

Saddle Ridge Estates Association, LTD

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ANNUAL MEETING OF OWNERS

September 19, 2023

Bethlehem Lutheran Church, Portage, Wisconsin

Directors Present - Peggy Brunner, Linda Brzezinski, Don Chatfield, Brett Johansen, Tom Joswiak, Winnie Schumann, Vicki Vogts

CALL TO ORDER & CERTIFY QUORUM:

Schumann called the annual meeting to order at 7:01 pm. There was a quorum present (owners attending in person was 40 units and 51 attended by proxy) and the Agenda was posted in accordance with Wisconsin Statutes.

READING & APPROVAL OF THE 2022 ANNUAL MEETING MINUTES

Miles Oakey (U409) made a motion to accept Minutes for September 20, 2022, as presented; seconded by Pam Barreau (U6014); approved by all.

DIRECTOR REPORTS:

Schumann introduced current board members:

- Treasurer: Tom Joswiak
- Secretary: Vicki Vogts
- Buildings: Peggy Brunner
- Grounds: Linda Brzezinski
- Roads: Brett Johansen
- Utilities: Don Chatfield

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:

- Trees:
 - In October 2022, Hoffmann Tree Service removed 7 trees and pruned 32 trees - total cost of \$8,300.
 - In January 2023, we had a snowstorm where large branches came down near 23 units from the heavy snow; Hoffmann, again, removed the storm debris. Cost was \$1,800.
 - In late July 2023, a severe thunderstorm damaged trees and branches. Five (5) trees had to be taken down and branches stuck in the tree were removed. Cost was \$2,400.
 - Next month (October 2023), Hoffmann will be removing 8 trees and pruning 16 trees at a cost of \$8,900. To save money, Phil Gavinski will be pruning the lower branches throughout the association.

- Phil Gavinski cleared brush around electrical boxes throughout the association, shoveled the sidewalk to the records storage room, and took down fencing, if damaged.
- The rail fencing will be removed as they deteriorate; they will not be replaced.
- TRK:
 - Completed the first year of a three-year contract for grass cutting and snow removal. TRK plowed snow 18 times last season.
 - He has fertilized the lawns twice so far this year and will do the third application in October.
 - Completed a retaining wall project at U6012.
 - Tom Steinhaus (U6035) asked if we pay TRK by the mowing session or for the season. When they do not mow, do we receive a credit? No, because the Grounds Director and President make the decision to mow or not to mow.
- New Fines Procedure:
 - Fines can be given for dog waste, trailer in driveway, etc.).
 - We will notify the owner personally and they will have 3 days to remedy the issue.
 - Failure to pay fines by the due date will result in a \$25 late fee. An additional \$25 late fee will be charged for every month the fine is not paid.

Roads:

Johanen reported:

- Repaired pothole in Courts 400 and 6000.
- Established estimate on full replacement value of all SREA paved roads and driveways for future budget planning.
- Researching cost estimate to replace unit number signage and traffic directional signage throughout SREA. No budget yet but will be considered for 2024-2025 fiscal year.
- Limited crack filling (possibly in phases) and "chip sealing" for sections of pavement will be considered next fiscal year, if funds become available.
- Total of 3 work orders relating to roads:
 - U311/U312 driveway cracks
 - U670 driveway cracks
 - Inquiry regarding driveway sealing and crack filling
 All work orders have been deferred until funding is available.
- Parking pads are installed at the owner's expense as well as obtaining cost estimates and scheduling the work. Owner must submit a work order so the board can approve it prior to installation.
- TRK has been contracted to plow roads, courts, and driveways again this winter; they will mark all areas of concern. Let Johanen know if additional areas should be marked.

Buildings:

Reported by Brunner:

- Service Requests for 2022-2023:
 - Over 90 work orders were received and completed with many listing multiple needs. All requests were addressed in a timely manner barring any outside variables such as availability of materials needed, weather. Six (6) work orders recently received are projected to be completed by month end.
 - Any and all "aged" work orders were addressed, solutions found, and completed by the appropriate contractor. All projects were completed as efficiently and cost effectively as possible.
 - We strive to respectfully acknowledge all of your work order concerns as realistically, professional and expeditiously as possible.
- Roofing Projects:
 - SREA contracted with The Gardner Company and oversaw them completing 6 building roof projects (consisting of 17 units). Gardner utilizes the highest standard of materials, technology and craftsmanship available in our market and competitively priced. Gardner offers a 10-year company warranty on all projects completed. Atlas Shingles carries a 45-year warranty, supplied by the manufacturer, for each unit reroofed. The warranty certificates are filed in each condo unit and building files for any future reference.
 - SREA utilizes a "triage system" to determine which units are in most need of reroofing. Our community service technician (Phil Gavinski) is consistently assessing the condition and needs of our roofs, as well as the structural integrity of chimneys (including caps and collars). We discuss concerns weekly; our goal is to be as proactive as possible.

