

**GRAND TIMBER LODGE OWNERS' ASSOCIATION
BOARD OF DIRECTORS' MEETING**

Thursday, April 11, 2024

Attendance:

Board Members: Tom Endres, Marc Block, Mark Orton, Nick Doran, James Hagerman

Advisory Committee: Renae Phillips, Dave George, Donna Gloschen, Richard Mozykowski

Staff: Nick Borovich, Joe Clark-Fulcher, Faren McDonald, Kimberly Tramontana, Joanni Linton, Peggy Helfrich, Eli Yoder

Call to Order – Marc

Time: 3:07pm

MINUTE APPROVALS

BOARD ACTION REQUIRED

MOTION: To approve the 10/21/23 meeting minutes.

MADE BY: Mark Orton

SECONDED BY: Nick Doran

Discussion: None

IN FAVOR: All

OPPOSED: None

ABSTAIN: None

BOARD ACTION REQUIRED

MOTION: To approve the 1/6/24 meeting minutes.

MADE BY: Nick Doran

SECONDED BY: Mark Orton

DISCUSSION: Clarification that the change proposed in the 1/6/24 meeting has already been put into effect was provided.

IN FAVOR: All

OPPOSED: None

ABSTAIN: None

FINANCIALS**Finance Committee Review**

UNAUDITED FINANCIALS
FOR
GRAND TIMBER LODGE OWNERS' ASSOCIATION
February 2024

Following is the summary of the January YTD operating and reserve income and expenses.

Grand Timber Lodge	Financial Summary Feb-24			
	YTD Actual	YTD Budget	\$ Variance Fav (Unfav)	% Variance Fav (Unfav)
Operating:				
Income	\$1,727,524	\$1,888,365	(\$160,842)	-9%
Expenses	\$1,849,848	\$1,776,527	(\$73,321)	-4%
Operating Surplus (Deficit)	(\$122,324)	\$111,839	(\$234,163)	-209%
Reserves: (Unit and Common)				
Income	\$510,441	\$505,082	\$5,359	1%
Expenses	\$401,433	\$1,896,199	\$1,494,766	79%
Reserve Surplus (Deficit)	\$109,008	(\$1,391,117)	\$1,500,125	108%
Operating and Reserve Surplus (Deficit)	(\$13,316)	(\$1,279,278)	\$1,265,962	99%

The GTLOA Finance Committee reviewed the GTLOA February 2024 Unaudited Financials on 4/2/24 and will be making a recommendation to accept them at the 4/11/24 Board meeting.

BOARD ACTION REQUIRED

MOTION: To accept the February 2024 Unaudited Financials.

MADE BY: Nick Doran

SECONDED BY: Marc Block

DISCUSSION: None

IN FAVOR: All

OPPOSED: None

ABSTAIN: None

GTLOA 2023 Audited Financials

The GTLOA Finance Committee reviewed the GTLOA 2023 Audited Financials on 4/2/24 and will be making a recommendation regarding approval at the 4/11/24 Board meeting.

GTLOA 2023 Audited Financial Statement Summary

Below is a summary of the GTLOA 2023 Audited Financial Statements. There are three attachments to review, along with this summary. The first is the Management Representation Letter, the second is the Standard Audit Communication Letter and the third is the draft of the Audited Financial Statements.

The following are some items to note in the draft of the GTLOA 2023 Audited Financial Statements:

On page 1, please note that the auditor's report includes a clean opinion.

<u>Operating Fund Balance Roll Forward:</u>	<u>2023 Budget</u>	<u>2023 Actuals</u>	<u>Variance Favorable (Unfav)</u>	<u>Variance Favorable (Unfav)</u>
Operating Fund Balance, 12/31/22	\$ 925,752	\$ 925,752		
Total Revenues	\$ 12,369,183	\$ 12,397,203	\$ 28,020	0.2%
Total Expenses	\$ 12,544,183	\$ 12,595,013	\$ (50,830)	-0.4%
Excess (Deficiency) Revenues over Expenses	\$ (175,000)	\$ (197,810)	\$ (22,810)	-13.0%
Depreciation Expense		\$ (3,801)		
Operating Fund Balance, 12/31/23	<u>\$ 750,752</u>	<u>\$ 724,141</u>	<u>\$ (26,611)</u>	<u>-3.5%</u>

Significant Operating Fund variances greater than 10% and \$20,000 are summarized on the second page of this summary.

Grand Timber Lodge Owners Association, Inc.						
(A Colorado Non-Profit Corporation)						
Operating Fund - Budget (Non-GAAP Basis) to Actual With Reconciliation to GAAP Basis						
For the Year Ended December 31, 2023						
2023						
	Budget	Actual	\$ Variance	% Variance	2023 Budget to Actual Variance Explanations	
	(Unaudited)		(Unfavorable)	(Unfavorable)	(only for variances greater than \$20,000 AND 10%)	
Revenues:						
Late fee revenue	\$ 176,155	\$ 125,091	\$ (51,064)	-29%	Unfavorable variance is due to fewer owners being charged late fees than anticipated.	
Investment Income (Loss)	2,310	70,912	68,602	2970%	Favorable variance is due to increased interest and returns on investment	
Deed in lieu income	8,000	34,027	26,027	325%	Favorable variance is due to more accounts being settled in 2023 than anticipated.	
All Other Revenues	12,182,718	12,167,173	(15,545)	0%		
Total Revenues	12,369,183	12,397,203	43,565	0%		
Expenses:						
Bad debt expense	120,000	59,840	60,160	50%	Favorable variance is due to less HOA write-offs vs budget	
Assessment Service Fees	193,881	123,933	69,948	36%	Favorable variance is due to fewer accounts being settled in collections in 2023 than anticipated.	
Income Tax Expense	-	50,000	(50,000)	0%	Unfavorable variance is due to increased gains on investments	
Property tax expense	573,220	702,347	(129,127)	-23%	Unfavorable variance is due to increased property valuations for 2023 per Assessor	
Short term rental taxes and fees	158,550	281,370	(122,820)	-77%	Unfavorable variance is due to TOB/AURF being approved at \$756/BR	
All Other Expenses	11,498,532	11,377,523	121,009	1%		
Total Expenses	12,544,183	12,595,013	(50,830)	0%		
Excess (Deficiency) Revenues over Expenses	\$ (175,000)	\$ (197,810)	\$ (22,810)	-13%		

