



Village Center (Lone Peak Center) Owner's Association
Annual Meeting Minutes
December 14th, 2023
11:00 AM MST – Summit Talus Room/Microsoft Teams

Board Members Present: Suzanne Schreiner (386), Courtney Jones, Ed Dembek
Board Members on Teams: Alan Balen (274), Trevor McSpadden (282)
Owners Present: John Loomis (377), Loren & Jan Ness (280), Billy McPhillips (281)
Owners on Teams: John Fishpaw (478), David Rose (372,387), Jan Levora (276),
Laura Maiocco (283), Ray Woshner (374)
Others Present: Erika Korndorfer, Capree Bennis, Elizabeth Gallardo, Mackenzie
Keefer, Michelle Frederick, Marc Perdue, Yann Benjamin
Others on Teams: Zander Fogg

Call to Order

Courtney Jones called the meeting to order at 11:03 AM MST.
Quorum is established with 56.92% of owners represented in person or via proxy.

Board of Director's Election Results

Suzanne Schreiner and Trevor McSpadden have both been re-elected to the Village Center board.

2022 Annual Meeting Minutes

Courtney Jones makes a motion to approve the 2022 annual meeting minutes. Suzanne Schreiner seconds the motion. The motion is approved unanimously.

Management Report

Sales & Marketing – presented by Yann Benjamin

- Winter Objectives
 - Attract New Guests
 - Brand Awareness 46% to 48%
 - Increase Share of Wallet
 - Year over year Increase +7%
 - Drive Increased Length of Stay
 - Average Length of Stay 4.5 to 4.8
 - Deliver a Seamless Lone Peak Tram Experience
 - NPS 55.5 to 60.5
- Strategic Overview

- Attract New Guests
 - Unlock PR efforts
 - Multi-Media Creative Campaign
 - Core Geographies & Audiences
- Increase Share of Wallet
 - Rental Value Pricing
 - Increase Dwell Time (Programs & Events)
 - Promotional Testing for Mountain Sports
- Drive Increased Length of Stay
 - Multi-Day Benefits
 - 'Add A Day' Test Campaign
 - Lapsed Audience CRM Tactics
- Deliver a Seamless Lone Peak Tram Experience
 - AutoCharge Education
 - Ops. Transparency
 - 'What to Expect' Series

Revenue Strategy – *presented by Zander Fogg*

- Winter 23/24 Strategy: Increase revenue by maximizing occupancy
 - Guests are more price sensitive this year
 - Starting with lower rates to build a strong base
 - Targeting especially slow periods with OTA promotions
 - Lower ADRs have led to YoY occupancy & revenue gains
- Winter 23/24 Holiday Shifts:
 - Christmas - pushing demand to 2nd week and 1st week of January
 - Easter – Earlier this year, compressing into later March (may affect April demand)
- Western Mountain Region (As of 10/31/23, Data from Inntopia/Destimetrics)
 - Winter 23/24 occupancy down 1.7%, ADR up 2.7%
 - Months with higher ADR = lower occupancy
 - Months with lower ADR = higher occupancy
 - January and February occupancy down the most
- Key Data – Big Sky Resort Area
 - Occupancy down 11%, ADR (Average Daily Rate) down 3%

Owner Services – *presented by Erika Korndoerfer*

- Owner Services Department – staffed 7 days/week
 - Capree (Tuesday – Saturday)
 - Erika (Friday - Tuesday)
- Owner Appreciation Gatherings
 - Mugs in the Mountains
 - Complimentary coffee & pastries
 - Friday Mornings – 8am – 9:30am

- Illy Café
- Owner Cocktail Hour
 - Complimentary cocktails & soft drinks
 - Times & locations to be included on email invite
- Next Reservations Deadline
 - January 31st to guarantee Summer 2024 dates
 - Summer 2024: June 8th to September 15th
- Owner Portal Website
 - Located at owners.bigskyresort.com
 - Live Unit Calendar (Excluding Fractional)
 - View Unit Availability
 - Reserve Owner Reservation
 - Access all rental revenue statements

Hotel Updates – *presented by Mackenzie Keefer*

- Mack Keefer: Hotel Manager
- Amanda Denny: Housekeeping Manager
 - Nicholas Hofman – Assistant Housekeeping Manager
- Jennifer Rice: Front Desk Manager
 - TBD – Assistant Front Desk Manager
- Staffing - A mix of J1s & H2Bs as well as returners.
- Desk Hours: 8 AM-10 PM

Facilities Maintenance – *presented by Marc Perdue*

- New air compressor installed
- Bulk Amenities holders installed in showers
- Preventative Maintenance completed in all rooms
- Carpet cleaned in rooms, lobbies and hallways
- Paint and wood touched up in common areas
- Gutter heat strip work completed
- Window cleaning complete
- Bird spikes to be installed on fireplace vents above balconies
- Washer & Dryer Upgrade
 - Proposal to install three new LG sets at approximately \$4500 total

Suzanne Schreiner makes a motion to approve the purchase of three new stackable washer/dryer sets in white. Ed Dembek seconds the motion. The motion is approved unanimously.

Financials

- Treasurer's Report
 - CDs are earning over 5% interest

- Assessments receivable remain low
 - Many owners are signing up for prepaid assessments 'Revenue to dues'
- \$1.17 million in FF&E limited common reserve
- \$834,000 in major common element reserve
- \$300,000 in roof replacement reserve
- Projects completed:
 - Slopeside stairs
 - TV replacements with new Sonifi software
 - All comforters in the building have been replaced
- Over budgeted in propane expenses- can use that credit towards next year's budget
- 2024 Budget
 - 2023 Propane savings from usage and rate of \$40K were rolled into 2024 as a credit
 - Propane budget for 2024 reduced by \$50K from last year
 - Insurance premium increased \$29K from last year- increased replacement costs
 - Operations budget resulted in \$71K decrease- 9% less than last year
 - FF&E Common Element Reserve increased to \$431K, 110% increase over last year to get association on track for remodel and future replacements
 - Major Common Element Reserve increased 20% to \$102K

Old Business

- Remodel Update
 - Work has continued on design and planning
 - Model room construction is now complete
 - Model room furniture has been ordered but won't be here until summer
 - Remodel renderings will be posted to the HOA website
 - Project Expense
 - The construction team has laid out some initial numbers and expects that we are about 2 months out from full pricing. They estimate a ballpark of \$5 million all in for the entire project
 - Reserves are underfunded primarily due to inflation and construction costs coming in double from what our reserve study shows. With the 2024 budget, the HOA is accelerating FF&E contributions to try to cover some of the deficit
 - A special assessment will be necessary to complete the project- the amount is still undetermined
 - The board's goal is to keep it as low as possible. They have been working with the project team to be thoughtful in design, timing and refining the budget

- A vote of ownership will be taken to approve the special assessments
 - The board has also checked into loan packages for some financing options
- Timeframe
 - Due to lead times with FF&E, model room furniture will be delivered mid-summer
 - Aim to complete common areas in the fall of 2024
 - Full building roll out expected in spring/summer/fall of 2025
 - Management is working with the construction team on exact timing to determine when to close the building for summer season in order to ensure all work can be completed
- Management will continue to educate owners on special assessment information and voting timeframe

Owner Comments

- John Loomis
 - Would like to know if there is different rental rates on different floors
 - Rooms on the second floor with ski access are booked as a separate unit types but otherwise every studio in the building is priced the same
 - Rooms with mountain views can generate a little more revenue as guests can pay an extra \$30 per night to guarantee a mountain view

Adjournment

Ed Dembek adjourns the meeting at 12:31 PM MST.