

**MINUTES OF THE MEETING OF DIRECTORS  
OF  
THE STONEBRIDGE CONDOMINIUM ASSOCIATION, INC.  
JULY 9, 2021**

The following were present at the meeting:

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

Owners present:

Brittany Greenfield - Director Elect (622 and 623)  
Gary Greenfield (622 and 623)  
Lawrence Schlusser (801)  
Ira Chang (702)

Owner present via telephone conference:

Lorraine Jordan (813)  
Deb Brown (710)

**CALL MEETING TO ORDER**

Doug Borrer called the meeting to order at 9:02am. Based on the results of the election, Doug announced that Brittany Greenfield will be the new director on the board effective as of the annual meeting this afternoon. He thanked Jack Fields for his service.

**ELECTION OF OFFICERS**

Jack moved to nominate Nancy Burns to take his place as Treasurer of the board. He also moved to re-elect Doug Borrer as President and Bill Kritzik as Vice President. Nancy seconded the motion and all members voted aye.

**FINANCIALS**

Perri presented the year-to-date income statement versus approved budget. She stated that the budget had been revised in December 2020 as we realized the impact that COVID and COVID restrictions would

have on our winter. For this comparison, the approved budget from July 2020 was used. Rental income was about 50% off budget due to the loss of travel from Brazil in January. Resort fee income was also down proportionally. There was a major increase in cancellation fee income which is hopefully a one-time situation. To offset the loss of revenue, cuts in staffing hours were made as well as salary cuts during the slow January when the demand for services was not there. Other cost cutting measures included changing credit card processors to significantly reduce processing fees and changing attorneys to lower the legal fees.

As a result, the net income is a little lower than budgeted but the target of \$350,000 net income to be transferred to the capital reserves is still attainable. The other item not listed on the income statement is the PPP loan forgiveness of \$312,000 from the first PPP loan. This will show as income on the statement but the auditors will give guidance on where to apply this.

In recap, Doug said that despite the challenges of COVID, the association still made \$285,000 year to date.

Nancy Burns commented that this is a good outcome for this year. Jack Fields added that the capital reserve projection had moved from \$200,000 and \$350,000 in recent years to boost or reserve accounts and support our 15 year plan.

## **BUDGET**

Perri said the budget is based on a 2% increase in annual assessments this year. January rental income is hard to predict due to the Brazilian travel restrictions in place and they are tentative on booking at the moment, so she took a conservative approach with that revenue. She mentioned that Kelly has reached out to contacts with Australian travel planners, but that market is also unsure of travel due to COVID. By the fall, if the numbers for January are not improving we will begin a discounting program.

Resort Internet and Comcast are giving bids for a new cable/internet option. Bill asked if we had issues with coverage and Perri replied that yes, when Snowmass Village fills up, the streaming with our current service is challenging.

Perri said that the net ordinary income of just over was \$350,000 was slated for the capital reserve fund. This number could change significantly either way based on the January rental income.

Bill motioned for approval for the current budget. All were in favor.

## **BUILDING COMMITTEE**

Doug started by saying Bill, Perri and himself have met several times with RA Nelson about the plans for the major structural repairs in the 600 building and new doors for 600 and 900 buildings. The work on the 600 building is targeted for Spring 2022. The structural engineer has studied the building and approved this schedule. In the abundance of caution, Doug asked management to have the 600 building roof shoveled when the snow has accumulated to 12" rather than to 24".

Doug said that there definitely will be another special assessment to cover the costs of the structural work. The building committee will meet in late August to review costs and have a contract signed by October to ensure products are on hand for an early April start. The building committee will make a recommendation on the dollar amount of the assessment to be approved at the December board meeting. The assessment will be billed in early 2022. The owners on the current payment plan will see their first bill for this after the final bill for the 2019 assessment has been billed. Doug said the 700, 800 and 900 building have been completed and only the 600 building needs repairs at this point. Bill confirmed that the engineer has said while the repair work is not an emergency, it is necessary. Jack Fields said that a large portion of our capital reserves have been spent on the work to date and will be replenished by the special assessment. Doug hopes this will be the last of the assessments. Nancy thanked the building committee. Doug said RA NELSON is very reputable and understand all aspects of the project and that he is confident with their work.

### **MANAGEMENT**

Perri is currently rewriting the management agreement to match CIOA standards that we adopted with our new Condo Declarations and Bylaws. One issue to be addressed is the length of stays of owners and owner's guests. Finding a fair solution for covering costs that is based on varying usage is the goal. Local competitors have different approaches. Timberline for example has a 90 day limit for their owners before a significant increase in assessments is charged. Doug stated that they DEFINITELY do not want to restrict owner stays. Perri mentioned that currently the \$220 per month for non-rental units is in place for an owner that stays for 1 week or 52 weeks. Bill mentioned that there are different situations that come into play. His suggestion is to charge a resort fee to friends of owners who stay over a designated number of days per year. Board members were agreeable to this. Doug and Bill agreed that it should be a flat resort fee per night but would not be charged to owners or immediate family including children, parents and siblings. Doug said a committee should be formed and he volunteered to be on the committee. Brittany also volunteered. Nancy suggested we determine the break-even point between rental and non-rental as a basis.