<u>Reserve Fund Balances, 12/31/23:</u>	<u>Fund Balance</u>	<u>Est. Future Replacement Costs</u>	<u>Coverage %</u>
Common Reserve Fund	\$ 1,427,940	\$ 25,386,818	5.6%
Unit Reserve Fund	\$ 1,702,742	\$ 22,773,108	7.5%
Combined Reserve Funds	<u>\$ 3,130,682</u>	<u>\$ 48,159,926</u>	<u>6.5%</u>

The GTLOA 2023 Audited Financials approval vote will be included on the 4/11/24 Board meeting agenda.

Please note that the developer and HOA audits are conducted simultaneously and final audit adjustments to the HOA Financial Statement draft may occur after the Board approves it. The Board will be made aware of any material adjustment to the Board approved version.

BOARD ACTION REQUIRED

MOTION: To approve the GTLOA 2023 Audited Financials.

MADE BY: Marc Block

SECONDED BY: Nick Doran

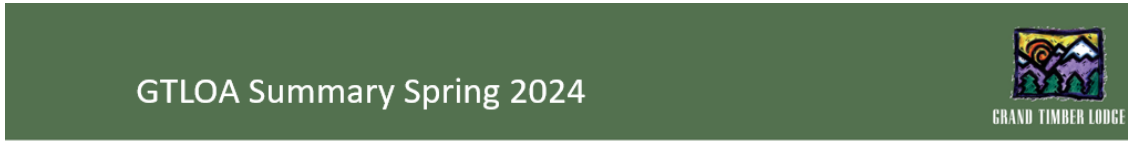
DISCUSSION: Discussion was specific to the \$437K owed to GTLOA from GPLR. BGV staff explained that our resale agreement states that all past dues are to be paid in full by GLPR. As a reminder, when deeds come back, GTLOA does not hold any deeds. All deeds are held by GPLR until they are resold. Since the updated Resale Agreement, GPLR was not paying the full amount of HOA dues on all past due deeds. This amount was so immaterial in 2019 through 2022 that it was not caught by the auditor. This was caught during the 2023 audit process as the amount had become material. GPLR is committed to ensuring this does not happen again.

IN FAVOR: All

OPPOSED: None

ABSTAIN: None

Accounts Receivable Update:



78% dues paid as of 3/15/24 (77% paid as of 3/15/23)

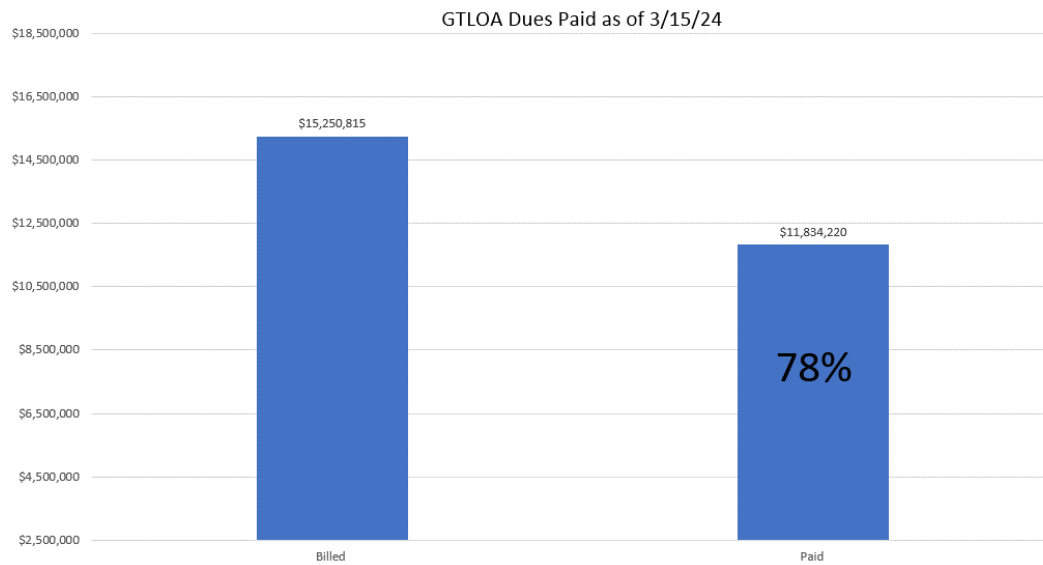
EOY 2023:

