

Thatchmont Board Meeting – June 7, 2004

Present: Trustees: Neil Golden, Karin Hobman, Deborah Lindeman, Arthur Mattuck, Richard Yurko.
Management: Larry Sawyer
Unit owners (start only): A. Recht, J. Evans, F. Schachter, V. Frank, J. & J. Alper, E. Tamayo

FINANCIAL

1. A detailed one-page **Treasurer's report** was presented, summarizing where we are in the current budget as of the end of May. The report is posted on the Thatchmont web page *www.thatchmont.org* in pdf format; interested unit-owners without web access can get a copy by leaving a message requesting one at 617-253-4345.

It lists our *income* (using 9 categories), and *expenses* (23 categories); for each category, it gives the budgeted amount for calendar 2004, the amount received or spent through the end of May, and the % of budget this represents – it would be 42% if the dollar inflow or outflow were even throughout the year.

Income. This is mostly on schedule; income from snow removal and waste disposal is lagging a little since Amory St. is behind on its payments to us.

Expenses. Heating Oil is the major overrun; by the end of this month (June) we will be over budget for the year; by year's end it is estimated to be about 5K (\$5000) over budget.

We are already over budget in Pest Control and Plumbing, but these are small items.

2. **End-of-year Projections.** The Treasurer (Rich Yurko) presented his projections, which were not optimistic: they involved possible loss of income, over-budget expenses in several categories, and a downward-adjusted reserve.

Income: we could lose over 5K if the 14 Egmont basement remains unrented when the present tenants leave at the end of August

Expenses: The budget overrun will be at least 5K (from the oil), and could be as high as 10K or more, from other smaller overruns in various categories.

Reserves: Currently 41K, (not 50K as previously thought).

To be added at end of year: 30-40K (not 45K as hoped), depending on income and expenses. The trustees tabled a motion to put 25K in a CD to get greater interest, since rates are low and there was uncertainty about early-withdrawal penalties, in case we needed the money for an emergency.

To be spent: About 12K for painting (see under Old Business).

End-of-Year: 59-69K.

3. **Next Year's Expenses:** The main increases are expected in Heating Oil (could go up by as much as 14K), and Insurance. On top of this, Cleaning could also rise substantially if we changed companies (see New Business).

4. **Capital Budget:** The 5-year plan alternatives laid out by Ellen Frank at the last meeting will have to be revised in the light of our increased expenses; some items may no longer be realistic. We will wait with this until early September, when we will have a clearer idea of where we will end up this year, and what our income and expenses will be for 2005.

OLD BUSINESS

1. **Owner's Manual:** A section will be added about the Thatchmont website, after which it will be posted to the site. Owners can print out a copy for themselves, if they wish, or request one from Management.

2. **Exterior Painting:** Larry obtained quotes from two painting companies, both of which he had used in the past with good results. Since there was a considerable price difference, we went with the less expensive one, Modern Painting.

Since the painting is paid from the reserve, which will be under pressure this year (as discussed in Financial above), the trustees voted to split the job over two years; this summer the fronts of Egmont and Thatcher will be done, including the entranceways, porticos, exterior windows, sashes and trim, (including storm window removal); next year the back windows facing the parking lot will be painted.

3. Comcast; Satellite TV and Dishes: We are not now wired (by Comcast) for digital cable, and unit owners have not shown interest in a Comcast proposal to offer a reduced rate if everyone subscribes to the same cable package.

Added Wed. June 16: Comcast is now apparently doing - the wiring, and claims it will be finished by June 17; they will send a notice to each unit-owner announcing the availability of Comcast service, both for a cable package, and high-speed Internet access – for the Internet, cable is two or three times faster than the also available Verizon DSL, but costs more (Verizon’s advertising mentions only the latter).

A unit-owner and the tenants of a basement apartment have each requested permission to install a satellite dish. The trustees voted to permit this, with the proviso that the installation must be done professionally, by a Management-approved company, the dishes must not be visible from the street, the owner is responsible for any damages, and the installation and wiring must be left in place if the occupancy changes.

NEW BUSINESS

1. Cleaning company The non-trustees at the meeting were there to present a petition to the trustees, and ask the trustees to set up a subcommittee including at least one trustee that would look into carrying out the substance of the petition.

The petition, which was signed by 80% of the non-trustee unit-owners, requested

- the cleaning company be changed from Commercial Cleaners to a company which pays union wages, standard benefits, and follows OSHA safety regulations;
- the new company must guarantee to hire our present cleaner, Victorino Gutierrez, for 40 hours/week, 20 of them at Thatchmont.

There was a lengthy discussion. On one side was the argument for social and economic justice; unit-owners had been led to believe that Commercial Cleaners was a responsible company (in the above sense), but recent newspaper articles, statements by the janitor’s union, and the recent presumably punitive temporary reduction in Victor’s hours and transfer of him to another property had proved otherwise.

On the other side, several trustees raised some issues:

- a) Do we as an Association feel obligated to hire a cleaning company that pays union wages and benefits?
- b) To what extent are we morally obligated to stay with a particular employee of a company who has done good work for us?
- c) Is this an appropriate issue for the Association (a legal entity) to focus its energies on?
- d) If an increase in cleaning costs is the result (which seems likely), to what extent can the Association tax individual unit-owners to further a social policy, or enforce community values, or further a political agenda (what you call it depends on your point of view)?

There were also “practical” questions: for example, what if the new cleaning company initially accepted Victor, but subsequently fired him?

In a subsequent closed discussion, the trustees asked Larry to get estimates for our current level of service from four cleaning services which pay union-level wages and include benefits. It would be desirable for them also to do snow-removal, as Commercial Cleaning does.

Larry pointed out that the cleaning and trash pickup could be done in fewer hours than we currently contract for (one full day of cleaning plus two half-days for pickup and incidentals); he will get a proposal for this from a responsible company; this might save us 5K.

The conclusion was that more data is needed on what was available. The two issues – using a responsible company and keeping Victor as our cleaner – are not logically linked. We decided a few years ago with our superintendent's termination that we did not want to have our own employees. Changing companies could have unintended consequences; an otherwise suitable company might not be willing to hire Victor.

2. **Current cleaning service:** A great deal of time is currently being spent collecting trash every day, which might better be used on other jobs.

The trustees decided to try reverting to the stated trash-removal policy of **collections on Monday and Thursday only**. Examples of ways the newly available time could be used:

- more frequent and more thorough policing of the grounds, both the landscaped and the paved areas
- gradual sweeping of sand from the parking lot

(this cost \$1200 last year for two men and a blower, and the results were only fair; the trustees voted against removing it this way this year).

3. **Advertising of rental unit:** The basement tenants at 14 Egmont will be leaving at the end of August. Larry will list the property with brokers, and advertise it. on Craig's List.

Unit-owners are asked to help by promoting the apartment at work, and listing it at other places they have access to, such as community bulletin boards and housing offices of local schools. It should be listed:

Apartment available Sept. 1: 2+ bedroom newly refurbished garden-level apartment in desirable Coolidge Corner location. Close to BU and to both the B and C Green Lines. Parking available. \$1450/month. Contact Sawyer Management: 617-254-3100.

The trustees authorized paying a \$500 finder's fee to a unit-owner who personally recruits the tenant for 14.

4. **Next meeting:** Tuesday, Sept. 7, 14 Egmont No. 3 (Yurko).

Arthur Mattuck
Recording Secretary