### **KITCHEN SUPPLIES AND INVENTORY**

Perri said that from the guest surveys that were sent last winter, the consistent comment was the need to have kitchenware similar to a quality they used at home. Janice researched and developed a new kitchen supply package with a minimum standard for all rental condos. This would also streamline inventory rather than having a selection of different coffee pots and items on hand. Due to counter space in some condos, Doug suggested that all condos will have a thermal pot coffee maker and management will keep an inventory of Keurig coffee makers that can be supplied to the guest on request. Bill says if they pay \$1000 plus a night then a new kitchen package is important for the guest experience. Doug moved to approve new package. Jack questioned the situation when an owner recently purchased a similar or better product than what is included in the package. Doug moved that the kitchen package be approved and with management discretion to determine the needs of each condo. Jack seconds the motion and all were in favor.

## **PACING YEAR TO YEAR**

The pacing report compared the previous 2 years to the current summer and upcoming winter reservations.

While December is pacing well, January is well behind the 2019 numbers. This is due to the hesitancy of the Brazil and Australia markets to commit due to COVID. At this point, February and March are also pacing behind. Management is keeping a close eye on the pacing and will start offering promotions as necessary. On a positive note, we are seeing a significant increase in the average daily rate across the board. While last April was really strong due to the Easter falling in early April, this year will not be the same. With a late Easter, we will not see the influx of travelers from Mexico. Nancy asked about ski groups and how we could go directly to a group. Perri said Snowmass Tourism receives most of the requests. Nancy volunteered to do some research for direct appeals to groups.

Perri moved on to say June and July are pacing well ahead of previous years. July will be extremely busy this year and Aug and Sept are also strong. Bill said summer and fall are driven by the front range and how do we appeal to that area because it is a great opportunity. Perri said VRBO and Expedia have had a major impact on our business from the Front Range this summer.

## **INDIVIDUAL ISSUES**

The owner of 703 has requested approval to install hardwood floors throughout his condominium. Doug asked where 703 is and Perri mention it is over the boiler room. Doug said the current policy is no hardwood floors in the bedroom but it is OK in the main areas of the condos. With the condo being situated over the boiler room that has no potential to become a living space, Doug moved that the flooring request be approved. Jack seconded and all were in favor.

The owners of 822 requested that to plant a tree on Stonebridge property with a plaque in memory Dr. Gerson Greenburg. The tree and the expense of planting would be covered by the Greenburg family. Bill liked the idea. Susie asked that the tree be planted in an area that would not cause a conflict for another owner. Bill moved to approve based on the family, Perri, Mark and our landscapers agreeing on an appropriate species and location. All were in favor.

Gary Greenfield from 622/623 needs to replace the condenser for his wine cooler. He presented a proposal to install a small condenser on his deck enclosed within a built-in bench. Bill says it is similar to a submission a few years ago. Susie expressed concern over the noise and that it will set a precedent. Gary said the condenser has a maximum noise output of 62 decibels. Jack mentioned that no requests for approval for exterior condensers have been approved. Doug says venting has been allowed. He also says there can't be anything sitting on the porch. Bill asks if he has an alternative. Gary had a 2<sup>nd</sup> alternative where he would require a vent for an indoor condenser. This would require a vent that is no larger than 6" x 6" to be installed next to the dryer vent. Doug moved to vote on the approval of the outside condenser and all were opposed. Jake made a motion to vote on approval of 6" x 6" vent for an

interior condenser. Bill seconded and all approved. Doug asked Gary's submit a proposal for either 2 separate vents or one combined vent.

### **POOL BUDGET**

Phillip from the Stonebridge Inn joined the meeting to discuss the budget for the pool and fitness center operations. Phillip thanked Perri for the improved working relationship with the two properties.

Overall, he was very pleased with the 3% increase in the budget. He asked why the electricity is budgeted at 7% less and Perri said it is based on actual numbers from the electric company. Phillip asked how many more days will the pool be open vs. the last budget. Perri said it would be about the same amount of days but the hours will be longer. Phillip asked why trash disposal was a new line item and Perri said it had been in the Maintenance line but wanted to separate. Phillip asked about the 19% increase in the laundry budget. Perri said that had been included with maintenance in the old budget but was separated last in last year's budget. For last year, it was under estimated so this year it is based on the actual expense. Phillip asked why pool supplies were down and Perri said because she did not need to order new towels. Susie asked how many are lost per year. Perri said most come back via the Inn. Doug asked Phillip how the Inn was doing and he said good for revenue but that staffing for housekeeping was a real challenge. Doug mentioned that he was happy with the current staff at the pool.

### **SCHEDULE FOR NEXT BOARD MEETINGS**

The next meeting is scheduled for December 10, 2021. Doug asked to move the spring meeting to late April. The location of this meeting is still to be determined. The board agreed to Schedule the July board and annual meetings on July 15, 2022.

The meeting adjourned at 10:40.