

MINUTES OF THE  
BOARD OF DIRECTORS MEETING OF  
BEAVER CREEK RESORT COMPANY OF COLORADO  
March 25, 2021

A 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, March 25, 2021 via Zoom internet visual platform as required by the social distancing restrictions set in place by Eagle County Public Health officials due to COVID-19.

Ms. Guerriero called the meeting to order at 8:02 a.m. on the Zoom platform. 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 via Zoom:

Nadia Guerriero	Tim Maher
Jeff Luker	Jim Donohue
Phil Metz	Bob Boselli
Greg Willis	Ross Bowker

Director Nolan was absent and excused.

Representing the Company were Jen Brown, Managing Director; Tom Allen, Treasurer; and Elizabeth Jones, Secretary.

Also in attendance:

Laura Waniuk, Karen Braden-Butz, Peter Rogos and Sarah Innerarity from Beaver Creek Resort Company

Paul Gorbald, Koby Kenny and Jerry Hensel from Village Operations

Bill Simmons from Beaver Creek Metro District

Dave Eickholt from Beaver Creek Metro District and Beaver Creek Property Owners Association

Bruce Kiely from Beaver Creek Property Owners Association

Owen Hutchinson from Vilar Performing Arts Center

1. Public Comment. None.

2. Minutes of the Beaver Creek Resort Company Board Meeting February 25, 2021. Upon motion made by Mr. Boselli and seconded by Mr. Maher, the Board unanimously approved the minutes of the Board Meeting held February 25, 2021 as presented. The minutes are attached as Exhibit A.

3. Financial Report February 28, 2021. Mr. Allen reviewed the financial statements from February 28, 2021, which are attached as Exhibit B:

Year-to-Date Revenues: Through February 28<sup>th</sup> year-to-date (“YTD”) revenues had a positive variance of \$2,159,241.

- Civic and Lodging Civic Assessments were ahead of budget \$643,672 while Mountain/Recreation Assessments had a negative variance of \$788,028. YTD Civic and Lodging Civic Assessments were budgeted to be 41% below the prior year but ended February 27% below. Mountain/Recreation Assessments were budgeted to be 37% below the prior year but ended at 57% below.

- YTD RETA had a positive variance of \$2,197,974. Real estate sales have continued to be stronger than anticipated with closings of \$1,000,295 in February.

Year-To-Date Expenses: Expenses had a positive year-to-date variance of \$904,628.

- Administration had a positive variance of \$64,170. The majority of the savings is due to the restaurant tent rental being lower than budgeted and the timing of the Beaver Creek Lodge special assessment.
- Activities & Events had a positive variance of \$292,284. Due to COVID protocols the winter activities and activations had to be scaled back.
- Vilar RETA contribution has a negative variance of \$183,835 due to the \$73,936 increase to the January operating contribution approved by the Board and increased real estate sales.
- Transportation operations had a positive variance of \$600,698. Village Connect had a savings in operating costs of \$346,124 and Parking Lot Service had a saving of \$63,275. In addition there was \$93,087 in savings of bus maintenance. The \$51,353 positive variance in overhead is due to year-end true-up between BCMD and BCRC.
- Public Safety had a positive variance of \$69,857. This variance is due to savings in the management fee. Management fees are now being calculated on actual expenses plus 10%.
- Insurance has a positive variance of \$22,467. BCRC received a refund of \$20,717 on prior year premiums.

Year-End Revenues: Revenues are forecast to have a positive variance of \$2,374,921.

- Civic and Lodging Civic and are forecast to have a positive variance of \$643,672. The booking pace from the February 28<sup>th</sup> DestiMetrics reports is tracking ahead of budget. The budget for March is 75% of normal. Current booking pace for March paid occupancies is 84% of normal. Mountain/Recreation Assessments are forecast to have a negative variance of \$1,078,028.
- RETA is forecast to have a positive variance of \$2,884,050. March RETA is forecast to be ahead of budget \$472,445. Currently there are 28 condos and townhomes; 9 single family homes and duplexes; and 1 lot under contract, with an estimated RETA value of \$2,469,262.

Year-End Expenses: Total expenses are anticipated to have a positive variance of \$1,080,926 by year-end.

