

BOARD OF DIRECTORS MEETING
July 10, 2023
Bethlehem Lutheran Church
W8267 Hwy 33, Portage, WI 53901

MINUTES

Directors Present: Peggy Brunner, Linda Brzezinski, Don Chatfield, Tom Joswiak, Winnie Schumann, Vicki Vogts

Director Absent: Brett Johansen

Guest Present: Calvin Gruss & Leslie Buettner (U507/508)

I. Call to Order - Certify Quorum

Schumann called the meeting to order at 6:02 pm; quorum present.

II. Posting of Notice

Meeting date was posted on the SREA website and "Deer Tales" community newsletter. Agenda was emailed to owners.

III. Review Minutes of Last Meeting, Amend as Needed & Approval

Motion made by Joswiak to approve minutes as presented; second by Brunner; approved by all.

IV. Director Updates

A. Grounds (reported by Brzezinski):

1. Fines & Warnings:

U415 owner has filled in the holes caused by her dog. Brzezinski will give Atkinson grass seed and straw; the owner will water the seeded area.

U214 has a golf cart sitting on the lawn for more than allowed days. Brzezinski will monitor it and send a letter, if needed.

2. Tree Trimming:

Phil Gavinski trimmed around the electrical boxes and the path from golf course holes 6-9.

3. Woodchucks:

Phil is live trapping a woodchuck in Court 300.

4. Landscaping Maintenance:

Phil is available to do shrub trimming within the three-foot area, if needed. Due to the drought, we will not require people to trim until this fall.

5. U618 wants to have a pine tree trimmed and needles are plugging up the downspouts. Trees are only trimmed if touching the roof or windows.
6. Phil trimmed back the evergreen near U632 as far as he could without killing it. The downspout was plugged but the daughter took care of it.
7. Tyler will spot mow this week and will tie ribbons on the branches that need to be trimmed so it doesn't affect his mowers.
8. In September, Brzezinski will not go up for election - two years left on her term.

B. Utilities (reported by Chatfield)

Water usage is up due to the drought and to "snowbird" residents returning to Wisconsin. Demand pump usage has been occurring to maintain water pressure, supplementing the duty pump.

All systems have been performing perfectly with no problems.

GEC has gotten prices for replacement of one of the Lift Station #1 pump. The matter was discussed at the Utilities Committee meeting on June 23, 2023. The recommendation of the committee was to not switch brands/manufacturers.

It was decided to proceed with the Xylem proposal for a Flygt pump which was bid at \$20,907 with labor and shipping. Since we currently have the Flygt pumps and have a maintenance agreement on them, the committee questioned why we would change brands and companies and enter into a second maintenance agreement to service another pump. The question was raised and Lukasz will contact Xylem to see if the price would be better to get two pumps rather than one.

Water line information from unit owners continues to "trickle in". Reminders are being drafted which each association will send to owners.

Brunner brought up an owner's concern that they felt the water hydrant "didn't work". All water hydrants in Saddle Ridge were flushed a year ago and all were functioning at that time.

Chatfield will be stepping down as Utilities Director at the end of the one-year term as promised when the position was accepted.

C. Roads:

No report.

D. Buildings (reported by Brunner):

SREA Service Technician Phil Gavinski:

- 7 Unit Owner Work Requests submitted in June 2023
- 5 completed/2 pending.
- Parts needing to be reordered due to damage in shipping.
- Interior work scheduled 7/16.

Ron Benoy Construction:

- Benoy is scheduled to revisit work done on homes requesting service on cement settlement between garage floors and aprons. A second treatment is required.
- Requested Skim Coating will also be completed.

Gardner Company:

- A final walk through of the Unit 413-416 building was completed with Brunner and Darin Gardner. All unit owner concerns were addressed and are scheduled to be adjusted on a need basis/ meeting and exceeding all professional industry standards.
- Units #209, 210, 212 reroofing began July 6, 2023 (#211 reroofed 2022). A final walk through with Gardner is forthcoming. Ice jams are caused by lack of adequate insulation in Unit attics and

the porch roofs. Insulation is the solution. Building 209-212 had insulation blown in when it was reroofed - owner paid (3 of 4).

