

SOCA Board of Directors Meeting

(Offices of Kohlman Management Property, LLC-Sauk City, WI)

Sunday, July 31, 2011 9:00 a.m.

Call to Order

Verlyn Erickson called to order the regular meeting of the **SOCA Board of Directors at 9:01 a.m on July 31, 2011, in Sauk City, WI.**

Present: Verlyn Erickson, Jerry Hoff, Kris Kohlman, Jamie Sloan, Randy Stearns, Harry Knoblauch.

Guests: **Tim McCumber, Russ Krella, Barb Ertl, Thane Newman.**

Introduction of Guests

- 1) **Tim McCumber**, Representing Worldwide Vacation Club, would like to propose the addition of a new entrance sign for the SOCA property. There is currently no signage directing Worldwide members to their check-in site at The Hillcrest Restaurant. This would be done at no expense to SOCA. Tim brought several designs to be considered as well as suggestions for sign placement. The board gave Tim and Worldwide the OK to work on a formal proposal to the board.
- 2) **Russ Krella**, Representative for MARK I, has concerns about wording in the leases of his SOCA properties which appears to give SOCA authority to screen tenants. Discussion took place as to the intent and actual wording in the leases. It was decided that SOCA does not intend to screen tenants, but does need contact information for all persons in occupancy of units for safety reasons.
- 3) **Barb Ertl**, representing her son Joshua Ertl, has run into some issues while trying to obtain financing to purchase a unit in Summer Oaks. Barb brought forth several questions with regard to numbers of SOCA units under individual ownership. After discussion it was determined that Kris Kohlman would provide the bank with the information requested.
- 4) **Thane Newman** will replace Robin Streck on the SOCA board, but not in the capacity of secretary. The secretary's responsibilities will be carried out by board member Randy Stearns and his wife, Bev Stearns unless and until other arrangements are made. Thane will need to be voted in at the next annual meeting.

Secretary's Report

- 1) **Prior Minutes:** Verlyn Erickson presented the minutes from the May 9, 2011 meeting. Jerry Hoff motioned to approve the minutes as read and Jamie Sloan seconded the motion. The motion carried.
- 2) Jerry Hoff Moved to install Randy Stearns into the office of Secretary. Harry Knoblauch seconded the motion and it carried.
- 3) **Action Items:** None

President's Report

- 1) **Confirmation of Thane Newman:** Mike Alessi moved to accept Thane Newman as a new board member, which was seconded by Jamie Sloan. Motion Carried.
- 2) **Piers:** There has been no new information from the DNR regarding the status of SOCA's pier registration at this time. It may be delayed by as much as a year. We will just have to wait for word from them.

- 3) **Recreational Easement for Cove's Court-** Discussion continued as to the rights of Cove's Court residents to use the amenities of Summer Oaks. Current wording in condo declaration seems to allow residents to opt in or out at any time. We could change wording to avoid confusion in the future. It is currently unclear as to who owns what rights and how to enforce policies. We need new wording or a new policy to become effective January, 2012. A motion was made by Jamie Sloan to draft a letter to be sent to Cove's Court property owners informing them of the policy and their requirement to pay \$350/year per unit. Jerry Hoff seconded the motion and it carried at 10:10 a.m.
- 4) **Late Policy:** There is a proposal to draft a late fees policy which would allow a 15 day grace period for late payment of monthly fees. A \$20 late fee would then be incurred as a penalty. No action was taken by the board and discussion will continue.
- 5) **Executive Summary:** Current wording of executive summary document seems to imply that SOCA reserves the right to approve long term renters. This policy was reviewed by our attorneys. Discussion took place as to the responsibility/right of SOCA to screen potential leases and the implications of different approaches. A motion was made by Randy Stearns to require unit owners to provide names and contact information of potential leases prior to occupation of premises only. Mike Alessi seconded the motion and it carried.
- 6) **Single point of contact:** The point was made once again that Kris Kohlman is to be the single point of contact for any and all issues or projects.
- 7) **The Grade Boat Club:** Anyone interested in attending the annual meeting should talk to Barb Ertl.
- 8) **Action Items: E-mail list-**There will be a sign-up for SOCA residents to receive information via e-mail rather than in hard copy form at the annual meeting. Eventually, this could save the association money if enough people participate.

Treasurer's Report-Jerry Hoff

- 1) Jerry began his report by stating that SOCA was right on the money with regard to the budget through June. We ended June with about \$45,000+, which included \$4200 in prepaid dues. There is an issue with regard to insurance and when it is paid out. Currently insurance is paid out in May and is effective until the following May 1st. That would put us \$4700 over budget for insurance this year, since we are paying part of the insurance cost for 2010 out of the 2011 budget. Jerry has currently budgeted the insurance for the 2011 calendar year to be paid in the 2011 budget. There is always the choice to pay for some of this year's insurance out of the 2012 budget.
- 2) Pier registration cost SOCA \$11,280 this year. \$8500 of that was for legal fees and \$2800 for other work done by Edge. None of this was anticipated or budgeted.
- 3) We have used \$23,000 of reserves so far this year for non-budgeted items and for cost overruns on budgeted projects, including \$2335 in unexpected legal fees and \$11,800 over budget on building 3 renovations. We started 2011 with about \$82,000 in reserves, of which \$12,000 was prepaid dues, leaving about \$70,000 in reserves to start the 2011 budget year. Subtracting for non-budgeted items will leave about \$47,000 in reserves. This is down significantly from projections.
- 4) **Proposed budget for 2012:** Jerry recommends no increase in fees for 2012 and no special assessments. Jerry projected reduced income in some areas (see attachment), with a net effect of \$400-500 less than last year's budgeted income. He also recommends pushing the building 3 renovations off until 2013. Reroofing unit 57 and painting lakeside decks on buildings 8 and 9 as well as paying Worldwide back are recommended for 2012. This action

would have the effect of putting money back into reserves and bring SOCA back to where we were at the beginning of 2011.

