

Summer Oaks Condo Association – Special Meeting

Saturday, May 25, 2019

The special meeting was called to order at 8:43 am at the Summer Oaks tennis courts (outdoors)

Notice of the proposed meeting was emailed out May 8, 2019 and mailed via USPS May 10, 2019.

After members signed in, Tracey Gannon announced there were 46 units represented (38 in attendance plus another 8 proxies). There was a quorum.

The 2019 project list and estimated costs, as discussed at the annual meeting in October 2018, were based on quotes obtained earlier in the (2018) year or the prior year. The board requested a special assessment primarily for the Walkway/Wall by BLDG 1 and Siding for BLDG 57. The unit owners increased the amount of the special assessment to include Siding for BLDGs 8 & 9. Assessment amount was agreed upon and passed. However, there were additional costs.

BLDG 1 walkway and retaining wall had an additional cost of an Engineering review due to DNR compliance.

For the BLDGs 8/9 siding– Eight companies were contacted to provide a bid. Only 4 responded. One said the job was too big and one said the job was too small, leaving only 2 providing quotes. The board decided upon Raven, as that quote included all under work. Sauk Prairie wanted additional funds if after removing the existing side, there was unforeseen damage to be covered. Raven included this in their quote, and yes, it is in writing per the Raven quote.

Estimated costs were as follows:

BLDGS 8 & 9 About \$251,000

BLDG 57 About \$11,500

BLDG 1 About \$73,000

We had a \$292,500 special assessment, and fell about \$43,000 short

Possible options discussed:

Loans

Use future Reserves***

Postpone Siding for BLDGs 8 & 9

Additional assessment

Monthly Dues review (to be addressed at the next Annual meeting, last increase was in 2011)

***Ten percent of the budget goes to reserves. This year the funds are needed for other unplanned expenditures. Some examples are: mound pumps needed to be replaced, water tank cleaning for the well, and just recently a septic repair needed for the septic field pipes. Someone painted the tops of the pipes green making them difficult to be seen. Raven agreed to a final payment of \$20,000 in January 2020.

Randy (unit 12) suggested an additional assessment of \$700 per unit.

Pat (unit 30) asks if we can side one Building now and one Building later.

Tracey suggested concerns over rising costs by delaying buildings 8 & 9 to the next year. If the buildings were split, one in 2019 and one in 2020, there is a possibility of finding issues with the first building that would carry over to the other building. Pricing would most likely go up and it would be better if both buildings were done at the same time.

Donna Siil (unit 7) thought when the Brown units were sided the 2nd building (#1) was more money.

Russ (unit 80) said it was less money as BLDG 3 had insulation and BLDG 1 did not as it was not needed. Insulation should be the homeowner's responsibility.

Shelley (unit 71) asks how much rot there was under the siding. Russ said we would not know until old siding was down, but he can show some over by his unit. The new siding would include Tyvek to help prevent that condition.

Adil (unit 53) suggested spending \$5000 to have the problem properly assessed before spending \$300K. Tracey said BLDG 8 (built in 1988 or 89) already has siding coming off with rot. Randy (Unit 12) says siding this old is due to be replaced and best not to wait any longer. Russ said one homeowner already personally fixed some siding issues by his unit.

JP (unit 66) suggested to round up to \$1,000 per unit

Tracey said the Unit 1 Walkway / Wall estimates were incomplete as they were still getting quotes for the railings – estimated at \$7000-\$8000.

Someone asked how are we paying the contractors? Will the projects roll over to the following year anyway? Will payment be made next year? Tracey responds we will put 30% down, and then pay in full at the end when one building is complete, then another 30% for the next building. \$20,000 could be paid in January 2020.

Someone expressed concern over a line on the BLDG 1 wall contract that includes a \$2.50 per gallon maximum gasoline charge and they ability for them to charge more if gasoline goes up, and how much will that be? Russ responds it depends on the current cost of gas at that time.

Jim Pepper (unit 77) asked if there is a state law on how much of an Emergency fund we must have.

