

ANTLERS AT VAIL ASSOCIATION

Friday, September 16, 2022

Jeff Brundage, President of the Board, called the meeting to order at 4:05 pm. Other Board members present were Susan Hagy Humphrey, Libby Sperr, Catherine Michela, Lori Radcliffe, Buzz Dow, and Ross Dupper. Also in attendance were General Manager Magda King, Assistant General Manager Kim Rediker, Controller Chris Manning, Assistant Controller Elena Fundureanu, and Sales & Revenue Manager Ryan Kelsey.

Minutes

The minutes of the June 2, 2022 meeting of the Board of Directors were reviewed. Upon a proper motion and second, the minutes were unanimously approved with one revision to reflect that Lori Radcliff was present at the meeting.

Financial Report

Controller Chris Manning reviewed the financial information in the Board packet. Antlers at Vail had a great year, with total revenue at almost \$4.3 million, 10% over budget of \$3.9 million. Rental management income is forecasted to be \$2.9 million, a 15% increase over budget and 22% increase over last year. Expenses are expected to come in slightly over budget, approximately \$120,000 or 3%. This is primarily due to inflation, higher prices in general and specifically for natural gas. Cost savings were realized primarily in personnel expenses, as the market for hiring employees is very competitive and so we were unable to fill vacant positions as quickly as we'd like. With net income of \$270,000, the Antlers will owe approximately \$56,000 in federal taxes and \$12,000 in state taxes, but it is important to note that the team advanced expenses when possible and did everything possible to mitigate the tax liability.

Winter Advance Bookings Report

Sales & Revenue Manager Ryan Kelsey outlined rental information from Fiscal Year 2021-2022, and we are proud that it was the best year in the history of the Antlers at 7.8% and \$529,000 over the previous best year. For winter, 78% of the budget is already on the books, which is almost three months ahead of our regular booking pace as of September. Our sales strategies of implementing incremental rate increases rather than "shooting for the moon" (as many of our competitors have done), consciously decreasing sales through Online Travel Agencies, and implementing a dynamic pricing plan has led to this result. Magda King noted that although our strategies have been successful in terms of rental revenue, a slight increase in assessments is still necessary for a couple of reasons: in past years, surpluses were transferred to the capital reserve account, so additional revenue does not remain in the operating account; and although we've been running the operation with fewer staff members, that staffing model is not sustainable - we need hire quite a few more employees in order to provide the service level guests expect for the higher prices they are now paying.

Capital Reserve Status Update

The 2022-2023 budget includes a proposed increase of 15% in capital assessments. A committee of Board members and staff, including Ross Dupper, Catherine Michela, Lori Radcliffe, Magda King, Chris Manning, and Elena Fundureanu has been reviewing data, the reserve study, and other pertinent information. As the building is now 50 years old and there is an agreement that we need to be more proactive going forward, the Board will get feedback from owners to learn what the Association members think are important and necessary as well as those things that are "nice to have". Historically the Antlers didn't have much of a reserve fund before 2012, and through 2019 it was thin, so the Board is now working to build a focused strategy. General Board sentiment is that the Association should move toward a healthier reserve fund

Collection Policy

All Homeowners Associations in Colorado are governed by the Colorado Common Interest Ownership Act (CCIOA). New rules have gone into effect as of August 10th, and to ensure compliance Magda King worked with the Association attorneys to update a few policies, to include the Collection Policy, Covenant Enforcement Policy, and Common Amenity Notification Policy. These policies will be posted on the website.

Antlers 50th Anniversary Celebration

Magda King reviewed the schedule of events for the weekend, to include a meet-and-greet on Friday night, Bingo and Highway Cleanup on Saturday morning, a 70s themed party on Saturday night, the annual Owners Meeting and dinner on Sunday night, and a farewell breakfast in the lobby on Monday. The next Board meeting will be Monday, September 19 at 9 am.

There being no further public business, upon a motion, second and unanimous vote in favor, the Board adjourned to executive session at 5:46 pm. motion, second all in favor.