



## MINUTES OF THE TELLURIDE MOUNTAIN VILLAGE OWNERS ASSOCIATION

### BOARD OF DIRECTORS MEETING

February 21, 2018

|                               |   |
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| <b>BOARD MEMBERS PRESENT:</b> | Bill Jensen, Jeff Proteau, Tom Richards, Jeff Badger (via phone), Jim Royer and Tim Kunda |
| <b>BOARD MEMBERS ABSENT:</b>  | None  |
| <b>STAFF PRESENT:</b>         | Anton Benitez, Garrett Brafford and Heidi Stenhammer                                      |
| <b>OTHERS PRESENT:</b>        | Joe Solomon - TMVOA legal counsel   |

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#### 1. Call to Order and Determination of Quorum

Chairman Jensen called the meeting to order at 4:05 p.m. on Wednesday, February 21, 2018 MDT at Mountain Village Town Hall. A quorum was present with 5 Board members present in person and 1 via phone.

#### 2. Approval of Previous Meeting Minutes

On **MOTION** by Director Proteau to approve the December 27, 2017 Board of Directors meeting minutes, seconded by Director Kunda, the **MOTION** carried unanimously (6-0).

On **MOTION** by Director Royer to approve the September 7, 2017 Special Board of Directors meeting minutes, seconded by Director Kunda, the **MOTION** carried unanimously (6-0).

#### 3. TMVOA Updates

##### MV Economic Snapshot

Executive Director Benitez reported that, as of December 31, 2017, Lodging is down 8.9%, Restaurants are down 9.2%, Retail is down 28.2% and Grocery/Liquor is down 8.5%. The Town of Telluride is averaging 9% down.

RETA ended the year at \$8,478,982 which is \$3,682,256 better than budget. In looking at historical RETA data dating back to 1991, 2017 was the four highest year in RETA revenue. As mentioned at the last meeting, 2018 RETA revenue was budgeted conservatively at \$5.9M due to a reduction in condominium inventory.

## **2017 Tax Reform Summary – Prepared by Haynie & Company**

Director of Operations and Finance Brafford reported that Haynie and Company was selected to conduct the audit and tax services for TMVOA for the next 3 years. They created a summary of the tax reform which, with approval of the Board, will be shared with TMVOA members and will include a legal disclosure. The summary is very straightforward and easy for the layperson to understand.

The question of what impact this will have on TMVOA owners was addressed. There will likely be no changes for sellers as capital gains rates remain the same. There is no incentive to sell or to hold a property. Taxes decreased for the highest tax bracket by an estimated 3-5% which will likely increase disposable income depending on the individual's situation.

## **Vacant Lodging Seat**

Executive Director Benitez reported that he is working on filing the vacant lodging seat aggressively and has meetings next week with interested individuals. The Manager of Silver Star, Keith Hampton, is very interested and has been in Telluride many years however, he doesn't manage any lodge units in Mountain Village. This is not a requirement of TMVOA guidelines and if there are owners of TMVOA lodge units that would like to nominate Mr. Hampton, that would be allowed according to TMVOA legal counsel.

A discussion ensued regarding the grey market, which includes VRBO and Airbnb. It is reported by the Telluride Tourism Board that the reporting grey market (much of the grey market does not follow reporting regulations) is currently 23% of the lodging that occurs in Mountain Village which could be upwards of \$2K units. This could affect the Comp Plan with regards to the necessary size of future flagship hotels. This market needs to be validated as far as the number of units and TMVOA may need to consider redefining a lodge unit.

## **4. New Business / Other Business**

None.

## **5. Executive Session pursuant to CRS Section CRS 38-33.3-308 (3) & (4)**

On a **MOTION** by Director Kunda, seconded by Director Royer, the meeting went into Executive Session at 4:30 p.m. MDT.

On a **MOTION** by Director Proteau, seconded by Director Richardson, the meeting came out of Executive Session at 5:30 p.m.

## **6. Adjournment**

On a **MOTION** by Director Richardson, seconded by Director Kunda the meeting adjourned at 5:30 pm MDT.