- Units #506 and #507 continues to wait on installation of gutter guards and ice breakers on roofs above doors.

Court 100 cistern/pumping system was serviced in June 2023 by Country Plumber as the SREA Board agreed. A service agreement has been established with Country Plumber to service the system May of each year. United Electric will send an Invitation for service every Fall to the SREA to service the system backup Generac Generator. United Electric will service as the board approves each year. Brunner has created a folder itemizing the necessary information for continued maintenance of the cistern system and back up Generator for Court 100. A pictorial is also included to assist in future referencing.

U501-504 chimney caps were inspected and sanded/painted as needed.

E. Secretary (reported by Vogts):

Vogts will be on vacation from July 15 - August 2. The SREA tracfone and emails will be monitored by Schumann in her absence.

F. Treasurer (reported by Joswiak):

1. Review and Approve June Financials:

Motion made by Chatfield to approve treasurer's report as presented; seconded by Brzezinski; all approved.

We may possibly have one more roof to do in September. We will decide in August.

Projected to be \$16,000 under budget.

We have been paid by the other associations for the legal fees for the Frontier agreement.

U415's outstanding fines for lawn parking violations, past due annual insurance payments and monthly maintenance dues total \$836.73. Will work with the owner to re-establish additional monthly payments to pay down the balance.

2. Review/Approve June Financial for Sewer and Water Accounts:

Any pump repairs probably won't be paid for until the next budget year. Motion made by Brunner to approve treasurer's report as presented; seconded by Chatfield; all approved.

3. Need to complete SREA Budget by mid-August:

- a. Need to decide on 2023-2024 maintenance dues
- b. Target for routine expenses should be to stay at the \$200 per unit per month rate

4. Joswiak will be out of town from July 24-August 10 so Schumann will be taking care of treasurer duties in his absence.

ACTUAL INCOME & EXPENSE BY QUARTER

YEAR TO DATE 10/01/2022 - 06/30/2023

REVENUE				
Sum of DEPOSIT	Column Labels			
Row Labels	1	2	3	4 Grand Total
1010	\$ 104,900.00	\$ 109,525.00	\$ 107,250.00	\$ 321,675.00
1020	\$ 927.69			\$ 927.69
1030	\$ 58.78		\$ 186.41	\$ 245.19
1034		\$ 375.36		\$ 375.36
1040				
1050		\$ 3,500.00		\$ 3,500.00
1060	\$ 11,650.00	\$ 50.00		\$ 11,700.00
1070			\$ 25.00	\$ 25.00
Grand Total	\$ 117,536.47	\$ 113,450.36	\$ 107,461.41	\$ 338,448.24

Other Income				
Sum of DEPOSIT	Column Labels			
Row Labels	1	2	3	4 Grand Total
1100				
5010				
Grand Total				