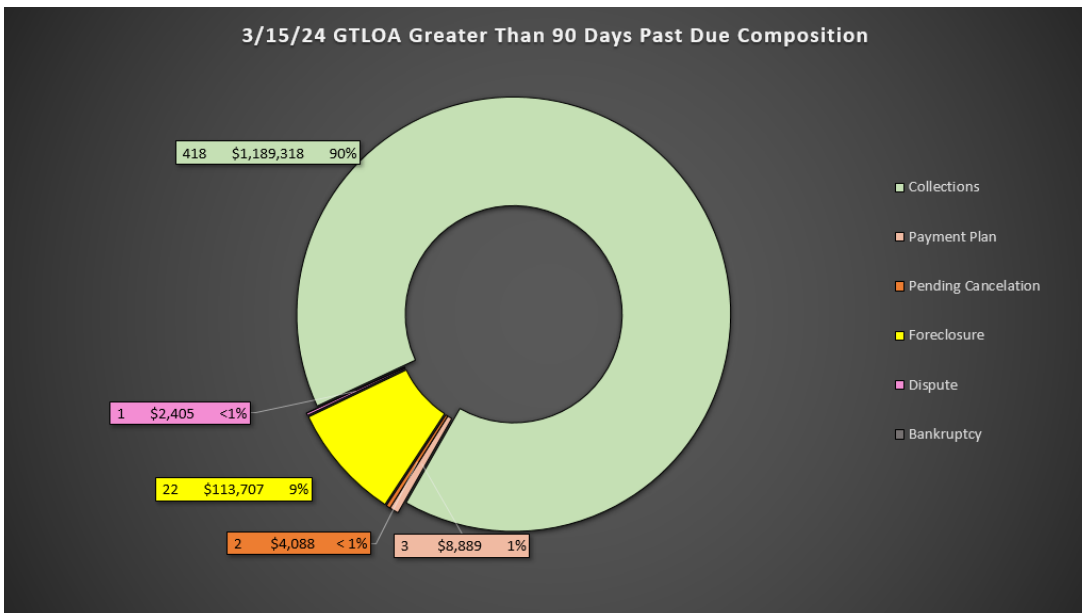
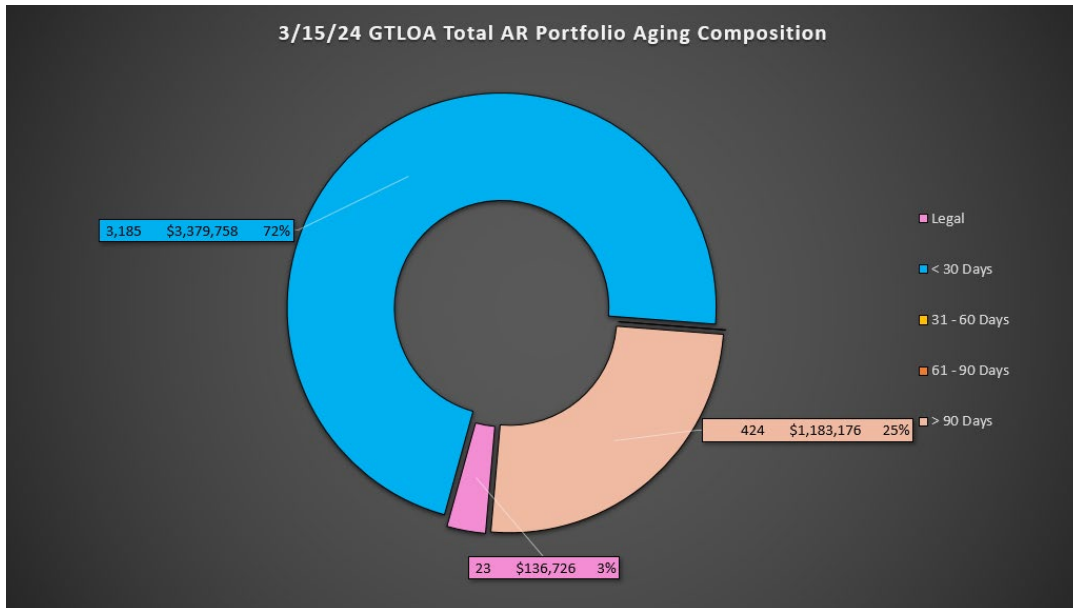
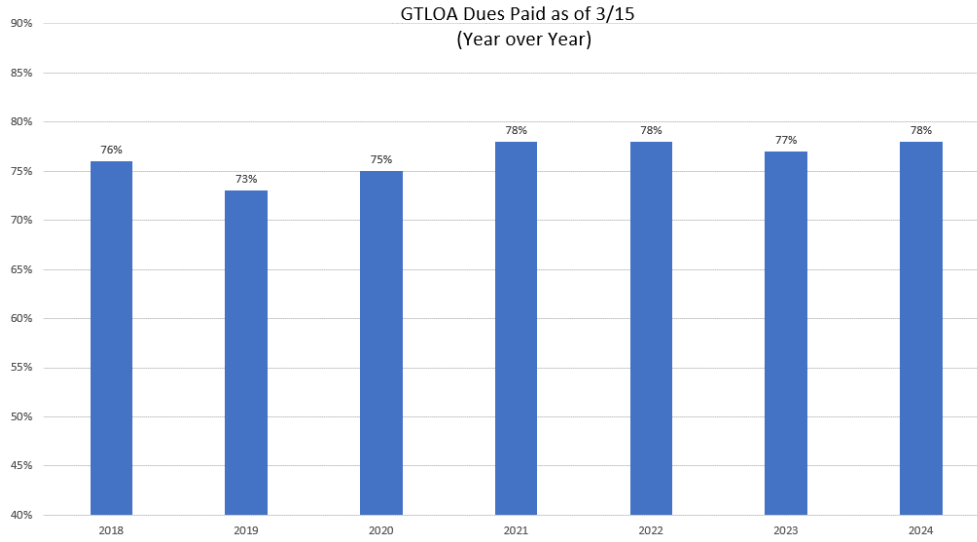
97% of dues paid

- 130 deeds recovered via BGVARM:
 - \$360,530 in bad debt (40 accounts with past due balances when canceled)
 - \$ 52,529 gained in deed in lieu income (20 accounts)

