

# GRAND COLORADO ON PEAK 8 OWNER'S ASSOCIATION BOARD OF DIRECTORS AND ADVISORY COMMITTEE MEETING MEETING MINUTES 10/30/19

## ATTENDANCE

**Board Present:** Barry Chasnoff, Nick Doran, Mike Dudick  
**Advisory Committee Present:** Roger Lemmon, Skip Klenk, Debby Tennyson-Feinstein, Jennifer Gilligan  
**Management Present:** Kimberly Tramontana, Jason Bretz, Stephanie Bristley, Joe Clark-Fulcher, Christine Britton, Mary Kay Perrotti

## CALL TO ORDER

Barry Chasnoff, President of the Grand Colorado on Peak 8 Owners Association, called the meeting to order at 4:08PM.

## CHANGES TO THE AGENDA

There were no changes to the agenda.

## INTRODUCTIONS

Board Member Residential Seat - As we shared in the August 2019 Missive, due to medical reasons, Blake Davis has had to regretfully resign his Grand Colorado on Peak 8 Residential Board seat. In order to achieve complete Board participation, Mike Dudick has been elected to the Residential Committee seat by the members of the Residential voting class which includes Mike Dudick and Mike Millisor to replace Blake during his absence. The Residential Committee seat can only be voted on and filled by an owner/developer or can be appointed by the owner/developers of Breckenridge Grand Vacations, per the Condominium Declaration (Section 7.8 – "Classes of Membership.").

## APPROVAL OF MEETING MINUTES

**Motion was made by Nick to approve the May 18<sup>th</sup>, 2019 meeting minutes and Mike seconded the motion.**

*No discussion.*

**All in favor. Motion passed.**

## UNAUDITED FINANCIALS

August 2019

Please find the summary for the attached GC8OA August 2019 financials.

- Overall, the Operating budget is experiencing a favorable variance of \$154,216 YTD!
- Operating Revenue is showing a favorable variance of \$95,681.  
Variances to note include:

- Late Fee Income shows a favorable variance of \$42,996 due to more late fees being collected than anticipated.
- Rental Resort Fee Income shows a favorable variance of \$17,062 due to receiving more rental resort fee income than anticipated.
- The Operating Expenses show a favorable variance of \$58,535 YTD.  
Variances to note include:
  - Front Desk Fee shows a favorable variance of \$50,601 from labor savings due to staff turnover. The favorable variance will continue through the end of the year.
  - Exec Resort Ops shows a favorable variance of \$12,260 but an adjustment will be posted in September to reduce the favorable variance through August to \$5,750.
  - Keys/Printing/Postage shows an unfavorable variance of \$15,186 due to a timing issue with the key purchasing, which is budgeted in October, but keys needed to be purchased earlier. This should be on budget in October.
  - Common Area Cleans shows an unfavorable variance of \$68,732 due to labor and other expenses in order to maintain the common areas. \$14K will be moved from Unit Cleaning to Common Area Clean revenue. This trend will continue through the end of the year.
  - Unit Electric shows an unfavorable variance of \$43,814 due to rate and usage being higher than anticipated. This trend will continue through the end of the year.
  - Unit Cleaning shows a favorable variance of \$148,984 due to savings such as benefits for staff, amenities, uniforms, laundry and carpet cleaning. We anticipate this trend to continue through the end of the year.
  - BMMA Dues shows an unfavorable variance of \$22,345 as the threshold for mils has been met with BMMA for GC8 to begin paying dues. This was not expected in 2019. This variance will continue through the rest of the year.

Please keep in mind that adjustments made at year's end may affect the total fiscal year budget outcome.

