

Brewer Farms Condominium Association

Annual Co-Owners Meeting

May 18, 2023

6:00 p.m.

THURSDAY, MAY 18, 2023 AT 6:00 PM

ANNUAL MEETING AGENDA

- 1. Welcome – Board President Dwayne McTaggart**
- 2. Introductions of Board Members and Property Manager Representatives**
- 3. Determination of Quorum**
- 4. Reading and Approval of 2022 Annual Meeting Minutes**
- 5. Discussion of proper use of Dumpsters**
- 6. Discussion of Community activities**
 - a. Book club**
 - b. Social gatherings**
 - c. Coffee at McDonald's**
- 7. 2023 Reports previously submitted to all co-owners:**
 - a. Budget/projects**
 - b. Revenue increase vote**
- 8. Question and Answer Session for those in attendance**
- 9. Introduction of Nominees for the 2023 Board**
- 10. Results of voting for the two new board members**
- 11. Adjourn meeting**

DUMPSTER RULES

-  No Appliances.
-  No Bulk Items, such as Tires, Carpets, Construction Waste, Mattresses or Furniture.
-  No Batteries.
-  No Hazardous Chemicals, Oil or Flammable Materials.
-  No Paint Cans (unless open and dry).

PLEASE BREAK DOWN BOXES BEFORE PLACING IN DUMPSTER

SmartSign.com • 800-952-1457 • K2-0334



All Together Now!

Republic Services now offers "All Together Recycling".

IT'S AS EASY AS 1, 2, 3

Properly prepare your materials. No sorting required. Fill your container.

ACCEPTABLE MATERIAL GUIDELINES

PLEASE SAVE THESE GUIDELINES FOR FUTURE REFERENCE

 <p>Cardboard & Paper Bags Flatten cardboard & cut into pieces No wax coated cardboard</p>	 <p>Paperboard* No wax coated paperboard</p>	 <p>Magazines & Catalogs Any size magazines</p>	 <p>Junk Mail* Envelopes, flyers, brochures, postcards etc.</p>	 <p>Office Paper All types and sizes</p>
 <p>Phone Books All types and sizes</p>	 <p>Newspaper Remove bags, strings and rubber bands</p>		 <p>*Steel & Tin Cans Empty cans only</p>	 <p>*Clear & Colored Glass Empty glass only</p>
 <p>*Aluminum Cans Empty cans only</p>	 <p>*Plastic Jugs/Bottles (#1 & #2)</p>	 <p>*Household Plastic (#3 - #7) Empty containers only</p>		

PLASTIC REFERENCE GUIDE

 <p>Plastic soft drink & water bottles, bathtub, showerhead and salad dressing bottles. Peanut butter, mayo, cream, jelly and jam jars.</p>	 <p>Collar bottles, yogurt containers, magazine tube, medicine and vitamin bottles, etc.</p>
 <p>Milk, water, juice, shampoo, dish and laundry detergent bottles, yogurt containers, cereal bins, grocery, dish and vinyl bags.</p>	 <p>Contact lens packets, food service applicators, grocery store, egg containers, yogurt bottles, cups and plates.</p>
 <p>Clear food and non-food packaging, medical tubing, electrical cable insulation, plastic pipes, string and carpet backing.</p>	 <p>Five and ten gallon reusable water bottles, some clear juice and coffee bottles.</p>
 <p>By cleaning, wash and frozen food bags, ziploc® bags & other reusable #2's cases, etc.</p>	<p>* See bottom of container for plastic type. </p>

UNACCEPTABLE ITEMS

- Paper Milk or Juice Cartons
- Styrofoam
- Containers/Packing
- Propane Tanks
- Paint or Oil Cans
- Medical Waste
- Liquids of any kind
- Household Cleaners
- Chemicals (Dry or Liquid)
- Hazardous Waste
- Garbage of any kind

Please visit www.republicservices.com/TwoBlueBins

* Please rinse/clean containers before putting into recycling bin



Trash and General Rules

BREWER FARMS CONDOMINIUM ASSOCIATION
PO BOX 783 MARSHALL, MI 49068

Entry doors to each Condo Unit is the responsibility of each Co-owner to keep clean and painted.

