

**MINUTES OF THE MEETING OF DIRECTORS  
OF  
THE STONEBRIDGE CONDOMINIUM ASSOCIATION, INC.**

The following were present via a telephone conference call on May 6, 2021:

Doug Borrer	President
Bill Kritzik	Vice President
Jack Fields	Treasurer
Nancy Burns	Director
Susan Leonard	Director
Perri Mickles	General Manager
Kelly Wallace	Assistant Manager

Owners present via telephone conference call included:

Brittany Greenfield (condos 622 and 623)  
Beppie Cerf (condos 611 and 631)  
Deborah Litman (Condo 726)  
Carol Nail (Condo 810)  
Dan King (Condo 827)  
Alan and Mary K Klein (911)

**CALL MEETING TO ORDER**

Bill made a motion to call meeting to order. Seconded by Jack. Doug Borrer called the meeting to order at 8:48 AM.

**STATUS of UPGRADE WORK**

Perri announced that there are no major upgrades scheduled for 2021. With the current price of materials, our contractor, and the building committee, both agreed we will save on overhead by doing the structural work and door installation together in the spring off-season of 2022. The Building Committee also supports this timing to help with costs.

**CONDOMINIUMS DECLARATIONS AND BYLAWS**

Both the revised Bylaws and the Declarations passed with the Bylaws passing by a vote of 70.2% of the total points and the Declarations passed by 68.6% of the total points. Doug thanked the Documents Committee, Bill Kritzik, Nancy Burns and Brittany Greenfield, for working with our attorney on getting the Documents updated and in sync with each other. They are now compliant with the Colorado Common Interest Ownership Act (CCIOA).

Of the homeowners who voted, 94% voted in favor of the Bylaws and over 97% voted in favor of the Declarations. Feedback provided by dissenting voters included allowing owners to vote on Special

Assessments surpassing a designated dollar amount and restricting BOD membership to owners and owner family members only.

### **FINANCIAL STATEMENTS**

Perri went over the Profit & Loss Budget vs. Actuals for September 2020 through March 2021. Jack Fields, Treasurer, said that he pleased with the outcome. A conservative budget was set in summer because of the pandemic and revised again in December with realization that the U.S. border would still be closed to Brazilians. With cost cutting, PPP loans and exceeding the projected revised rental revenue we actually made money. With the second PPP loan we received, our cash flow for operating costs is good.

### **STRUCTURAL REPAIRS & SPECIAL ASSESSMENT**

Over \$741,000 has already been spent on structural repairs for the 900 building and the 700 & 800 buildings. With the decision to postpone until 2022, Doug would like to have new bids for the project by the December 2021 board meeting. Using the new bids, we will be able to determine the actual amount of money that will need to be assessed. Based on the bids from last fall, we are considering a minimum of a \$1.8 million assessment. Doug wanted to delay this assessment until 2022 when we will need the funds. Bill felt like the 2022 timing is better for the ownership and the best we can do with surprise structural repairs. Jack agreed with that plan since we have currently covered the money spent with the reserve account and can wait until next year to replenish. The rest of the Board also agreed. As with the past special assessment, there will be payment options available and the cost per unit will be available in December.

### **15 YEAR PLAN**

Perri said that the 15 Year Plan is a part of the cash flow and the special assessment planning because we want to make sure that we are on track to maintain the reserves necessary. Upon looking at the plan, most items are in line with our original projections. Some items may change in timing, but based on the cash flow projections and the replenishment of reserves in 2022, the plan is still on track.

### **NOMINATING COMMITTEE**

Jack Fields has served his second 3-year term and is not eligible to serve again. Nancy and Susie volunteered to serve on the Nominating Committee. A letter will be sent to the homeowners to request owners to submit applications or designate someone to run for the Board on their behalf. The Board has asked to have the election date be early enough to allow the new board member to make travel arrangements for the July Board Meeting.

### **WINTER REPORT**

This winter proved to be a moving target as Covid restrictions came and went. We implemented cost saving efforts early on to counter the financial impact anticipated from COVID. But President's Day week, Mardi Gras, spring break and Easter week brought a strong finish to the season. Based on guest feedback and surveys, guests were very satisfied with the Stonebridge staff consistently receiving the highest ratings. Improving the quality of kitchen items including coffee makers and non-stick pans was the most common suggestion. Bill suggested that just as unit furnishings are evaluated, we also apply this to the kitchen supplies. Doug said that having a uniform standard for knife blocks, non-stick pans

and coffeemakers would give guest an overall better experience. Doug asked Perri to work with our evaluator on what is industry standard at this point and bring this information to the July board meeting.

### **SALES AND MARKETING SUMMARY**

Kelly said, as mentioned earlier, this winter fluctuated with the ever-changing COVID restrictions. January suffered the most with a 78% decrease in occupancy and gross rental sales. However, in March 2021 we finished at almost \$600,000 in gross rental sales. March of 2019, we finished at a solid \$626,000 in gross rental sales. Our brightest metric is our average daily rate which has increased overall in the last 2 seasons by 26.5%.

For the summer of 2021 and next winter, Kelly is focusing on using rate yielding to maximize revenue, streamlining and adding booking channels which is now possible with the new software, and participating with Aspen Skiing Company in the print and on-line marketing. She has connected with a large agency from Australia, Travel Plan, to try to diversify our January guests and no longer be dependent on only the Brazilian market. We recognize the importance of that market, but we are unsure of their ability to travel in 2022.

### **MANAGEMENT AGREEMENTS**

With the newly adopted Declarations and Bylaws, we are now looking to make sure that all of our documents are CCIOA compliant. Perri is working with the attorney currently on the Rental and Non-Rental Agreements.

In our current agreements, owners agree that all rentals go through the in-house management company. If an owner rents on their own, they agree to pay the association an amount based on the current commission rate for the published rental rate. Bill said we should keep this the same in the new agreements.

Perri said with the tightening rental market, we are getting more questions regarding year-round leases and owner's friends who are using the condo year-round. Bill said that an owner has the right to use or allow a friend to use their condo year-round, but he does recognize this is an added cost to the Association. He suggested applying the resort fee to owner guests that can be paid by owner or owner guests as with the housekeeping charges. Kelly said that a percentage of the rack rate may not be possible for the reservation system, but many places charge a FOO Fee (Friends of Owner) at a set rate. This could be charged based on a 6 – 8 weeks stay or longer or based as a total number of nights that exceed a designated annual amount.

Doug asked that management provide a better understanding of industry wide policies. Bill agreed and would like this circulate to the Board for review by June 1.

### **FUTURE MEETING DATES**

The July Board Meeting, Annual Owners Meeting and Owners Barbeque are scheduled for July 9, 2021.

The December Board meeting is scheduled for December 10, 2021.

The Four Season's has cancelled all future reservations so the May dates are not determined. Doug said that he feels like a retreat setting is important for the Board dynamic and would like all to send suggestions of alternative locations. Nancy has asked if we can consider May 19, 2022 as a potential date.

### **QUESTION & ANSWER SESSION**

Doug opened the meeting to any homeowners having questions or comments. Brittany said she was glad that we are considering standards of items and suggested management offer a "luxury" type add-on with upgraded amenities and service for rental guests. Dan King said he is very excited to be a new owner. He has been very interested in Snowmass real estate and restrictions he is seeing from other properties and the correlation of property values. Bill said that he cannot imagine a board at Stonebridge that would restrict owner usage. Carol Nail from 810 thanked the board for openness of the meeting and for their time volunteered to serve on the board.

Jack motioned to adjourn the meeting, Bill seconded, and the meeting was adjourned at 10:00 AM.