**Motion to accept the unaudited financials for August 2019 was made Nick and seconded by Mike.**

*Discussion:*

- *Barry explained he had a pre meeting with the staff yesterday and asked all his questions and had them answered to his satisfaction.*

**All in favor. Motion passed.**

## **AR REPORT**

- Deeds recovered since January 1, 2019 – 2
- 96% paid as of 9/1/19 for 2019 HOA dues
- 98% paid as of 9/1/19 for 2017-19 HOA dues

*Discussion:*

- *As of 10/15/19 GC8 is currently 97% paid and last year as of 12/31/18 HOA dues were 99% paid.*

### **GENERAL MANAGER REPORT**

Grand Colorado on Peak 8 had a very exciting summer watching Building 3 come to life! It has been amazing to see the resort near completion. Even with all the attention on Building 3, the entire team has been focusing on continuing to look for ways to improve Buildings 1 & 2 while simultaneously collaborating with our Construction Team to ensure we implement any improvements we have been able to identify from our experience with the first 3 phases of GC8.

Below are some highlights:

#### **Grand Highlights:**

- The Grand Colorado on Peak 8 Engineering Team added a sink, countertop, cubbies and cabinets in the current Day Use Lunchroom. They handled this entire project inhouse with help from our Construction Team to order all of the necessary items. It has been very well received by the GC8 Activities Team, as well as our owners and guests!
- Grand Colorado on Peak 8 moved into #10 on Trip Advisor. Our staff has done a great job encouraging our happy owners and guests to leave a review. Please encourage anyone that mentions how Grand they think GC8 is to please share this on Trip Advisor. We've had a goal to be in the top #10 by year end.
- GC8 enjoyed employing our first ever intern this summer, who was from Denver University. BGV plans to grow our internship program and we have attended several career fairs over the past couple of months.
- The Engineering Team installed (26) more Day Use lockers on the Plaza level near the owner/guest ski lockers in Building 1. The ski work bench will be relocated outside for next ski season. Owners can get issued a locker while here for Day Use by visiting the Concierge Desk.
- The Activities Department is offering a new activity called GC8 Chopped. This exciting activity works just like the TV show *Chopped*, except teams only need to make one dish. Time and day will vary based on staff availability. Owners and guests can speak with the Activities staff to learn more about this.
- Make-up mirrors can be found in all units at GC8. They are table-top models and can be found under the sinks in the bathrooms located within the bedrooms in every unit.
- The Concierge Team has started to handle area activities bookings at Grand Colorado as they have been doing at Grand Timber Lodge and Grand Lodge on Peak 7. This will allow our Activities Team to focus their efforts on delivering wonderful experiences while on property.
- The Activities Department added a giant chess board outside on the pool deck and a Dome Hockey game in the Family Fun Center. They are all free to play. Owners and guests can visit the Front Desk to get a puck to play dome hockey.

#### **Future Initiatives:**

- Opening of Phase 4 which will include:
  - Breckenridge Ski Resort's skier services such as ski school, equipment rentals, lift tickets, Breck Sports and day care will be open in November
  - Phase 4 units will open in December for first owner stays

- Ullr Café will open in December
- GC8 Ice Rink will open in December (weather permitting)
- We will be replacing the carpeting outside of Robbie's Tavern and down the hallway to the Building 1 elevator landing on the Terrace level.
- We will continue adding screen doors to all sliding doors in the units.
- We plan to add shears to all windows in Phases 1-3 that do not currently have them installed.
- The GC8 Engineering team will continue to add extensions to all the lights in the parking garage to make the garages a little brighter.
- Common area artwork in building 1 will be getting updated.
- We are adding two Peloton bikes in the fitness center and rearranging some of the other exercise equipment.

*Discussion:*

- *12/13 Ullr Café and the ice rink will be open.*
- *VIP lockers have been completed in building 3.*
- *There is a rental revenue line item in the budget for ski locker income going to the HOA.*

### **PROPOSED AV OPTIONS**

Due to some owner requests to make the Annual Meeting available remotely to owners, we have reached out to Image AV, who provides the AV needs for the Board and Annual meetings, for options. Given the number of requests balanced with cost, we recommend Option 1.

