



Summit Hotel Condominium Owners Association
Quarterly Board Meeting
September 17th, 2024 – 10:00 AM MST – Summit Boardroom/Microsoft Teams

Board Members Present: N/A
Board Members on Teams: Barb Rooney, Ed Dembeck, Bill Mylonas (922/923), Dane Smith (405/406/924/925),
Owners Present: N/A
Owners on Teams: John Fishpaw (909/910), Taylor McCaslin (330/331), Andrea Massey (1003), Clayton Christian (917/918/919), Dianna Chiott (501/502), Bob Deshazer (317/318/319), Paul Sensiba (307/308)
Others Present: Courtney Jones, John Proksa, Michelle Frederick, Marc Perdue, Chuck Donch, Jennifer Rice
Others on Teams: Ashley Brown

Call to Order

Bill Mylonas called the meeting to order at 10:03 AM MST.

March Quarterly Board Meeting Minutes

Bill Mylonas makes a motion to approve the June Quarterly Board Meeting minutes. Barb Rooney seconds the motion. The motion is approved unanimously.

Management Report

Revenue Strategy – presented by Michelle Frederick

- Western Mountain Region Trends:
 - Summer occupancy more stable than past few years:
 - Occupancy up 3.8% for the summer season
 - However, price sensitivity persist – when rates rise, occupancy paces down
 - Winter Sneak Peak
 - Occupancy down 13.6% Nov – Jan, driven by ADR increases of 6.9%
 - School Break Shifts:
 - 55% fewer households on break the week before Christmas
 - Easter later this year, affecting March & Spring Break
- Key Data – Big Sky specific based off 1400+ rental "units"
 - Summer 2024
 - Occupancy down 4.2%, ADR down .07%
 - Community events help increase transient visitors
 - Winter 24/25:
 - Occupancy ahead 2.5%, ADR down 11%
 - 2nd half of the season pacing better than 1st half
- Revenue Strategy:
 - Keep rates reasonable to keep driving occupancy and longer stays
 - Promotions scheduled through December to keep booking momentum strong and target need times

Owner Services – presented by Michelle Frederick

- Winter owner reservations were due on June 1st
 - If you still have some dates you would like, please email owner.services@bigskyresort.com in inquire about availability
- Summer 2025 owner reservations are due by January 31st for guaranteed bookings.
- Mugs in the Mountain and other owner appreciation gatherings coming this winter.
 - Watch your inbox for invites!
- Owner services staff will switch to a Monday – Friday schedule for the offseason so plan for delayed weekend response times.
- New Senior Manager, Owner Services & Vacation Rentals, Ashley Brown – starts October 17th.
 - New Owner Services Manager, Jennifer Rice – transitioned from the Village Center, July 4th.

Hotel Updates – presented by Chuck Donch

- Hiring for winter positions is underway:
 - Housekeeping and Bell teams close to full.
 - Concentrating on Front Desk and Health Club staff.
- A fond farewell to Courtney Yonce.
 - Courtney began at the Summit, was Village Center GM and returned to the Summit last winter.
- The new Summit AGM, Terra Alkhafi is set to start October 1st.
- Big Sky Resort continues to attract large numbers of professional H-2B employees.
 - Expecting full staff in all lodging departments.
- Guest comments:
 - Trip Advisor:
 - “Stayed at the Summit the first time during a Big Sky trip and would definitely recommend it. Rooms are beautiful and large and clean. I will be back for sure.” – June
 - “This is a great hotel with beautiful scenery and luxury rooms. We stayed in a corner suite which is a great opportunity for families. There is plenty to do for a family And the staff is very knowledgeable, courteous and enjoyable.” – July
 - We were in the Yellowstone area for 10 days and this was the nicest of our many stays on our vacation. The resort is top notch. Our room was simply perfect. Everything seemed brand new. One our kids favorite things is that they left us a lavender pillow spray to help us sleep it was great.” - August
 - Medallia:
 - “We loved our time at the Summit hotel. The accommodation exceeded my expectations and were pleasant and tidy.” – June
 - “The 4-night rental was beautiful and cleaned Impeccably upon arrival and during our stay. When we needed assistance, the staff was outstanding.” – June
 - “We came for The Savor event. Staying at the Summit was the BEST! It was a great location and out room was spectacular!” – July

