

# **Beaver Creek Resort Company of Colorado**

**Proposed Fiscal Year 2022 Budget**

**For the Period October 1, 2021 Through September 30, 2022**

# Beaver Creek Resort Company of Colorado

## Proposed Fiscal Year 2022 Budget

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**BEAVER CREEK RESORT COMPANY  
OF COLORADO**

**Proposed Fiscal Year 2022 Budget**

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**Fiscal Year 2021 Financial Results**

This Fiscal Year began with plans for a winter season of restrictions on mountain and in our village due to the Coronavirus Pandemic. However, even with restrictions BCRC saw amazing results through assessment revenues, indicative that guests were willing to spend money in our village and owners invested in real estate in Beaver Creek. In May as restrictions were easing, Beaver Creek Resort Company (“BCRC”) began planning for more summer activation in the village including the Ice Rink conversion to a family-oriented gathering place, daily live music, complimentary yoga and dryland classes, and our traditional Independence Day celebration and Oktoberfest.

For the full year, BCRC achieved 141% of its revenue budget. Real estate sales continued to be strong this year with gross sales equaling \$459,576,720. Net income for fiscal year (“FY”) 2021 was \$6,500,684, compared to a budgeted net loss of \$843,494.

BCRC invested \$866,888 in capital projects in FY 2021. Projects included the completion of Beaver Creek Wonder, Phase 1 & II of the Beaver Creek Village mobile app, village accent lighting, two new fire pits, plaza furniture for the fire pits, Covered Bridge and ice rink, upgrades to the village security cameras, and upgrades to several escalators.

The unrestricted cash balance went from \$9,310,124 at the end of FY 2020 to \$16,100,765 at the end of FY 2021, an increase of \$6,790,641.

**Fiscal Year 2022 Proposed Budget**

The proposed FY 2022 budget shows year end net income of \$70,010 with an ending unrestricted cash balance of \$14,656,011. Revenues are budgeted at \$20,458,844, which is a decrease of \$1,805,654 from FY 2021 revenues. Total expenses are budgeted at \$20,388,834 compared to FY 2021 expenses of \$15,763,814. This is an increase of \$4,625,020 or 29%.

**Revenues**

1. Common Assessments – there is no Common Assessment anticipated in FY 2022.
2. Civic, Lodging Civic and Mountain and Recreation Assessments – the FY 2022 budget anticipates an increase of \$3,027,770 or 103.4% over FY 2021. Taking into account the elimination of many Covid-19 restrictions this year and a conservative approach due to unknown Delta variant impacts, revenues were budgeted using 2019 actuals resulting in a slight decrease of \$739,381 or 12.9%.

3. RETA – FY 2022 RETA is budgeted at \$5,521,691. This is a decrease of \$5,386,131 over FY 2021. Due to the 2021 extreme real estate sales, a conservative approach was utilized in developing the FY 2022 budget based on the current lack of inventory.
4. Special event revenues – FY 2022 special event revenues are budgeted at \$992,371. The revenue budget reflects the return of our signature events for the fiscal year plus two new events that had been deferred in 2020.