Garage Doors need to be kept closed and are to be maintained by each Co-owner. This includes cleaning and painting.

Large items i.e. mattresses, box springs, tables, couches are NOT to be placed in dumpsters. Contact New Horizon to arrange for a special pick-up by Republic. An extra charge is to be paid by the Co-owner.

Report all building maintenance issues to New Horizon

ALL cardboard boxes need to be broken down and put in the Recycling Bins located at Building H and Building N.

Please do not fill the trash dumpsters with the cardboard boxes. The lids on all dumpsters must be kept closed at all times. If Dumpster is full – Please take your trash to another dumpster near you.

New Horizon phone number (269) 558-8122

Trash and Dumpster Locations (based on Garage references)

- Recycling:

- E1/E2
- N

- Trash:

- B1/B2
- E1/E2
- F2/G2
- H1/H2
- I1/I2
- L1/L2
- M
- O1/O2

Discussion of Community activities

a. Book club

b. Social gatherings

c. Coffee at McDonald's

HOA/Condo Fees

- HOA vs Condo Fees
- Typical amenities
- Market comparison
- Inflation (CPI) adjusted amounts

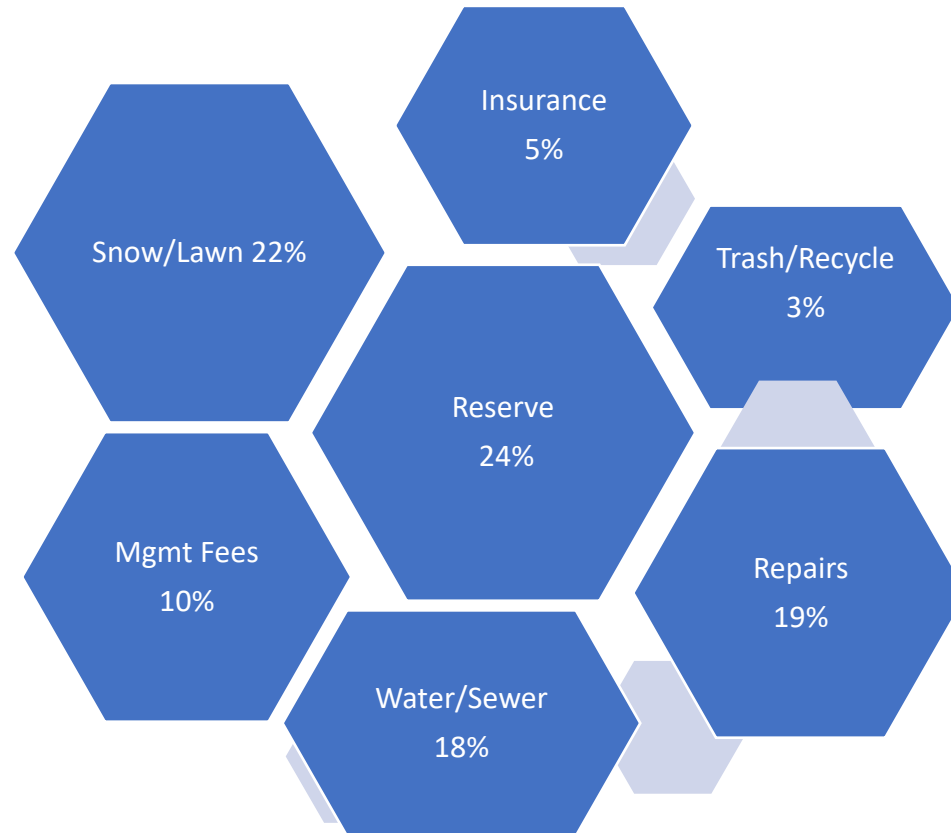
Comparable Fees – Average US HOA Fees >\$300 (<https://www.forbes.com/advisor/mortgages/hoa-fees/>)