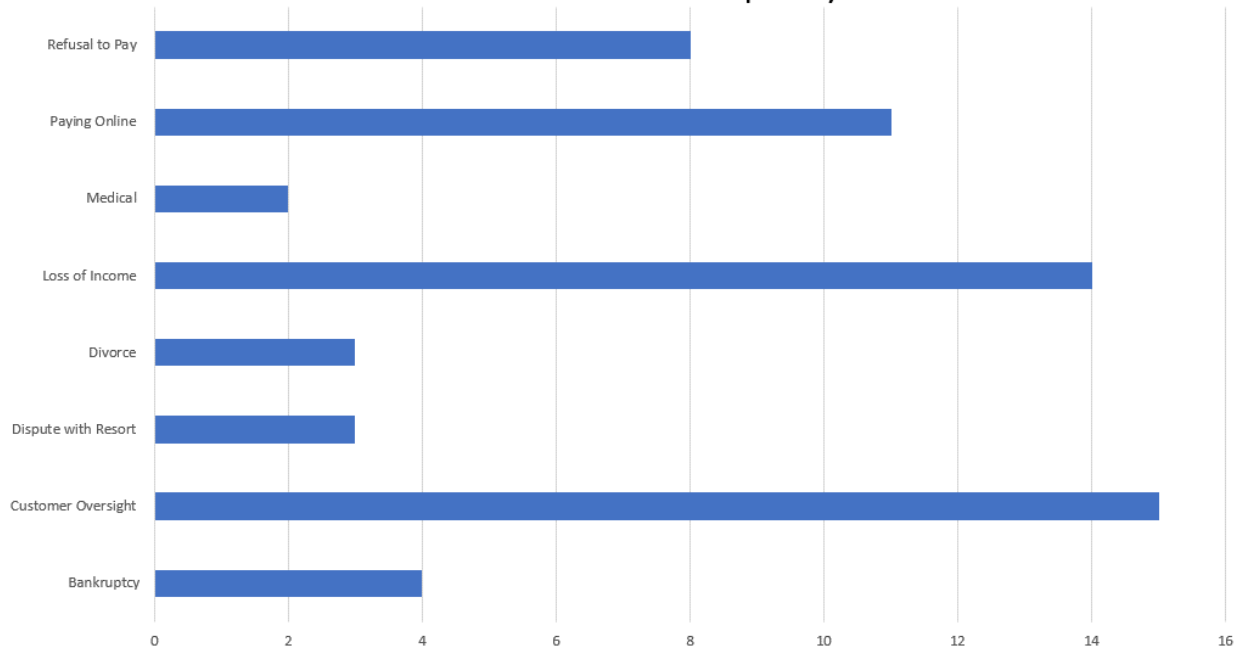
As of 3/13/24:

- 29 deeds recovered via BGVARM:
 - \$68,208 past due balance at the time of charge-off (53 accounts)
 - \$17,700 gained in deed in lieu income (6 accounts)





Reasons for Delinquency



GTLOA Aging Report

As of 4.15.23	S/F	Summer	Winter
1-2 Years Past Due	110	51	29
2-3 Years Past Due	53	22	19
3-4 Years Past Due	66	25	29
4-5 Years Past Due	41	22	11
5+ Years Past Due	132	76	37
Totals	402	196	81

As of 9.15.23	S/F	Summer	Winter
1-2 Years Past Due	93	43	26
2-3 Years Past Due	51	21	19
3-4 Years Past Due	65	25	29
4-5 Years Past Due	32	19	7
5+ Years Past Due	122	71	32
Totals	363	179	71

3.15.24	S/F	Summer	Winter
1-2 Years Past Due	117	60	35
2-3 Years Past Due	80	42	19
3-4 Years Past Due	48	21	17
4-5 Years Past Due	63	25	28
5+ Years Past Due	131	76	37
Totals	439	224	136

GTL Reserve Studies Review

Reserve Study Review April 2024

2023 Projects

In 2023, many common and unit projects were successfully completed, aligning with the dedicated reserve study. Notable transactions such as the shuttle replacement and unit refresh were anticipated but will be reflected in the 2024 fiscal year. The shuttle replacement, currently undergoing retrofitting for passenger safety and winter driving conditions in Colorado, is highly anticipated for arrival in April. The unit refresh was completed from December to January, with the expense delayed due to the project's completion.

