**Grand Timber Lodge Board of Directors**

10-24-20 Board Meeting Minutes

**ATTENDANCE**

Board Present: Marc Block, Gerrit Mahsman, Jay Keany, Tom Endres, Nick Doran, Lew Phinney, Roger Lemmon

Advisory Committee Present: Chris Maciejewski, Mark Orton, James Hagerman, Rhonda Salazar, David George, Jeff Carlson, Matt Charley

Absent: Amanda Doebler, Tom Wood, Marla Jensen

Management Present: Kimberly Tramontana, Josh Stuhr, Eli Yoder, Mary Kay Perrotti, Joe Clark-Fulcher, Peggy Helfrich, Colin Timm

**CALL TO ORDER**

Marc called the meeting to order at 9:05am.

**INTRODUCTIONS**

**CHANGES TO THE AGENDA**

There were no changes to the agenda.

**APPROVAL OF MINUTES**

**The motion to approve the April 28th, 2020 meeting minutes was made by Jay Keany and seconded by Gerrit Mahsman**

 *No discussion.*

**All in favor. None opposed. Motion passed.**

**FINANCE COMMITTEE UPDATE**

**Summary by Mark Orton**

* Held two meetings this year due to substance of topics
* Oct. 6 meeting focused on operational topics:
	+ Strategic Budget Plan
		- It’s been over 20 years that the Management Company has been subsidizing GTL costs
		- Reviewed and took a different direction from taking a promissory note to “feathering” approach to paying Management Company for all their associated costs to run GTL
		- Feathering approach could take around 10 years to payback the current subsidy to the Management Company
		- A GREAT BENEFIT to all GTLOA Owners
	+ Proposed New Management Agreement
		- Reviewed and after discussion recommend approval by the Board
	+ Interval International Affiliate Agreement
		- All BGV resorts are well positioned for our owners with II
	+ Proposed Changes to the Rules and Regulations
		- Reviewed and action to revise and reevaluate in next meeting, Oct. 8
* Oct. 8 meeting focused on more of the financial topics:
	+ Accounts Receivable Update
		- In good shape and collection rates equivalent to previous years (great news given COVID-19 impact to many owners)
	+ GTLOA August Unaudited Financials
		- Operating Budget favorable by $164k mostly due to favorable operating expenses
		- Short staffed most of 2020 and finally FULLY STAFFED
		- Reconstruction of Bldg 1. Locker rooms underway and expected completion by end of November
	+ Reserves Review
		- In good position here with several items delayed due to COVID-19
	+ Actions completed from Oct. 6 meeting
		- Revised Bonus Time Rates
		- Revised Strategic Budget Plan and Approach
	+ Proposed GTLOA 2021 Budget
		- Reviewed and after a couple changes (Management Fee, Bonus Time) recommend approval by Board

**GTLOA August 2020 Unaudited Financials**

The Finance Committee met on 10/6/20 and 10/8/20 and has made a recommendation to accept the GTLOA August 2020 unaudited financials. The August financials were also sent in the missives on 10/8/20.

Please find the summary for the August 2020 financials, below:

* The GTLOA Operating budget is showing a favorable variance of $164,459 YTD.
* Operating Revenue is experiencing an unfavorable variance of $3,319 YTD.
* Operating Expenses show a favorable variance of $167,778 YTD.

**The motion to accept the August 2020 Unaudited Financials was made by Tom Endres and seconded by Lew Phinney.**

* *Josh & Eli were thanked for providing exceptional service and keeping GTLOA in a favorable financial state.*

**All in favor. None opposed. Motion passed.**

**Accounts Receivable Update**

As of 10/1/20:

* 94% of 2020 dues paid
* 51 deeds recovered via deed recovery by BGVARM:
	+ $48K in bad debt
	+ 15 account with past due balance when cancelled
	+ 36 accounts either medical, deceased, bk or attorney
* $38K gained in buy out negotiations (30 accounts)

*Discussion:*

* *BGV is working with owners to offer payment plans, waiving late fees, etc. during these times in dealing with COVID-19.*

**Reserve Review**

**2020 Projects Update**

Although reserve spending did not happen as we had planned during the budget preparation, we are happy to share that we have completed several significant property improvements and with notable cost savings. New vendors were used to replace the Dry Fire Suppression System in Building 5 and the Window Replacements in Building 4. The new vendors were able to deliver savings of approximately $280,000 between the two projects, which will help bolster the reserves for future years.