ROUTINE EXPENSE				
Sum of PAYMENT	Column Labels			
Row Labels	1	2	3	4 Grand Total
2100	\$ -			\$ -
2101	\$ 10,453.20	\$ 10,453.20	\$ 10,422.72	\$ 31,329.12
2102	\$ 22,136.22	\$ 22,136.22	\$ 22,067.91	\$ 66,340.35
2103	\$ 8,964.72	\$ 8,964.72	\$ 8,964.72	\$ 26,894.16
2104	\$ 20,203.80	\$ 7,179.72	\$ 8,421.85	\$ 35,805.37
2105	\$ 11,549.50	\$ 14,001.00	\$ 14,001.00	\$ 39,551.50
2106			\$ 1,946.02	\$ 1,946.02
2107	\$ 5,000.00	\$ 7,500.00	\$ 7,500.00	\$ 20,000.00
2108	\$ 9,999.14	\$ 10,442.86	\$ 10,506.71	\$ 30,948.71
2109	\$ 1,692.53	\$ 1,703.54	\$ 1,689.63	\$ 5,085.70
2110	\$ 9,038.63	\$ 5,685.83	\$ 1,336.75	\$ 16,061.21
2120				
2130	\$ 2,879.27		\$ 1,098.34	\$ 3,977.61
2140	\$ 289.36	\$ 223.38	\$ 223.00	\$ 735.74
2150				
2160		\$ 100.10		\$ 100.10
2170	\$ 177.05	\$ 169.47	\$ 187.20	\$ 533.72
2180	\$ 1,202.59	\$ 318.14	\$ 383.12	\$ 1,903.85
2185				
2190	\$ 10,455.67	\$ 720.95	\$ 105.49	\$ 11,282.11
Grand Total	\$ 114,041.68	\$ 89,599.13	\$ 88,854.46	\$ 292,495.27

RESERVE EXPENSE				
Sum of PAYMENT	Column Labels			
Row Labels	1	2	3	4 Grand Total
3010	\$ 104.77		\$ 6,843.13	\$ 6,947.90
3020	\$ 17,750.00		\$ 76,370.00	\$ 94,120.00
3030				
3040				
3050				
3060				
3065	\$ -			\$ -
3070				
3080				
3085				
3090				
Grand Total	\$ 17,854.77		\$ 83,213.13	\$ 101,067.90

Beg Balance	\$ 223,317.91	\$ 208,957.93	\$ 232,809.16	\$ 223,317.91
Income	\$ 117,536.47	\$ 113,450.36	\$ 107,461.41	\$ - \$ 338,448.24
Transfers/Sewer	\$ -	\$ -	\$ -	\$ -
Total Income	\$ 117,536.47	\$ 113,450.36	\$ 107,461.41	\$ - \$ 338,448.24
Routine Expense	\$ 114,041.68	\$ 89,599.13	\$ 88,854.46	\$ - \$ 292,495.27
Reserve Expense	\$ 17,854.77	\$ -	\$ 83,213.13	\$ - \$ 101,067.90
Total Expense	\$ 131,896.45	\$ 89,599.13	\$ 172,067.59	\$ - \$ 393,563.17
End Balance	\$ 208,957.93	\$ 232,809.16	\$ 168,202.98	\$ 168,202.98

Budget 2022 - 2023		% of Budget
Maintenance Dues (143 units @ \$250/month)	\$429,000	75%
Insurance Premiums Due	\$35,859	3%
Shared Water/Sewer Revenue	\$0	#DIV/0!
Shared Electric Revenue	\$1,460	26%
Interest Income	\$0	
Sewer Hookup Fees - 6 units (see acct 5010)	\$0	
Cart Path Donations	\$0	
Miscellaneous Income	\$0	
	\$466,319	73%

Transfer from CD/Money Market	#DIV/0!
Sewer Hookup Fees - 6 units	#DIV/0!
	\$0 #DIV/0!

Portage Utilities Sewer	\$0	0%
Water Expense	\$41,808	75%
Sewer Expense	\$88,548	75%
Insurance Premium Payments	\$35,859	75%
Lawn & Yard Maintenance	\$39,690	90%
Mowing	\$56,000	71%
Tree Replacement	\$2,000	97%
Snow Removal	\$30,000	67%
Garbage & Recycling Pickup	\$36,000	86%
Street Light Expense - Electric	\$6,900	74%
Bldg Repair & Maintenance	\$25,000	64%
Condo Power Washing	\$0	0
Legal Expense	\$9,000	44%
Office/Printing/Telephone	\$1,200	61%
Bookkeeping Services/Audit	\$0	0%
Computer & Internet	\$300	33%
SRE Only Court 100 Street Lights	\$1,440	37%
Misc. Fees, Taxes, Etc	\$4,500	42%
Non Fee Based or Budget Carryover	\$15,000	0%
Cart Path	\$0	0%
	\$393,245	74%

