construction \$2,200 (up to first house on way to Portage Golf Club)
 - Equipment rental with volunteer operator - \$500
 - Columbia County Brush Mowing - \$100/hour
 - Work done in winter - may not look nice immediately afterward but should “green up” by May
 - Thank you to volunteers who have trimmed brush, mowed grass and graded this summer
 - Cart path owned by Saddle Ridge Corporation from Saddle Ridge Golf Course to North Shore Drive
 - Currently, SREA responsible for maintenance – no available budget funds for it
 - Cost sharing with other Saddle Ridge associations (similar to Utilities Committee)
- Directional road signs within SREA (in progress)
 - Obtaining design and cost estimates for consideration during future budget planning process
 - May include unit numbers
- Radish brought up if contractors can be charged a fee for damage done to roadways. We would need to take photos of before and after construction. The snowplower takes care of any lawn damage in the spring - it's part of their contract. TRK will install the red stakes prior to winter so he knows where the edges are located.

Buildings:

Schumann reported:

- We reroofed Units 511, 512, 605 and 6032 - the roofing material used is supposed to have a 50-year life expectancy. We will continue to give priority to replacing roofs as the budget allows.
- We handled 90-100 work orders and/or responded to emergency situations in the past year. We have completed approximately 80% of the projects.
- This week, we will be doing some concrete work for walkways and garage aprons.
- Badger Basement will be here on November 1 to complete their annual warranty inspections of sump pumps and drain tile on 16 units to maintain our warranty.
- We continue to work on being responsive to everyone's needs, but at times getting contractors or materials is a roadblock. Your patience is appreciated.

Utilities:

Reported by Schumann:

- The "Utilities Committee" is composed of representatives from all Saddle Ridge associations has been formed and is operational. This is a working committee in the planning of infrastructure upgrades, handling of operational issues and maintenance of the sewer and water systems. We are doing the gauge readings to track operational performance and to report sewage usage to the City of Portage Utilities Department which saves us several thousands of dollars per year. Pam Barreau started this effort and we thank her!! General Engineering remains our consulting management and on-call firm.
- General Engineering is working on mapping all valves which were located via GPS by the Utilities Committee and other volunteers. Once that is completed, we can begin doing testing to determine what main valves turn off what. This has been a significant issue for the west end when we've had problems in the past.
- WDNR Lead & Copper Rule Service Line Inventory Requirements. Procedure is being written by Fritz Meierdick of the Utilities Committee to have individual unit owners report what type of pipe is installed in each unit (the pipe as it enters the building and the internal pipe from that point on).
- The Utilities Committee is determining the procedures for reporting issues with sewer and water to streamline the process.
- We signed the contract for the duty pump replacement scheduled for December 2022. This is the primary pump that fills the water reservoir to maintain our water pressure.
- Lift Station #2 control panel components have been received by B&M Technical Services. Scheduled for replacement later near the end of September 2022 at an approximate cost of \$30,000. The age of the current panel is 30 years old and it has had a number of electrical issues/failures. Failure on this control panel caused the sewage backup in three units. Our liability insurance was used to payout a total of \$75,741.33 for the damages.
- Completed projects:
 - LMS Construction repaired the water main break by the marina in October 2021.
 - Installed two new pumps on Lift Station #2 by the marina for a cost of \$14,000.
 - Completed all routine preventative maintenance, annual hydrant and main valve flushing, and repaired all main valves that had issues.
 - Completed the 2022-2023 fiscal year Utilities budget with the assistance of the newly-formed Utilities Committee.
 - Sewer-related reserved expenses are as follows: replace Lift Station #1, pump 1 which was originally installed in 1992.
 - Water-related reserved expenses are as follows: replace Well #1 and #2 water meters which are 40 years old and replace the duty pump in the reservoir room which was originally installed in 1999.

Overall, there are 35 projects completed for fiscal year October 2021-September 12, 2022.

- The following questions or comments by owners:
 - Sewer back-up damage in a few condos in the 800s totaled \$75,000.
 - Why are we only charging \$3,500 for new construction sewer hook-ups when it costs thousands more many years ago? (it was lowered when we received outlots and a golf cart path from Saddle Ridge Corporation in October 2018).
 - When will Bella Island be hooked up? Billing starts when they build (occupancy permit approved).
 - Bill Mautz thanked Pam Barreau and the creation of the Saddle Ridge Utilities Committee.

