

Saddle Ridge Estates Association, LTD

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ANNUAL MEETING OF OWNERS

September 17, 2024

Bethlehem Lutheran Church, Portage, Wisconsin

Directors Present - Peggy Brunner, Calvin Gruss, Brett Johansen, Tom Joswiak, Winnie Schumann, Karl Turner, Vicki Vogts

CALL TO ORDER & CERTIFY QUORUM:

Schumann called the annual meeting to order at 6:01 pm. There was not a quorum present (37 units attending in person and 35 units attended by proxy) and the Agenda was posted in accordance with Wisconsin Statutes.

READING & APPROVAL OF THE 2023 ANNUAL MEETING MINUTES

Pam Barreau (U6012) made a motion to accept Minutes for September 19, 2023, as presented; seconded by Jim Severson (U650); approved by all.

SADDLE RIDGE CORPORATION

Darin Gardner is purchasing Saddle Ridge Corporation from Mahlon "Pat" Kirk this week. SRC owns all vacant lots throughout Saddle Ridge and the golf cart path up to the first property owner by the Portage Golf Club. Gardner will own vacant lots in SRE II and SRE III.

SRC has 67 vacant lots to develop that are located in three associations: The Forest, SRA and SREA. In the SREA, there are no trees that will need to be removed to build homes. Steinhaus (U6035) asked about what type and quality of homes will be built on his sold lots. Gardner will have five different ranch home options and three duplex ranch options (all to be built on a slab with zero-entry exterior doors) for new owners to choose from. Gardner brought his plan set for residents to view after the meeting. Residents are encouraged to email their questions for Gardner to the SREA email; they will be forwarded to Gardner to answer.

Question raised about who will be responsible for damage done to SREA roads during construction of new homes? This will be discussed at a later date. SREA would take photos of the road before and after construction for consideration. Question raised asking if the additional homes will affect the water and sewer systems? According to GEC, there are 40 available sewer hook ups and our system can handle the extra usage. The City of Portage is upgrading its sanitary sewer plant in the near future.

Gardner discussed the dispute with the first owner past the golf cart path. He has obtained documents regarding the ownership and easement rights for the path running by the three properties along Hole 4 at PGC. Gardner is meeting with the PGC board about the possibility of moving the path over along Hole 4. Gardner asked if Saddle Ridge residents would be willing to contribute money toward maintenance of the path; Joswiak stated there is \$400 left in the SREA fund leftover from a prior to a fundraiser. Question was asked if the path may be paved? Gardner said probably not. Another question was who is responsible for maintaining the golf cart path? Gardner said it will be a joint effort; he does have the equipment to maintain it.

DIRECTOR REPORTS:

Schumann introduced current board members:

- Treasurer: Tom Joswiak
- Secretary: Vicki Vogts
- Buildings: Peggy Brunner
- Grounds: Karl Turner
- Roads: Brett Johanen
- Utilities: Calvin Gruss

These individuals are volunteers who serve on the board to serve the owners and residents of the SREA. They have given up their personal time to help make this community a better place.

Grounds

Turner reported:

- **Trees:**
 - Last November 2024, Hoffmann Tree Service removed 11 trees (8 were stump ground) and pruned 16 trees. Total cost was \$10,418.
 - In July 2024, Just a Memory Tree Service removed 21 dead trees around U317 at a cost of \$4,088. Due to the location of the trees, most of the stumps were not removed.
 - In October/November, Hoffmann will remove trees for \$4,400.
- **Lawn Maintenance:**
 - TRK was contracted to do lawn mowing, brush pick up and fertilizing of lawns. They mowed 17 times so far this season, did brush pick up 5 times, and did 2 fertilizer applications with 1 planned for this fall.
 - Eight (8) yards of topsoil was delivered in May 2024 at a cost of \$212. The dirt is used to repair snow plowing damage to laws, fill holes from stump grinding, and SREA owner's use for containers, etc.
- **Work Orders:**
 - 50 work orders were done with ground repair and mailbox repair.

Roads

Johanen reported:

- **Snow Plowing:**

TRK was contracted to do snow plowing of roads and driveways. Due to the lack of snow, they only plowed 6 times and put down salt or sand 5 times.
- **Road Signage:**

Directional and court number road signs installed (thanks Winnie!).
- **Work Orders:**
 - Four (4) work orders received - determined that no action necessary at this time but will be monitored.
 - Even though owners pay for parking pads themselves, you must submit a work order to be approved by the board prior to the work being done.
- **Potholes & Driveway Cracking:**

Submit work orders for any potholes, driveway cracks, and concrete apron heaving so repairs can be done.