Grand Timber Lodge 2023 Common Area Expenditures					
Description	Budget	Expenditure	Cost Variance	Variance Notes	Status
Buildings 6 Window and Door Replacement, Phase 1	\$572,680	\$405,048	\$167,633	Decreased material cost	Complete
Ski Locker Replacement	\$164,002	\$205,750	-\$41,748	Increased material cost and installation	Complete
Shuttle Replacement - ADA	\$149,350	\$0	\$0	Postponed to 2024	In Progress
Exterior Paint - Bldg 1 & 2	\$66,950	\$50,350	\$16,600	Decreased labor cost	Complete
Family Fun Center Five Year Update	\$48,843	\$28,983	\$19,860	Executed on smaller scale	Complete
Aquatics Area B5 Fireplace Area	\$25,750	\$0	\$0	Postponed to 2024	In Progress
Aquatics Area - Water Play Features, B5	\$25,000	\$10,250	\$14,750	Decreased scope of work- installed timer and resurfaced	Complete
Contingency	\$20,000	\$23,162	-\$3,162	Garage door replacements & concrete repairs	Complete
Aquatics Area - ADA Lifts, B5	\$14,214	\$15,415	-\$1,201	Increased material cost	Complete
Day Use Room Furniture	\$12,746	\$0	\$0	Postponed to 2024	In Progress
Common Area Furniture	\$11,330	\$7,800	\$3,530	Decreased scope to only include chairs	Complete
Common Area Art & Decor	\$10,300	\$5,350	\$4,950	Decreased scope to only include elevator landings	Complete
Outdoor - Benches and Picnic Tables	\$10,000	\$3,700	\$6,300	Decreased scope to only replace building 7&8 bbq grilling area	Complete
Luggage Cart PAR	\$7,210	\$6,900	\$310	Decreased material cost	Complete
Ski Racks	\$6,669	\$0	\$0	Postponed to 2024	In Progress
Housekeeping Cart PAR	\$5,408	\$6,640	-\$1,233	Increased Material Cost	Complete
Outdoor BBQ Grill PAR	\$5,150	\$5,000	\$150	Purchased 2 grills and back up parts	Complete
Fitness Center Flooring	\$5,047	\$2,509	\$2,538	Adjusted scope to include wall wrap	Complete
Outdoor - Benches - Grill Areas	\$5,000	\$0	\$0	Postponed to 2024	In Progress
Guest Laundry Washer & Dryer PAR	\$3,708	\$4,200	-\$492	Increase material cost	Complete
Library - Bathroom Remodel	\$3,605	\$2,800	\$805	Decreased material cost	Complete
Bicycle Racks	\$3,296	\$0	\$0	Postponed to 2024	In Progress
Building 2 Trash Chute Doors	\$2,318	\$1,800	\$518	Decreased material cost	Complete
Grand Room - Uplighting	\$2,060	\$508	\$1,552	Decreased material cost	Complete
Aquatics Area - Steam Room Controller, B1	\$2,000	\$2,485	-\$485	Increased material cost	Complete
Shuttle Stop - Sign	\$2,000	\$0	\$0	Postponed to 2024	In Progress
A/C Condensers - Library & Boardroom	\$1,545	\$1,476	\$69	Decreased material cost	Complete
Shuttle Stop - Benches	\$1,000	\$0	\$0	Postponing to 2024	In Progress
Fitness Center - Television	\$500	\$0	\$0	Postponed to 2024	In Progress
Grand Room - Wall Sconces	\$400	\$300	\$100	Decreased material cost	Complete
Snowmelt Upgrade	\$0	\$157,352	-\$157,352	Unbudgeted Expense	Complete
	\$1,188,080	\$947,778	\$33,991		

Grand Timber Lodge 2023 Unit Expenditures					
Description	Budget	Expenditure	Cost Variance	Variance Notes	Status
Dining Room Furniture	\$621,605	\$378,104	\$243,501	Decreased scope of work	Complete
Living Room - Lamps	\$159,000	\$143,691	\$15,309	Decreased material cost	In Progress - Spring Installation
Unit Remodel, Model Unit	\$154,500	\$0	\$0	Decreased material cost - Completed January 2024	Complete
Annual Appliance Replacements	\$87,808	\$67,750	\$20,058	Sum of annual expenditures	Complete
Unit Entry Coat hooks	\$64,200	\$0	\$0	Postponed to 2024	In Progress
Buildings 3 & 4 Mattresses	\$47,174	\$60,412	-\$13,238	Increased material cost	Complete
Building 6 Window Treatment Phase 1	\$43,981	\$66,554	-\$22,573	Increased material cost	Complete
Art & Decor - Tapestries	\$20,700	\$0	\$0	Changed scope of work to address art	In Progress - Spring Installation
Design Fee for Unit Remodel	\$20,600	\$0	\$0	Did not use a designer in 2023	In Progress
Shower Curtains	\$14,000	\$6,640	\$7,360	Decreased material cost	Complete
Contingency	\$10,000	\$3,950	\$6,050	Carpet repairs	Complete
Phone Upgrade	\$0	\$35,265	-\$35,265	Originally budgeted in 2021	Complete
Wi-Fi Upgrade	\$0	\$17,500	-\$17,500	Unbudgeted expense	Complete
	\$1,243,568	\$779,866	\$203,701		

2024 Projects

This year will round out unit furniture replacements in within units for the next several years. We are excited to shift our focus to the unit refresh process that will kick off in buildings 1 and 2 next year. In terms of common elements, the updated firepit, exterior lighting, and Building 7 and 8 exterior paint are sure to elevate the grounds of the property. Moreover, the installation of additional LED fixtures for hallway lighting will further our commitment to energy efficiency.

Grand Timber Lodge 2024 Common Area Expenditures					
Description	Budget	Planned Expenditure	Cost Variance	Notes	Status
Building 6 Window and Door Replacement Phase 2	\$567,530	\$571,739	-\$4,209	Increased material cost	In Progress - Spring Installation
Digital Lock System (Including Panic Devices)	\$272,898	\$214,581	\$58,317	Decreased material cost	In Progress - Spring Installation
Loan Payback	\$90,224	\$90,224	\$0		In Progress
Fire Suppression - System Repiping	\$77,250	\$0	\$0		In Progress
Heat Exchangers	\$67,362	\$0	\$0		In Progress
Exterior Paint - Bldgs 7 & 8	\$59,225	\$50,750	\$8,475	Decreased labor cost	In Progress - Spring Execution
Hallway Lighting	\$58,957	\$0	\$0		In Progress
Building 6 Hallway Carpet	\$42,848	\$41,926	\$922	Updated bid provided	In Progress- Fall Installation
Fire Alarm Panel Replacement	\$30,900	\$0	\$0		In Progress
Grand Room Update	\$29,818	\$0	\$0		In Progress
Fire Suppression - Nitrogen Generator	\$23,175	\$0	\$0		In Progress
Exterior Building Lighting	\$20,394	\$0	\$0		In Progress
Contingency	\$20,000	\$0	\$0		In Progress
Boardroom Refresh	\$19,312	\$0	\$0		In Progress
Firepit	\$18,540	\$0	\$0		In Progress
Music System	\$15,450	\$11,462	\$3,988	Decreased labor cost	Complete
Common Area Art and Decor	\$10,000	\$0	\$0		In Progress
Activities Center Update	\$7,312	\$0	\$0		In Progress
Luggage Carts	\$7,000	\$0	\$0		In Progress
FFC Update	\$6,262	\$0	\$0		In Progress
NO2 Sensors	\$6,180	\$10,630	-\$4,450	Increased material cost	Complete
Drinking Fountains	\$5,768	\$0	\$0		In Progress
Housekeeping Cart PAR	\$5,250	\$0	\$0		In Progress
Outdoor BBQ Grill PAR	\$5,000	\$0	\$0		In Progress
Guest Laundry Washer & Dryer PAR	\$3,600	\$0	\$0		In Progress
Trash Chute Doors	\$2,317	\$3,009	-\$692	Increased material cost	Complete
Garage Striper	\$1,037	\$0	\$0		In Progress
Business Center Update	\$1,030	\$0	\$0		In Progress
Shuttle - Lobby Tracket Display	\$1,030	\$0	\$0		In Progress
Key Drop Boxes	\$824	\$0	\$0		In Progress
	\$1,476,493	\$994,321	\$62,351		

