320 Main Building Annual Owners Meeting
320 Main Street
Carbondale, Colorado 81623

Minutes of the Annual Meeting
March 9, 2022

The meeting was convened at 10:00 a.m. via Zoom. In attendance were: Tom Berthiaume and Cherryl Kachenmeister (Suite 300 & 202), Melissa Sumera (Suite 204), Lauri Rubinstein (Suite 201), Ernie Kollar (Suite 203), Ry Neiley (Suite 200), and Amy Charters (Suite 100.

Minutes of February 15, 2021 annual owners meeting.
Marty moved to approve the minutes, Amy second. Unanimously approved.

Building Maintenance

Update on work completed since last meeting:

Repairs:
- Painted Main Street side of building
- Planted three new threes in the courtyard
- Replaced 3rd floor water heater
- Significant A/C crisis related to the retail spaces on Main Street. Spent quite a bit of time and money on fixing a valve.

Amy expressed appreciation for Tom's management of the A/C issues and indicated his dedication was amazing. Marty and Lauri both agreed.

The building is aging and things are starting to wear out. Tom expressed that scheduling vendors has become very difficult and the property management duties have become a lot larger than in previous years. As such, he has spent time and discussion with the board looking into outside management. Tom has been doing the physical side and Melissa has been doing the financial side. Ideally, the pricing obtained has looked into replacing both. Melissa indicated that capital and building repairs have been at a similar rate to previous years but heating and cooling issues as well as the elevator will continue to be the more involved issues. Lauri agreed that it was a lot to put on Tom and would be good to get outside management provided it's not cost prohibitive and we receive good service. Tom stated we have obtained quotes from Silver Mountain Properties in Carbondale and Crystal Property Management in Glenwood Springs. Ernie inquired as to the increase in the bid prices being mentioned now and what was discussed amongst the board. Tom clarified that previous bid was management only and now also includes financial oversight. Ernie has a relationship with a building using Crystal Property Management but has not been able to contact any of the board members using that building to obtain a reference. Melissa explained that there is currently $250/month allocated to PM ($150 for Tom's credit) and bookkeeping ($100 for AVLT's credit) that is built into the budget and could help pay for this service. Ernie explained that the board's hope is that these companies have access to better vendor relationships as they use them all the time. Tom stated that we are not getting good response, even though we work with quality vendors, because our needs are too one-off. Marty agreed it is time to hire this out. Melissa explained that she took over the bookkeeping at least ten years ago from support staff at Whitsitt & Gross and the job was meant to be shared around by other members of the ownership. Tom stated that he and Melissa have been subsidizing the association with these low rates and at this time, the building needs more. Marty inquired who was going to finish the research and hiring of the new management company. Tom indicated it would be the job of the board elected today. Amy made a motion to find a property management firm, Marty second. Unanimously approved.

Suggested repairs items for 2022:

There are no capital projects currently proposed for 2022. Windows will get cleaned and the screens put back on for summer. There was a brief discussion of the aging double hung windows. Tom had obtained a bid and the total replacement cost was gargantuan. Repair is difficult as manufacturer is out of business. Amy indicated this is the worst time in history to get windows, with a 34-week lead time at Pella and current Russian invasion of Ukraine is only going to make that worse. The drainage issue in the courtyard walkway was discussed. Tom stated that to determine the real problem, a plumber would need to investigate. Melissa explained that the pipe under the walkway which feeds into the French drain is undersized and therefore freezes, causing the backup of water. Likely repair would involve digging down access to the pipe. Tom indicated this is a chronic issue but only occurs 2-3 days a year and has put the cone markers out to draw attention and help with liability concerns. The ongoing heating/cooling issues in Suite 200, 203, and 103 were discussed. Scheduling to get a mechanical engineer in for evaluation is ongoing. Tom mentioned this is another example of not getting priority from our vendors. He also highlighted the additional challenges of doing maintenance without a common mechanical space.

Tom briefly informed the owners of the board's review of a proposed exterior change to the entrance on Suite 102 which after much review, the board ultimately denied. A new plan was submitted that the board supports. There has been no contact with the new owner since then and we assume they are moving forward through the Town of Carbondale approval process.

Smoking concerns in the courtyard were raised. Amy inquired about adding no smoking signs and volunteered to manage this. Tom and Cherryl indicated that guests from the Brass Anvil have been coming into our courtyard to smoke and they have been forced to police this situation. Melissa reminded all that the gate and fence are owned by the association and used to be locked. Ernie felt the lock should be reinstated.

Financials

Budget & Reserves – The budget draft was presented and reviewed with a suggested 10% increase in dues going forward. Profit and Loss statement and Balance Sheet were emailed out to the owners. There was significant discussion about the reserves, which has a current balance of $46k. Tom asked if it was prudent to spend $3,000 on a new reserve study. Melissa and Ry both felt it was unnecessary to spend for a study which would only tell us that our balance is too low. Ernie would like to see a line item added to the budget for capital reserve. Melissa suggested a longer-term plan be considered, possibly planning for and tiering increases over time. Cherryl stated that this is an issue for anyone interested in selling units in the future as buyers will be concerned that the level is low as well as the lack of budgeted funds to increase reserves. Discussion ensued over a possible 15% increase with 5% being dedicated to a reserve funding line item on the budget but there were concerns that without knowing what the actual yearly expenditures were, it was difficult to plan for an exact amount to allocate. Ry moved to approve the currently proposed 10% increase to dues and to approve the current budget draft, Marty second. Unanimously approved. Ry also moved to add a line item to the budget at the end of the year to add 5% to the reserve, to be reviewed annually once previous year expenses are known, Cherryl second. Unanimously approved.

The increased dues will begin with the April invoicing and those who have established auto pay through their bank will need to make modifications. Also, anyone wanting to change their utilities monthly amount to reduce yearend variances should let Melissa know.

Policies

Policies requiring annual review will be looked over by the board.

Election of Officers

Current slate of officers are willing to continue to serve in current posts. Ry indicated he would be willing to serve in the future, once he has more experience with the building. Lauri made a motion for the current board to be re-elected, Marty second. Unanimously approved.

Tom stated that managing the transition to the new property management team will take significant board involvement and reminded all that the board positions are all volunteer work.

Open Forum Call

A call was made for any open forum topics to be presented. Hearing none, Marty made a motion to adjourn, Ry second. Unanimously approved and the meeting concluded at 12:10 p.m.