- Strategic plan calls for road improvements as funding allows and bulk of vacant lot development is completed.

Buildings

Brunner reported:

- **Work Orders:**
Received 57 work orders for building projects over the past year:
 - 55 homeowner concerns have been addressed and completed in a professional and timely manner.
 - 2 recently submitted work orders have been reviewed and will be completed as soon as possible.
 - As always, we strive to respectfully acknowledge all of your work orders as realistically, professionally, and expeditiously as possible.
- **Roofing Projects:**
 - SREA contracted with the Gardner Company and supervised the reroofing of 5 buildings consisting of 11 units.
 - Each unit owner was also given the opportunity to privately contract with Gardner (at the time of the reroofing) to add attic insulation - many chose to do it.
 - Gardner continues to utilize the highest standard of materials, technology and craftsmanship available in our market with competitive pricing. Gardner offers a 10-year warranty on all projects completed by him, and Atlas Shingles carry a 45-year warranty. All warranty certificates are maintained in each unit's folder for future reference by the SREA secretary.
 - SREA continues to utilize a "triage system" to determine which units are in "most need" of reroofing. Phil Gavinski, our service technician, is consistently assessing the conditions and needs of our roofs and gutters, as well as the structural integrity of chimneys, including caps and collars. Any concerns are discussed with our building director on a weekly basis.
 - An owner asked if a building is being reroofed to notify neighbors around the building too so vehicles can be moved before workers arrive.
- **Sump Pumps & Tile:**
Unit owners with sump pumps are responsible for its maintenance - SREA is not. Unit owners who have sump pumps must call Badger Basement Systems (phone: 920-278-5832) in Fort Atkinson to set up an appointment for check ups and servicing. Badger Basement suggests servicing should be done every 2 years.
- **Wall Pipe Leaks:**
Owners are now responsible for fixing all leaks in the walls. Building director can give recommendations but owners can use whomever they want to do the repairs.

Utilities

Gross reported:

- **Lift Station #1:**
Unwanted waste in the sewer lines causing the pump check valves to malfunction. This caused our waste to flow back and essentially we got charged twice for our waste for July and August 2024. B&M Technical Services recalibrated the waste meter and replaced the check valves. The total cost was \$15,000-20,000 in damages and excess sewer charges. This was all due to baby wipes, "flushable" wipes, women's sanitary items, and other items not safe for the sewer lines.

- **Portage Sewer Rate Increase:**
 - The City of Portage is increasing their sewer rates by 25-30% over the next 4-5 years.
 - At that end of that time, our monthly sewer cost will go from \$9,200 to over \$20,000 per month. It is imperative that we do not cause any issues to our sewer system that can be avoided.

Secretary

Vogts reported:

- Continue to organize the storage room; maintain a file system for each condo and each building regarding maintenance, etc.
- SREA's Tracfone received 52 calls since September 20, 2023, through today; 19 callers left no message and 33 were forwarded to the appropriate director to respond.
- Owners need to let the SREA know of any contact information changes, especially for email addresses.
- Owners that do not have an email address, must find a "communication buddy" through a neighbor or family member who is also an SREA owner/resident. Emails will not be printed out and hand delivered to those owners.
- Brian Fuerst, our volunteer webmaster, has created a new SREA website at no cost. It's organized basically the same but looks different. The work order can now be completed online and it will be submitted to the SREA email; it will then be forwarded to the appropriate director. Can the common area insurance declaration sheet be posted on the website so mortgage companies can see it when renewed each year? Schumann will check into it.
- "Deer Tales" will no longer be delivered to residents. Effective January 1, 2025, the editor will email a PDF version to each association secretary and it will then be emailed out to that association's residents. Communication Buddies will not need to print it out, Vogts will print out the Deer Tales and deliver to those few residents.