Grand Timber Lodge 2024 Unit Expenditures					
Description	Budget	Planned Expenditure	Cost Variance	Notes	Status
Mattresses	\$128,132	\$111,546	\$16,586	Decreased material cost	In Progress - Spring Installation
Bedroom Lamps	\$110,004	\$0	\$0		In Progress
Annual Appliance Replacements	\$104,082	\$0	\$0		In Progress
Unit Refresh - Model Unit	\$77,250	\$0	\$0		In Progress
Blinds	\$47,792	\$56,164	-\$8,372	Increased material cost and backstock	In Progress - Spring Installation
Design Fee for Unit Remodel	\$20,000	\$22,000	-\$2,000	Increased labor cost	In Progress
Smoke Detectors	\$14,059	\$0	\$0		In Progress
CO Detectors	\$10,907	\$0	\$0		In Progress
Contingency	\$10,000	\$0	\$0		In Progress
	\$522,226	\$189,710	\$6,214		

Updates Made in Review Process

Several projects from 2023 have been rolled over to 2024 due to procurement delays or product durability considerations. This proactive approach benefits the GTLOA cash flow and funding rate for the reserve study by optimizing expenditure timing. It underscores our commitment to prudent financial management and long-term sustainability.

Design Updates

A designer has been engaged to help navigate the unit refresh process and ensure that Grand Timber Lodge retains its charm. From conceptualization to price modeling, the involvement of a professional ensures that renovations align with the property’s aesthetic and functional requirements. We eagerly anticipate sharing the outcomes of this collaboration with stakeholders upon completion.

GTLOA Financial Snapshot April 2024

Grand Timber Lodge Dues Comparison for 2024:

Valdoro Mountain Lodge	Breckenridge	2 Bedroom	\$3,366 (2023)
The Ranahan by Welk	Breckenridge	2 Bedroom	\$2,958 (540,000 points)
Hyatt Main Street Station	Breckenridge	2 Bedroom	\$3,173 (2023)
Marriott Mountain Valley Lodge	Breckenridge	1 Bedroom	\$1,900 (2023)
Grand Timber Lodge	Breckenridge	2 Bedroom	\$1,741 (2024)

- 2024 % Increase to the Dues Breakdown (2BR Annual):
 - Operating Fund – 9% of total increase
 - Unit Reserve – 11% of total increase
 - Common Reserve – 2.62% of total increase
 - Total Reserve – 13.62% of total increase

Grand Timber Lodge Owners Assoc.			
Annual HOA Dues Analysis			
	2 Bedroom	Annual	Annual
	Annual	\$ Incr	% Incr
<u>Year</u>	<u>Dues</u>	<u>(Decr)</u>	<u>(Decr)</u>
2024	\$1,741.43	\$137.98	8.61%
2023	\$1,603.45	\$143.63	9.84%
2022	\$1,459.82	\$91.17	6.66%
2021	\$1,368.65	\$115.81	9.24%
2020	\$1,252.84	\$75.51	6.41%
2019	\$1,177.33	\$84.77	7.76%
2018	\$1,092.56	\$80.24	7.93%

Grand Timber Lodge Owners Assoc.						
Operating Fund Budget to Actual Analysis						
	Total	Budgeted	Actual	\$ Favorable	% Favorable	
	Budgeted	Surplus	Surplus	(Unfavorable)	(Unfavorable)	
<u>Year</u>	<u>Assessments</u>	<u>(Deficit), net</u>	<u>(Deficit), net</u>	<u>Variance</u>	<u>Variance</u>	
2016	\$ 8,660,971	\$ -	\$ 213,752	\$ 213,752	2.5%	
2017	9,196,125	-	300,351	300,351	3.3%	
2018	9,924,226	-	(95,449)	(95,449)	-1.0%	
2019	10,630,499	-	443,799	443,799	4.2%	
2020	11,399,247	-	200,134	200,134	1.8%	
2021	12,348,997	(500,000)	(281,997)	218,003	1.8%	
2022	13,169,854	(100,000)	262,221	362,221	2.8%	
2023	14,464,810	(175,000)	(197,810)	(22,810)	-0.2%	
Totals	\$ 89,794,729	\$ (775,000)	\$ 845,001	\$ 1,620,001	1.8%	
General Note: Excludes depreciation expense and gain (loss) on disposal of assets.						