### **Expenses**

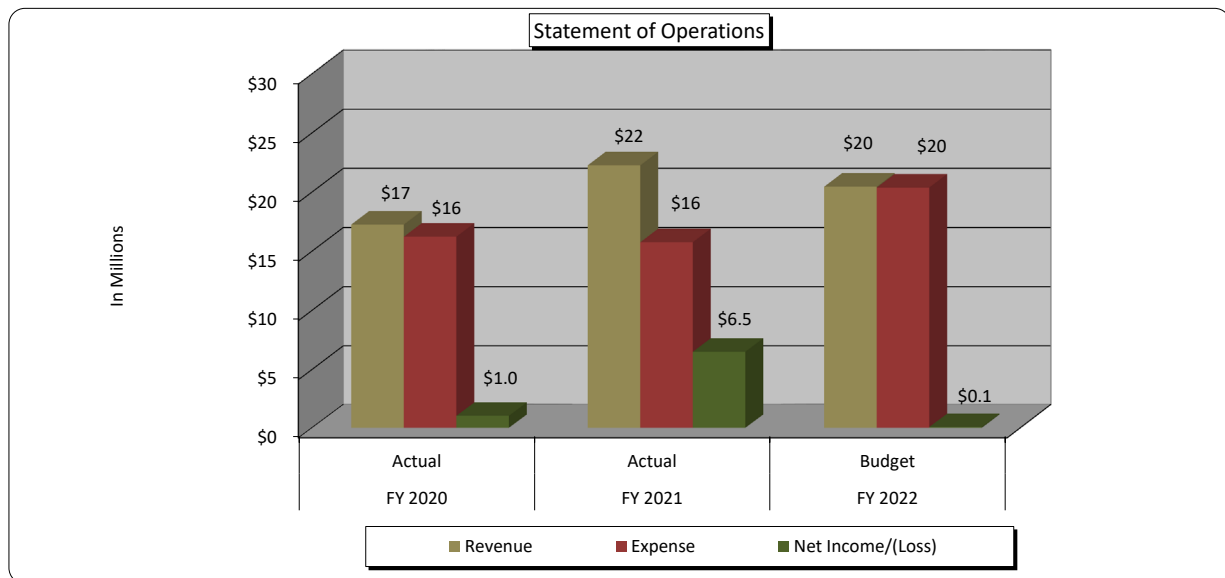
1. \$1,718,479 in administrative expenses to manage the Resort Company's functional and strategic responsibilities. [Tom- do we mention what this includes to head off assumption it's just salaries?]
2. \$3,880,797 for resort activities and events reflecting the return of our signature events and two new events next summer.
3. \$1,497,968 contribution to the Vilar Center for the Arts to underwrite operations and the headliner series.
4. \$3,573,334 to market Beaver Creek winter and summer seasons and events.
5. \$1,963,041 for transportation services.
6. \$2,808,161 for property maintenance, snowmelt systems, escalators, ice rink operations, parking lot maintenance, plaza maintenance, Creekside Park maintenance, landscaping and village technology.
7. \$2,677,912 for Public Safety officers, gate and parking attendants and guest services.
8. \$271,012 to provide Design Review Board inspections, plan review, and enforcement services.

### **Capital Expenditures**

\$2,372,410 has been allocated in FY 2022 for capital improvements. \$725,410 is for asset maintenance and equipment replacement. The remaining \$1,647,000 is earmarked for strategic capital investment.

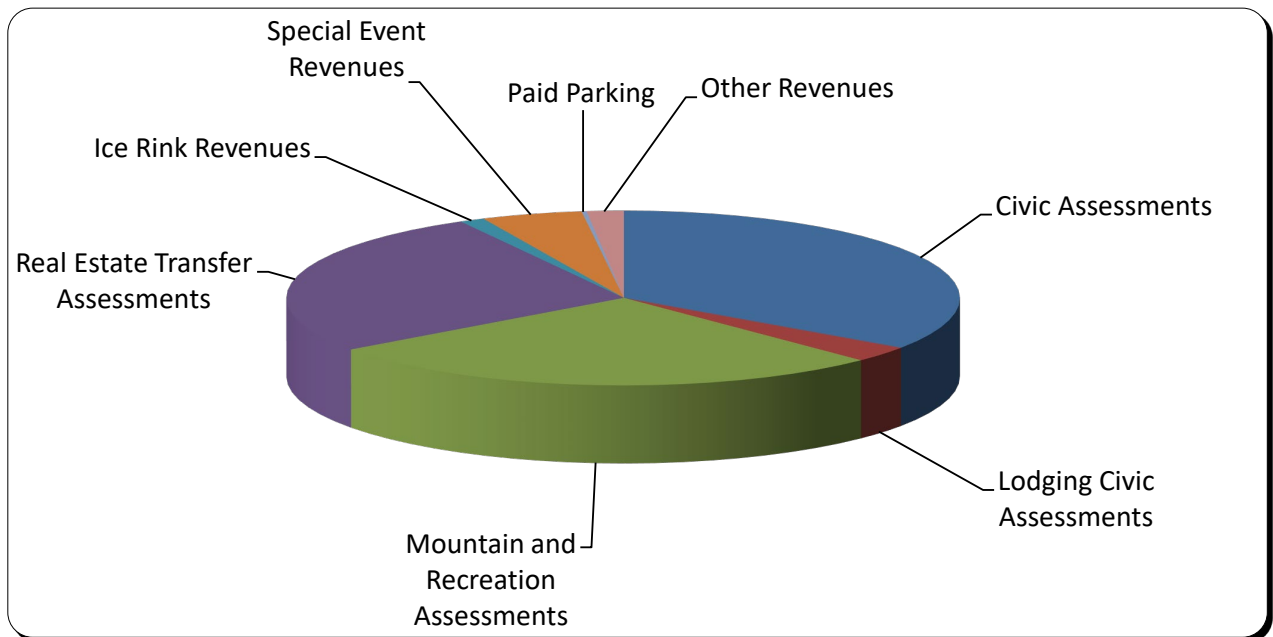
**BEAVER CREEK RESORT COMPANY OF COLORADO**  
**Statement of Operations (in thousands)**  
 Fiscal Year 2020 Actual, Fiscal Year 2021 Budget and Actual, and Proposed Fiscal Year 2022 Budget

