

**Chateau Acadian Condominium Association
Board of Directors Meeting**

Agenda

11/3/2023 9:30AM

[Zoom Link Chateau Acadian BOD Meeting](#)

(Click link to join)

Call to Order:

- **Introduction of the board of directors:** Jason Mortensen , Bob Nelson, Bob Lagneaux, Jim Durning, Kristine Koblenzer
- **Introduction of owners present:**
- **Summit Resort Group present:** Noah Orth

[Chateau Acadian 5/24/2023 Board of Directors Meeting Minutes](#)

- a. **Kristine K. made a motion to approve the Chateau Acadian 5/24/2023 meeting minutes as presented. Jim D. seconded the motion, motion passed with no dissent.**

Regular Business

1. Financials: [Chateau Acadian September 2023 \(Full Set\)](#)

a. [Chateau Acadian Balance Statement September 2023](#)

i. The Chateau Acadian September 2023 reports:

1. Operating - \$4,461.69
2. Reserves - \$5,890.26
3. Reserve Roof Assessment - \$146,016.72
4. Total Checking & Savings - \$156,368.67
5. Board discussion

a. Bob Nelson inquired what the Working Capital Liabilities was for \$12,941.19.

i. Noah stated that the association owed SRG as they did not have enough money to make monthly invoice payments in which SRG was withholding their management fees.

b. Bob Nelson inquired why the balance statement did not show reserve transfers as a payable.

i. Noah is going to follow up with accounting and get back to the board.

b. [Chateau Acadian September 2023 Profit / Loss Budget Statement](#)

- i. The Chateau Acadian Profit & Loss Statement reports a total of \$111,613.23 of actual expenditures vs \$104,757.27 of budgeted expenditures resulting in a budget deficit of \$6,855.96
- ii. **Major areas of significant over expense variance \$500 or more include:**
 1. Insurance \$5,898.04
 2. Electrical \$3,080.84
 3. Trash Removal \$1,358.20
 4. Snow Removal \$568.85
 5. Security & Fire Safety \$709.39
 6. Repair & Maintenance \$7,529.94
 7. Landscaping \$7,455.55
- iii. **Major areas of significant budget surplus variance include:**
 1. Water \$3,378.18
 2. Roof Snow Removal \$560
 3. Contingency \$3,147.30
- iv. [Chateau Acadian September Accounts Receivable](#)
 1. All dues are current
 2. \$16,674.93 due to be collected for remaining 2023 roof assessment
- v. [Chateau Acadian General Ledger](#)
 1. Noah requests the board review the general ledger and any items that need reclassification need to be presented prior to December 15th.
- vi. [Chateau Acadian 2023 Expense Worksheet](#)
- vii. Financial Notables
 1. The Chateau Acadian Association has missed Reserve Contributions of \$1,718.00 in the months of February through September due to operating too tightly. It is recommended to increase their operating budget as well as increase their end of year contingency account to help make up missed contributions as well any unknown expenses such as out of pocket expenses such as insurance deductible or repairs.

viii. Motion to approve

- 1. Kristine K motioned to approve the Septmeber 2023 financials as presented. Jason Mortensen seconded the motion. Motion passed with no dissent**

Old Business:

- 1. 2023 Special Assessment invoice to ownership**
 - a. Completed and confirmed
- 2. Parking Pass Replacement**
 - a. New Passes made and distributed to owners
- 3. Removal of the owners lounge key box**
 - a. Tabled from the last meeting, discuss under New Business
- 4. Exercise room**
 - a. Electrician was out and replaced circuits in the electrical panel to provide power to allow for the fitness equipment to be used at one time whereas in the past extension cords were being used which was a code violation with Summit Fire & EMS. The fitness room is up to code regarding power supply.
- 5. Summit Roofing and Gutter Update**
 - a. Roof replacement completed
 - b. Sky light replacement completed
 - c. Unit 114 repairs were in process of being scheduled.
 - d. Board discussion
 - i. Bob Nelson inquired about back deck issues from shingles being removed.
 1. Noah stated that Summit Roofing and Gutters would come back as snow was present on the decks however SR&G would come back and address.

