

MOUNTAINSIDE RESORT AT STOWE BOARD OF DIRECTORS MEETING MINUTES

Friday, June 7, 2019 3:00PM
Stoweflake Mountain Resort

I. CALL TO ORDER/ROLL CALL

Gene Brown called the meeting to order at 3:04 pm. The following persons were in attendance:

Board of Directors

William Wright

Inge Brown

James LaPlante

Robert Tomassetti

Judith Waldert

Gene Brown

Stephen Edwards

Leslie Eiser

Phil Corrinet

Management/Staff

Ashley Getty, General Manager

Rebecca Stuart

Other

Karen Brown, B302

Mark Vandenberg, A102 and D202

Elizabeth Grob, F103

Anne Corrinet, K103

Carol Tomanelli, G303

Ann Marie Foley, D302

II. APPROVAL OF AGENDA

MOTION: Bob Tomassetti moved to approve the agenda. Motion was seconded by Inge Brown. Leslie Eiser requested an addition to New Business. The amended motion was accepted by the maker and seconder and approved unanimously.

III. APPROVAL/ACCEPTANCE OF PREVIOUS MEETING MINUTES

A. March 29, 2019 – Regular Board Meeting

MOTION: Judith Waldert moved to approve the March 29, 2019 Board Meeting Minutes as written. Motion was seconded by Inge Brown and approved unanimously.

- B. March 30, 2019 - Rental Committee
March 30, 2019 Rental Committee Meeting minutes were presented to board.

IV. PRESIDENT'S MESSAGE

Gene asked that board members provide agenda content well in advance of Board meeting. This allows everyone to be up to date prior to the meeting and the timing on the agenda to be accurate. Gene also reminded committee chairs that committee reports must be posted and distributed to all Board members.

V. MANAGEMENT REPORTS

Ashley reported on some capital projects in progress including these state mandated projects:

- Installation of the flushing hydrants for our water system
- A new pump house at A and B buildings
- A building over the bulkhead at the reservoir

Other projects planned for this year being:

- The removal of the property's dead trees
- Repair/replacement of unit decks
- Window replacement
- Deck and building exterior painting

She also reported on the staff changes. Tiffany Smith is leaving as front office manager and hiring a new manager to fill her place. There is also a new full-time pool attendant.

The front office associate, Lindsay, will be providing monthly newsletters with content on the rental program and updates to improve communication. Newsletters sent twice a year will still be sent out and new e-newsletters will be added.

The new website is underway and is currently being worked on by designers. The board inquired about individual listings on our website. Ashley answered that the units are planned to be individually listed like our other OTA's.

She reported our completion of setting up almost all OTA's and presented occupancy percentage (by stay type) and gross rental revenue. The board pointed out most guests in whole owner units were in the category of Owner guests (outside rentals) Ashley clarified the difference between owner stays and owner guests. Revenue has been up to par with previous years.

Ashley also mentioned a few updates to our rental program, and some advantages we now have available with new software:

- An interactive owner’s portal that allows our whole owners to block out time themselves
- Each unit being listed individually allowing guests to pick the unit that works best for their needs which results in better stays, repeat guests, and more positive reviews
- Specific booking rules, if an owner prefers a longer minimum night stay, or doesn’t want discounts, etc.
- Automatically inputted reservations, and guest information

VI. COMMITTEE REPORTS

A. Guest Experience Discussion

Inge Brown reported on comment cards. Most show ‘good’ or ‘excellent’ for unit cleanliness and overall resort. This is a slight improvement from responses last year. She also mentioned the plan to revamp the current comment card soon. Steve Edwards commented guests may be more likely respond online through the travel agent they booked through. The office will pull response from OTA’s for the committee going forward.

B. Owner Engagement & Business Outreach

Phil mentioned the dinner planned at Sunset, an owner “walk around” for resort maintenance and picnic. He proposed an idea of an owner bowling night through Stowebowl.

C. Building & Grounds

Steve Edwards reiterated the resort painting starting next week and the committee will provide Ashley with the places they think are top priority in visibility. Judith Waldert recommended repainting the office trim. The committee stated that the goal is to outsource the work that our maintenance would have the most trouble doing (height-wise). The board was updated on the fence being put up at F+G lot. A few board members brought up a spongy step at D building entrance, which can be hazardous. This will be prioritized by maintenance. The idea of painting the rusty portions of the retaining wall was proposed. Gene Brown briefly discussed the current and future upkeep of the retaining wall.

D. Finance Committee

1. Finance Update

Judith went over and summarized some numbers on the Financial update.

Gene commented that most of the year’s TS revenue comes in the first 3 months of the year, making it difficult to report YTD income.

- Rental Commission

- Slightly below budget: Posting corrections to be done by accounting team.
 - Cleaning Fee Revenue
 - Below Budget: Posting corrections to be done by accounting team.
 - Medical Insurance
 - Slightly over budget: More employees eligible and participating in the program.
 - Maintenance Subcontractors
 - Over Budget: This is just a timing issue due to Timeshare upgrades we have been doing so far this year.
 - Accounting
 - Over Budget: Professional services for transition from VRI to in-house December 2018 through March 2019
 - We need to sit down with accountant to come up with a plan to manage the accounting budget moving forward and into next year.
 - Dues & Subscriptions
 - Over Budget: Timing issue – TripAdvisor renewal is due at the beginning of each year.
 - Ashley discussed after taking accounting in-office, that it took quite some time to reconcile, close-out and transfer funds from all the accounts managed by VRI.
2. 2018 Audit
 - Judith Waldert reported that the 2018 Audit was nearly complete.

E. Rental Committee

Phil Corrinet reported 8 owners at the earlier Rental Committee meeting.

There were no updates on the actions captured from the March meeting.

The committee chair/ committee members proceeded with a few questions for the board, a motion and indicated they would have recommendations for rate changes for the Board's regular meeting in September.

1. Phil inquired about who has priority between TS rentals, MSR rentals and WO rentals. Ashley clarified all reservations are booked directly into the unit that the guest picks.
2. Anne Corrinet asked if V12 has the capability to notify owners of reservations and cancellations. She proposed the office staff notify owners by email if not a V12 capability. V12 notifies for owner-booked reservations, but not Mountainside rentals. The office has proposed the idea to V12 software. The board discussed the issue of double bookings with owner's who rent through Mountainside and outside of Mountainside, due to the fact of V12 not sending an email notification of rentals. There was a brainstorm on possible solutions being an app generated to

email owner's rental notification, have the office make it a manual process, or if it is the office's responsibility at all.

MOTION: by Steve Edwards seconded by Phil Corrinet.

If the V12 software cannot immediately notify the owner if a unit is rented or if a rental is cancelled then Mountainside staff shall send an email to the owner to notify them of the rental or cancellation as soon as possible.

4 Board members were in favor, and 4 members were not. Leslie Eiser abstained from voting. The motion was defeated.

3. Anne Corrinet mentioned the rental committee will propose a change to the rate calendar at the next meeting.
4. The committee requested a staff member at the next meeting, Ashley will provide, if needed. However, most information can be provided in advance.

VII. OLD BUSINESS

- A. Card Key Locks – Bob (There was no report on this item.)

VIII. NEW BUSINESS

- A. Water System History / Discussion

Ashley stated she had a conversation with our attorney and water operator, as previously requested by the Board, on what would be needed to connect to the town's water supply. Mountainside currently has a well and distribution system. Ashley confirmed with our attorney that it would cost \$270,000 to connect, but Mountainside would still be responsible for maintenance and all cost associated with the existing distribution system.

- B. Future Meeting Topics Discussion (No discussion on this item)

C. RENTAL PROGRAM AMMENDMENT

MOTION: By Leslie Eiser, seconded by Judith Waldert.

Owners in the rental program must participate fully in the program. That means that all rentals in the unit must be managed (check-in, check-out, etc.) by the resort and the resort must earn a management fee for all rentals in a unit in the rental program. This fee can vary depending on how the money for the rental flows. If money flows directly to the resort, then the resort will take it out of its management fee (Management Fee 1) before sending the money on to the owner. If the money flows first to the owner, it is up to the owner to report the income to the resort and send in the

management fee on a monthly basis (Management Fee 2). Owners not paying Management Fee 2 promptly to the resort should be asked to leave the rental program completely. This is at the discretion of the management team. Note that the work done by the resort, except for handling the money, remains the same in either case.

There was much discussion on this motion before a vote was called.

6 members voted in favor. 3 abstained.

MOTION: by Leslie Eiser, seconded by Bob Tomassetti.

While the Management Fees can be changed at the discretion of the management team, it is suggested that Management Fee 1 remain at the current 32% and Management Fee 2 be set at 20%. regular commission remains at 32% and outside rentals at 20%.

7 members voted in favor. There was one opposed and one abstained.

IX. EXECUTIVE SESSION

MOTION: Leslie Eiser moved to enter an executive session at 5:55, seconded by Judith Waldert and approved unanimously.

MOTION: Inge Brown moved to close the executive session at 6:20, seconded by Bob Tomassetti and approved unanimously.

X. ADJOURNMENT

MOTION: Judith Waldert moved to adjourn the meeting at 6:20, seconded by Steve Edwards and approved unanimously.

XI. NEXT MEETING – Strategic Planning Session – June 8th, 9am. Stoweflake Resort