	FY 2020 Actual (Audited)	FY 2021 Budget	FY 2021 Actual (Audited)	'21 Budget '21 Actual Variance	% Change	FY 2022 Budget	'22 Budget '21 Actual Variance	% Change
<b>Revenue</b>								
Common Assessments	\$0	\$0	\$0	\$0	n.a.	\$0	\$0	n.a.
Civic Assessments	5,986	5,096	6,839	1,742	34.2%	7,093	255	3.7%
Lodging Civic Assessments	538	434	592	158	36.3%	605	13	2.1%
Mountain & Recreation Assessments	4,749	4,183	2,830	(1,353)	-32.3%	5,591	2,761	97.5%
Real Estate Transfer Assessments	4,892	5,315	10,908	5,593	105.2%	5,522	(5,386)	-49.4%
Ice Rink Revenues	196	174	245	71	40.8%	245	0	0.0%
Design Review Board Fees	78	77	110	33	43.4%	107	(3)	-3.0%
Business Licenses	52	52	56	4	8.2%	54	(2)	-3.6%
Activities and Special Events	504	286	259	(27)	-9.5%	992	734	283.6%
Paid Parking	208	186	255	69	37.0%	49	(207)	-81.0%
Interest and Other Income	56	2	65	63	2612.2%	202	137	210.9%
Capital Contributions	0	0	106	106	n.a.	0	(106)	-100.0%
<b>Total Revenue</b>	<b>17,258</b>	<b>15,805</b>	<b>22,264</b>	<b>6,459</b>	<b>40.9%</b>	<b>20,459</b>	<b>(1,806)</b>	<b>-8.1%</b>
<b>Expense</b>								
<b>Operating Expense</b>								
Administration	1,207	1,432	1,699	(267)	-18.6%	1,718	(20)	-1.2%
Activities and Events	2,123	1,723	1,249	474	27.5%	3,881	(2,632)	-210.7%
Vilar Center	1,267	1,005	1,577	(572)	-56.9%	1,498	79	5.0%
Professional Services	250	214	218	(4)	-1.8%	219	(1)	-0.5%
Marketing	3,627	3,229	3,092	137	4.2%	3,573	(482)	-15.6%
Transportation	1,612	2,060	1,076	984	47.7%	1,963	(887)	-82.4%
Property Maintenance	2,380	2,622	2,545	77	2.9%	2,808	(264)	-10.4%
Public Safety	1,899	2,441	2,307	134	5.5%	2,678	(371)	-16.1%
Design Review Board	211	215	255	(40)	-18.5%	271	(16)	-6.5%
Common Consumption Area	69	7	6	1	17.3%	7	(1)	-23.1%
Memberships	183	118	118	0	0.0%	118	0	0.0%
Insurance	236	294	208	87	29.5%	236	(28)	-13.7%
<b>Total Operating Expense</b>	<b>15,063</b>	<b>15,359</b>	<b>14,348</b>	<b>1,011</b>	<b>6.6%</b>	<b>18,970</b>	<b>(4,622)</b>	<b>-32.2%</b>
<b>Other Expense</b>								
Interest Expense	8	10	10	0	0.0%	10	0	0.0%
Depreciation	1,131	1,256	1,382	(126)	-10.0%	1,385	(3)	-0.2%
Property Taxes	26	24	24	(0)	-1.8%	24	0	0.3%
Other Expense	0	0	0	(0)	n.a.	0	0	100.0%
<b>Total Other Expenses</b>	<b>1,166</b>	<b>1,290</b>	<b>1,416</b>	<b>(126)</b>	<b>-9.8%</b>	<b>1,419</b>	<b>(3)</b>	<b>-0.2%</b>
<b>Total Expense</b>	<b>16,229</b>	<b>16,649</b>	<b>15,764</b>	<b>885</b>	<b>5.3%</b>	<b>20,389</b>	<b>(4,625)</b>	<b>-29.3%</b>
<b>Net Income/(Loss) Before Capital</b>								
<b>Contributions</b>	1,029	(843)	6,501	7,344	870.7%	70	(6,431)	-98.9%
Capital Contributions	0	0	0	0	n.a.	0	0	n.a.
<b>Net Income</b>	<b>\$1,029</b>	<b>(\$843)</b>	<b>\$6,501</b>	<b>\$7,344</b>	<b>870.7%</b>	<b>\$70</b>	<b>(\$6,431)</b>	<b>-98.9%</b>