The remodel of the Building 1 Locker Room and Pool area is underway, with an expected completion of mid-November. This project will be over the original budget, but working with the BGV Construction team, we anticipate that the project will be completed about $50,000 under the proposals from contractors.

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| **Grand Timber Lodge 2020 Unit Expenditures** |
| **Description** | **Account Code** | **Budget** | **Actual Expenditure** | **Cost Variance** | **Variance Notes** | **Status** |
| Art & Decor | 8022 | $324,000 | $326,665 | -$2,665 | Complete w slight cost overrun | Complete |
| Bedding Pillow | 8025 | $40,500 | $38,812 | $1,688 | Completed with savings | Complete |
| Bedroom & Studio TVs | 8023 | $133,210 | $122,734 | $10,476 | Complete with savings | Complete |
| Building 4 Window Treatment | 8022 | $27,550 | $39,380 | -$11,830 | Increased material cost | Complete |
| Building 3 & 4 Carpet | 8024 | $177,400 | $166,524 | $10,876 | Altered design slightly to realize savings in material costs | Complete |
| Decorative Bedding | 8022 | $32,940 | $30,011 | $2,929 | Completed with savings | Complete |
| Annual Appliance Replacement | 8023 | $79,375 | $31,353 | $0 | YTD | YTD |
| Building 7 Mattresses | 8022 | $40,800 |  | $0 |  | Postponed |
| Patio Furniture | 8020 | $256,000 |  | $0 |  | Postponed |
| Unit Entry Benches | 8022 | $80,250 | $80,306 | -$56 | Completed on budget | Complete |
| Unit Entry Coat hooks | 8020 | $48,150 |  | $0 |  | Postponed |
| Building 3 & 4 Painting | 8028 | $104,000 | $97,000 | $7,000 | Completed with savings | Complete |
| Unit Phone System | 8023 | $150,000 |  | $0 |  | Postponed |
| Contingency | 8029 | $10,000 | $5,605 | $0 | YTD | YTD |
|  |  | **$1,504,175** | **$953,574** | **$6,683** |  |  |

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| **Grand Timber Lodge 2020 Common Area Expenditures** |
| **Description** | **Account Code** | **Budget** | **Actual Expenditure** | **Cost Variance** | **Variance Notes** | **Status** |
| A/C Condenser - Library/Boardroom | 8124 | $1,500 |  | $0 |  | Postponed |
| Building 6 Ground Floor Carpet | 8126 | $26,000 |  | $0 |  | Postponed |
| Boardroom Computer | 8125 | $500 |  | $0 |  | Postponed |
| Building 1 Dry Sauna | 8121 | $10,000 | $8,598 | $1,402 | Complete with savings | Complete |
| Building 1 Locker Room Remodel | 8126 | $112,050 | $197,864 | $85,814 | Project expected to be over budget, final numbers pending finalizing of design. Will be offset by other savings | In Process |
| Blding 1 Outdoor Hot Tub Resurfacing | 8121 | $18,000 |  | $0 |  | Postponed |
| Building 3 & 4 Hallway Carpet | 8126 | $23,310 | $42,077 | $18,767 | Increased material cost | Complete |
| Building 3 & 4 Hallway Paint | 8126 | $29,895 | $21,550 | $8,345 | Complete with savings | Complete |
| Building 3 & 4 Stairwell Paint | 8126 | $17,000 | $6,900 | $10,100 | Complete with savings | Complete |
| Building 4 Balcony Doors & Windows | 8125 | $353,174 | $293,624 | $59,550 | Complete with savings from new vendor | Complete |
| Building 5 Pool Area Doors | 8125 | $12,500 |  | $0 |  | Postponed |
| Blding 5 Dry Fire Suppression System | 8124 | $400,000 | $174,569 | $225,431 | Complete with savings from new vendor | Complete |
| Blding 5 Outdoor Hot Tub Resurfacing | 8121 | $22,000 |  | $0 |  | Postponed |
| Blding 5 Pool Automatic Entry Door | 8125 | $12,000 |  | $0 |  | Postponed |
| Building 5 Water Play Feature | 8121 | $58,000 |  | $0 |  | Postponed |
| Building 6 Exterior Paint | 8125 | $45,000 | $50,000 | $5,000 | Complete with cost increase | Complete |
| Building 6 Garage Doors | 8125 | $40,000 | $38,548 | $1,452 | Complete with savings | Complete |
| Common Area Art & Decor | 8126 | $10,000 |  | $0 |  | Postponed |
| Day Use Room Hard Furniture | 8126 | $250 |  | $0 |  | Postponed |
| Day Use Room Lounge Seating | 8126 | $1,000 |  | $0 |  | Postponed |
| Housekeeping Carts | 8126 | $7,500 |  | $0 | Will order as needed | YTD |
| Luggage Carts | 8126 | $5,000 |  | $0 | Will order as needed | YTD |
| Pool Area Uplighting | 8126 | $4,250 |  | $0 |  | Postponed |
| Procentric TV Server | 8126 | $7,000 |  | $0 |  | Postponed |
| Shuttle Stop Benches | 8126 | $1,000 |  | $0 |  | Postponed |
| Shuttle Stop Directional Sign | 8126 | $2,000 |  | $0 |  | Postponed |
| Treadmills | 8126 | $17,100 |  | $0 |  | Postponed |
| Contingency | 8130 | $20,000 | $13,913 | $0 |  | YTD |
|  |  | $1,256,029 | $847,643 | **$196,699** |  |  |

