

**CHATEAUX CONDOMINIUM ASSOCIATION
BOARD MEETING
August 13, 2021
MT. CRESTED BUTTE, COLORADO**

Call to Order

The meeting was called to order by the Board President, Rory Baruth, at 9:40 A.M.

Quorum Established

A quorum was established with 3 of 5 Board members present.

Board Members Present:

Rory Baruth
Otis Schultheis
Bill Hoitink

Management Company Present:

Danny Myers

The purpose of this year-end meeting is to review business items and financials for the 2020-21 fiscal year, which ended June 30, 2021, and review plans and budgets for FY 2021-22.

We welcomed Otis Schultheis as our new Board member appointed by the Board to replace Alan Adams.

Financial Report

Danny reviewed the draft Income and Expense report for the year ending June 30, 2021. The report also includes a proposed budget for the 2021/2022 fiscal year. We reviewed our basic financial structure for Dr. Schultheis...and as a review for the other Board Members.

Our Revenue for the year was on budget. Our \$595 per month per condo Dues began halfway through the year on January 1, 2021. Prior to that, the Dues were \$525 per month. This increase allowed us to match our Revenue to our Expenses...and was the first Operating Dues increase in over 10 years. Our budget calls for \$120 per month per condo (from the \$595, not in addition to) to be allocated for future Capital Projects. The determination of allocating \$86,000 to Capital is decided by the Board at year end (this meeting). The remaining \$475 per month is needed for our day-to-day Operating Expenses.

\$403,200 of our revenue comes from owners' monthly Dues. An additional \$18,000 in revenue comes primarily from our coin washers and dryers and rental of extra hallway closets to owners for supplemental storage.

On the Operating Expense side, we spent \$7,000 less than we collected. Adding that to the \$13,000 Operating Carry-over from prior budget years, we have approximately \$20,000 in prior revenue that will balance our budget without increasing Dues this year. We recalled that we expect Dues to increase 2% or 3% each and every year going forward to keep up with inflation, though we anticipate no Dues increase this fiscal year.

Items that came in under budget included Chimney Cleaning, which was postponed from May to November; Electricity, which was 10% under budget due to a couple warmer winter months; Pool and Spa Repair, due to no major repairs being necessary; and Snow Removal (\$11,000 under our \$24,000 budget) due to a lower snow year as well as no major snow events. We also did not have to tap into our \$18,000 Operating Contingency line item, which is in place mainly for big snow or colder than normal winters.

On the Capital Expense side, we had 3 big capital projects this fiscal year: replacing the hallway carpet on all 3 floors of all 5 buildings (\$57,000), re-asphalting the driveway from the entrance to the pool where cars drive, not the parking spots (\$75,000), and replacing the metal roof on the north half of the D building (\$44,000).

Rory made the following:

Motion:	Allocate our budgeted \$86,000 to Capital fund for the fiscal year ended June 30, 2021.
2 nd :	Otis
Vote:	Unanimous approval

Our Capital fund balance will remain between \$100,000 and \$200,000 for the near foreseeable future (at least 5 years out). The only major (over \$10,000) Capital project planned for the 2021/22 year is Seal Coating the entire driveway and parking area. This will cost approximately \$18,000. We will also look to replace the water heaters for the common washing machines this fiscal year.

Reviewing our Operating budget for the coming fiscal year, we will see an Operating Revenue increase of \$25,000 because our \$595 monthly Dues will be collected for all 12 months, instead of last year's 6 months at \$525 and 6 months at \$595. On the Operating Expense side, adding an internet modem to each condo instead of the building shared internet will increase that line item by \$10,000 per year. Since this change occurred in January, February, and March, complaints regarding the Wi-Fi have decreased to almost zero. Great decision owners and Board!!! Water will likely go up its typical 4% again this year, adding \$2,300 to the budget. Building Insurance is also budgeted to increase, as it does most every year.

Our Accounts Receivable report currently shows two owners over 90 days in arrears on their monthly dues payments. We will continue to monitor the A/R to ensure owners stay current on their dues.

OLD BUSINESS

Parking

The parking spot line-striping in the lot has made the parking much more efficient. After the lot is sealed, we will re-stripe. This will give us 88 parking spots in the summer, fewer in the winter due to snow storage and looser parking due to the snow and inability to see the lines. We have moved the bike racks out of parking spots to gain several spots. The Board decided we will issue 2 parking placards per condo, so that condos don't over-use our Rules-allotment of 2 cars per condo. Obviously if every condo ever has 2 cars per, we will be at 120 cars and 32 over the space we have. This being said, the lot is seldom completely full, though sometimes when it is we have to double

park if we go over 88 cars; fortunately, we have 6 deep spots that can be double parked. We will continue to monitor parking and investigate alternatives if necessary.

Dogs

Our policy of owners only being allowed to bring 2 dogs anytime in the summer and for up to 2 weeks in the winter is still in force. Renters are not allowed to bring pets to the Chateaux. We will install 2 poop stations next spring to help with sanitation.

Bikes

We will remind renters and owners that bikes are not allowed in the buildings or in the condos or on the decks. Sufficient outside storage racks are available. This policy is in place to reduce dirt on the carpet and in the condos and on the decks...and eliminate scuff marks that inevitably have occurred as bikes were carried up the stairways.

Pool Tile Replacement

We still have pool tile on our Capital to-do list. Danny has contacted a stone guy to make stone matching the perimeter of the pool to be placed between the hot tub and pool this spring. We will continue to pursue securing a tile contractor to replace the aging blue tile.

Trash and Recycling

Due to increased use of the recycling bins, we will explore changing the cardboard recycling from bins to a dumpster. While this will cost more money, it will help keep the area more tidy.

Daily Condo Usage Fee

The Board has decided to suspend the \$7 per night rental usage fee.

Establish Date of Next Meeting

The Annual HOA Meeting was scheduled for February 12, 2022, at 9am.

Adjournment

There being no further business, Association President, Rory Baruth, adjourned the meeting at 11:40am.

Approval:

Rory Baruth
Chateaux Association President

Date