

**CHATEAUX CONDOMINIUM ASSOCIATION  
BOARD MEETING  
February 8, 2020  
MT. CRESTED BUTTE, COLORADO**

**Call to Order**

The meeting was called to order by the Board President, Rory Baruth, at 8:30 A.M.

**Quorum Established**

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

**Board Members Present:**

Rory Baruth  
Alan Adams  
Barbara Cameron  
Bill Hoytink  
Chuck Spinks

**Management Company Present:**

Danny Myers

The purpose of this mid-fiscal year meeting is to review current business items, as well as the financial reports for the first 6 months of the 2019-20 fiscal year, which began July 1, 2019.

**Reading and Approval of Past Minutes – August 10, 2019**

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

Chuck made the following:

Motion:	Accept the minutes as presented.
2 <sup>nd</sup> :	Alan
Vote:	Unanimous approval

**Financial Report**

Danny reviewed the Income and Expense report for the first six months of the 2019/2020 fiscal year, July 1, 2019 through December 31, 2019.

Our Revenue thus far is at 99.6% of budget. Our annual Gunnison County Electrical Association refund was \$996 instead of our budgeted \$400. On the under-revenue side, we have only tallied \$3,000 of our anticipated \$4,500 in laundry money during the first 6 months of the year, possibly due to several additional owners installing laundry in their own units. We will track this to year end and adjust expectations as necessary.

We recalled that we budgeted a \$52,000 shortfall for the fiscal year, though \$40,000 of this will be covered from recent prior Operating Carryover money. The remaining shortfall is anticipated to be

covered by not having to spend the \$18,000 in Operating Contingency we budget, primarily in the event of a big snow year and associated snow removal costs that coincide.

Looking at our Expenses year to date, our Snow Removal outlay is currently just 73% of budget, reinforcing the belief that no contingency money will be needed. Our Utilities expenses are only 1.5% above our budget. We were surprised with a 11% increase in our water bill beginning January 2020 (\$10 per unit per month), which translate to being \$2,500 over budget by year's end. Once we exhaust our Operating Surpluses from prior years, Water/Sewer alone will account for the need to increase Dues \$4 or \$5 per month each subsequent year. Our water bill is currently \$103 per month per unit.

No other Expense category was materially over or under budget year to date.

As we stated at both our August 2019 Board Meeting and August 2019 Annual Meeting, we are anticipating the need to raise our dues (now within the next 6 to 18 months) to cover our budgeted shortfalls (that until now were covered by Operating Carryover).

Prior to discussing a needed Dues increase, the Board discussed whether it is appropriate to require full-time resident owners to pay the same additional \$30 per month that full-time renters pay. A \$30 per month occupancy fee would generate approximately \$3,000 per year from the 9 current full-time owners. While this amount is far short of our current annual \$52,000 budgeted deficit, it would offset some of the every-unit increase in Dues. The Board felt it was reasonable for all full-time residents to pay the \$30 per month occupancy fee, if for no other reason than the additional wear and tear on the property above what our historical quarter to half-time occupancy in a majority of the units.

Barbara made the following:

Motion: Implement a \$30 per month occupancy fee for all full-time residents, whether owner or renter beginning January 1, 2021.  
2<sup>nd</sup>: Chuck  
Vote: Unanimous approval

We need to determine during these next 12 months whether our governing documents disallow such a fee.

Circling back on our Dues discussion, we acknowledged that our Expenses have now outpaced our Dues collected. While our Dues were increased by \$50 per month in July of 2017 to adequately fund our Capital Budget, the Operating portion of the Dues has remained the same for at least the past 11 years. A \$50 per month increase will generate \$36,000 per year, balancing the current budget (if we can carry over the \$18,000 Operating Contingency from year to year instead of collecting an additional \$18,000 per year that is seldom tapped into).

Bill made the following:

Motion: Increase the Dues by \$50 per month beginning January 1, 2021  
2<sup>nd</sup>: Barbara  
Vote: Unanimous approval

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**

### **Decks**

The deck boards on the last 5 of our 60 decks were replaced this fall. We recalled that a majority of this cost was paid for by the deck board company to replace faulty product.

### **Asphalt Driveway**

United Companies will re-asphalt the driveway this summer, 16 feet wide, 5 inches thick from our north entrance off of Marcelina Dr to the pool. The budget is still \$70,000 for this project.

### **Parking Lines**

Sixty parking spaces have been painted in front of all the buildings. The parking spots in front of the pool, Building C, Building D, and half of Building E are angled to encourage downhill exiting (toward the pool and then out). The lines have increased parking capacity also as hoped.

### **Pool Tile Replacement**

We still have pool tile on our Capital to-do list.

### **Pool Lounge Chairs**

We will purchase new lounge chairs for the pool this summer.

### **Gothic Stairway and Pool Fence Painting**

Tom Aton sanded and painted much of the railings on the stairs to Gothic Rd. The pool fence painting is planned for the summer.

### **Bike Barn**

We have tabled increased bike storage for the time being, as more guests are just locking their bikes on their cars.

### **Hot Tub Rules**

We purchased a plastic sandwich board to display hot tub rules, including 20-minute limit, 8 people maximum, no children under 6, and no toys or floatation devices allowed.

### **Clean, Clear Hallways**

We will remind all the owners to keep their personal property out of the hallways.

## **NEW BUSINESS**

### **Emergency Exit First Floor Exterior Landings**

Ryan Sutton used extra decking material end pieces we had left over to build new platforms for the first floor side exits.

**D North ceiling damage**

Leaking snow-melt water on the roof damaged a ceiling on the 3<sup>rd</sup> floor of the D Building. That damage is being repaired. The roof will be assessed for repair or replacement in the summer.

**New Rental Rules**

All short-term rentals are now required to be inspected and certified by the Town of Mt. Crested Butte.

**Building Carpet Replacement**

We will get quotes to replace the hallway carpets this summer or fall. We are considering installing 2 foot square carpet tiles instead of broadloom rolled carpet. The squares will allow us to replace damaged or stained spots easily.

**Hallway Closet Rentals**

During the next year, we will raise the monthly fee from \$20 to \$30 to owners who are renting the few hallway closets that are located in each building.

**Underdeck Drip Protection**

Chuck will research if there is a product to catch water and dirt that drips from one deck to the next.

**Establish Date of Next Meeting**

The next Board Meeting was tentatively scheduled for Saturday, August 8, 2020.

**Adjournment**

There being no further business, Association President, Rory Baruth, adjourned the meeting at 10:35am.

**Approval:**

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Rory Baruth  
Chateaux Association President

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Date