- Activities and Events are anticipated to have a savings of \$764,858. At the recommendation of the Events Committee, Blues, Brews and BBQ, Family Challenge, the full scale July 4<sup>th</sup> activities have been canceled. The remaining summer events are being modified into smaller activations. A portion of the savings is being allocated to enhance the summer village activation.
- Vilar contribution has a negative variance of \$431,802. The operating contribution's negative variance is \$287,600 while the RETA contribution is forecast to have a negative variance of \$144,202.
- Transportation is expected to have a savings of \$709,644.
- The April expense forecasts for transportation, property maintenance, ice rink and parking were increased \$15,000 in total to account for the additional week of the ski season.
- The remaining expenses are expected to follow closely to the budget for the remainder of the year.

Capital Expenditures: \$362,896 has been spent on capital through February. Expenditures include \$34,138, on Beaver Creek Wonder; \$41,200 on the Beaver Creek App development; \$46,125 on village accent lighting, \$72,107 on fire pits and \$166,991 on escalator rebuilds.

Cash Balance: The ending cash balance for February was \$12,804,546, compared to a budgeted cash balance of \$11,267,555. \$13,449,265 is being forecast for the year-end cash balance.

4. Line of Credit Renewal Resolution. Mr. Allen reviewed the standard resolution that is brought to the Board each year regarding the Line of Credit. After review and upon motion made by Mr. Donohue and seconded by Mr. Bowker, the Board unanimously RESOLVED:

**BEAVER CREEK RESORT COMPANY OF COLORADO**  
**RESOLUTION OF THE BOARD OF DIRECTORS**  
Board of Directors Meeting March 25, 2021

**Whereas** the Board of Directors of the corporation have determined it to be in the best interests of the company to renew the line of credit in the sum of two million dollars (\$2,000,000.00) (the “Loan”),

**Now, Therefore, Be It Resolved** that this corporation execute loan documents in favor of Alpine Bank in connection with the Loan, as evidenced by those certain loan documents, which, while not attached hereto are nonetheless incorporated herein by this reference; and

**Resolved Further**, that either the Managing Director or the Treasurer of this corporation, acting alone, is hereby authorized, directed and empowered to execute, for and on behalf of this corporation, any and all documents required in connection with the Loan, with such changes thereto as the person executing such documents shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

5. Summer Ice Rink Capital Improvements. Ms. Brown presented the Summer Ice Rink Capital Improvements plan for 2021, developed by staff and recommended by the Events Committee. The plan includes updated furniture, umbrellas, and updated sub flooring for the Ice Rink space. Delivery is anticipated in late July 2021. The costs for the plan can be capitalized:

- Furniture (all seating, umbrellas, tables): \$76,452.00 inclusive of Christy Sports 40% discount.
- Flooring (drainage): \$16,000.00
- Total: \$92,452.00

After discussion and upon motion made by Mr. Donohue and seconded by Mr. Bowker, the Summer Ice Rink Capital Improvements were unanimously approved.

6. Strategic Initiatives Position Approval. Following the direction of the Board from the Board Retreat, Ms. Brown presented the request to add the Vision/ Strategic Initiatives position to the FY21 budget at the same salary range previously approved. The position will be reviewed by the Compensation Committee prior to posting within the month. Upon motion made by Mr. Luker and seconded by Mr. Boselli, the Strategic Initiatives Position was unanimously approved.

7. Meetings Policy Approval. Ms. Jones presented the revised Resolution Adopting Policy and Procedure for the Conduct of Meetings, which was recommended for approval by the Regulations Committee. Upon motion made by Mr. Boselli and seconded by Mr. Maher, the Board unanimously RESOLVED:

**BEAVER CREEK RESORT COMPANY**  
**RESOLUTION ADOPTING POLICY AND PROCEDURE FOR**  
**THE CONDUCT OF MEETINGS**

SUBJECT: Adoption of a Policy and Procedure for the Conduct of the Annual Member and Board meetings (the “Policy”).

**PURPOSE:** To facilitate the efficient operation of the Annual Member and Board meetings and to afford Members an opportunity to provide input and comments on decisions affecting the community.

**AUTHORITY:** The Declaration, Articles of Incorporation, and Bylaws of the Beaver Creek Resort Company Association, and the Colorado Common Interest Ownership Act.

**RESOLUTION:** The Beaver Creek Resort Company hereby adopts the following policy and procedure regarding the conduct of meetings.