Facilities Maintenance – presented by Marc Perdue

- Resealed gutters to mitigate ice build-up and removal.
- Window cleaning of the interior and exterior of common areas. Room windows will have interiors cleaned.
- Common area carpet cleaned.
- Paint and wood touch-ups.
- PM all Summit rooms.
- Lobby fireplace update:

- We were unable to begin installation before the resort closed, as initially planned. However, there are two team members working now to install the first lobby fireplace.
- Boiler replacement update:
 - Working on hiring a contractor.
- Pool mechanic room update:
 - Changing heat exchangers and piping.
 - Over expected budget however saving a lot doing all the work in house.
 - There has been a lot of progress since last week.
 - It will be ready to heat the pool before it is completed and done faster and more efficiently.
- Drain line repair and maintenance:
 - A drain line that goes out our foundation has snapped and is being repaired now. It is being grinded and reshaped to reline from the inside. This eliminates the need to dig up the front entrance to the garage and saves three times the price.
- Roof above Health Club:
 - Flat roof; Foundation/roof leak runs down the wall, showing up in the Health Club.
 - Obtaining a couple bids, to take care of as soon as possible.
 - Looking into a new coating product that is seamless and has been testing well in Canada and Europe. This product also cost less than previous products used.
 - More to come

New Business

- Sewer Pipe Repair – The sewer line that needs to be repaired, services Peaks only. It is a gray water line for dish water. The damage was caused by settling of the building and not due to any fault of Peaks/ Peaks staff. This raised the question of who is responsible for the cost of the repair. The pipe runs through shared common area. After discussing, and as suggested by Bill Mylonas, the cost for common area repairs should be a shared expense. As noted by Barb Rooney, there are policies in place, however, it is important to discuss and have open dialog on gray areas, so that we do what is right.

Financials

Treasurer's Report *presented by John Proksa*

- Balance sheet
 - Similar to the first quarter
 - Inflated cash levels to fund remodels
 - Assessments receivable is down a little
 - Prepaid insurance is down quite a bit but that is just due to a shift in the billing cycle
 - Prepaid expenses are down due to a tax refund collected
 - Accounts Payable is up due to the remodel project
- A/R Aging
 - This report is from 6/30 (end of Q2)
 - All outstanding balances have paid since this report was run
 - A/R as of 9/10 – mostly prepaid balance
- Equity Roll Forward –
 - Positive balances across the board.
 - The only expenses were for the health club and pool remodel and \$18,037.08. for the lobby refresh (fireplaces)
- Budget vs. actuals
 - Parking revenue is up due to a rate increase. Boyne attendant labor is up because it is billed at 50% of revenue.
 - Propane is down due to the rate and usage decreases.

- Maintenance parts/services is up mostly for cleaning the parking garage
- Boiling and cooling tower are up from last year and that was due to a boiler leak/needing repair

Bill Mylonas makes a motion to approve the unaudited Treasurer's Report. Dane Smith seconds the motion. The motion is approved unanimously.

Bill Mylonas makes a motion to approve the Annual 2023 Financial Review. Ed Dembeck and Dane Smith second the motion. The motion is approved unanimously.

Old Business

- Construction Updates
 - The wood backers for the wood finishes on the ceilings are being installed.
 - The interior walls are being taped, mudded, and sanded.
 - Heating ducts have been installed.
 - The shotcreting of the pool has been completed.
 - The project is tracking on time to open for the winter season 24/25. The sauna is a little delayed in getting here due to shipping and manufacturing timeline in Germany. It is expected to be delivered the second week of December and will still be on schedule to be open by Christmas.

New Business

- December Quarterly Board Meeting: Saturday, December 14th at 10:00 AM MST.
- December Annual Board Meeting: Saturday, December 14th at 1:00PM MST.

Owner Comments

- John Fishpaw (909/910) asks about recycling at the resort. Chuck responded that in busier times, recycling does get mixed with the trash. Currently we recycle all bar soaps after each stay, and we have transitioned to bulk dispensers for shampoo/conditioner/etc. Also, there are recycling bins that are being placed in each of the housekeeping storage closets. This will make it easier and more efficient for housekeepers to sort the recycling/trash. Michelle also added that there are some items that are not recyclable in Montana and also there is composting in the restaurants to help minimize food waste going into the garbage.

Adjournment

Bill Mylonas adjourned the meeting at 11:28 AM MST.