

**CHATEAUX CONDOMINIUM ASSOCIATION
BOARD MEETING
February 5, 2016
MT. CRESTED BUTTE, COLORADO**

Call to Order

The meeting was called to order by the Board President, Jack Patton, at 9:31 A.M.

Quorum Established

A quorum was established with 4 of 5 Board members present.

Board Members Present:

Jack Patton
Alan Adams (by phone)
Theresa Brooks
Bill Hoytink

Management Company Present:

Danny Myers

The purpose of this mid-fiscal year meeting is to review current business items, as well as financial reports for the first 6 months of the 2015-16 fiscal year, which began July 1, 2015.

Reading and Approval of Past Minutes – August 15, 2015

Danny and the Board reviewed the minutes from the August Board meeting.

Theresa made the following:

Motion:	Accept the minutes as presented.
2 nd :	Bill
Vote:	Unanimous approval

Financial Report

Reviewing our Income and Expense report for the first six months of our current fiscal year, which runs July 1, 2015 to June 30, 2016, we found that our Income was close to budget, exceeding our expected \$179,360 year-to-date Income by just \$2,800 (1.6%). Ninety-five percent of our Income is derived from our \$475 per unit monthly dues. On the Expense side, we are sitting at \$20,164 better than budget as of December 31, 2015. A majority of this surplus was comprised by our unspent Operating Contingency to date (\$9,000) and lower than anticipated Snow Removal costs (\$5,157 in savings to date). The only substantially higher-than-budgeted line item was Pool and Spa Repairs. Recent years have seen little need or expense in this category, which is used primarily to replace or repair pumps and heaters for the pool and hot tub. With both a pool-heater repair and pump replacement needed so far this year, the expenses will exceed our \$2,400 annual budget. We have spent \$3,078 to date.

Our Accounts Receivable report shows that only one owner is over 60 days in arrears on their monthly dues payments.

Capital Expenses and Capital Plan

To date, we have completed two currently scheduled items on our ongoing, ten-year capital plan: sealing the asphalt (every 2-4 years) and painting the fascia trim boards at the roof drip edge. Others items that will likely be completed in the next 9 months include buying four new coin-operated washing machines (estimated at \$1,500 per machine), installing rubber tread stairs in each building to replace the wearing-out carpet (approximately \$5,000 per building), replacing several couches in the clubhouse, and possibly replacing the clubhouse carpet with vinyl wood plank flooring. We will get a quote on the clubhouse floor covering for the Board to deliberate on prior to completion of that project. We will consult with an owner who is also an interior decorator for recommendations on replacing couches.

Repainting the siding on all six buildings is slated in the Capital Plan for 2017. The Board will form a committee to deliberate on color options. Money is available in our Capital Reserve Fund to complete this planned-for capital project.

In the Fall, the Board discussed continuing the boulder wall that was installed 2 years ago on the left (west) side of the exit road to Gothic. Boulders were placed below the D building (east/mountain side) over the existing railroad tie wall. As the extension of that wall north of there (below the E building) continues to deteriorate, the need to replace those railroad ties has become more imminent. Our contractor should be available in September to complete this work. His initial estimate is approximately \$80,000. This money is available in our Capital Reserve Fund. The work is planned to also include directing a natural spring that is located on the north end of the property into a stream feature, configuring the pathway to the Three Seasons parking lot to a natural grade, forested path, as well as placing some boulders on the right side of the exit road, which will have some plants added amongst them at a later date.

Theresa made the following:

- Motion: Allocate \$80,000 from our capital funds to replace and/or fortify the existing tie wall below building E (along the bus exit road) with large granite boulders as delineated in our landscape plan. This work will be tentatively scheduled for September/October 2016, dependent upon weather and contractor availability.
- 2nd: Bill
- Vote: Unanimous approval

OLD BUSINESS

Internet

We increased the internet speed in August for the building wi-fi systems. While there are times when the system is still taxed by heavy usage, there were few calls of concern over the Christmas holiday season. We will continue to monitor efficiency and can increase speeds or number of modems in the future if necessary. Owners still also have the option of purchasing their own private modem service through Time Warner Cable.

Building Stairways

In December 2014, the B building stair-carpet was replaced with rubber tiling and treads. The rubber treads held up well through their first ski season, this past summer, and now the current ski season to date. Observing that these rubber-tread stairs have been a good upgrade to the building, we plan to now complete the stairs in the remaining four buildings.

Driveway/Parking Lot Re-sealing and Repair

As mentioned earlier, the driveway and parking lot were sealed by Sealco earlier this fiscal year in August. Sealco also removed some deteriorating asphalt and reinstalled new asphalt. This patch cost approximately \$1,000. Danny also replaced several small “pot holes” with cold patch asphalt. We will continue to monitor the pot holes and repair as necessary or contract Sealco to repair if our small, self-repairs are not sufficient.

Deck Boards

We will continue to monitor the quality, and in some cases deterioration, of the decking boards on our 60 units’ outdoor decks. Several are slated to be replaced this spring and summer. We will continue to work with the manufacturer on a warranty claim.

The Timbers

Renovation work has continued on the former Marcellina Apartments to the west of the Chateaux A and B buildings. The Timbers will likely install lighting for their stairs down to the Gothic Rd access stairs on our property. As their condos move toward completion and occupancy, we will discuss sharing the trash dumpsters (and the associated costs) with them, or consider creating an alternative dumpster location for the Chateaux.

NEW BUSINESS

Real Estate Report

Three units sold at the Chateaux in September and October 2015, at prices ranging from \$220,000 to \$255,000. Four units are currently on the market, at listing prices ranging from \$227,000 to \$329,000.

Chateaux Operations Assistant

In order to have an additional set of eyes and hands patrolling the Chateaux and learning and assisting with the operation of the property, the Association provides a 10-hour per month staff position. Weston Abel ably filled that position the past 2 years. David Sudderth took over that roll in October. The Operations Assistant is available to provide property maintenance assistance, as well as provide customer service and assistance to owners and guests as needed.

Establish Date of Next Meeting

The next Board Meeting and the 2016 Annual Meeting were tentatively scheduled for Friday, August 5, 2016.

Adjournment

There being no further business, Association President, Jack Patton, adjourned the meeting at 11:39 AM.

Approval:

Theresa Brooks

Chateaux Association Secretary

Date