



Chateau Mont Condominiums Unit Owners Association

HALL ASSOCIATES, INC. MANAGING AGENT (540) 982-0011

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MINUTES BOARD OF DIRECTORS MEETING

April 17, 2024

South County Library

Pending Review/Approval at Next Board Meeting

Board Members Present:	Bob Powers	President	2026
	Bob Kaplan	Vice President	2024
	Lori Baker	Secretary/Treasurer	2025
Board Members Absent:	None		
Others Present:	Chrissy Greene	V.P. of Association Management	
	Martha Apple	Unit Owner	
	Cheryl Borek	Unit Owner	
	Ed Hall	Unit Owner	
	Gregg and Donna Hardee	Unit Owners	
	Heinke McDade	Unit Owner	
	Robyn Sieg	Unit Owner	
	Linda Vance	Unit Owner	
	Nancy Warren	Unit Owner	

I. DETERMINE QUORUM AND CALL TO ORDER

A quorum was met with all Board Members in attendance at the South County Library. The meeting was called to order at 10:34 AM.

II. READING OF THE MINUTES FROM PREVIOUS MEETING

A motion was made (Powers) and seconded (Baker) to waive the reading of the January 17, 2024 board meeting minutes and January 31, 2024 special board meeting minutes and accept them as written. Motion passed unanimously.

III. FINANCIAL REPORTS

The financials through March 2024 were reviewed.

Account balances as of 03/31/24 are:

Operating	\$ 34,534.41
Operating Reserve	\$ 33,248.04
Capital Reserve	<u>\$186,695.07</u>
Total Combined Assets:	\$254,477.52

A request was made in the January meeting for a little more detail in the financial reports. Treasurer Kaplan reported that the biggest discrepancy between the budgeted expenses and actual expenses is the insurance line item. The budget that was established last Fall was based on an increase of the prior years' premiums. However, the year-to-date insurance costs are within approximately \$9,000 of the amount that would have been anticipated to be expended for the entire year. The landscaping budget is over budget, but this is related to expenses approved by the Board for the Landscape Committee, which will average out as the year progresses. The utility costs are approximately 13% higher than anticipated. However, there were more

vacancies in the building, which likely resulted in lower usage. Discussion ensued on budgeting strategies, how increases are estimated, etc... Phase 1 of the landscaping improvements has been paid, cleaning the light fixtures in the common areas, that was completed and paid, requested a repair and refurbishment of the front door and rear external stairwell, the \$900 deposit has been paid and \$2,100 remains to be paid. That work has also been completed. Ten lamps have been replaced in the garage with LED fixtures. That has been completed, but not yet invoiced. There is an estimate of \$500 to repair some wallpaper. Sanitized trash cans. Phase 2 of Landscaping is approximately \$2,500 in the Fall. The controller in the garage had to be reprogrammed in order to accommodate adding garage doors. Approximately \$2,000 to refurbish the elevator has been approved, but not yet been paid. President Powers reported on the process of doing the cosmetic repairs in the elevator. They have agreed to do this work between 4 PM – 8 PM, to minimize the disruption to owners. Use of elevator should be limited as much as possible during this period. Notice will be posted approximately one week before the work begins. The work will take approximately 3 days. The cost for this repair is approximately \$1,800. All of these items together are approximately \$12,000. Robyn Sieg stated that she would like to have more information available to owners sooner, particularly the lack of insurance coverage. The issue regarding insurance was covered in detail at the January 31st meeting, but there is a process in place now where something like that would not happen again. Cheryl Borek has an agent currently looking for a better rate for coverage. Ed Hall stated that he chairs a Board at the beach. This issue is facing many communities, not just specific to this area. He shared a solenoid valve that can be put on each unit for a couple thousand dollars that will eliminate the primary concern of most insurers, which are water leaks. It is his understanding that this could be a cost savings to reduce the insurance premiums. This valve is designed to shut off the water when it determines a leak. It is not designed to stop all water usage. But only if there is a high volume of water, which would indicate a leak. A motion was made (Powers) and seconded (Baker) to accept the financials as presented through March. Motion passed unanimously.

Special Assessment – a discussion occurred regarding the increased insurance premiums, which will have a significant impact on the budget that was already approved and in place. As a result, the Board has reviewed the financial status and determined that a special assessment is necessary. \$56,000 shortfall between budgeted amount for insurance and the actual amount. Combined with the repairs of approximately \$12,775 of additional expenses, this is approximately \$69,000. The Board is considering a \$50,000 special assessment, with the remainder to be offset by the Operating Reserve account. Brown and Brown, the insurance broker, required that the association pays interest on the amount of the premium. If the association prepays the insurance premium, that eliminates the interest. As a result, the Board can use those funds to prepay the insurance for the year. Cheryl Borek stated that the association is only required to stay committed to current insurance company for four months. A motion was made (Kaplan) and seconded (Powers) to approve a one-time special assessment of \$50,000. Motion passed unanimously. During the process of obtaining new insurance coverage, an inspection was required of the roof. The lifetime expectancy of the shingled roof is between 2-3 years.

President Powers stated that the contractor is estimated to start the first part of May. They plan to do the final one small window side and a triangle window side. The rest of the siding is up on the roof and is just dormers without windows. The areas above the two open porches, one in front and the other in the rear of the building, will be added on to the work to be completed this year. The total estimated cost for this final phase of the project is \$80,000. Weather permitting, the association is hopeful that the project will be completed within 2-3 months.

The reserve study identified that the roof would likely need to be replaced within the next 2-3 years. The insurance inspector actually said they felt the building was very well built. The reserve study contributions and components were discussed. The Board feels there are some components in the study that are just completely speculated, so it is to be used as a budgeting tool, without using it as a specific plan by which to follow.

Discussion ensued regarding the aesthetic value of the property. Nancy Warren stated that the original condition of the property included maintaining the grounds in pristine condition, there was an onsite maintenance person, a concierge who would assist with personal projects, such as taking shoes in for repair. Gregg Hardee stated that he felt there were some of those issues that were not producing a return on value, so the association is in a better position with several of those items no longer being offered. Cheryl Borek requested that a Building Maintenance Committee be appointed to make note of issues that require attention, so they can be shared with the Board, and the community, for consideration.

IV. BUSINESS

Exterior Maintenance/Leaks – please refer to the discussion under the financial discussion.

Garage Leaks – no change.

Garage Lighting – no change.

Elevator Interior Refurbishment – this was addressed during the financial discussion.

Front Walkways – this remains tabled.

Insurance – this was discussed earlier in the meeting. An owner indicated she has an agent investigating other potential options, which will be presented to the Board.

V. OWNERS FORUM

Any owner can attend the meeting to observe. They may also speak on any subject to the Board during the 15-minute owner's forum. Items noted in the forum will be taken under consideration for a future agenda. Unit owners wishing to have a subject added to the current agenda must submit the information in writing to Management at least 10 days in advance so that the Board has an opportunity to research the issue before rendering an opinion or decision. Owners wishing to attend the meeting should check with Management prior to the meeting in case the time or location has been changed.

Owner Gregg Hardee asked that the website be updated to reflect all governing documents. Management stated that the documents online are the most recent documents. The issue will be referred to the association's attorney for review.

Owners present reminded residents that no work is to be performed on the weekend.

VI. EXECUTIVE SESSION

There was no need for an Executive Session.

VII. DATE, TIME & LOCATION OF NEXT MEETING

The next Board meeting will be held on Wednesday July 17th at 10:30 AM at the South County Library.

VIII. ADJOURNMENT

The meeting was adjourned at 12:01 PM.