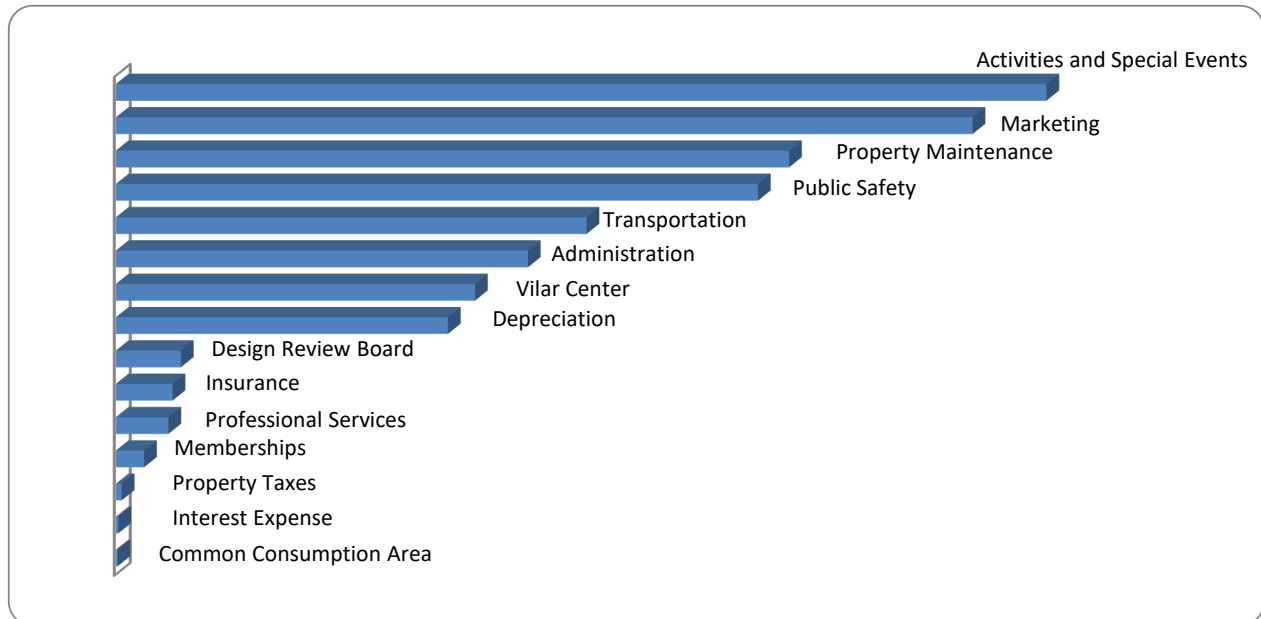
**BEAVER CREEK RESORT COMPANY OF COLORADO**  
**Proposed Fiscal Year 2022 Budget**  
**Revenues (in thousands)**

	Fiscal Year 2021		Fiscal Year 2022	
	Actual	Percent of Total	Budget	Percent of Total
Common Assessments	\$0	0.0%	\$0	0.0%
Civic Assessments	6,839	30.7%	7,093	34.7%
Lodging Civic Assessments	592	2.7%	605	3.0%
Mountain and Recreation Assessments	2,830	12.7%	5,591	27.3%
Real Estate Transfer Assessments	10,908	49.0%	5,522	27.0%
Ice Rink Revenues	245	1.1%	245	1.2%
Special Event Revenues	259	1.2%	992	4.9%
Paid Parking	255	1.1%	49	0.2%
Other Revenues	231	1.0%	363	1.8%
Capital Contributions	106	0.5%	0	0.0%
<b>Total Revenues</b>	<b>\$22,264</b>	<b>100.0%</b>	<b>\$20,459</b>	<b>100.0%</b>