- Option 1 - Recording package – capture PowerPoint plus audio record – would provide a record of the PowerPoint plus audio and a link we can share on Grand Central for owners to hear a complete recording while following along with the PowerPoint for reference. Since Image AV is already providing AV services with them, this would only be an additional \$320.
- Option 2 - Complete remote live interactive with a tech to video/audio record would be an additional \$1,000 to the current AV services. Additional cost would be incurred if more than 10% of owners participated.

Some things to consider:

- To be fair to all owners, we would advertise whatever option, if any, the Board approves to in the Annual Meeting Notice.
- With option 2, we would have to manage the technical challenges and interactive challenges that could occur.
- Please keep in mind that only a few owners have requested an interactive option.
- There is also something to be said for the owners who make the effort to attend the meeting.

**The motion to approve AV Option #1 was made by Nick and seconded by Mike.**

*Discussion:*

- *Barry had asked in the pre meeting how many owners have asked for this option and BGV replied only about 5 owners from other HOAs so the minimal money is worth it to try to see the feedback that is received.*
- *Suggestion from an Advisory Committee member that GC8 needs to do a better job with contacting owners with surveys, etc. while staying on property. The post stay surveys do have a high response rate and goes into a database where BGV can pull data. From the survey it asks you to fill out a review on TA.*
- *BGV is working with CRM to have texting abilities while owners are on property to get feedback and reach out to see how theirs stays are going.*
- *BGV has a new owner team to help owners maximize their ownership and can make in person meetings work or over the phone.*

**All in favor. Motion passed.**

### **GC8OA BOARD WEBSITE**

Years ago, we created board specific emails for Board and Advisory Committee members to use. At that time, we also created a board specific website. Recently, a monthly support fee has been charged for the websites. It is our understanding that the website is under-utilized, and we propose taking the website down instead of paying the support fee.

*Discussion:*

- *All the information will be located on the Grand Central owners' website*

### **PROPOSED CHANGES TO GC8OA RULES AND REGULATIONS**

#### **Penalty Fees**

We propose altering the verbiage regarding some of the penalty fees in the Rules and Regulations. These proposed updates will hopefully serve as a stronger deterrent, as well as to increase HOA income above and beyond recovering the cost of damages.

**Current:** The Board, the Managing Agent, or their designees shall have the right to issue warnings, to assess fines of up to one thousand dollars (\$1,000.00) per infraction, and to evict Owners and Occupants for violation of these Rules and Regulations. In addition, Owners and Occupants will be responsible for all damages to the Unit, Common Elements, and their furnishings, or to other areas of the Project as a result of their actions.

**Proposed:** 1. The Board of Directors, the Managing Agent, ***or their designees shall have the right to issue warnings, to assess fines starting at one thousand dollars (\$1,000.00) per infraction***, and to evict Vacation Owners and their guests for violation of these Rules and Regulations. In addition, Fractional Time Share Owners and their guests will be responsible for all damages to the Vacation Unit, Common Elements, and their furnishings, or to other areas of the Property as a result of their actions.

**The motion to approve the proposed increased to the Penalty Fee was made by Mike and seconded by Nick.**

*Discussion:*

- *Barry stated he reviewed the policies yesterday with BGV. There haven't been any situations at GC8 but at other BGV properties and are trying to get ahead of it.*
- *BGV always charges for the damages but this is assessing a penalty fine for intentionally breaking the rules such as smoking in the units.*

**All in favor. Motion passed.**

### **GC8 CLUB RULES AND REGULATIONS UPDATE**

Due to the high demand of Day Use and in an effort ensure Day Use is a benefit that all owners are able to take advantage of, we intend to add a priority clause to the GC8 Club Rules and Regulations. Demand for Day Use is highest during the summer and winter months and this is when priority would be given in an effort to better assist owners who have not enjoyed Day Use in the last 30 days.