**Proposed 2021 Projects**

The annual update of the reserves during the spring and summer of 2020 placed an emphasis on the long-term financial health of Grand Timber Lodge.

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| **Grand Timber Lodge 2021 Unit Expenditures** |
| **Description** | **Account Code** | **Budget** |
| Building 5 Window Treatment | 8022 | $30,800 |
| Buildings 5 & 6 Unit Carpet | 8024 | $332,500 |
| Buildings 5 & 6 Unit Painting | 8028 | $182,000 |
| In Unit Phone System | 8023 | $150,000 |
| Art & Decor - Tapestries | 8022 | $20,700 |
| Unit Entry Coat Hooks | 8020 | $64,200 |
| Annual Appliance Replacements | 8023 | $74,205 |
| Buildings 7 & 8 Mattresses | 8022 | $59,925 |
| Patio Furniture | 8020 | $272,000 |
| Unit Safes | 8022 | $48,750 |
| Contingency | 8029 | $10,000 |
|  |  | **$1,245,080** |

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| **Grand Timber Lodge 2021 Common Area Expenditures** |
| **Description** | **Account Code** | **Budget** |
| Building 5 Locker Room Renovations | 8126 | $220,000 |
| Building 5 Aquatics Area Fireplace Renovations | 8126 | $25,000 |
| Building 5 Aquatics Area Doors | 8125 | $24,000 |
| Aquatics Area Interior Lighting | 8126 | $4,250 |
| Building 1 Aquatics Area Resurfacing | 8121 | $51,000 |
| Building 5 Aquatics Area Resurfacing | 8121 | $122,000 |
| Buildings 5 & 6 Stairwell Paint | 8126 | $8,750 |
| Buildings 5 & 6 Hallway Paint | 8126 | $48,480 |
| Buildings 5 & 6 Hallway Carpet | 8126 | $113,100 |
| Building 6 Ground Floor Hallway Carpet | 8126 | $26,000 |
| Buildings 5 & 6 Window Replacement, Phase 1 | 8125 | $466,500 |
| Building 5 Exterior Paint | 8125 | $45,000 |
| Common Area Art & Decor | 8126 | $10,000 |
| Outdoor BBQ Grills | 8123 | $33,750 |
| Panic Exit Device - All Common Area Doors | 8125 | $17,850 |
| Grand Room - Wall Sconces | 8126 | $400 |
| Fire Extinguishers | 8124 | $9,220 |
| Server Hardware Replacement | 8124 | $30,000 |
| Housekeeping Carts | 8126 | $7,500 |
| Luggage Carts | 8126 | $7,000 |
| Contingency | 8130 | $20,000 |
|  |  | **$1,289,800** |

**Updates Made in Review Process**

The 2020 review process of the Reserve Funds began in March and has been updated regularly since as we continue to monitor the impacts of COVID-19. With the short-term impacts of COVID-19, smaller, complimentary projects have been deferred to help manage the cash flow. Safety projects and capital projects that are scheduled over a period of years or have significant impacts in following years have been prioritized to provide an update to the property and to maintain the long-term capital schedule.

The 30-year funding of the Reserve Plan from PRA is utilized to determine the appropriate contributions from the HOA budget in accounts 8010-00 and 8110-00, Unit Reserve Fund and Common Reserve Fund. BGV continues to recommend funding the Reserve Plan to maintain an updated, healthy resort to ensure that our owners can continue to enjoy Grand vacations for decades to come. Funding recommendations are included in the 2021 budget.