Utilities:

Reported by Chatfield:

- Lift Station #2 Controller was replaced on October 26, 2022. The two pumps were converted to use three-phase (440 volt power). Cost was \$29,997.
- Duty pump was replaced by B&M Technical Services on January 25, 2023. Cost was \$15,637.
- The check valve for the duty pump was failing allowing backflow of pressurized water. It was replaced by B&M on May 8, 2023. Cost was \$956.89.
- After discussions with SREA board and Saddle Ridge Utilities Committee, it was decided to forgo replacement of analog meters on our two wells. It was further decided to accept the proposal by Xylem to replace both old pumps in Lift Station #1 with two new Flygt three-phase pumps at a cost of \$29,245. Originally, one pump was scheduled but the Utilities Committee and General Engineering leaned toward doing both. The pumps have been ordered and we await a delivery and install schedule.

- The pump on Well #1 has suffered a mechanical breakdown. It needs to be pulled up from 100 feet below ground and replaced along with the aged and pitted pipe which carries water up to our storage reservoir. The work was fully completed by Sam's Well Drilling on September 14, 2023. Cost is estimated at \$25,000 to \$30,000.
- Water use was unusually high this year as a result of the drought conditions. While we typically see a summer spike with seasonal residents coming back and folks watering plants and lawns, this year saw a spike we hadn't seen since 2019.
- Below are the average daily gallons of water pumped for the warmer months:

	<u>2023</u>	<u>2022</u>
April	24,471	33,071
May	45,714	43,332
June	97,546	57,039
July	74,120	70,417
August	73,323	60,596

Secretary:

Reported by Vogts:

- Organizing the storage room; creating a file system for each condo and each building regarding maintenance, etc.
- SREA's Tracfone received 45 calls since September 2022 through today; 24 callers left no message.
- Owners need to let the SREA know of any contact information changes, especially for email addresses.

Treasurer:

Reported by Joswiak:

2022-2023 Fiscal Year Budget versus Actuals Review:

- Income was up \$33,000 from what was budgeted
- \$11,000 insurance premiums
- \$10,500 sewer hook-up fees (\$3,500 not yet collected)
- \$11,700 cart path donations
- Routine Expenses:
 - Difference between total and fee-based expenses is Insurance and Cart Path Expenses
 - \$15,000 additional budget added to original budget from carry over from previous year
 - Fee-based expenses estimated to be \$7,000 under budget and will be carried over to next year
 - \$199 to \$204 dues per month per unit increase is a result of spending \$8,000 of the carry over budget
- Reserve Expenses:
 - \$50,000 additional budget added to original budget from carry over from previous year
 - Estimate is to be at \$9,000 under budget
 - \$76 to \$100 dues per month per unit increase is a result of spending \$40,000 of the carry over budget
- Summary:
 - Revenue was in line with expectations
 - Total expenses will be approximately \$17,000 under budget and will be carried over into next year's budget once the current fiscal year ends and we have the final numbers.

- Current Cash Balances:
 - Operating Account \$106,596.43
 - Sewer Fund \$ 80,075.13
 - Water Fund \$ 84,066.78
 - CD \$104,359.85
 - CD \$161,112.75
 - Total** **\$536,210.94**
- Maintenance Fee Long-Range Plan Proposal to address maintenance fee rate hike:
 - Board is recommending a hybrid model to increase the monthly fee from \$250 to \$275 for 2023-2024. \$275 to \$300 in 2024-2025. Starting in 2025-2026, the monthly fees will increase 2.5% for inflation. The rates for 2024-2025 and beyond are not final and will be reviewed by the board prior to next year.

2023-2024 Fiscal Year Budget Review

- Insurance Revenue:
 - We will reduce the revenue collected from unit owners by \$10,500. This money will come from the sewer hook-up charges we collected in the 2022-2023 budget.
- Lawn and Yard Maintenance (2104):
 - Budget includes \$13,044 for non-fixed expenses. In 2022-2023, we spent approximately \$23,000
 - This could be an area of concern and an area we need to watch.
- Repair and Maintenance (2110):
 - Budget is \$24,000. In 2022-2023, we spent approximately \$29,686.
- Water and Sewer:
 - Cost went up 2.5% as that is what the budget increased by for those categories. Total increase was \$2,250.
- Garbage:
 - Budget for garbage was adjusted. Increase is \$6,000 which is in line with actual costs for 2022-2023.
- Reserve Expenses:
 - Again, the focus will be to continue to focus on roofing projects.
 - There are \$440,000 worth of roofing projects that are “end of life” over the next 2 years - consisting of 48 units. It will take 4 years to complete these projects - 3 years if we use the \$100,000 CD that we have in reserve. This will only be done if we hit a point of critical need exceeding available budget.

