

DRAFT FOR APPROVAL

Briargate Second Owners Association Fall Meeting Notes

November 30, 2017

6:30-8:30 PM

The meeting was called to order by Association President, Larry Kruger. Officers Janet Powell and Sue Green, and Jim Moeller were in attendance with 12 residents.

Approval of Minutes

Reading of the 2016 Fall Meeting Notes was waived as copies of those notes marked "Draft for Approval" were emailed or sent through the mail to each resident prior to the meeting. A typo on page 2 was brought to our attention to be corrected by Gene Fairchild. Janet Gardner made a motion to approve the minutes. The motion was seconded by Robert Freymark.

Changes in Insurance

Terra Heaton, our contact person from American Family Insurance, attended the meeting to present a change to our association coverage. Under our previous coverage, the Association would experience a 50% increase in premiums. The increase is caused by claims experience from extreme weather in surrounding states. Such an increase was not approved by our President. Ultimately, Larry Kruger and Jim Moeller worked with Terra and arrived at a much more affordable option without losing any of the coverage we need and without charging a loss assessment. Please see the attached document Terra has given us for your review. If you have any questions, please call her at (319) 377-5797 or visit her at her office next to Country Kitchen in Marion.

- There is a \$5000 deductible except wind and hail, a 1% deductible applies. Our associations 2017-2018 renewal the loss assessment cost per unit, in the event of a wind or hail coverage loss, ranges from \$1309 to \$1899; averaging at \$1627.
- We recommend you contact your current insurance carrier and make sure you are covered for at least \$5000 for your loss assessment value. Most of us already have this coverage. However, if you need to purchase coverage or increase your current coverage, it is very affordable.

- Your responsibility as a unit owner is for any improvements and/or upgrades. Terra is always available to assist you in determining adequate coverage for your unit.
- In the event of a covered claim or catastrophic event, the contractors would rebuild to the original specs leaving you responsible for covering the cost of improvements or betterments (upgrades). During discussion, there was a question raised about who would be responsible for replacing streets. Terra has found an endorsement in our condo coverage for the replacement of axillary structures (streets, for example).

Finished and Unfinished Projects - Larry Kruger

We are getting ahead of the maintenance curve. We are being proactive on some issues by performing the Spring Regiment on those managed items: roofs, gutters, flashings, siding, and vendor and weather damage to garage doors. We are fixing mistakes by the developer, doing it on budget and avoiding future problems. Some associations assess fees for projects like these. We have lost 10% of our trees due to improper planting and bad weather. By fixing drainage problems in phases, we have been able to correct and replace drainage materials and related costs within our budget, eliminating the need to assess. Phase 1 is complete, Phase 2 will begin next Spring.

There was open discussion about satisfaction of our current trash and recycling. Larry opened the issue up for a vote and the Majority of the group voted to keep our current vendor.

The audit cost the association \$3150. It was necessary to have it done this year, but we do not necessarily have to have an audit performed by an accountant in the future. To hire an outside accountant is expensive. The bylaws references to an audit were determined by our attorney to be written for the developers and we could have that removed from the bylaws. Any resident who is a CPA or has a background in business accounting could review our books. There was discussion and a recommendation to have an audit committee to review books when someone feels it is necessary. In summary, this was the result:

- the books balanced perfectly
- the attorney was impressed by our Treasurer's methodology

- our money has been well-handled

A copy of the audit is attached. Please read it.

One persistent problem still exists. That being the assault and harassment of our association officers. The person or persons who are doing this were not present at the meeting. A felony has occurred, as well as damage to property, physical intimidation, and threats. If this behavior does not stop, Larry will initiate foreclosure or eviction action against those residents.

1. Harassment (phone, email, in person) has been a recurrent issue.
2. The issue has reached a point when actual crimes (felony, vandalism and harassment) have been perpetrated against association officers.
3. I, as President will be pursuing any and all legal remedies to end this up to and including initiating foreclosure essentially evicting the responsible party.

-Larry Kruger

Treasurer's Report

Jim went over the 2016-2017 Treasurer's Report and 2018 Budget. Those documents are attached for your review. Most items are within budget. The drainage problem was deferred and budgeted for next year for \$14,000. But, the actual cost was \$9700, enabling us to pay it from this year's budget.

There is \$241,000.00 in our reserve. This empowers us to do some money-saving things, such as having a \$5000 deductible on insurance and prepaying lawn care and snow removal.

However, because of the cost of the audit, and increased insurance premiums, the monthly condo fees will be increasing effective January 1, 2018 to \$115 for non-ACH paying residents and to \$110 for ACH paying residents.

1. ACH monthly fee \$110.00 starting January 1, 2018
2. Manual monthly fee \$115.00 starting January 1, 2018
3. Recommend that all members check their insurance for upgrades and suggested \$5000 loss assessment to pay 1% deductible.

-Jim Moeller

Drainage Project, Snow Removal – Janet Powell

Over the past 3 years, the drainage problems have gotten worse and worse. There was poorly installed drainage tiling at the time of development and inadequately installed gutters on taller buildings. Phase 1 including along 44th Street and the north side of Derby Drive is complete and reseeding of these areas will be done next Spring. Phase 2 will also begin next Spring and continue until the drainage problems are resolved.

Thank you, City of Marion!

The City of Marion will be clearing out both retention ponds at no cost. This work should be completed by Spring.

New Snow Removal Contract -

Culver's Snow Removal notified us in November they would not be doing our snow removal. We have contracted with Cutting Edge for snow removal this season. Because this is a new vendor, we need to be patient with them. They have the ability to put down a brine spray ahead of ice storms and they have put up markers to mark concrete areas. They will come out to clear streets, walks, and driveways after 2 inches of snowfall has stopped. Janet advises us to keep some concrete-safe salt or a light shovel on hand.

Pictures of violations of outdoor areas -

Janet has taken pictures of individual properties that have violations, such as plastic edging that has heaved and is sticking up, trash and/or objects stored under decks, etc. Beginning next Spring, violators will be notified by mail or email, given adequate time to correct the problem, then we will hire it done and the violator will receive a bill.

Miscellaneous -

In the past season, there has been some gutter, soffit, and tree repair/removal. The oak trees were recently trimmed.

The City of Marion was not able to add an additional street light as the maximum number of street lights per so-many feet had already been installed. We will look for a better-quality solar lighting for the Briargate sign.

Adjournment

The meeting was adjourned at 8:20 PM.