New Business:

- 1. New Onsite Manager**
 - a. Mike Nelson was introduced to the board as the new live onsite manager.
- 2. Workshop (Owners Access) liability**
 - a. Owners Lounge / Workshop Access
 - i. It was discussed that owners should not be allowed to utilize association owned large equipment for the purpose of liability such as saws and so on. Basic tools can be supplied and used by the owners however large saws should not be.

- ii. Bob Nelson indicated that the board was in the preliminary stages of the space and workshop. Bob indicated that the space could be utilized for something else such as ski storage
 - 1. Jason stated that he agreed that he and Noah had some discussions regarding the workshop area as there are several items that could be removed to open up space for something whether workshop or storage space.
- iii. Jim Durning indicated that he and his wife went back after the annual meeting walkthrough and noticed that there were also association documents that the board may want to go through to determine what can be removed and what can be kept regarding importance.

3. Owners Lounge

- a. There was discussion by the board to lock the owners lounge at night as there is a door leading into the hot tub area that is accessible and can be a liability if someone were to get hurt or drown.
 - i. The board discussed that they were not opposed to locking it at a certain time at night however currently the use should be for owners only and not guests.
 - 1. A comment was made that guests have been viewed in the owners lounge when the door has been left open.
 - ii. The board tabled this discussion for further thought however agreed that the code to the fitness room and owners lounge are the same as the ownership are the only users of the two rooms.
 - 1. Updated Code 3747

4. Heat Tape Connections

- a. New heat tape connections are scheduled for 11/4/2023. Noah reported that the electrician is going to inspect the circuit panel to make sure each connection is updated with 240 volt and adjust accordingly.

5. Annual Fireplace Inspections

- a. Unit fireplace inspections are scheduled for the 29th of November. Chim Chimney will be onsite along with an SRG representative. They will inspect each unit's fireplace first and then go back to those units where the fireplaces need to be swept and cleaned.
 - i. The board agreed that the association would pay for the initial inspection however any safety repairs or cleanings due to use would be the owners responsibility.

6. [2024 Budget Draft](#)

7. [2024 Dues Schedule](#)

a. **Board Discussion**

- i. Jason Mortensen thanked Noah, Bob and Sandy for the countless questions and questions and time to get the 2024 budget where is is today. Jason reflected stating that a 22.29% increase was proposed to keep up with ongoing increasing operating expenses. Larger 4 bedroom units will from \$748 to \$915, 3 bedrooms \$649 to \$795.
- ii. Jason spoke regarding the association's reserves balance in which at the completion of the roof replacement the association will have an estimated reserve balance of \$119,000.00.
- iii. The board addressed increasing owners monthly dues however eliminating the final reserve assessment.
 1. Kristine inquired that in 2023 that there was an 8% increase however the board has not addressed the rental fees of \$10.00 per day and or \$50.00 per week.
 - a. Noah reminded the board that the common rental assessment that was in place was not legal as all owners would need to be assessed the same amount and wanted to again bring it to the board's attention.
 - i. Bob Nelson stated that historically the rental assessment was to address the renters and usage. It was discussed that the board could potentially close the hot tub down to renters.
 1. Jim Durning stated that he had brought it to the board's attention sometime ago due to the amount of damage from wear and tear however there was concern from owners who rent and how it would affect rental business.
 2. Kristine also commented on the roof receive account in that she wanted to make sure that the roof reserve funds were only being utilized for the roof replacement as there will most likely be an increase in insurance premiums as the insurance claim was paying for the replacement.
 - a. Bob Nelson commented that there was no way around the increasing costs of an aging association. For years the association was not collecting dues increases and it has finally caught up to us.