Here is the change we intend to make to the Club Rules and Regulations:

#### **B. RESORT PRIVILEGES**

1. Resort Privileges of the Project property and its amenities is available only to Club Members and their immediate family as defined as children and parents. Project amenities include the swimming pools, hot tubs, owners' lounges, locker rooms, and exercise and spa facilities. Resort Privileges will be limited based on availability and capacity. ***Club Members who have not used Resort Privileges within the last 30 days may receive preferred access to available parking.*** The Managing Agent will not permit anyone under twenty-one (21) years of age to check-in for Resort Privileges.

As the developer owns the Club, no vote is needed from the Board.

*Discussion:*

- *This change is just regarding parking, not for Day Use itself as that is always available.*
- *This will be managed by the program created by BGV IT developers to manage day use, theaters, etc.*
- *The waitlist does work, and owners are able to get approved to come up for parking*

### **STRATEGIC BUDGET PLAN**

#### **Objective:**

As proposed in the 2020 GC8OA budget, the GC8OA and BGV will ensure that the GC8OA is paying for all resort operational expenses. To offset the impact to the dues, additional revenue is being generated for the GC8OA.

#### **Goals**

- ✓ GC8OA to pay for all resort operational expenses
- ✓ GC8OA to receive all rental resort fee revenue once developer contribution is eliminated and upon executed First Amendment to the Management Agreement
- First Amendment to the Management Agreement to be fully executed

#### **Additional Revenue – Rental Reservation Resort Fee:**

New 2.5% went into effect on 9/5/18

- 2020 budget reflects GC8OA receiving all Rental Reservation Resort Fee revenue (total of 7.5%). This is in conjunction with the developer’s contribution being eliminated, and execution of the First Amendment to the Management Agreement.

**Exchange Guest Resort Fee:**

- Went into effect on 12/1/18

Other revenue ideas welcome!

**Remove/Adjust/Add Expense**

FY2020 Expenses Removed:

- Sustainability
- Accounting Fee
- HR Fee
- IT Support

**FY2020 Expense Adjusted:**

- Owner Relations Fee (formerly Front Desk/Rez Fee)

**FY2020 Expense Added**

- Employee Housing Reimbursement

|                 |                                | <b>Proposed</b>       |                     | <b>2020 Budget</b>  |              |
|-----------------|--------------------------------|-----------------------|---------------------|---------------------|--------------|
|                 |                                | <b>2020</b>           | <b>2019</b>         | <b>From 2019</b>    |              |
|                 |                                | <b>Budget</b>         | <b>Budget</b>       | <b>Budget</b>       | <b>Var %</b> |
| <b>Revenue</b>  |                                |                       |                     |                     |              |
| 5065-00         | Exchange Resort Fee Income     | \$ 24,160             | \$ -                | \$ 24,160           | 100%         |
| 5066-00         | Rental Resort Fee Income       | \$ 188,073            | \$ 31,157           | \$ 156,916          | 504%         |
|                 | <b>Total Revenue</b>           | <b>\$ 212,233</b>     | <b>\$ 31,157</b>    | <b>\$ 181,076</b>   | <b>581%</b>  |
| <b>Expenses</b> |                                |                       |                     |                     |              |
| 7061-00         | Sustainability                 | \$ -                  | \$ 12,216           | \$ (12,216)         | -100%        |
| 7120-00         | Management Fee                 | \$ 1,233,657          | \$ 181,458          | \$ 1,052,199        | 580%         |
| 7130-00         | Accounting Fee                 | \$ -                  | \$ 54,868           | \$ (54,868)         | -100%        |
| 7140-00         | Owner Relations Fee            | \$ 760,806            | \$ 328,234          | \$ 432,572          | 132%         |
| 7145-00         | HR Fee                         | \$ -                  | \$ 269,456          | \$ (269,456)        | -100%        |
| 7144-00         | IT Support                     | \$ -                  | \$ 182,786          | \$ (182,786)        | -100%        |
| 7391-00         | Employee Housing Reimbursement | \$ 72,098             | \$ -                | \$ 72,098           | 100%         |
|                 | <b>Total Expense</b>           | <b>\$ 2,066,561</b>   | <b>\$ 1,029,018</b> | <b>\$ 1,037,543</b> | <b>101%</b>  |
|                 | <b>Net</b>                     | <b>\$ (1,854,328)</b> | <b>\$ (997,861)</b> | <b>\$ (856,467)</b> | <b>86%</b>   |