Tracey responded no. Tracey/Russ said we have \$10,000 in reserves. Currently the property insurance has a \$10,000 per incident deductible plus we have other unforeseen expenditures to worry about. We only have 1 insurance company willing to insure SOCA. We try not to make any claims.

Tracey said when looking at changing to a \$25,000 insurance deductible, it would only save \$3000 per year and it was not worth it. When the deductible was changed from \$5000 to \$10,000 there was a significant amount. Insurance is now about \$27,000 per year and has gone up \$5000 in the last few years. Someone noted we have not raised the monthly dues to cover this.

Pat (unit 30) says his daughter had a comparable condo in Waukesha (2 bed, 1 bath) but with no pool, no shoreline or dock and no tennis courts, and paid the same amount as we do (\$230 per month). SOCA is not a cheap place to live as there is so much to maintain and costs do go up. Plus, we have completed some major projects such as the shorelines and new stairs.

Janie (unit 59) suggested the assessment should be \$1000 per unit.

Jaime (unit 29) said we have to take care of our property, but the multiple assessments are also affecting the ability to sell and finance property sales.

Bill (unit 65) inquires about a walkway issue over by him and why the front porches are the homeowner's responsibility. A review of the Condo documents is needed to more clearly define who is responsible for what will be done.

Russ says in the October Annual meeting this was brought up that porches need to be taken care of by the homeowner. Limited common property is the only responsibility of the Association – not the portions only used by a single homeowner.

Bill (unit 65) said more stairs need to be fixed by him.

Russ said to paint all the decks in BLDGS 8 & 9 would cost \$128,000 estimated.

Tracey said we need to attack certain projects first that are safety issues and get the others in line as we discussed at the annual meeting. We will add Bill's concerns at the next annual meeting.

Jaime (unit 29) reminds us that someone painted their deck the wrong color and had to change it. What color standards do we have?

Jim (Unit 77) says the management company should be the responsible for managing the project and quotes. Russ says that is an extra charge per our contract with them.

Stan (unit 45) suggested thinking of assessments of \$1500 or \$1000 or \$700.

Tracey said maybe \$400-500 now and then re-evaluate in the fall.

Someone expressed concern over 2 more assessments instead of just 1.

Someone also suggested increasing monthly dues (\$250 year 1 and \$300 year 2) since it has been a long time – Tracey said this should be reviewed at the next annual meeting. Someone said \$300 per month is too high for the one bedroom units in relation to the overall unit cost.

Someone was concerned with the additional assessment overall.

Tracey said she didn't want another assessment either.

Bob (unit 29) suggested \$500 end of summer and another \$500 by end of year.

Russ suggested \$500 now and wait until October for the next portion.

Tracey notes we still have commitments and need to know how we will pay for those now.

Motion to Vote:

Kathy (unit 70) suggests \$500 now and \$500 later.

Helene (unit 3) seconds \$500 now and \$500 later.

VOTED ON \$1,000 ASSESSMENT. \$500 due August 1st. \$500 due by October's annual meeting.

Results: 33 agreed 13 disagreed

Assessment passed.

Additional Announcements from Russ.

For Buildings 8 & 9, please contact Raven and Andi (Property Manager) for new doors and windows to be installed with the new siding. You do not have to put in new doors and windows with them, but they are offering group pricing. You can do it yourself, but Raven needs to know and the property manager.

Also – all porch enclosures need to come down before siding starts.

JP (unit 66) reminds unit owners (in gray units BLDGs 8 & 9) to keep heat on and water off when you leave in the winter. Russ says there are about 18 inches of open space between the upper and lower units that is not insulated and is outside the 'association ownership'. New siding and Tyvek will help but still to keep heat on (he suggests 55 degrees) and water off when you leave. Owners can also blow in their own insulation, but that is not covered by the association

Unit #31 (Marge) motions to adjourn

Unit #81 (Jump) second's motion

Meeting adjourned 10:30 am