

Thatchmont Condominium Association
Trustee Meeting June 18, 2009

In attendance:

Trustees: Neil Golden, Arthur Mattuck, Ann Lammers, Sarah Leaf-Herrmann, Lifei Guo, Rosemary Trainor, G&G Management: Sheryl Sarkis

Unit Owners: Ruth Wilson, Elena Zhitnikov, Ivana Liebisch

Unit Owners Feedback

A unit owner expressed concern about the cost of the possible large supplement to pay for the masonry work. The Trustees are also concerned and are making a good faith effort to balance the economic realities facing all owners with the need to insure that our property is properly maintained to retain its value.

While no decision has been made, the Trustees are considering waiting until the first of next year to add any supplemental fee for the masonry work when the supplemental fee for the engineering work will expire. If we can implement this, it should provide some relief to unit owners.

As time permits, we will refresh the 5 year plan to see how we are doing in terms of having adequate funding for any major maintenance projects. This is always a challenge as there are many unknown issues in a property of this age. For example, one of our "new" roofs is over 20 years old, reaching the end of its design life, while some tar and gravel roofs are probably over 50 years old, well beyond their design life. Fortunately, they are not currently beyond repair: however, we will have to replace them at some point.

Another unit owner thought that the Trustees should have communicated more frequently about the masonry project. The Trustees explained that, while we want to be as transparent as possible, we also must be responsible about what information we provide to insure that it is accurate, timely and shared with meaningful context. The Trustees have spent considerable effort over many months researching a remedy to the masonry challenges we face. They have anticipated and obtained answers to questions owners are likely to have, with the associated cost-benefit tradeoffs, particularly in light of the subtleties involved in this decision.

New Business

We considered having a non-binding vote by the owners on the masonry project. (Note: The Trustees obtained an opinion from legal counsel stating that, according to our Bylaws and court precedents, the decision regarding the masonry was strictly up to the Trustees.) While all of the Trustees expressed support for proceeding with the masonry work, several Trustees felt it was important to proceed soon to take advantage of what seems like advantageous pricing and financing due to current market conditions. Sheryl reported that one of the low bidders told her their bid would have been \$200,000 more if the economy was stronger. In addition, financing rates are still quite favorable. In an email to unit owners, one owner who is involved with large properties, discussed why it would be considerably more expensive to do the project in smaller pieces over time rather than proceeding now and financing it over 10 years.

Proceeding now requires starting the work in mid-July, which gives us only a week or two to negotiate with the low bidders, select a bank, and finalize our financial arrangements.

The motion to hold a non-binding vote of unit owners was proposed at the unit owners meeting on Tuesday, but not taken since many unit owners were not there to vote in person. If voting as absentees, they had not heard the presentations made by Tom Heger of D.M. Berg and by Ian

Gopin of G&G Management respectively about the state of our buildings and possible financing options, both of which clearly made an impression on those attending. The motion to hold a non-binding vote of unit owners was rejected by a vote of 4 to 2 with Rosemary and Lifei voting "no."

The Trustees authorized G&G Management to proceed with Phase I. This includes final negotiations with vendors as well as to select and retain the contractor and banking arrangements. The motion passed with 5 yeas votes. Lifei abstained from the vote, stating that there should first be a non-binding vote of all unit owners.

Financial Report

Sheryl reported that the Thatchmont finances were in good stead. In the reserve account as of June 18, the balance was \$135,409. In the operating budget, the cash balance as of June 18, was \$14,525.

Reviewing the finances for the last five months, all bills are current and all expenses are in line with budget projections except for snow removal. We anticipate that we may have a surplus at year end if things continue as they have been as a result of the precipitous drop in heating oil prices. As we get closer to year end and understand the size of any surplus, the Trustees will consider this potential surplus in setting next year's budget to provide near term condo fee relief to unit owners if the 5 year plan will allow for this.

Renovation Project

The unit-owner of 15 Thatcher St Unit #1 requested approval of a bathroom renovation project. Following the procedure specified in our by-laws, the trustees asked for a plan from the unit owner before it could be approved.

Landscaping

Arthur said that he needs to treat the yews for taxus-scale which invaded the yews two years ago, but did not reappear last year. The estimated cost for a systemic pesticide is around \$800; external spraying would require several treatments, cost more than \$2,000, and be very unpleasant. The Trustees authorized the systemic treatment.

Email List for Association

Unit owners are encouraged to sign up for the Thatchmont Owners mailing list. To do so, go to WWW.Thatchmont.org and click on mailing list.

Next meeting: Wednesday, July 1 at 7PM at Ann Lammers, 20 Egmont, #6.

Respectfully submitted,

Sarah Leaf-Herrmann, Secretary