**EFFECTIVE DATE:** March 25, 2021

1. Notice. In addition to any notice required in the Bylaws, notice of any meeting shall be posted as required by Colorado law.
2. Meetings. Annual Member meetings and Board meetings of the Beaver Creek Resort Company shall be called pursuant to the Bylaws of the Company and this Policy.
  - (a) Conduct. Meetings shall be governed by the following rules of conduct and order:
    - i. The President of the Board or designee shall chair all meetings.
    - ii. Anyone wishing to speak must first be recognized by the Chair.
    - iii. Any person desiring to speak at a meeting may be permitted to speak during Public Comment on any matter including agenda items. Each person shall be given up to a maximum of three minutes to speak or ask questions during Public Comment, although questions may not be answered until a later date. Each person may only speak once during the Public Comment section of the meeting. Yielding of time by a speaker to another individual shall not be permitted. Such time limit may be increased or decreased by the Chair but shall be uniform for all persons addressing the meeting.
    - iv. Only one person may speak at a time. Those addressing the meeting shall be permitted to speak without interruption from anyone as long as these rules are followed. Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting. Comments are to be relevant to the purpose of the meeting.
    - v. All actions and or decisions will require a first and second motion. Discussion of a motion may take place until a vote is taken. Once a vote has been taken, there will be no further discussion regarding that topic.
    - vi. Anyone disrupting the meeting, as determined by the Chair, shall be asked to “come to order.” Anyone who does not come to order will be requested to immediately leave the meeting.
    - vii. The Chair may establish such additional rules of order as may be necessary from time to time. To the extent not otherwise provided in this policy, Roberts Rules of Order will apply.
    - viii. Minutes of action taken shall be kept by the Secretary and shall be posted on the Beaver Creek Resort Company Association’s website within ten (10) days after the Minutes have been approved by the Board.
    - ix. Meetings may be recorded for recordkeeping and validating the accuracy of the Minutes of action taken.
    - x. Meetings may be held virtually via Zoom or other online platforms. Conduct during a virtual meeting is the same as an in-person meeting.
  - (c) Voting. All votes taken at the Annual Member meeting shall be taken as follows:
    - i. Each Member entitled to vote pursuant to the Bylaws shall receive a voting ballot proxy.
    - ii. Written ballots shall be counted by a neutral third party or by a committee of volunteer members who are not Board members and not candidates (in the case of a contested election.)

(d) Proxies. Proxies may be given by any Member as allowed by C.R.S. 7-127-203.

3. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declarations shall have the same meaning herein.

4. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.

5. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretions such deviation is reasonable under the circumstances.

6. Amendment. This policy may be amended at any time by the Board of Directors.

7. Availability of Policy. As of the Effective Date, this Policy will be available on the Beaver Creek Resort Company Association's website.

8. Merchant Outdoor Display Dates. Ms. Jones presented the recommendation of the Regulations Committee to allow, based on impacts of COVID continuing into 2021, merchant outdoor displays as approved everyday throughout summer 2021 and to be reviewed again before season open in November 2021. Approval is contingent upon the following parameters:

- Applies to retail merchandise displays only
- Displayed on approved tables / racks / easels only
- Signage will be appropriate and positive, printed only; please refer to the Commercial Activities Regulation: <http://beavercreekresortcompany.com/wp-content/uploads/2018/07/rr-of-commercial-operations-072618-1.pdf>

Approval includes the following enforcement mechanisms for outdoor displays:

- 1st infraction: written warning
- 2nd infraction: no displays allowed for ten days
- 3rd infraction: no displays allowed for remainder of summer

After discussion and upon motion made by Mr. Bowker and seconded by Mr. Boselli, the merchant outdoor display dates were approved everyday throughout the summer season 2021.

9. FY21 Board of Director's Revised Meeting Dates. Ms. Brown presented a recommendation to modify the Beaver Creek Resort Company Board Meetings, returning to a typical schedule for FY2021. Upon motion made by Mr. Boselli and seconded by Mr. Maher, the Board of Director's Meeting Dates were adjusted to the following:

December 10, 2020

January 28, 2021

February 25, 2021

March 25, 2021

April 2021 – No meeting

May 27, 2021

June 2021 – No meeting

July 22, 2021

August 26, 2021

September 23, 2021

October 2021– No meeting

November 29, 2021 (This is a Monday) Annual Member meeting and Annual BOD meeting

December 2021– No meeting

10. DestiMetrics Report. Mr. Metz reviewed the current Occupancy Reports in Mr. Werkheiser's absence. Occupancy was very strong during the early spring break weeks and should continue through April 2<sup>nd</sup>; in the closing week the occupancy is dipping. We can anticipate strong visitation until the last week of the season.