**Design Updates**

Breckenridge Grand Vacations is committed to maintaining the look and feel of Grand Timber Lodge. The exterior architecture of Grand Timber Lodge is an arts and craft style, with structural, wooden beams. This structural design continues inside the buildings, with wooden beams and posts throughout the common areas. Design for furniture, carpet, and paint is inspired by the architectural style of the resort and the arts and crafts design.

* BGV works with a local furniture supplier who provides design services as a part of our purchase agreements. In 2021 they will provide design direction on these projects:
	+ Unit Entry Coat Hooks
	+ Art & Décor – Tapestries
	+ Patio Furniture

BGV has begun working with an architectural design firm to develop a long term, comprehensive design plan for future remodel projects. This design scope includes cabinets, countertops, tile, flooring, and other permanent fixtures scheduled for replacement beyond 2025. This firm has also helped to develop the design for the Building 1 Pool Area Locker Room renovations, which is currently underway.

*Discussion:*

* *The phone system was deferred from 2020 to 2021 but is no longer supported.*
* *BGV is spreading projects throughout the spring and fall for the coming year to take a strategic balanced approach.*

**Strategic Budget Plan**

As the GTLOA now pays for all resort operational expenses as of 2021, we are working towards achieving a fair market management fee. At this time, the current management fee does not cover all General and Administrative (G&A) expenses for services rendered on behalf of GTL. After much discussion and collaboration with the Finance Committee, a multi-year strategy has been designed which includes a Memorandum of Understanding as well as the Illustrative 8- year Cover of G&A Expenses.

 **Memorandum of Understanding**

*Discussion:*

* *The 4% increase in G&A expenses includes inflation in goods & services.*
* *$550K of retained earnings is being used to offset the dues increase in 2021.*
* *Action Item - Peggy: Each year in the fall meetings we will put an updated version of the illustrative schedule up on the screen. Due for the next fall budget review Board and Finance Committee Meetings*
* *Action Item - Peggy: Share the memorandum of understating with the Board & Finance Committee. Will send ASAP*

**New Management Agreement**

The Finance Committee met on 10/6 and 10/8 and has made a recommendation to approve the proposed GTLOA Management Agreement. The proposed Management Agreement was shared with the Board and Advisory Committee on 10/9/20 via email.

As shared previously, it is BGV’s intention to the current GTLOA Management Agreement, which is due to auto renew on 4/30/21. Since the Management Agreement was executed decades ago, various changes pertaining to BGV’s management of the resort have evolved over the course of time. We would like to take this opportunity to propose a new Agreement to reflect the current scope of BGV’s management operations more accurately. In addition, while the current Management Agreement provides for the Association’s Board of Directors to review and approve the Association’s expenses via the annual budget process, we would also like to take this opportunity to update the Agreement to better support our collaborative efforts with regard to the elimination of the developer contribution and gradually implementing a fair market management fee. The new Management Agreement is in step with the proposed 2021 GTLOA budget.

The HOA benefits through generating increased revenue to help offset additional expenses:

* Rental Resort Fee – with all operational departments passing through to the HOA, the GTLOA will now collect the full Rental Resort Fee Income, which is an increase from 2.5% to 10%.

Developer benefits include:

* Increase to Management Fee – As the HOA pays for all of their expenses, we intend to charge a fair market management fee, as any other property manager would.
* The initial term of the new Agreement is 10 years. BGV is investing $1.3M in new software. Although we are not passing that cost along to the HOA, we do wish to have a commitment from all HOAs in order to make the investment worthwhile and create a better owner experience due to the software upgrade.

**The motion to accept New Management Agreement was made by Roger Lemmon and seconded by Tom Endres**

*Discussion:*

* *The management fee could fluctuate from the illustrative example.*
* *BGV will be into 2030 before there is a breakeven and a chance to make a reasonable profit.*

**All in favor. None opposed. Motion passed.**

**Proposed Changes to the Rules & Regulations**

 **GTL Bonus Time Rates**

Josh - We are proposing grouping the summer/winter and spring/fall bonus times rates as they seem more aligned. You see the proposed rates on the screen.

Marc – We wanted to close the gap on the rate and the clean fee.

* + Breckenridge Grand Vacations would like to take this opportunity to recommend that the GTLOA Board change the current nightly rates for the Grand Timber Lodge Bonus Time program. Due to increased cleaning procedures associated with COVID-19 and the BGV Shines program, along with an increasingly competitive wage market, the cost of cleaning has risen. As a result, we would like to propose increasing the Bonus Time rate to help offset these increases.
	+ The proposed rates now show Summer grouped with Winter, rather than Spring/Fall. This better matches up pricing with demand and helps to better cover the cleaning costs.