**Calculating the Expenses**

- Owner Relations Fee

- Based on Total Weeks per Resort
- Additional adjustments made for costs that are 100% developer burden

| HOA Cost Analysis         | Developer | Total Combined HOA's | GC8OA     | All Other HOA's |
|---------------------------|-----------|----------------------|-----------|-----------------|
| Weeks Owned as of 8/31/19 | 3,896     | 22,724               | 29% 6,578 | 71% 16,146      |

| Owner Relations | Total Expense | GC8OA      | Other HOA's  | Total HOA    | HOA % | Developer    | Dev % |
|-----------------|---------------|------------|--------------|--------------|-------|--------------|-------|
|                 | \$ 3,918,577  | \$ 760,806 | \$ 1,867,434 | \$ 2,628,240 | 67%   | \$ 1,290,337 | 33%   |

### Calculating the Added Expenses

- Employee Housing Reimbursement
  - Based on Employee Head Count for FY2020
  - Will revisit logic after first year based on where demand came from

| HOA Cost Analysis            | Total | Developer | Total Combined HOA's | GC8OA   | All Other HOA's |
|------------------------------|-------|-----------|----------------------|---------|-----------------|
| # of Employees as of 8/31/19 | 631   | 49% 309   | 51% 322              | 41% 132 | 59% 190         |

|                  | Total Expense | GC8OA     | Other HOA's | Total HOA  | HOA % | Developer  | Dev % |
|------------------|---------------|-----------|-------------|------------|-------|------------|-------|
| Employee Housing | \$ 341,105    | \$ 72,098 | \$ 102,076  | \$ 174,174 | 51%   | \$ 166,931 | 49%   |

#### Discussion:

- Employee housing was created by a private landowner, BGV as the master lessee and the Town of Breckenridge
- The employees rent is not subsidized by the HOAs as the rent is set by AMI and market rate and the HOAs are paying for other expenses, housing coordinators salary, 20% vacancy rate built in
- Sustainability has been moved to be a developer expense instead of an HOA
- Management fee does include an increase to 10% of the total annual operating budget with phase 4 and 5 coming online.
- IT, HR Fee, Accounting and Sustainability is now included in the management fee
- GC8 does have the highest employee count for all BGV properties

### **MANAGEMENT AGREEMENT AMENDMENT**

It is BGV's intention to amend the current GC8OA Management Agreement. Since the Management Agreement was executed, 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 update the Agreement to more accurately reflect the current scope of BGV's management operations. In addition, this amendment includes language about the resort fee revenue, some of which the GC8OA is currently receiving and the remainder of which the GC8OA will begin to receive starting in FY2020 and as long as the First Amendment to the GC8OA Management Agreement gets fully executed.

**The motion to approve the proposed amendment to the GC8OA management agreement was made by Nick and seconded by Mike.**

*No discussion.*

**All in favor. Motion passed.**



## **PROPOSED 2020 GC8OA BUDGET SUMMARY**

Proposed 2020 GC8OA Budget: \$12,336,573, a 2.9% increase in dues compared to 2019

Based on the forecast for the remainder of 2019, the GC8OA is expected to show an overall favorable variance of approximately \$230K, which is approximately 3% of the total budget. This is primarily driven by the following income and expense line items:

- Developer Contribution shows a favorable variance of \$122K due to the developer paying dues on Phase 4 units that will open early.
- Exchange Resort Fee Income was not budgeted in 2019 and generated a favorable variance of approximately \$18K.
- Late Fee Income shows a favorable variance of \$49K due to more owners paying their HOA dues late than budgeted for.
- Housekeeping Cleaning expense is forecasted to have a favorable variance of approximately \$177K as a result of savings in expenses related to unit cleaning.
- Other, net is forecasted to be approximately \$136K unfavorable.