11. Strategic Priorities Update. Ms. Brown reviewed the strategic initiatives discussed at the Board Retreat and subsequent committee meetings. Staff is actively planning these projects in a thoughtful and intentional way:

- Ice Rink Activation: Staff has been working with the Events Committee on enhancements to programming, furniture and layout for the summer. The furniture order has an expected delivery late July. It is anticipated that operational expenses such as the oversize games will be covered by event savings and \$50,000 has been added to capital to cover furnishings and new sub flooring, which will help drainage.
- Village Lighting: Staff is refreshing the RFP from last fall to develop a full scale lighting upgrade for the village. This will be a project led by the new position and staff will work with the Events Committee seeking input if necessary.
- Village Furniture: Staff is researching designs, costs and delivery timeframes to upgrade all of the village furniture which was last replaced in 2016-2017. This project may require a phased approach due to delivery delays.
- Summer Guest Intercept: Staff has been revising the scope to capture guest insights this summer. Surveys will occur summer 2021 to help inform strategy for summer 2022.
- Management Agreement: Staff provided notice to Vail Resorts of our intent to resume revisions to update the entire agreement.
- Communications Strategy: Post-ski season the team will develop a new communications plan to better inform all constituents on events, projects, services and operations, rules and regulations, news and more.
- Other initiatives identified such as Creekside Park planning, ADA, and Economic Advisory Committee will commence upon conclusion of ski season and in some cases will be assigned to the new position.

After discussion and upon motion made by Mr. Donohue and seconded by Mr. Luker, a total of one hundred thousand (\$100,000) was unanimously set in the budget as discretionary funding for maintenance projects.

12. Hiking Center Update. Ms. Brown updated the Board on plans to bring back the Hiking Center Manager position and guides in order to provide a more robust guided hiking program this summer. The program will begin again in June with guided hikes within the resort, and in July 14ers and out-of-resort guided hikes can resume on a reservation-only basis.

13. Public Safety Report. Mr. Kenny reviewed the Public Safety reports. Tow and boot orders have increased year-over-year. Resort violations are also up; sledding is the most frequent violation. Medical calls are down, but noise complaints are up.

14. New Business. Ms. Brown was asked about the COVID restrictions and what the County's and State's position about masks will be this spring. Restrictions are still in place now, but as immunizations increase the restrictions will loosen up. Looking toward the latter part of summer, BCRC will want to consider what events to offer guests. The County is looking for most of the old COVID signage to be removed. The County is focused on their vision plan and what can be built out this summer.

Ms. Guerriero stated Vail Resorts is working diligently to change processes as restrictions from the County ease; group sales and restaurants have been adjusting and working to maximize all opportunities.

Mr. Boselli wished to add that international embassies are closed and his normal student staffing cannot travel to the United States.

Mr. Boselli requested a report of the restaurant patio / tent program and the success and learnings from that tent installation. If this program were to come back in the future the data review would be important.

Mr. Boselli stated the staff should still work on a shade plan for the Ice Rink area.

Mr. Boselli asked that the mountain find a sledding opportunity in Beaver Creek; it is difficult to tell families that sledding is not allowed in the resort. This would be a strategic offering for next season.

Mr. Luker wanted to suggest that the BCRC landscaping initiative is brought back. Two sites that could be included:

- a) Intersection of Offerson and Village Road
- b) Border Road above #10, empty area there is not maintained

15. Adjourn. With no further business to come before the board and upon motion by Mr. Luker and seconded by Mr. Maher and unanimously approved, the meeting adjourned at 9:44 a.m.

Respectfully submitted,

Elizabeth Jones

LIST OF EXHIBITS  
BOARD OF DIRECTORS MEETING  
BEAVER CREEK RESORT COMPANY OF COLORADO  
March 25, 2021

- A. Minutes of the BCRC Board of Directors Meeting February 25, 2021.
- B. Financial Report February 28, 2021