Emergency Repairs/Maintenance	\$10,000	69%
Roof Replacement	\$90,000	105%
Road/Driveways	\$5,000	0%
Painting	\$0	#DIV/0!
Siding Replacement	\$14,000	0%
Replacement Water - All Assoc.	\$0	#DIV/0!
Replacement Sewer - All Assoc.	\$0	#DIV/0!
Unallocated Funds	\$0	#DIV/0!
Retaining Walls & Netting	\$12,000	0%
Non Fee Based or Budget Carryover	\$50,000	0%
Interest Savings on Reserve	\$0	0
	\$181,000	56%

Income **\$466,319 73%**

Expense **\$574,245 69%**

V. Old Business

A. Saddle Ridge Sewer Agreement:

The sewer agreement is in its final stage after incorporating items from Tom Anderson's attorney and final review from the SREA attorney, John Orton. Schumann submitted this for review and signature to Tom Anderson (Bella Island). Once they sign off, she will request signatures from the others. It is hoped to have it completed by the end of July.

Bella Island will be charged as "one unit" for June, July & August and will pay the \$3,500 water & sewer when they get occupancy.

B. Frontier Fiber Optic Installation Agreement:

After having Attorney John Orton draft a proposed agreement with Frontier, Dennis Allen and Charlie Kirk voted to just use the agreement with an addendum from Frontier stating that they take full liability for the installation and future issues. We billed all the other associations for their share of the expenses for our attorney (all have paid their share).

C. DNR Pipe Identification:

Very little progress in capturing that balance of the units' information. Schumann and Vogts will continue to work on this project.

D. HOA Fee Deduction Request by Unit 507/508:

SREA has been told by our attorney, John Miller, that we have no choice if we wish to accommodate the owner's wishes to have this billed as a single family residence, but to change the condo documents. The Board has decided to pursue it. Condo documents will need to be prepared to be mailed out with the annual meeting mailing in August so the owners can vote on the issue.

E. Any Other Old Business Items:

None.

VI. New Business

A. Additional Revenue Considerations & Ideas:

- SREA should charge a hookup fee for water when new units tie in - \$3,500? We currently charge \$3,500 per unit for the sewer hookup fee but not for water. Money collected would go into reserves.
- Charge buyers a fee for sewer/water and other reserves.
- Some associations charge a portion of the selling cost of a unit (say 2% because part of what is being sold is the common area that the association owns).
- Administrative fee for handling the items related to the sale of a unit.
- We would need to have the attorney review all of these from a legal perspective.

B. Gypsy Moth Spraying:

The moths are now gone so nothing will be done at this time.

C. Signage:

Brzezinski suggested painting "SLOW" on the road. Unfortunately, board members felt it would not deter people from speeding on the Saddle Ridge roads.

D. Any Other New Business Items:

1. **Association Insurance:**

We received SREA's premium billing for the next fiscal year and the cost of the insurance has gone up over \$22,000. Schumann contacted our State Farm agent and asked why this happened. Basically, it was the perfect storm with three items contributing to the cost:

- There has been a rate increase since the last fiscal year.
- The cost of building increases have driven the cost of replacement up.
- We had the claim due to the sewer backup in the units on the west end which caused us to lose our claim-free discount. If we continue another 1.5 years with no claims, we will start to get a discount again, but not at the level we were at. The discount increases based on the number of years claim free.

We will do some further investigating to see how we might defray some of this increase. Regardless, members should expect a higher insurance premium for their share of the Association premium when we bill in August.

VII. Adjournment

Brzezinski made a motion to adjourn; Chatfield seconded; approved by all. Meeting adjourned at 7:52 pm.

Next board meeting is Monday, August 14, 2023, at 6:00 pm, at Bethlehem Lutheran Church fellowship hall.

Submitted by:

Vicki Vogts

SREA Secretary

Approved: August 14, 2023