**Current Bonus Time rates and Clean Fees:**



**Proposed Bonus Time rates and Clean Fees:**

Spr/Fall

Weekday

Spr/Fall

Weekend

Summer/Winter

Weekday

Summer/Winter

Weekend

Studio

$99

$109

$109

$129

Kitchenette

$139

$149

$159

$169

One Bedroom

$129

$139

$149

$159

Two Bedroom

$159

$169

$179

$209

Three Bedroom

$179

$199

$259

$289

$245

$310

Studio

Kitchenette

One Bedroom

Two Bedroom

Three Bedroom

**GTL Bonus Time Rates**

$98

$163

$147

**The motion to approve the GTL Bonus Time Rates was made by Lew Phinney and seconded by Gerrit Mashman.**

*Discussion:*

* *Bonus time is not an income stream to the OA.*

**All in favor. None opposed. Motion passed.**

 **Administrative Fee Increase**

 **Proposed Rate Increase for Grand Timber Lodge’s Partial Stay Admin Fee**

* Breckenridge Grand Vacations would like to take this opportunity to recommend that the GTLOA Board change the current admin fee for the partial stay program from $75 to $100.
* The fee is assessed on the second stay of a partial stay and helps to cover the additional administrative configuration of the second reservation and the additional cleaning. As expenses associated with the program have increased, Breckenridge Grand Vacation recommends increasing the fee to help off-set the increased costs.
* In 2019 there were 108 partial stays which would have been subject to the increased fee, generating additional revenue of $2,700

B. 7 … An administrative fee of ~~Seventy-Five Dollars ($75.00)~~ One Hundred Dollars ($100) will be charged upon making their reservation for the second segment of the week…

**The motion to approve the Administrative Fee Increase was made by Roger Lemmon and seconded by Tom Endres.**

*Discussion:*

* *The Finance Committee will revisit the COVID-19 cleaning protocols and fees each year.*

**All in favor. None opposed. Motion passed.**

**New Interval International Agreement & Award**

The Finance Committee met on 10/6 and 10/8 and has made a recommendation to approve the proposed Interval International Association Affiliation Agreement and the Addendum to Association Affiliation Agreement.

**Highlights:**

* 4-year term with no auto-renewal
* Exclusive agreement
* Interval will produce a new IntervalHD video for Grand Timber ($12,000 value)
* An Interval representative will attend the annual HOA meeting
* Interval will present the Grand Timber Lodge Resort Achievement Award at the 2020 Annual Meeting
* Interval will remove the air-conditioner requirement for lock-off units at Grand Timber Lodge
* All confirmations to the resort booked on or after October 1, 2020 are subject to a Vacation Experience Fee (formerly Exchange Resort Fee). The fee will be the following: studios/suites & one-bedroom units $15/night, two-bedroom units $30/night, three-bedroom units $45/night & four-bedroom units $60/night. This is an increased revenue stream for Grand Timber Lodge and is valued as follows:
	+ GTLOA budgeted value for 2021 = $262,664
* Interval will provide a rebate to offset the Owner Relations expense to GTLOA due to BGV having its own exchange support department and is valued as follows:
	+ GTLOA budgeted value for 2021 = $30,193
* Interval will contribute $2,000 towards the Grand Timber Annual HOA Meeting Reception
* Interval and BGV IT will work together on launching single sign on functionality so that when owners are logged into Grand Central they will enjoy seamless authentication when connecting to [www.intervalworld.com](http://www.intervalworld.com/)
* Interval will enhance BGV’s Exchange Support Department software access, allowing for more and better ownership support
* For internal exchanges (i.e. Grand Timber summer week to Grand Timber winter week) Interval will discount the exchange fee by $20 for Grand Timber owners

**The motion to approve new Interval International Agreement was made by Lew Phinney and seconded by Tom Endres.**

*No discussion.*

**All in favor. None opposed. Motion passed.**

**Proposed 2021 Budget Approval**

The Finance Committee met on 10/6 and 10/8 and has made a recommendation to approve the proposed GTLOA 2021 budget.

**2021 Proposed Budget for GTLOA**

The 2021 budget was created under the assumption that existing COVID-19 safety and cleanliness protocols will need to be maintained throughout the entire year, based on what we currently know. Please be advised that adjustments will be made, if necessary.