As discussed last year, the GC8OA and BGV are working in partnership to eliminate the developer's contribution to GC8's operational expenses (other than the expenses associated with Phase 5 between January – May 2020.) As such, you will notice new or retitled operational expense line items that will pass through to the GC8OA including the Owner Relations Fee (formerly the Front Desk/Rez Fee) and the Employee Housing Reimbursement. In addition, you will notice the elimination of certain other expenses such as the Accounting Fee, HR Fee, IT Support and Sustainability. Within the proposed 2020 budget, all operational expenses have been passed through to the GC8OA, thus eliminating the developer's contribution in its entirety. As a result, the proposed 2020 budget now includes the full 7.5% Rental Reservation Resort Fee (previously 2.5%), which is contingent upon the execution of the First Amendment to the Management Agreement.

### **Dues Comparison**

- Current Annual 2019 Dues: \$1,893.93 (per week in a Breck 2-bedroom lock off)
- Proposed Annual 2020 Dues: \$1,948.13 (per week in a Breck 2-bedroom lock off)
  - Total increase to the annual dues from 2019 to 2020: \$54.20 (approx. 2.9%)
- Current Annual 2019 Dues: \$2,178.02 (per week in a CO 2-bedroom lock off)
- Proposed Annual 2020 Dues: \$2,240.35 (per week in a CO 2-bedroom lock off)
  - Total increase to the annual dues from 2019 to 2020: \$62.33 (approx. 2.9%)

**The motion to approve the proposed Grand Colorado on peak 8 Owners' Association 2020 budget as presented was made by Nick and seconded by Mike.**

*Discussion:*

- *Property tax appeal which Barry recommended during the Spring meeting was completed and resulted in GC8 receiving a decrease during the appeal.*
- *Insurance has two factors included into the increase. The premium has increased due to wildfire risk modeling as a stick-built property with 200-*

*300% increase and Travelers is currently competitively shopping for plans but the renewal date is due February and are looking into changing it to October for budgeting purposes. There was also an increase in replacement value for phase 1-3 and the addition of phase 4 & 5.*

- *The budget is based on zero based budget but BGV considers an acceptable variance up to 3% and any excess money will be retained earnings which could go towards a fund deficit if that was to happen with the insurance rates.*
- *Insurance premium is currently at 20% worth \$250k.*
- *IMA has seen other associations budget for a loss if needed.*
- *The ice rink is owned by the metro district, so it is not part of GC8OA insurance policy.*
- *In the event where BGV wouldn't be able to make the deductible, BGV could use retain earnings if available or you could budget for a loss in future years in the fund deficit line item and increase the dues. The added increase involves an increase for a complete loss.*
- *BGV worked with ERA the last couple years to get significant savings in housekeeping items, engineering supplies, etc. and BGV earned bulk buying power and have been invited to Hilton Supply Management for further savings*

**All in favor. Motion passed.**

### **GC8OA FACEBOOK PAGE**

It has come to our attention that GC8 owner Chris Kelly created a GC8OA Facebook page in August 2019. Currently, there are 40 members. Mr. Kelly is also an owner at Grand Timber Lodge, and a member of the GTLOA Facebook group.

Since this Facebook page is not created nor monitored by BGV, I have requested that Mr. Kelly post on the landing page the following message to GC8OA owners, which was approved by legal counsel:

*This Facebook page is administered by Chris Kelly and not monitored nor controlled by Breckenridge Grand Vacations. If you have any questions or comments for Breckenridge Grand Vacations management regarding your ownership, please reach out to Peggy Helfrich, HOA Operations Manager at [phelfrich@breckqv.com](mailto:phelfrich@breckqv.com) to direct your question to the appropriate staff. Otherwise, please feel free to visit the BGV monitored Facebook page at <https://www.facebook.com/GrandColorado/>.*

Additionally, if Mr. Kelly requests any support to promote this FB page, he will need board approval as there could be costs associated with such a request.