Nov 2, 2022

<u>Monthly Fee</u>	<u>Amenities</u>
	<u><i>Battle Creek</i></u>
\$421	Trash
\$250	-----
\$365	-----
\$375	Trash/snow/lawn
\$320	Trash/water/Club House-Fitness
	<u><i>Kalamazoo & Texas Twp</i></u>
\$295 + buy-in \$895	Trash/snow/lawn/water/sewer
\$280	Trash/snow/lawn
\$265	snow/lawn/water/sewer
\$294	Trash/snow/lawn/water/clubhouse
\$631	Pool/Tennis/Clubhouse/Cable/Fitness Ctr/Playground/water/sewer/trash/restaurant/sauna

CPI adjusted Condo Fees, 1998 - 2023						
Year	CPI	Actual HOA Condo Fee	CPI Adjusted Condo Fee	Condo Fee Actual	Condo Fee Rev Adjusted CPI	Lost BFCA Revenue for year
1998	1.60%	\$150	\$152	\$244,800	\$248,717	-\$3,917
1999	2.20%	\$150	\$156	\$244,800	\$254,189	-\$9,389
2000	3.40%	\$150	\$161	\$244,800	\$262,831	-\$18,031
2001	2.80%	\$150	\$166	\$244,800	\$270,190	-\$25,390
2002	1.60%	\$150	\$168	\$244,800	\$274,513	-\$29,713
2003	2.30%	\$150	\$172	\$244,800	\$280,827	-\$36,027
2004	2.70%	\$165	\$194	\$269,280	\$317,250	-\$47,970
2005	3.40%	\$165	\$201	\$269,280	\$328,037	-\$58,757
2006	3.20%	\$165	\$207	\$269,280	\$338,534	-\$69,254
2007	2.90%	\$175	\$226	\$285,600	\$369,464	-\$83,864
2008	3.80%	\$175	\$235	\$285,600	\$383,503	-\$97,903
2009	-0.40%	\$175	\$234	\$285,600	\$381,969	-\$96,369
2010	1.60%	\$185	\$251	\$301,920	\$410,257	-\$108,337
2011	3.20%	\$185	\$259	\$301,920	\$423,385	-\$121,465
2012	2.10%	\$185	\$265	\$301,920	\$432,276	-\$130,356
2013	1.50%	\$185	\$269	\$301,920	\$438,760	-\$136,840
2014	1.60%	\$185	\$273	\$301,920	\$445,781	-\$143,861
2015	0.10%	\$185	\$273	\$301,920	\$446,226	-\$144,306
2016	1.30%	\$185	\$277	\$301,920	\$452,027	-\$150,107
2017	2.10%	\$195	\$298	\$318,240	\$486,467	-\$168,227
2018	2.40%	\$205	\$321	\$334,560	\$523,688	-\$189,128
2019	1.80%	\$205	\$327	\$334,560	\$533,114	-\$198,554
2020	1.20%	\$205	\$331	\$334,560	\$539,512	-\$204,952
2021	4.70%	\$215	\$363	\$350,880	\$592,423	-\$241,543
2022	8.00%	\$235	\$429	\$383,520	\$699,335	-\$315,815
2023*	5.80%	\$235	\$453	\$383,520	\$739,896	-\$356,376
					Total Impact	-\$3,016,015

Use of funds



Large Spend by year

	2021	2022	2023
Attic insulation			\$74,000
Clean dry vents	12,240		
Asphalt	143,000		350,000
Meter Fencing	13,600		
Dumpster pads/fencing, parking spaces	23,000		
Chimney repairs		69,000	
Tree maintenance		8,000	
Landscape overhaul (3yrs each)			110,000
Garage siding, fascia, soffits (3yrs each)			80,000