**The General Summary**

Total Proposed 2021 GTLOA Budget: $12,348,728

Based on the forecast for the remainder of 2020, GTLOA is expected to have a favorable Operating Fund variance of $17,666 (approx. .14% of total budget). Additionally, GTLOA has $541K in operating retained earnings as of 12/31/19. Of those retained earnings, $500K have been applied to the 2021 budget in the fund deficit line item, to lower the 2021 dues increase. We realize that we have never proposed a budget with a $500K loss before but we do anticipate the global pandemic going away in the future, as well as the related expenses. The Board can choose to adjust the loss amount, if desired.

The Guest Services department has been fully passed through to the HOA budget in 2021. As a reminder, the GTLOA covered 45% of the Guest Services budget in 2020.

**Dues Comparison**

* Current Annual 2020 Dues: *$1,252.84* (per week in a 2-bedroom)
* Proposed Annual 2021 Dues: *$ 1,368.62* (per week in a 2-bedroom
* Total increase to the annual dues from 2020 to 2021: *$115.77 (9.24%)*

**The motion to approve the 2021 Grand Timber Lodge Budget was made by Gerrit Mahsman and seconded by Roger Lemmon.**

*Discussion:*

* *BGV approached the 2021 budget with the anticipation that the heightened cleaning protocols will be in place throughout the entirety of 2021.*

**All in favor. None opposed. Motion passed.**

**GENERAL MANAGER REPORT**

A vacation to Grand Timber Lodge this summer provided many owners and guests with some much-needed respite. Since June 1st, we have welcomed over 4,600 families through our doors!

With owners and guests coming from all across the United States, the BGV Shines program has raised the bar for cleanliness and operations to ensure the well-being of our employees, owners and guests. At Grand Timber Lodge, this program includes:

* UV sanitation in each unit between departure and arrival
* UV sanitation, electrostatic sprayer, and chemical sanitation in all common areas
* Needlepoint bipolar ionization air treatment in selected common areas
* Reservation system for resort amenities, allowing for physical distancing and contact tracing
* Sanitation stations throughout the resort with masks, sanitizing wipes, and hand sanitizer
* Curbside check in available for arriving guests who prefer an alternative
* BGV Shines Promise, agreed to be each guest prior to check in, each employee at the beginning of their employment, and each vendor prior to beginning work on property

Traveling during a global pandemic is not how most of our owners and guests planned to spend their vacation, but most have been appreciative of the safety efforts and are adhering to the BGV Shines Promise. We do not know what the world will look like in six months, be we are confident that the procedures put in place by Breckenridge Grand Vacations will help to ensure that we can continue to safely welcome owners and guests for a well-deserved vacation.

Of course, our owners and guests also expect a well maintained resort with friendly staff, in addition to our added cleanliness and safety measures We remain focused on improving ourselves and the property so we can at least meet and hopefully exceed these expectations.

During the spring, we completed the replacement of windows and balcony doors in Building 4 and updated the TV’s in the master bedrooms and studio units.

This fall, we are very excited to be completing the renovation of the Building 1 locker room and indoor pool area. As the restroom is often the first stop when someone arrives to property, this update will welcome owners and guests to the resort with an updated experience.

Looking further ahead to 2021, we are planning to continue with a handful of capital projects, including:

* Building 5 Pool Area locker room renovations
* Aquatics resurfacing
* Buildings 5 and 6 interior carpet and paint
* Building 5 exterior paint
* Unit patio furniture replacement

With this more limited project list slated for 2021, we believe we have struck a balance with what we hope will be short term financial impacts of COVID-19 and ensuring that we are able to adequately maintain the resort to the level our owners and guests have come to expect.

*Discussion:*

* *BGV has implemented a new texting system ‘Zingle’*

**NEW BUSINESS/UPDATES**

**Summer BiGVARS**

Approximately 1,888 owners representing 1,950 contracts placed requests to make reservations for the Summer 2021 season. The participation rate was nearly identical to last year (67%).

Overall, the numbers appear to represent consistent improvement by every metric! Specifically, here are the results:

* 48.46% were assigned their top choice (up from 45.35% in 2020)
* 64.41% were assigned a top 3 preference (up from 60.53% in 2020)
* 80.51% were assigned a top 6 preference (up from 74.74% in 2020)
* 93.13% were assigned a top 15 preference (up from 90.03% in 2020)
* 0.82% were assigned a choice outside of their top 15 (down from 2.15% in 2020)
* 6.05% did not receive any of their choices, and were auto-assigned (down from 7.82% in 2020)

Of the 1,950 contracts represented in the assignment process, 118 were automatically assigned a week. For comparison, there were 153 automatic assignments last year. As you know, priority during the next reservation round is increased for those who did not receive one of their top choices. This maintains our efforts to fairly distribute top choice preferences amongst all Summer owners moving forward.