- Reserve studies % funded based on projected fund balances as of 12/31/23 30-year forecast:
 - Unit – 7.48%
 - Common – 5.62%

The March Group

350 Tenth Ave. – Suite 1000
San Diego, CA 92101

Nico F. March

Managing Director

CA Insurance License OA62786

T 888-811-6501 | F 619-704-3099

Nico@themarchgroup.com

**THE MARCH GROUP**

"Helping You Build A Firm Financial Foundation For Your Future"

Dear GTLOA Board and Advisory Committee,

We are writing to you today to discuss the current state of the economy, and how your investment portfolio is positioned. Throughout the first quarter, the US economy has been navigating through a dynamic landscape marked by a mix of challenges and opportunities. Over the last few years, inflation has emerged as a significant concern within the US economy, fueled by disruptions in supply chains, escalating energy prices, and heightened consumer demand as pandemic-related restrictions ease. The Federal Reserve and policymakers are closely monitoring inflation dynamics and considering appropriate measures to address it. With the Federal Reserve projecting three rate cuts throughout 2024, we have been looking at longer duration investment vehicles to take advantage of where rates currently stand.

When it comes to Association's finances, first and foremost is safety of principle, second is liquidity, and finally rate of return. As Will Rogers, cowboy philosopher once said in the 1930's, *"I am more concerned today about the return OF my money, than the return on my money."*

Associations and Boards have a fiduciary responsibility to their owners and should be very conservative in nature as it is Other People's Money (OPM). Since we at The March Group also act as fiduciaries, when we initially opened the account for you, we helped the Board develop a formal investment policy statement stipulating that all funds are to be FDIC insured and/or government guaranteed at all times. This ultra conservative approach helps to protect all stakeholders regardless of the market's performance.

We are pleased to inform you that Grand Timber Lodge is well positioned going into the second quarter of the year, with 85.2% of the portfolio allocated to short-term Treasury Bills and CDs, the other 14.8% allocated to intermediate term Market Linked CDs (MLCDs). The 85.2% of the portfolio allocated to Short-Term investments is currently yielding approximately 5.10%.

We have been hedging inflation by adding Market Linked CDs to the portfolio. Market Linked CDs are FDIC insured up to \$250,000 per issuer, and as long as held to maturity, there is zero risk to principle. Rather than paying interest annually or semi-annually, the interest component is tied to a market index (S&P 500, DJIA, etc). Because of this, these positions will fluctuate in market value based upon the index performance. If we see significant appreciation, we will liquidate positions and lock in unrealized profits for no cost or fees to the association.

Please give us a call with any additional questions at 888-811-6501.

Very truly yours,

Nico F. March
Managing Director

General Manager Report

Grand Timber Lodge General Manager Report April 2024

This ski season has continued to impress, drawing record crowds to Breckenridge. Our beloved ski town has bolstered national recognition as a family-friendly destination, a notion that aligns well with Grand Timber Lodge philosophy.

Resort Improvements

While many property enhancements typically occur during the spring and fall seasons, the following upgrades have been made throughout the busy winter season:

- New flooring has been installed in half of the Fitness Center, specifically beneath the strength training equipment. The new surface is more ergonomic and will help extend the useful life of the main floor.
- The first iteration of a unit refresh has been completed. This process served as a great opportunity to gain insight into vendor timelines, product specifications, and design options.
- The common area music throughout the resort has been upgraded. The new system ties together the various zones around property into one cohesive platform that is controlled by the Front Desk. Previously, music in the Buildings 5 and 6 amenities was only available once the restaurant opened each day.
- A new mural has been added in the Fitness Center. The wrap is a panoramic photograph taken by a GTL team member and provides a much-needed pop of color to the space.
- A new surface has been added to the indoor aquatics area surrounding the children's pool in Building 5. This new, soft flooring adds some color to the area, while also providing a safe and more comfortable experience for our owners and guests. This space is intended to be a pilot for future resurfacing projects.
- Refresh Massage Studio has added skin care services to their menu. Owners and guests can now enjoy a facial as one of the offerings.

Sustainability and Safety Efforts

- Electric bike charging stations are currently being considered for the summer season. A cost-effective solution to comply with GTLOA's Rules and Regulations remains a top priority.
- The newest dual-port electric vehicle charging station has been added adjacent to the exit of Building 6. This placement minimizes risk in the event of a fire. We will continue to monitor the usage of these stations and remain vigilant about grants associated with charging ports as we suspend any further charger installations.
- The capital investment to improve the snowmelt system is paying dividends to the natural gas bill. The company who manages these controls has continued to monitor and optimize the system to maximize these efficiencies.

Leadership Updates

- Austin Knoblauch has assumed the Night Operations Manager role. Austin's presence was immediately felt throughout the property. His background in customer service coupled with his education in criminal justice has made him the perfect fit for the position.

- Sam Houston has fulfilled the Assistant Guest Services Manager position following Austin's promotion. Sam began his BGV career at the Grand Timber Lodge Front Desk before earning a supervisor role at Grand Lodge on Peak 7. We are thrilled to have Sam back at GTL!

Looking Ahead

Anticipating the year ahead, here are the upcoming projects slated to take place at Grand Timber Lodge:

- Buildings 5 and 6 will receive new mattresses.
- Bedroom lamps will be replaced in all residences.
- The second iteration of unit refreshes will be executed.
- The second half of Building 6 window and door replacements will be completed.
- The digital lock system will be replaced throughout the resort.
- Heat exchangers will be upgraded throughout various systems to gain efficiency.
- LED lighting will be added to the exterior areas of property.
- The outdoor fire pit will be receiving necessary repairs.
- Water filling stations will replace water fountains in common areas.

GTL Trip Advisor and NPS Update:

- Currently ranked #4 of 24 properties under "Hotel" category
- 4.5 out of 5 stars
- To read our reviews, please click [here](#)
- As you may recall, in May 2023 we shortened the survey that is sent to owners and guests. This change has boosted response rates and yielded more valuable feedback.