Treasurer:

Joswiak reported:

2023-2024 Fiscal Year Highlights:

- Routine Expenses approximately \$16,500 under budget:
 - \$11,000 carry over from previous year
 - Garbage & Recycling pick up savings of \$8,000
 - Sewer and Water saving of \$1,000 - last minute changes after budget was complete
 - Lawn & Yard maintenance over budget \$8,500 - mostly due to Fall 2023 tree trimming and tree removal around Unit 317 in August 2024
 - Building Repair & Maintenance under budget \$3,500
 - Various other miscellaneous variances
- Reserve expenses approximately \$12,000 under budget:
 - \$9,000 carry over from previous year
 - \$3,000 from unused budget

2024-2025 Fiscal Year Budget:

- Routine Expense Budget Changes:
 - Sewer cost increase of \$14,600 = \$9.20 per unit per month
 - Water cost increase of \$1,000 = \$0.60 per unit per month
 - Lawn & Yard Maintenance decrease of \$8,000
 - Garbage & Recycling pick up decrease of \$4,000
 - Building Repair & Maintenance increase of \$4,000
 - Taxes increase of \$3,100

- Reserve Expenses:
 - Roofing increase of \$32,000
 - Siding and retaining wall increase of \$2,000
- Revenue:
 - Dues increase of \$42,600 = \$25 per unit per month (presented at last year's annual meeting).
- Other future years budget impacts:
 - Baseline plan is to increase dues by 2.5% year after year for inflation = impact is about \$8 per unit per month
 - Portage sewer costs will increase by at least 25% for each of the next 4 years beyond this year. Impact of sewer and water expenses equals approximately \$10 per unit per month.
 - Dues will more than likely increase approximately \$18 per month for the next 4 years instead of \$8 per month. This is not for sure, but just setting potential dues implications.

Cash Balances:

- Approximately \$100,000 in cash available - will be discussing allocating some of these funds for capital reserve spending.
- Current certificates of deposit of \$106,949 and \$168,148 are Statutory Reserves - can be used but must be paid back to the statutory savings within 3 years.
- Sewer fund has \$128,273 available for Reserves.
- Water fund has \$140,883 available for Reserves.

President:

Schumann reported:

- **Water Agreement:**
Last year, we thought the agreement would be signed within weeks, but it took months. It is now complete!! The Utilities Committee will be discussing a hook-up fee to water, just as we have for sewer. Steinhaus (U6035) recommended increasing the sewer hook-up fee back to the old fee of \$5,400 from the current \$3,500. It was reduced a few years ago when the SREA made an agreement with Kirk on the cart path from Court 6000 to the golf cart path.
- **Budget & Building Reserves:**
We've managed the budget well this year and we are building reserves for the future capital expenditures. It's the work of the board members that has allowed us to meet the requests of the owners yet maintain a balanced budget. We may not do all things in the time frame that owners would like, it is a constant balancing act which we have successfully met.
- **DNR Pipe Identification:**
We completed the reporting requirement to the DNR for identification of pipes leading into the unit and the internal pipes. Just as a reminder, this was to identify if any lead piping was being utilized which would be undesirable. Report is due to the DNR in October 2024.
- **Corporate Transparency Act:**
We had to report to the government to identify the board members as we have financial responsibility as a Limited Liability Company. The goal of the Corporate Transparency Act of 2024 is to help fight money laundering and other financial crimes by increasing transparency into the ownership of businesses in the United States.

- **Thank You to the Board:**

I would like to recognize the work of your board members for the excellent job they have done and continue to do. They give up their personal time to serve the community and it is not without some negative aspects. We deal with the situations we are aware of and try to be fair and empathetic in those instances. It is a job that is not without its headaches, but it also has its successes and provides a sense of accomplishment. I sincerely thank all the board members for their hard work. We also want to thank those individuals in our community who pitch in to help maintain our community.

ELECTION OF BOARD OF DIRECTOR MEMBERS:

- Director positions expiring this year: Johanen & Joswiak
- Director leaving the board: Johanen
- Motion made by Margie Druce (U6005) to elect Tom Joswiak with an unanimous vote to a three-year term on the board; seconded by Karla Roder (U305); all approved.
- The board will appoint a person to the vacant seat on the board in the future.
- The board will elect officers at the October 14, 2024, monthly board meeting.

OTHER BUSINESS:

- **New Owner Fee at Closing:**

The SREA will be charging new owners an administrative fee at closing (equal to one month's maintenance fee).

- **Lawn Watering:**

Owners are allowed to water their lawns around their unit no more than three times per week for two hours at a time during early in the morning and late in the afternoon. Excessive watering needs to be cut down and is a cost for everyone.

ADJOURNMENT:

Linda Brzezinski (U506) made a motion to adjourn the meeting; Kim Romero (U614) seconded; all approved. Meeting ended at 8:05 pm.

Respectfully submitted,

Vicki Vogts

SREA Secretary

Approved: September 16, 2025