Breckenridge Grand Vacations does understand that not all owners will be in favor of this reservation request and assignment process, and we remain committed to listening closely and carefully to the feedback we receive from our owners. If at any time it is determined that the majority of owners are not satisfied with using the GTL Annual Reservations System, and/or if an even better system is identified, we will gladly collaborate with the GTLOA Board and Advisory Committee to ensure the best possible experience for our owners.

**Proposed Changes to the Rules & Regulations**

 **Parking Update**

Vacation Owners may only have vehicles on the property that fit in the garage and have a proper parking permit displayed. When staying on property, Vacation Owners can have 1 vehicle per studio or 1-bedroom unit and 2 vehicles per 2-bedroom or 3-bedroom. No Vacation Owner shall store or leave boats, trailers, mobile homes, recreational vehicles and the like on the Project.

**The motion to approve the update to the Parking Instructions was made by Jay Keany and seconded by Lew Phinney.**

*No discussion.*

**All in favor. None opposed. Motion passed.**

**Ski Lockers**

Based on demand, BGV Sales has elected to cover the installation cost and manage the sale of 18 year round lockers located near The Boot Saloon, as marked in blue in the rendering below. The lockers will be sold over time and will be billed an additional annual maintenance fee of

$250 per locker. We anticipate seeing revenue reflected from the annual dues associated with these lockers in 2022.

**The motion to approve the addition of 18 year-round ski lockers was made by Roger Lemmon and seconded by Lew Phinney.**

*Discussion:*

* *Cost to install to the HOA is $0, the $250 is a full pass through to the HOA. These lockers will then be included in the future reserve studies. This is a value add to the GTLOA courtesy of BGV.*

**All in favor. None opposed. Motion passed.**

**Recording of previously approved Rules & Regulations update via GoToMeeting for noting in the 10/24/20 Board packet**

Marc called the meeting to order at 5:01pm

Board Members in Attendance: Jay Keany, Marc Block, Gerrit Mahsman, Lew Phinney, Nick Doran, Roger Lemmon

Advisory Committee in Attendance: Marla Jensen, Jeffrey Carlson, Rhonda Salazar, David George, Chris Maciejewski

Staff in Attendance: Josh Stuhr, Kimberly Tramontana, Peggy Helfrich, Eli Yoder, Christine Britton

Motion to include the Promise to the GTL Rules and Regulations made by Gerrit and Jay seconded the motion.

Discussion included:

* Only has BGV mentioned and not GTL specifically but this is for all BGV resorts.
* Project is used instead of Resort. This is continued off of a current rules and regulation and was drafted by legal counsel. The board believes if it is going into GTLOA rules and regulations it should reflect the GTLOA in the promise and not just BGV.
* BGV believes this needs to be adopted to the Rules and Regulations for enforcement purposes
* The board would like the wording within the promise to reflect GTLOA
* BGV Shines website has one download for all BGV and with limited resources, there I only one link for all. Marc believes there should be a separate page for each resort or click here for an example
* The guests will be given the promise prior to check-in during their confirmation email and when they show up, they will receive it when they arrive. Pre arrival emails are resort specific
* BGV is trying to be very consistent with everything to do with the COVID and strongly encourage limit the changes with each resort for the time being
* Marc suggested to make this just a temporary addendum to the rules and regulations for the management company authority to implement/modify additional rules and regs with state and local regulations
* The management company is making the decision to implement this promise and act on behalf of the HOA
* Keep simple and generic as possible for the rules and regulations as everything is fluid at the moment
* Chris suggested using letters instead of numbers from a legal perspective
* BGV will have legal counsel review what Marc has drafted and Peggy will send out e-vote to adopt the language into the rules and regulations
* The promise and BGV shines will remain as in to remain consistent across all properties

Marc made an amendment to the rules and regulations motion to include "In the interest of health and safety, and to maintain compliance with Federal, State, and Local regulations, the Management Agent may modify and/or supplement these Rules and Regulations as deemed necessary.”

Lew seconded the motion. All in favor. None opposed. Roger Lemmon abstain

Meeting concluded at 5:49pm.