Unanticipated Spend/emergency

Water leaks, internal and external – below \$5,000 is out of pocket

Freezing

Plumbing - old

Ice Dams – internal leaks, siding damage

Repair/replace drywall

Plumbing related issues – bath exhaust fans, birds

Siding

Aging infrastructure

Reserve Study Year 1 = 2021

Brewer Farms Reserve Study Timing and Annual Cost

Period	Item	Units	Unit Cost	Estimate	Period Cost	Annual Cost
1 - 5 Years	Sidewalk Replacement -sq ft	8,000	\$ 2.85	\$22,800.00		
	Asphalt Replacement - sq ft	55,000	\$ 3.50	\$192,500.00		
	Garage Siding Replacement-unit	4	\$ 7,500.00	\$30,000.00		
	Garage Painting	9	\$ 2,500.00	\$22,500.00		
	Repair Chlmneys -each	18	\$ 3,750.00	\$67,500.00		
	Celling Insulation - building	16	\$ 3,750.00	\$60,000.00		
	Landscape Upgrade - building x 4	4	\$ 10,000.00	\$40,000.00		
					\$ 435,300	\$ 87,060
6-10 Years	Roofing A-N, P s ft	104,750	\$ 10.00	\$1,047,500.00		
	Roofiomg Garages sq ft	24,250	\$ 10.00	\$242,500.00		
	Hallway Carpet sq ft	5,240	\$ 12.00	\$62,880.00		
	Pole Lights - each	21	\$ 1,750.00	\$36,750.00		
					\$ 1,389,630	\$ 277,926
11-15 Years	Roofiomg Garages sq ft	15,000	\$ 11.50	\$172,500.00		
	Gutters and Downspouts Ft	2,175	\$ 10.15	\$22,076.25		
	Vinyl Siding sq ft (50%)	61,560	\$ 11.76	\$723,945.60		
					\$ 918,522	\$ 183,704
16-20 Years	Asphalt Replacement - sq ft	37,000	\$ 6.13	\$226,625.00		
	Roofiomg Garages sq ft	13,000	\$ 13.00	\$169,000.00		
	Roofing Bldg O	7,000	\$ 13.00	\$91,000.00		
	Vinyl Siding sq ft (50%)	61,560	\$ 14.11	\$868,734.72		
					\$ 1,355,360	\$ 271,072
21-25 Years	All Gutters and Downspouts ft	4520	\$ 14.00	\$63,280.00		
	All Exterior LED Lighting l lot	1	\$ 60,000.00	\$ 60,000.00		
	Balconies: Decking and Railings sq ft	7,344	\$ 12.50	\$ 91,800.00		
				\$ 595,080.00		
					\$ 810,160	\$ 162,032
				total	\$ 4,908,972	

Items in **RED** were not included in original Reserve Study.

Brewer Farms Condominium Association Reserve Components Budget
(2022-2055)

Presented by New Horizon Property Management

December 8, 2021

Conclusion and Recommendations

Our understanding is that the Board wishes to maintain the property in a safe, comfortable, and attractive manner that keeps the value and desirability of Brewer Farms Condominiums over the next 25 years. In order for this to happen, expenditures must be made for capital maintenance. Our research indicates this cost to be in the neighborhood of \$4.9 million. (Unfortunately, these expenditures are not spread equally over the next 25 years.)

The current funding level for capital maintenance will fall woefully short of meeting this \$4.9million goal (\$2.5 million shortage). In fact, the current funding level will dive into the red in only 6 years.

2023-2025 (36 month) Revenue Proposal

Proposals: One of these solutions must be selected (2/3 membership vote) for 3 year budget plan.
Barring unforeseen circumstances of an aging infrastructure.

	<u>Year</u>	<u>units</u>	<u>months</u>	<u>amt</u>	<u>annually</u>
1 Increase HOA \$65/month/unit	1	136	12	65	106,080
new monthly= \$235 + 65 = \$300	2	136	12	65	106,080
	3	136	12	65	106,080
	3-year total		36		318,240
 2 Assessment - annually		<u>units</u>	<u>year</u>	<u>amt</u>	<u>annually</u>
		136	1	800	108,800
		136	2	800	108,800
		136	3	800	108,800
	3-year total		36 months		326,400
 3 Buy-in		<u>Unit sales</u>		<u>avg 3%</u>	<u>annually</u>
		20		5300	106,000
		20		5300	106,000
		20		5300	106,000
	3-year total		36 months		318,000

BFCA Units Sold, based on closings

	Units	Avg sale	Avg 3% buy-in	Annual 3% buy-in
2021	20	141,425	4,243	84,855
2022	14	165,986	4,980	69,715
2023 ytd	9	176,489	5,295	47,655
2023 listings ytd, 5 mos	15			
<i>2023 annualized</i>	<i>Listings = 36 Closings = 21</i>	<i>176,500</i>	<i>21 * 5,300 =</i>	<i>111,300</i>