President:

Reported by Schumann:

- **Saddle Ridge Sewer Agreement:**
Agreement was completed and signed by all association representatives, golf course, Pat Kirk, and Bella Island. A formal group, “Saddle Ridge Utilities Commission”, was formed and meets every two months regarding utility issues throughout Saddle Ridge.
- **Saddle Ridge Water Agreement:**
Agreement is currently being worked on and should be in place in a few months.

- **Bella Island Association Agreement:**

An agreement with the owners of Bella Island (aka Oak Island) is almost finalized - they are not a part of any association and are their own association. The agreement outlines the rules of all owners and residents in Saddle Ridge, and it should be finalized shortly.

- **DNR Pipe Identification:**

Owners who have not responded need to reply to the request as soon as possible. We will be following up with the owners that have not responded.

- **Changes in What the SREA is Responsible for:**

- Several years ago in Court 100 and to some extent Court 600, SREA installed sump pumps and a backup cistron to handle groundwater issues. Since then, SREA has been managing the maintenance of the individual unit's sump pumps. SREA will no longer be paying for that maintenance. SREA will maintain the cistron, associated generator, and pumps. Owners must schedule and pay for the annual inspection to maintain the warranties.
 - Common wall water leaks in plumbing have been the responsibility of the SREA for units in Courts 100, 200 & 400. The Board decided that after this many years, any water pipes could have issues and that we've provided sufficient support. We will no longer be responsible for the cost of repair to pipes and wall damage.
 - Netting to protect units from golf balls will no longer be provided by the SREA. We have found that there is now siding on the market that can withstand a hit by a golf ball. In the future, siding repairs for those units that are vulnerable to getting hit will most likely be repaired using that type of siding.
 - This year, SREA had a number of units where yellow jackets got into the walls. We approved to cover the cost of pest control in these situations. SREA also has been covering the cost of where bats are getting into buildings. Pest control contractors state to not install bat houses near your building - it will attract bats.
 - Another cost control approach the SREA has been using is mud jacking or poly jacking for concrete walks, steps, etc. versus tearing out the old concrete and replacing it. This saves the SREA thousands of dollars and has been very effective.
- The Board has been very vigilant in adhering to the budget and reducing costs as much as possible. As you can imagine, trying to please 142 unit owners is a challenge, but we are doing the best we can. The board appreciates your support and understanding. There are many that have volunteered to help with maintaining the community and we especially thank them for their efforts.

Election of Board of Director Members:

- Director positions expiring this year: Schumann, Vogts
- Directors leaving the board: Brzezinski, Chatfield
- Individuals Voted to the Board:
 - Vicki Vogts
 - Calvin Gruss
 - Karl Turner
 - Winnie Schumann
 - The board of directors will elect officers at the October 9, 2023, monthly board meeting.

Proposed Amendment to the SREA Condo Documents - Merger of Units 507 & 508:

- Unit owners of 507/508 are requesting this amendment so they pay one monthly maintenance fee, assessments, etc., just as any other SREA unit owner.
- The unit was built as one unit by the original owner. This building was initially designed to be a quadplex and the documents were filed as such. For whatever reason, the documents were not changed to reflect how it was actually built, a triplex.
- The unit has one water and sewer hookup, one garbage pickup, one mailbox, a single insurance billing based on square feet of the unit, and one tax record.
- The square feet of this unit is not any bigger or is smaller than some single family units or duplexes within SREA. Some might say that the amount of roof space is more than any other unit in a quadplex, however, the size of the roof or the square feet of the unit are not factors regarding maintenance fees. The maintenance fee is the same amount for all units regardless of size, style, etc.
- The board is making the motion to modify the condominium documents.
- Owners voted “**yes**” to the amendment. Schumann will have the document drawn up by the attorney and distributed to the owner by email (mailed to those with no email) and the website will be updated.

Other Business:

- **Frontier Fiber Optic Installation:**
Tina Thomas (U602), who works for Bethlehem Lutheran Church, stated that Frontier is not going to do any installation in this area until 2025.

Adjournment:

Margie Druce (U6005) made a motion to adjourn the meeting at 8:16 pm; Tom Steinhaus (U6035) seconded the motion; all approved.

Respectfully submitted,

Vicki Vogts

SREA Secretary

Approved: September 17, 2024