

**MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS OF
BEAVER CREEK RESORT COMPANY OF COLORADO**
January 25, 2018

The Annual Meeting of the Board of Directors of the Beaver Creek Resort Company of Colorado, a Colorado non-profit corporation (the “Company”) was held on Thursday, January 25, 2018, in the Juniper Room of the Beaver Creek Lodge, Beaver Creek Subdivision, Eagle County, Colorado.

Ms. Howard called the meeting to order at 8:00 a.m. and Ms. Jones verified the Notice of Meeting sent and a quorum established for the purposes of the meeting. The following members of the Board of Directors were present in person or by conference telephone:

Beth Howard	Ross Bowker via conference phone
Tim Maher	Jim Donohue
Bob Boselli	Jeff Luker
Brian Nolan	Phil Metz
Kristin Williams	

Representing the Company were Jen Brown, Managing Director; Tom Allen, Treasurer; and Elizabeth Jones, Secretary. Also present were Sarah Stutman, Mitzi Forrester and Kathy Calton from BCRC; Tim Baker, Jerry Hensel, Paul Gorbald and Jim Clancy from Village Operations; Bill Simmons from Beaver Creek Metro District; David Habermas from Vail Resorts Commercial Leasing; Steve Nusbaum from Beaver Creek Design Review Administration; Dave Eickholt, Jim Fraser and Lou Kreig from BCPOA; Duncan Horner from Vilar Performing Arts Center; and Rob Prescott from Young Colors store.

1. Public Comment. Mr. Prescott expressed a desire for all merchants to be involved and well informed about events happening in the village.
2. Minutes of the Beaver Creek Resort Company Board Meeting November 25, 2017. Upon motion made by Mr. Maher and seconded by Mr. Nolan, the minutes of the Board Meeting held November 25, 2017, were unanimously approved as presented. The approved minutes are attached as Exhibit A.
3. Financial Report December 31, 2017. Mr. Allen reviewed the financial report ending December 31, 2017 as follows:

Year-to-Date Revenues – Total year-to-date revenues had a negative variance of 192,750.

- Civic, Lodging Civic and Mountain/Recreation Assessment revenue through December was \$2,908,039 compared to a budget of \$3,207,006, resulting in a negative variance of \$298,967.
- RETA had a year-to-date positive variance of \$149,890. The volume of real estate sales continued to track close to budget with average sales prices being slightly higher than expected.

Year-To-Date Expenses - Expenses had a positive year-to-date variance of \$320,699.

- Marketing had a positive variance of \$160,519. The majority of this variance is due to the timing of the high net worth marketing billings.
- Transportation has a combined positive variance of \$147,003 due to the sale of used vehicles and new lease costs.

Year-End Revenues - Year-end revenues are forecast to have a negative variance of \$786,714.

- The current forecast is showing negative variances in Civic, Lodging Civic and Mountain/Recreation Assessments. Revenues were lowered to take into account weather conditions affecting future reservations.

Year-End Expenses – The current forecast for expenses shows a positive variance of \$58,611. The variance is due to the sale of used transportation vehicles.

Capital Expenditures: \$128,281 has been spent on capital projects. Major capital expenditures through December include \$27,000 to remodel the ice rink rental shop, \$40,666 for information kiosks and \$38,737 for new recycling containers.

Cash Balance: The ending cash balance for December was \$5,219,017 compared to a budgeted cash balance of \$4,374,687. Year-end forecasted cash balance is \$7,455,367.

4. Welcome Gate Access Report. Ms. Brown presented the gate access matrix spreadsheet requested by the Board which outlines who has vehicle sticker and/or transponder access for the Welcome gates. Creating the spreadsheet was a valuable exercise for staff to review the access and policies in place. The data did not reveal any abnormalities or abuse of gate access privileges. The data does not specify how many third party individuals are using an owner's transponder. SOPs in place manage the assignment of access stickers and transponders well. Mr. Luker and Mr. Boselli suggested staff change the access code for the clickers used at the golf gate access because the code has not changed for a while. No further action was requested by the Board.

5. Beaver Creek Vision: Year One Action Plan. The year one action plan for the Vision project was presented for Board review and comment. Five priority projects were identified for year one action;

- Music and liveliness in the village
- Décor and lighting in the village
- Stakeholder alignment on long-term projects
- Technology evaluation and upgrades
- Summer Camp (committee to pursue opportunities in Phase 1)

Board members will have the opportunity to participate in projects as they develop. Board reviewed the proposed year one actions and believes the plan is aggressive and will need an evaluation of resources needed to support the plan. Discussion continued regarding hiring a consultant, timing of project implementation and prioritization. Board wants to meet for a work session to continue Vision action plan discussion. Ms. Brown suggested staff return with suggestions including detail, resources and timing within the next two weeks.

6. Marketing Update. Mr. Metz gave a verbal update of the marketing media plan. In late December media dollars were pulled to change direction on marketing and focus on the resort; snow banners were initiated on the east coast every time it snowed in Colorado resorts. Recording-breaking call volume resulted with late season bookings. The marketing plan for summer will be ready to review and discuss with Ms. Brown in March. BeaverCreek.com website update is underway and summer signature events will be loaded February through April. Mr. Metz also offered to send retail DestiMetrics report out to the Board after the meeting.

7. New Business. Mr. Nolan stated it was an unusually quiet event when Becki Phelan retired from the Hyatt; she served over 30 years and 8 different General Managers. The Merchant's Association is planning to send flowers and he encourages others to follow.

Mr. Luker stated BCRC should be proactive in assisting the removal of dead, fallen trees. BCRC should

plan a communication for homeowners to suggest cleanup efforts and DRB should be encouraged to process tree removal requests quickly.

Ms. Brown stated the BCPOA Beautification Committee and BCRC staff members met last week to identify beautification projects like the “skier statue” planter and landscaping upgrades by the ram statue and along the Village Road recreation path.

With no other business to discuss and upon motion made by Mr. Nolan and seconded by Mr. Boselli, the Board unanimously agreed to move into executive session at 8:57am.

At 9:39am, upon motion made by Mr. Luker and seconded by Mr. Boselli, the Board unanimously agreed to move out of executive session and return to regular session. Only Mr. Boselli, Mr. Bowker, Mr. Luker and Mr. Maher were in attendance for the remaining regular session as they were they only Board members without a conflict of interest to discuss and vote upon the proposed Garden Restaurant area landscaping and snowmelt proposal next to the Beaver Creek Sports store.

Upon motion made by Mr. Bowker and seconded by Mr. Boselli, the proposed Garden Restaurant area was unanimously approved for BCRC funding of the patio snowmelt and tiered public landscape space with the following parameters:

- BCRC approval of funding is for the bid amount of \$191,000 plus 10% contingency;
- Approvals from Design Review Board, Metro District, and Eagle River Water must be obtained;
- Should the restaurant plans change or cancel, the project must come back to the BCRC Board for review and new approval; and
- BCRC staff to review and approve costs prior and during construction.

With no further business to come before the board and upon motion by Mr. Boselli duly made, seconded by Mr. Luker and unanimously approved, the meeting adjourned at 9:52am.

Respectfully submitted,

Elizabeth Jones
Secretary

LIST OF EXHIBITS
SPECIAL MEETING OF THE BOARD OF DIRECTORS
BEAVER CREEK RESORT COMPANY OF COLORADO
January 25, 2018

- A. Minutes of the BCRC Board of Directors Meeting November 25, 2017
- B. BCRC Financial Report ending December 31, 2017