- 5) Discussion took place as to when some of the projects currently slated for 2012 could or should be done. Repair of rotting wood on unit #57 will be done immediately. Cost as bid by the contractor will be \$650. Discussion took place as to responsibility of owners/responsibility of SOCA to maintain limited common elements such as decks. It would be advisable to look at a policy for maintaining these items and keeping them uniform from unit to unit. Currently, there is a lot of variation in doors, light fixtures, etc. Probably the only way to keep this from happening would be for SOCA to take some responsibility in the maintenance of these common elements. If left to individual owners, there will always be variation when items are replaced. Discussion was capped with the understanding that we should continue to think of solutions to these issues and bring ideas back to the board.

Motion to accept proposed 2012 budget was made by Harry Knoblauch and seconded by Mike Alessi. Motion carried.

- 6) **Action items:**
Recreational easement. Action will be taken to inform Cove's Court residents of policy related to recreational easements and payment for use.
Shoreline landscaping evaluation-permit is open ended. The project was for three years.

Property Manager's Report-Kris Kohlman

- 1) **Pool light-timer** went out causing the lights to be on in the daytime and off at night. It had to be replaced. Some people have complained that the light is too bright for people living nearby. The new bulb is of the same wattage, but may seem brighter because it is new. A bulb that does not attract insects was used.
- 2) **Landscaping project-** Kris is still working on this. The grass will be killed and some bushes pulled near the steps of building #8. That will probably happen yet this summer. Kris had some questions as to what to do about an existing tree in the same area. Herman Landscaping has not yet gotten back to Kris about a few other projects that have been in the works. Jerry will get on that.
- 3) **Owner's keys-** Kris has had multiple requests of late asking her to meet with various parties to provide keys to various units for work to be done, etc. She has taken the position of not complying with those requests due to the liability issues it could present. It might be necessary to put a note in the next newsletter stating that Kris's responsibilities do not include providing keys to units when there is work to be done. This is the responsibility of the individual owners.
- 4) **Change in fees-** When Kris Kohlman's contract comes up for renewal, she will be increasing her contract fee from \$45 to \$55 dollars per hour.
- 5) **Bush trimming-** Kris and her workers will begin trimming bushes this week. There is a lot of concern about the very overgrown state of the bushes near the Summer Oaks sign at the entrance, as well as the light pole that has been laying there for a longtime. Kris stated that there is nothing SOCA can do about this since the property is owned by John Kassner. He will not give permission for any work to be done there.
- 6) **Action items-**Fence repair estimates were e-mailed by Kris. The board gave her permission to proceed with the project.

By-Laws Committee-no report

Nominating Committee

1) **Upcoming election**-Current board members should recruit other SOCA members to take their places if they do not wish to remain on the board. Mike's and Harry's terms are currently up. It might be possible to have more people running for positions than vacancies. Thane asked if there are any requirements for individuals seeking a position on the board. Harry thinks the term "member in good standing" should be applied to candidates. Anyone wishing to be on the board can declare their intent in advance or at the annual meeting. There will be a written ballot with a motion to destroy ballots after they have been counted.

2) **Action items**-none

Buildings and Grounds Committee

- 1) **Building 3**-Renovations are complete and have been paid for in full. Mike had a concern about the upper deck railings that have not been secured to the building. Since they were attached prior to the work being done, they should be reattached by the contractor. Mike has discussed this with Casey and Kris.
- 2) **Decks on buildings 1 and 3**-Mike and Kris will work on a proposal to get powerwashing and deck sealing done on buildings 1 & 3. They will e-mail it to the board and decide what to do from there.
- 3) **Bridges and walkways for buildings 8 and 9**- Lakeside stairs and walkways need to be addressed and possibly budgeted for next year. A plan needs to be put forth as to how to proceed and in what time frame.
- 4) **Maggie Sloan memorial gazebo**-Jamie has talked to a local builder to get some ideas as to designs and limitations for this project. There were some questions about building permits needed for this construction as well as support issues. Jamie will pursue these issues with a builder to get more information to put into a proposal for the board.
- 5) **Action items**- None

Old Business-None

New Business

- 1) **Dryer vent & fireplace inspection**- There is a need to enforce current policy on dryer vent cleaning and fireplace inspection for insurance purposes. An e-mail was received from a resident stating that the board needs to take a stronger stance on this issue. It is currently done on a voluntary basis by individual unit owners. Making this a mandatory practice to be paid for by owners or by the Association would ensure that it is done by everyone. Jamie and Barb Ertl will work on a proposal for the board to consider.
- 2) **Sign at entrance of Summer Oaks**-Tim, Mike, and Kris will work together on this project to come up with a design to be presented to the board.

Next Meeting-

October 1, 2011 at Hillcrest Restaurant (SOCA Annual Meeting)

Adjournment

A motion to adjourn the meeting was made by Jerry Hoff and seconded by Jamie Sloan. The motion carried.

The meeting was adjourned at 1:16 pm.

Minutes submitted by Randy Stearns