Treasurer:

Joswiak reported:

Saddle Ridge Water and Sewer Committee Process

- Separate accounts to pay for all routine and reserve/capital expenses instead of SREA paying the entire bill and waiting for reimbursement from the other associations.
- Separate Budget for each Utility. \$200,000 for sewer and \$100,000 for water is budgeted for 10/2022-09/2023.
- Fixed monthly rate of contributions from all participants (Associations/Entities)
- Reserves will be accumulated for each Utility to pay for planned capital expenses over the years.
- Budgets and plans are based upon a 40 year plan of known expenses and estimated costs and inflation.
- Plan is to keep funding these accounts on an incremental basis based on inflation:
 - This will either be with adjustments every 5 years or so - or -
 - Annually based upon an estimated inflation rate of approximately 2.5% which can be variable
- This reduces the possibility of surprise expenses and other Utility costs from impacting the operating plan of all participants.

SREA 2021-2022 Actual versus Budget Review

- Calculations are a bit messy this year because of changing the Water and Sewer model part way through the year.
- Net result is we will operate this fiscal year within the budget.
- Able to divert more funds to roof repairs as that is our top priority area in need of funding.
- Income is \$250 per unit per month and expenses will be \$275 per unit per month. The \$25 per unit per month variance is being covered by approximately half of a \$98,000 Reserve CD that was liquidated in March 2022.

SREA 2022-2023 Budget Review

- 80% of the routine expenses are fixed flat rate costs.
 - TRK contract covers mowing, snow removal and most of lawn maintenance
 - Water and sewer based on new funding model
 - Insurance
 - Garbage
- Income is \$250 per unit per month. Expenses will be \$275 per unit per month. The \$25 per unit per month variance is being covered by approximately half of a \$98,000 Reserve CD that was liquidated in March 2022.
- Reserve Expenses will continually be toward roofing projects.
- Currently, we have \$250,000 in reserve CD's. How much money do we have to keep in statutory reserves? We do not know that number yet. Has the SREA ever documented the number in the past? We are reserving it. We have \$200,000 in our bank account at the end of August = \$520,736 in CD, bank accounts, and sewer/water fund.

Projects we need to get completed by the next budget cycle.

- Need a current long-term plan for Reserve Expenses that will cover:
 - Roofing replacement schedule and costs
 - Siding replacement schedule and costs - it appears that about 75% of building were sided in last 10-15 years
 - Driveway and Roads replacement schedule and costs - this maybe next focus in 5-10 years
- Once we have re-established our long-term funding needs, we will be able to determine the appropriate maintenance fees needed to support our current and long-term needs.
- Keep in mind, \$42,000 of this and next year's budget is being covered from Reserves and not monthly maintenance dues. (i.e., \$25 per unit per month)
- We will also looking at how to keep up with funding our needs to account for inflation:
 - Annual small adjustments to keep current with inflation (\$5-\$10) per unit per month
 - Larger adjustment every few years (\$25 per unit per month)
 - Want to avoid large adjustments and play catch up.
- Plan for what SREA needs for long term Reserves versus what if any current reserves are available today to spend on projects.
- Plan to catch up to Roofs that are EOL and need to be repaired ASAP.
 - Past EOL 25 years = \$443,000
 - In year 2027 = \$287,000
 - Today's cost to replace every roof is approximately \$1.5M
- Unused Budget dollars from this current fiscal year will be carried over as additional budget funds available for the upcoming fiscal year.