GTL Service Score Comparison	Last Year's Avg 5/1/22 – 3/13/23	This Year's Avg 5/1/23-3/13/24
Amenities	NA	9.16
Room Accommodations	NA	8.78
Resort Staff	NA	9.24
GNPS	64.80%	62.41%
GONPS	67.90%	64.02%

We would like to extend a warm welcome to our new GTLOA Board and Advisory committee members! Thank you for your commitment to Grand Timber Lodge and the ownership community. We look forward to seeing you in person during your next trip to Breckenridge.

New Business/Updates

Interval International Renewal

We are entering our renewal year with Interval International as the current Agreement is set to expire on 12/31/2024. On behalf of the three managed properties, BGV will look to harness our power of scale to achieve the most favorable terms possible. As we collaborate with Interval International to create the updated Agreement, we would like to welcome Board and Advisory Committee members' feedback to contribute to the updated Agreement. Please reach out to Peggy with any questions or contributions.

Winter 2025 BiGVARS Update

We are pleased to share that the Winter 2025 reservation request system has been successfully completed. Approximately 2,194 owners representing 2,360 contracts placed requests to make reservations for the Winter 2025 season. Participation in the reservation process was down slightly year over year. Overall, the number of owners receiving one of their top 15 preferences was up roughly 3.5% over 2024. Participation from owners in 2025 was also down 1.51% over 2024. Here are the overall results:

- 53.69% were assigned their top choice (50.77% in 2024)
- 65.98% were assigned a top 3 preference (62.24% in 2024)
- 76.28% were assigned a top 6 preference (73.63% in 2024)
- 89.61% were assigned a top 15 preference (86.11% in 2024)
- 1.51% were assigned a choice outside of their top 15 (1.29% in 2024)
- 10.62% did not receive any of their choices and were either auto-assigned or left unassigned as per the owner's preference (12.60% in 2024)

Of the 2,360 contracts represented in the assignment process, 206 were automatically assigned a week, meaning one of their requested weeks was not assigned. These results are up in 2025 by 3.72%. In addition to this, 41 contracts were considered unassigned as the owners chose not to be automatically assigned a week if one of their choices was not available. As you may recall, 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 Winter owners over time.

Breckenridge Grand Vacations does understand that not all owners favor this reservation request and assignment process, and we are committed to listening closely and carefully to the feedback we receive from our owners. If at any time it is determined that most 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.

MISCELLANEOUS

Comments To/From Staff

Please find below a suggestion that was posted on the GTLOA Facebook page:

Marc Block would you please have the HOA Board consider adding additional china and eating utensils to each unit? For instance, if a unit has sleeping for 8 guests, 16 plates of each size would be helpful, 16 spoons, etc. The dishwashers are large and could handle the additional plates and save precious water that results from the running of the dishwasher frequently. Thanks!

BOARD ACTION REQUIRED

MOTION: To double the amount of service ware, (plates, glasses, and silverware) in each unit.

MADE BY: Mark Orton

SECONDED BY: None

DISCUSSION: Marc Block stated that with lacking a second, the motion dies.

IN FAVOR: N/A

OPPOSED: N/A

ABSTAIN: N/A

Important Dates

GTLOA Finance Committee GoToMeeting:

Monday, October 7, 2024 - 2-5pm (Due to scheduling conflicts, we may move to 10/8)

GTLOA Board and Annual Meetings:

Saturday, October 19, 2024:

- In person with remote option
 - Property Tour – start time and location TBD
 - Board Meeting – 9-11am (in-person and GoToMeeting participation options available)
 - Lunch – 11:30am-12:30pm (for all in-person Board Meeting attendees)
 - Annual Meeting – 1pm via GoToWebinar for all (no in-person participation)

Contract / Agreement Dates:

- Management Agreement:
 - Initial term from 1/1/2021 – 12/31/2030
 - Auto-renews for successive periods of 5 years
 - Action for change required 180 days prior to auto-renewal
- Interval International:
 - Expires 12/31/2024
 - No auto-renewal
- Resale Agreement:
 - New agreement went into effect 1/1/2019 and auto-renews annually
 - Action required with written notice 90 days prior to auto-renewal
- External Reserve Studies Review:
 - Every 5 years
 - Next due in 2026
- 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

**Please note that James Hagerman joined the meeting during the review of these important dates.*

Action Item Updates

Review:

#201: BGV to take the lead on exploring options for electric scooter/bike program and consider hub/depot on property. *A request has been placed to add a Breckenridge E-Ride station to Peak 9 in 2025. Additions to the program in 2024 were determined in Fall 2023. The town is against scooter rentals in this area due to heavy pedestrian traffic.* Closed at the 4/11/2024 Board Meeting.

#202: Provide Bonus Time rate analysis regarding covered vs. uncovered cleaning fees. *A three-year historical analysis of Bonus Time revenue compared to clean fees revealed the following findings. Two thirds of Bonus Time room nights cover the cost of cleaning. Of the one third of room nights that do not cover the cost of cleaning, which occur in the shoulder seasons and larger sized units, rates would need to be increased by an average of 35% to cover the cost of cleaning, outpacing existing market rates.* Closed at the 4/11/2024 Board Meeting.

#203: BGV to investigate incentive options for owners/guests to leave more detailed post-stay surveys. *Upon investigation, industry research has indicated that survey incentivization does not yield more detailed feedback.* Closed at the 4/11/2024 Board Meeting.

Summary of New Action Items:

Adjournment

MOTION: To Adjourn

MADE BY: Nick Doran

SECOND: James Hagerman

Time: 4:17pm