- b. Jason Mortensen commented that he and Bob went through the general ledger in detail to see if there was a place for saving and no matter how its looked at we would be saving penies (Example eliminating recycling)
- c. Jason commented on eliminating the up coming annual assessment of \$2,000 per unit as larger units assessments were \$2,001 and smaller units were \$1,738 so in most cases was a wash.
- d. Jason commented regarding missed reserve transfers in not having enough money in operating to pay monthly invoices as the board was budgeting too tightly.
 - i. Bob agreed that the association definaity wants to make sure that reserve transfers are being made otherwise high dues increases or future assessments are going to be needed.
- e. Bob Lagneaux brought up the idea of selling the managers unit and use the proceeds to bolster our reserves so that it goes back into the association
 - i. Bob Nelson stated that the board went through this idea in the past and per the associations declarations state that the unit is able to be sold or rented. The unit is designated by the county as a managers unit however the association would have to hire a lawyer to visit and look into the possibility.
 - 1. Bob L stated that it should be looked into and follow up to see what the realestate is worth for the benefit of the association.
 - a. Noah commented on the process of changing the associations governing documents, as well as just completing an appraisal for what the managers' unit would be worth.
 - b. Bob Nelson stated that he and Bob L have had several discussions about this and does

not disagree however at this point the feelings are to get the associations 2024 budget approved and follow up with the assessors study on the manners unit at a later time.

- c. Bob L agreed with Bob N statement however early next year look into what the association can do or what the worth of the unit is.

b. 2024 Budget Ratification Meeting

- i. Noah explained the budget ratification process and the board decided to do a budget ratification concurrence call.

8. Miscellaneous Discussion:

- a. Kristine Koblenzer commented on the continuation of the annual assessment vs dues increase and it seems like more of the burden would be on the larger 4 bedroom units with going with an assessment in the upkeep of the common areas. Kristine commented that either the dues are raised equally or the equal assessment amounts
 - i. Jason Mortensen commented that the association carried a unit allocated interest percentage based on square footage which would be followed.
 - 1. Bob Nelson stated from an accounting point of view the association would not be able to make any reserve contributions as we would be waiting for assessment funds to come up. Bob's feelings were that assessments are for large financial projects that the association does not have the funds for or as we did the roof replacement an annual assessment in collecting funds for a roof replacement.
 - a. Kristine brought to the board's attention in just doing the math by removing the assessment the association would be losing out on \$2,100 in comparison to a dues increase.
 - b. Bob Nelson stated that he was fine going either direction however from an aging association point of view the feelings are that we need to be collecting

reserve funds for future projects in which at this time the association is not able to do.

- c. Bob N suggested that it is presented during the annual meeting to the ownership to see which direction they would like to go.
- d. Jim Durning stated going back historically that 4 bedrooms vs 3 bedrooms equaled more people and more use of common areas which is why there are unit fee differences. Jim also commented on when the exterior is painted a 4 bedroom exterior walls are more than a 3 bedroom this the higher cost for a 4 bedroom unit.
- e. Bob L stated that the dues increase is what it is and will be an eye opener for the 4 bedroom units owners however understands the declarations.
- f. Jason M proposes that 22.29% operating cost needs to remain as its operating and if the association needs to collect an assessment for a project the board can certainly do so but to focus on collection funds to operate as well the ability to put money into the reserve account for future improvements.
 - i. **Kristine Koblenzer made a motion to approve a 22.29% dues increase and eliminate the last remaining \$2,000 per unit assessment. Jim Durning seconded the motion, motion passes with no dissent.**

2. Bob L thanked Jason, Bob and Noah for all the work they put into the association budget.

9. Next Board of Directors Meeting Date:

1. Budget Ratification Meeting Date: December 14th 12:00PM
2. Board of Directors Meeting: TBA

10. Adjournment:

1. The Chateau Acadian 11/3/2023 Board of Directors Meeting was adjourned at 11:17AM