*No discussion.*

### **TOWN OF BRECKENRIDGE UPDATE**

- Water Treatment Facility
  - \$50M new facility
  - Increased PIF for next 10 years
- The Troll

- Found a new home near the Stephen C. Ice Arena
- Sustainable trail and ample parking for increased visitation
- Parking Structure at South Gondola lot
  - Structure to have up to 700 parking spaces with 255 surface parking spaces
  - Targeted to begin construction August 2020 and completed by November 2021
  - Roundabout at Watson Ave.
- Peak 8 Public Amenities
  - Phase 4 – GC8 Ice Rink and Ullr Café
  - Summer 2020 – Ullr Statue
  - Phase 5 – Escape Room
- Extended Ski Season
  - Opening day November 8<sup>th</sup> and planning on staying open through Memorial Day

*No discussion.*

### **COMMENTS TO/FROM STAFF**

None at this time.

### **NPS**

GNPS 73%. With 81% being promoters.

GONPS 77%, with 82% being promoters.

### **TRIP ADVISOR**

Grand Colorado is currently ranked #8 of 22 Hotels in Breckenridge

### **IMPORTANT DATES**

- Proposed GC8OA Board and Annual Meetings:
  - Saturday, May 30, 2020
- Interval International Contract:
  - Expires on 12/5/2020. No auto renew
- Resale Agreement:
  - Took effect on 1/1/2018 - renews annually.
  - Action required for any change by written notice 90 days prior to renewal date.
- Management Agreement:
  - Initial term began on 8/1/2015 and expires on 12/31/2024 – auto renews with 5-year terms.
  - Action required for any change by written notice 180 days prior to renewal date.
- Reserve Study External Review:
  - Next review is in 2021

- Robbie's Restaurant Lease:
  - Expires on 4/30/2032 - 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.

**CURRENTLY ACTION ITEM**

**Action Item Update:**

#13 – A. Shop companies to appeal the property taxes and property tax increase when it comes out in June. Each valuation year, BGV appeals the property tax increases on behalf of the HOA. This year, the appeal averaged a 3.83% decrease in GC8 valuations. The mill levies change in Dec 2019, therefore it is difficult to say if this valuation decrease will have much (if any) impact at all on 2019 tax assessments.

**We recommend closing at the 10/30/19 board meeting.                      CLOSED 10/30/19**

B. Check with legal counsel on how property values should be assessed. BGV's legal counsel reviewed the Colorado legislature as it pertains to the method for determining assessment value and property taxes and found that the Summit County Assessor is in compliance with the statutory method. Given this, BGV does not intend to further pursue this matter. In addition, further inquiry could result in the potential for property taxes to increase even more, as valuing each of the weeks individually based on the sales price would be significantly higher than the value currently being assessed. **We recommend closing at the 10/30/19 board meeting.                      CLOSED 10/30/19**

#16 – Talk with Mobius regarding a survey the night before arrival for better response rate. Staff is working on this action item and will have a recommendation at the October meeting. Mobius shared that GC8 has a similar response rate to the other BGV properties of between 18% and 20%. Mobius works with other properties that sends survey invitations while guests are still on property and they do see a bit higher response rate, but there are also other factors such as survey length. Staff recommends keeping to a post-stay survey with a reminder to respond to the survey at checkout. **We recommend closing at the 10/30/19 board meeting.                      CLOSED 10/30/19**

*Discussion:*

- 51% sell out as of now
- Online reservations there is a proprietary software built and are currently going through a TSW upgrade for 2020 with sales and marketing piece. BGV is shopping the market for a possible new version of property management software but don't want to jump too far until we have a software built. It will be quite some time before it is available to owners.

Meeting was concluded at 6:15pm by Mike.