President:

Reported by Schumann; a few reminders:

- Work orders are appreciated. The SREA has 143 units and it is a big job to keep track of all the projects. Some kind of documentation is very much appreciated. We also ask that members respect board member's personal time by not stopping them while they are out walking or having dinner, etc., to discuss your project is disrespecting their time off the job. We volunteer our time, but we also need personal time away from the job. Most of us are seniors and our memories aren't what they used to be so if you tell us something in passing and we forget, we most likely won't remember it. Please help us out by documenting your request.
- An email message went out to owners asking that golf carts not be driven on lawns. To clarify, driving your cart up to your condo to wash it, using it to transport items to the back of the yard, or other occasional situations is acceptable. Our concern is frequent travel on the same path - it will eventually kill the grass. We spend a lot of money on the lawns and we want to keep things looking nice. There are specific trails and roads for traffic to and from the cart path, clubhouse, etc.
- Due to owners making a change to their condo unit such as adding a three-season room, the SREA has been asked several times to add netting or regrade due to the addition. The SREA is responsible for the exterior of condo/garage buildings, roofs, roads, driveways, and lawns beyond the three-foot limited common area - the board's focus is on the good of all owners. Spending money that benefits only one unit because they made a change does not interest "the whole". We will be very cautious in considering those types of requests. People have chosen to live on a golf course so there will be occasional golf balls hitting our buildings - even netting does not totally prevent the damage. The board is taking the stance of discontinuing the installation of netting. Unit owners may choose to do some type of protection on their own but will still need to be approved by the board.
- The board went out looking for bids on the common area insurance policy. Some companies would not quote our properties due to age of the units and the number of units. No quotes came in lower so it was approved to keep our current policy with State Farm. The deductible remains at \$20,000 per property damage event.
- SRE III was approved by the Town of Pacific board, and we have asked Attorney John Miller to make the modifications to the Master Bylaws to incorporate it into the condo documents.
- Attorney John Orton drafted a Sewer Agreement involving all other Saddle Ridge associations, Saddle Ridge Corporation, Saddle Ridge Golf Course, and Bella Island assigning the SREA as administrator. Out for review and approval.
- SREA has made the final payment regarding the sewer and water settlement with the City of Portage. The city agreed to keep the existing contract. SREA created defined procedures for communication - we take the reading, take a photo of the meter, and email it to them which has the SREA a lot of money.
- A contract was drafted for the Bella Island owners spelling out their responsibilities, use of the sewer and water facilities, and pay their fair share of the costs. Bella Island is required to abide by the community rules and regulations, handle their own driveway, snowplowing, mowing, garbage pick up, building maintenance, etc. They will be expected to share in the cost of maintaining the main road to their driveway. The contract is being reviewed by their attorney at this time.
- Your board is very proud of the planning that we have undertaken for the long-term, and we hope you appreciate the work to accomplish it. It is a more tolerable approach to financing for the long-term and hopefully maintaining the community at the level expected by all.
- We sincerely appreciate volunteers that have assisted with various projects during the past year including: Jerry Braun, Don Chatfield, Brad Walker, Bonnie Harmon, Marv Jensen and the tree committee, Mari Guckenberger Matt Radish, Dave Dell as well as the Saddle Ridge Golf Course for the use of their equipment. If I've missed anyone that has volunteered, I apologize. We hope that in the future, more people will volunteer ideas, their time to work on projects or just provide moral support. This community is one of the best and it is through the effort of all to have that continue to be the case.

Election of Board of Director Members:

- Nominations from the floor? No
- The director positions expire: Brzezinski, Barreau, and Lang.
- Introduction of Candidates - Peggy Brunner (U6051) and Dan Chatfield (U313).
- Motion by Tracy Kuhn (U601) to cast a unanimous vote for Brunner and Chatfield; second by Lisa Peloquin (U509); all approved. The third vacant position will be appointed in the future.

Other Business:

- Jerry Braun reported the golf cart path will be resurfaced with regrind from the City of Portage. The cost will be \$15,000-\$20,000 from the Saddle Ridge Golf Course to W7302 W. North Shore Drive. He will be asking the other associations for money and donations from individuals. The cost is \$15 per ton and we will need 500-600 tons for the entire path. Brad Walker's employer will be heading up the project. It is 5,400 feet long from the Saddle Ridge clubhouse to the top of the hill by Wilson's house. The path was graded to 8 feet wide a few years ago. Donations can be made out to "SREA Golf Cart".

Adjournment:

Margie Druce (U6005) made a motion to adjourn the meeting at 8:13 pm; Brenda Joswiak (U6027) seconded the motion; all approved.

Respectfully submitted,

Vicki Vogts
Secretary

Approved: