



TIMBERLINE CONDOMINIUM ASSOCIATION
Board Meeting

Friday, December 4, 2020 8:00AM, MST
Via Zoom

Greg Wallace President called Meeting to order 8:02 MST

A Roll Call- Bill Zimmerman, Secretary

Board Members Present:

Greg Wallace – President

Don Brettmann-Vice President

Jim Gesler- Treasurer

Bill Zimmerman-Secretary

Jan Friedlander- Member

Timberline Staff

Mary Blankenau- General Manager

Josh Tannenbaum-Controller

Guest: Mark Kavasch, Auditor, Reese Henry & Associates

Timberline Owners on-line for Meeting

Dan Hendricks- A1D

James Paloucek-B2E

Jim Braband-C3B

Cynthia Kristensen-A1A

David Coward-116

Mary Pat Marilley-D3E

Steve Cantrell-216

Kay Nelson-A3F

Betsy Marilley-D3E

B. Financial Report

- Mark Kavasch, Auditor for Reese Henry & Associates gave his report on the completed audit that he did for the Timberline Association. He stated that all went well with the audit and that the Association did well. There were no serious problems. He stated

they were waiting for guidance from the federal government on the PPP forgiveness. He expects that all would go well with the forgiveness of the loan. He is still waiting on more details on any tax implications for 2021. He recommended that we budget accordingly should this happened. He issued a clean opinion for the Timberline. He had high praise on the great job that was done at the Edge and for the profit it made.

- Jim Gesler made the motion to move the extra income from the year to the capital reserve. Jan Friedlander seconded the motion. All in favor, motion carried.
- Jim Gesler moved to special assess non-rental owners their percentage of extra income. Jan Friedlander seconded, all in favor, motion carried.
- Financial Report: Year-to-Date - Josh Tannenbaum, Controller. Josh stated that as expected bookings were down due to COVID. However, October income was up which came as a surprise and that were looking for a small profit ending in November.

C. General Manager Report-Mary Blankenau

- Mary stated COVID had a very significant effect on the Timberline. Last winter season had started off very strong with profits and booking doing well until the shutdown came in March and April. Cuts were made. Hourly staff was laid off, open positions were not filled. When housekeeping came back, they went to an hourly rate. Daily housekeeping this summer and winter was limited. Last winter ended up 15 percent below budget. Summer did better than expected with many people coming in over weekends and for long stays. The Glenwood Springs canyon fires in August hurt business in August and September. Bookings for the next winter season are about forty eight percent behind but there is some hope with last minutes bookings. A group coming in for the week of 11 December that has increase their numbers and so far The Ski Week in April is looking good.
Pitkin County passed a resolution that starting 14 December all people coming to Pitkin County must have a negative COVID test within 72 hours prior to arrival and must sign a traveler affidavit. This could hurt bookings. There are limited number of lift tickets and the Ski Company are asking locals to ski on just certain days. Staffing is a problem and will continue to be.
There are six units for sale at the Timberline and they have had many showings. If Board and ownership had not changed the by-laws last December regarding full time/ year-round owners, we would be changing the overall business plan.

D. Old Business

The Edge Restaurant-Mary Blankenau

The Edge made a profit last year of about twenty-six thousand dollars. This was accomplished because of the efforts of Josh Tannenbaum, Chef Jason DeBacker, Santiago Braillard and Iliya Mingov. Costs were cut by doing a better job of pricing and buying and the menu was changed to add items that were more popular. The Edge won 9 awards for Best of Snowmass. For this winter the Edge will try serving a

lunch on the mountain on weekends as most spots on the mountain will be closed or limited.

To increase the space inside the restaurant, the Bar area was opened up by taking down the center island which gives us more room for seating. Double doors were also added to the out- cove that goes out to the patio. This allows the Incline Ski Shop to continue to rent out ski equipment and met the requirements of COVID. Also, the area could also be used for private party area in future.

- AT&T update- Mary Blankenau
The cell phone agreement with ATT &T has been signed. In the agreement the Timberline receives more money and has a ten-year lease agreement with renewal after that. AT&T will be moving the current tower to the end of the A building.

E. New Business

- Capital Reserve projects for 2020/2021.
The Town of Snowmass Village is requiring the Timberline to construct a new building for the trash dumpster. The building will be aa the end of lot 13. The early estimate for the project is about one hundred thousand dollars. Mary requests a motion to grant her the authority hire an architect for the project. She will then present bids to the Board at a later time to get their approval for the project.

Jim Gesler makes the motion, Bill Zimmerman seconds. The motion is approved unanimously.

- Partnership with Laurelwood/Interlude Condominiums
The Laurelwood/Interlude Condominiums had been working with Destination Resorts which is now owned by Hyatt Hotels Corp. They decided to drop them this year and approached the Timberline about working in a partnership to cut costs to benefit each association. Several draft "Memorandum of Agreements" have been submitted and been forwarded to the attorneys for review. One plan had been to provide van support to the Laurelwood/Interlude but this has been shelved for the time due to the liability problem. The major parts of the MOA would be shared fees, buying of supplies in bulk, sharing sales and marketing efforts and possibly some employees. The pool at the Timberline would not be available to guest at the Laurelwood/Interlude. The MOA is still a work in progress and more information will be provided in the coming weeks.
- Cell Tower Purchase Offer
Mary received a Preliminary Valuation from Mike Newlin of Towerpoint a wireless telecommunications infrastructure and real estate investment company. Towerpoint wants to buy the lease Timberline has with AT&T. He proposed two summary lease estimates. Josh ran the numbers for the proposal and the upfront funds would be nice but we would lose all easement rights. In the long term though, by keeping the lease, the Association makes more money and keeps all easement rights.

A motion by Jan Friedlander to turn down the Towerpoint offer and seconded by Bill Zimmerman. The motion carried unanimously.

- Staff Changes

Mary reported that Robert Gallinger in Reservations had left to take a restaurant job in the Snowmass and that he was being replaced by Lisa Wilkinson. Suzanne Blaine the Operations Manager & Owner Relations has left to go back to Vail. Sue Carlson was hired as the Project Coordinator to work with the owners on the unit upgrades.

F. Comments from Owners

- No comments from Owners

G. Executive Session

- The board went into Executive Session with only Board member present at 10:20AM.

H. Adjourn Meeting

- The Board came out of Executive Session at 10:43AM and the General Board meeting was adjourned at 10:44AM.