

ANNUAL MEETING MINUTES
SADDLE RIDGE ASSOCIATION
September 27, 2013

Call to order: The meeting was called order at 7:06 PM by President Tom Schermerhorn in the Bethlehem Lutheran Church. There were 71 unit owners present or represented by proxy.

Approval of minutes: The September 20th, 2012 annual meeting minutes were reviewed. A motion was made by Joel Hammermeister and seconded by Al Schraufnagel to accept the minutes as written and it passed unanimously.

Introduction of Board Members: President Schermerhorn introduced the Board Members and went into a special Thank You to Chuck Steidinger for his years of service to the Saddle Ridge Association Board. President Schermerhorn spoke specifically to Chuck's dedication, perfection and tireless efforts in his role on the Board of Directors.

Introduction of New Board Member: This year the election process underwent a new format. Interested parties were asked to submit a profile to the Board of Directors and a packet of information was sent out to the unit owners of the SRA. In the packet were the candidate's profiles, along with a ballot and stamped envelopes addressed to the accounting firm of the SRA, who tallied the votes for the election. This year we had two candidates and in a 56-36 total, Cory Otto was elected to the Board of Directors for SRA.

Treasurer's report: Treasurer Youra reported that the operation account had a \$67,110.68 balance and the reserve account had a \$141,642.54 balance as of August 31. The budget for 2013 to 2014 was available to the unit owners in their packet. Julie Kayartz raised a question about availability of the Treasurer's Reports and Treasurer Youra answered that they are available in their entirety on the new SRA website (www.saddleridgeassociationltd.com). Treasurer Youra reported that the dues for 2012 to 2013 would remain at \$200.00 a month. Pat Slupik moved that the treasurer's report be accepted, seconded by Sid Ashworth and carried unanimously.

President's Comments:

President Schermerhorn recapped the year with a list of items he felt the board had tackled going back to October of 2012. The SRA Board had two new members going into the year and brought on a new Property Superintendent, Lee Gosda. The approach going into the year was to be proactive in tackling problems and opportunities from a worst to least worst case scenarios. Roofs were inspected, attic areas, decks, landscaping issues, gutters, siding and other building and grounds areas. Game plans were formulated and repairs and improvement plans have been put into motion. Snow plowing the past year was done in a much more timely fashion and should continue to improve during the next winter season as the contractor will be more familiar with the property and timing of its snow removal. The new contractor for lawn mowing was very flexible and willing to work with SRA during the draught season experienced in July and August. This saved the association a great deal of money as he did not charge for days where his crew did not mow. Lighting, crack repair and painting improvements were made to the front

entrance area and there was new signage added to the SRA roads to better indicate to visitors and emergency service personnel where the various units are located. There was some major landscaping work done to units with more to come this fall and next spring, as the board addresses drainage/water flow issues from past landscaping. The board is also moving forward with some new metal roofs on units that are in dire need of roof replacement and there are siding projects on the near horizon as well.

New Unit Owners:

John Denhartigh brought it to the attention of the board that we had not asked if there were new unit owners present at the meeting since last year's Annual Meeting. President Schermerhorn thanked him for bringing that up and asked that new unit owners stand up. They are as follows: Cory Otto, Unit 814. Del and Darla Sanders, Unit 949. Dale Delude, Unit 841. Mark Griffith, Unit 1140. Kate and Randy Lueders, Unit 1060. As Secretary/Treasurer, I must apologize I did miss getting the name of one other individual in the Woodlands that stood up as well, but I was not quick enough to catch his name or unit number. Welcome to Saddle Ridge.

New Business:

Proposed Marina Purchase: President Schermerhorn brought up the purchase of the Marina and informed the unit owners that the Board has an accepted offer to purchase the marina (with contingencies that must be met before the deal is finalized). He went on to explain how it came about and why the board wanted to move forward with the purchase. Information about the purchase was sent out in the Annual Meeting Packet and there was a supplemental letter sent out shortly thereafter to explain the rationale behind the purchase. Some of the main questions were as follows, again, as Secretary/Treasurer I apologize in advance for not getting every question that was asked, but I was involved in answering some of the questions so it was difficult to get all of the information down.

- **If SRA defaulted on the loan, would a lien(s) be placed against the unit owners of SRA?** No. Per a couple of lenders whom the Board has spoken with, the bank would take over the land and sell it. Liens would not be placed against any unit owners
- **Who would run the Marina?** At this time, the Board has not finalized that, however it would more than likely start out being the property superintendent, Lee Gosda
- **What is the amortization period?** A 15 year note would be taken out, although the intent would be to satisfy that note sooner if possible
- **Were the other associations asked to be a part of the purchase?** No. We did not want to convolute the purchase by trying to bring in 2-4 parties to make the purchase.
- **What comes with the marina purchase?** The equipment, the recreation area and the small "island parcels" and other parcels to total 50 acres of land.
- **Would there be an increase in maintenance fees?** No. The goal is, and the books show that the profits earned by the Marina would satisfy the monthly payment and not necessitate an increase in maintenance fees.
- **Would the other associations have access to the Marina/Recreation area?** Yes and no. If they want to buy in, they can buy deeded access rights. Every member of the SRA will have an automatic deeded access right to the recreation area and the marina.

Members of the other associations can purchase this right. Finalized fee for this is yet to be determined.

- **Can the general public buy deeded access rights?** No. You would have to be a resident of Saddle Ridge Estates, Swan Lake Village, the Forest or SREII. However, the general public can rent a marina slip.
- **Does this give SRA residents a marina slip?** No, these still need to be rented just as they are now.
- **Has the land been assessed or inspected?** Not yet, but that is one of the contingencies. If something ends up not being right, it would nullify the deal.
- **Will there be any special assessment against the unit owners to purchase the marina?** No
- **Will the property taxes go up?** No. The taxes for this property would covered by the profits made by the marina.
- **What is going to be done with the tennis courts and basketball courts, along with the other equipment in the recreation area?** As funds permit, they will either be resurfaced, removed or turned into something else functional for that area.

Again, the Q&A session was lengthy and some of the questions may have been missed, but the above are a good representation of the hot questions asked of the board regarding the Marina Purchase.

Next Meeting Date: October 14th, 2013 6pm at the Bethlehem Lutheran Church

Meeting adjourned: 8:37pm