**Annual Meeting Preview**

AGENDA

Call to Order – Establish Quorum of 10% – Marc Block, GTLOA Board President Call for Changes to the Agenda – Marc Block, GTLOA Board President

Introductions – Josh Stuhr, GTL General Manager

* Board of Directors and Advisory Committee
* Affiliate Representatives
* Management Company

Call for the Approval of 2019 Annual Meeting Minutes – Marc Block, GTLOA Board President – *owner vote required*

Town of Breckenridge and COVID-19 Update – Mike Dudick, BGV CEO General Manager Report – Josh Stuhr, GTL General Manager

Audited Financial Statement Review for the Fiscal Year Ending December 31, 2019

– McMahan & Associates

Interval International Update – Jay Wilson and Soraya Gonzales, Interval International

Questions & Comments from the Floor – Marc Block, GTLOA Board President

Board of Directors and Advisory Committee Election Results – Peggy Helfrich, HOA Operations Manager

Adjournment – Marc Block, GTLOA Board President

##### **Election of Board Officers**

##### Board/Advisory positions for owner election:

**Board seats:**

Lew Phinney – rerunning Roger Lemmon – rerunning **Interested:**

**Advisory Committee:**

James Hagerman – rerunning Amanda Doebler – rerunning David George – rerunning

Matt Charley – rerunning

Rhonda Salazar – not rerunning

**Interested:** Renae Phillips Yolanda Bryant Vanessa Burke Enid Portigliatti Tom Carpenter Steve Thomas Thomas Ehrman Mike Schmidt

Christopher Mulch Grant Gibson Joseph Williams

G. Allen McFarland

**Officer Election**

President: current Marc Block

Vice President: current Gerrit Mahsman Secretary: current Tom Endres

Treasurer: current Jay Keany

President: Marc Block

Vice President: Lew Phinney

Secretary: Tom Endres

Treasurer: Gerrit Mahsman

**MISCELLANEOUS**

**Comments to/from Staff**

* None at this time

**NPS Reports**

* GNPS is 65% with 75% being promoters
* GONPS is 70% with 77% being promoters

**Trip Advisor Reports**

* Reports were reviewed

**IMPORTANT DATES**

**Next Meeting Date**

* + Spring Finance Committee Meeting – GoToMeeting o Tuesday, April 6, 2021 – 3-5pm\*
	+ Board meetings:
		- Tuesday, April 13, 2021 – 3-5pm GoToMeeting\*
		- Saturday, October 23, 2021 – Board and Annual Meeting\*

\*Due to sparse information regarding typical annual meetings, such as ARDA World Conference, as well

as other uncertainties, these meeting dates are subject to change.

##### Contract / Agreement Dates:

* + Management Agreement:
		- 4/30/2021 for 3-year term with an auto renew. Action required with written notice 90 days prior to renewal
	+ Interval International Agreement:
		- 12/5/2020 – no auto renew
	+ Resale Agreement:
		- New agreement in effect 1/1/2019 then renews annually. Action required with written notice 90 days prior to renewal
	+ Reserve Study Review:
		- Every 5 years
		- Next due in 2021
	+ The Boot Saloon Restaurant Lease
		- Expires April 30, 2029
		- Option to renew the lease for two additional 5-year terms
		- Notice to exercise renewal must be given between 365 and 180 days before the end of the lease

**ACTION ITEM REVIEW**

**Review Current Action Items**

#175 - BGV to give the GTLOA board members the II contract before the October meeting. Highlights were shared with the GTLOA Board and Advisory Committee on 10-9-20 via email. The official documents have been delivered to Marc Block for signature upon approval by the Board. Recommend to close.

#176 - GTL to create a CBA for year-round owner lockers. BGV Sales has elected to cover the installation cost and sale of 18 year round ski lockers located near The Boot. We anticipate seeing revenue reflected from the annual dues associated with these lockers in 2022. Recommend to close

**Action Item Review**

* *#177 - Action Item-Peggy: Share the memorandum of understating with the Board & Advisory Committee. This will be shared ASAP*
* *#178 - Action Item-Peggy: Each year in the fall meetings we will put an updated version of the illustrative schedule up on the screen for Finance Committee & Board review. This will begin at the fall meeting in 2021.*

**Marc Block calls for recess at 11:16am.**

**Meeting reconvened at 1:56pm.**

**Lew motioned to adjourn. Gerrit seconded. Meeting adjourned at 1:56pm**