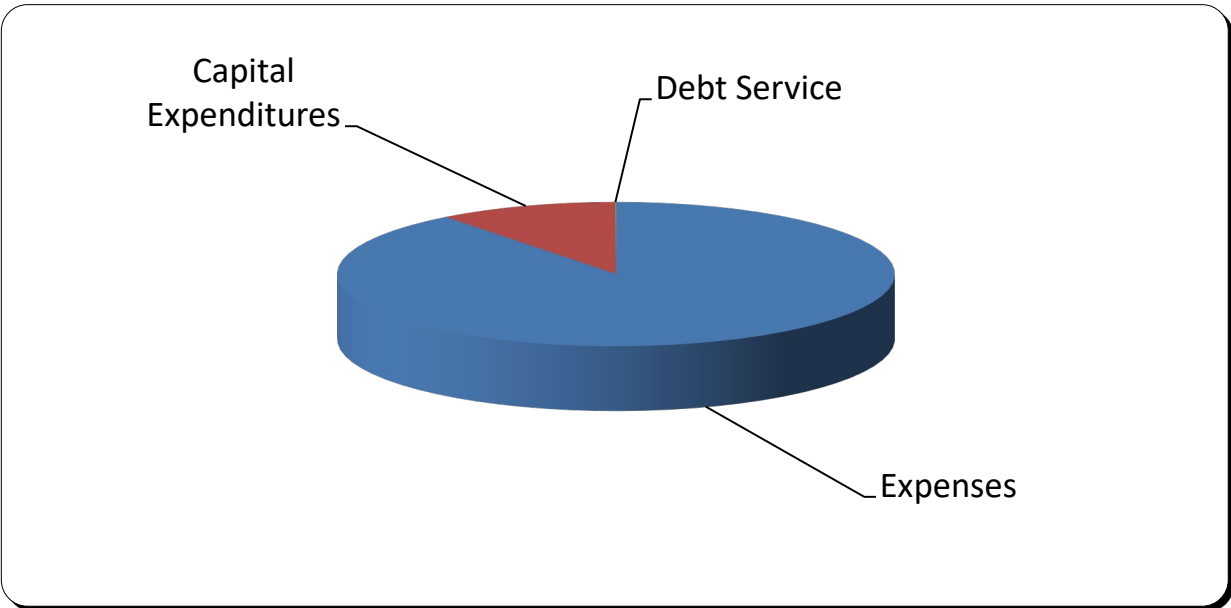
**BEAVER CREEK RESORT COMPANY OF COLORADO**  
**Proposed Fiscal Year 2022 Budget**  
**Expenses (in thousands)**

	Fiscal Year 2021		Fiscal Year 2022	
	Actual	Percent of Total	Budget	Percent of Total
Administration	\$1,699	10.8%	\$1,718	8.4%
Activities and Special Events	1,249	7.9%	3,881	19.0%
Vilar Center	1,577	10.0%	1,498	7.3%
Professional Services	218	1.4%	219	1.1%
Marketing	3,092	19.6%	3,573	17.5%
Transportation	1,076	6.8%	1,963	9.6%
Property Maintenance	2,545	16.1%	2,808	13.8%
Public Safety	2,307	14.6%	2,678	13.1%
Design Review Board	255	1.6%	271	1.3%
Common Consumption Area	6	0.0%	7	0.0%
Memberships	118	0.7%	118	0.6%
Insurance	208	1.3%	236	1.2%
Interest Expense	10	0.1%	10	0.0%
Depreciation	1,382	8.8%	1,385	6.8%
Property Taxes	24	0.2%	24	0.1%
<b>Total Expenses</b>	<b>\$15,764</b>	<b>100.0%</b>	<b>\$20,389</b>	<b>100.0%</b>



**BEAVER CREEK RESORT COMPANY OF COLORADO**  
**Proposed Fiscal Year 2022 Budget**  
**Expenditures by Category (in thousands)**

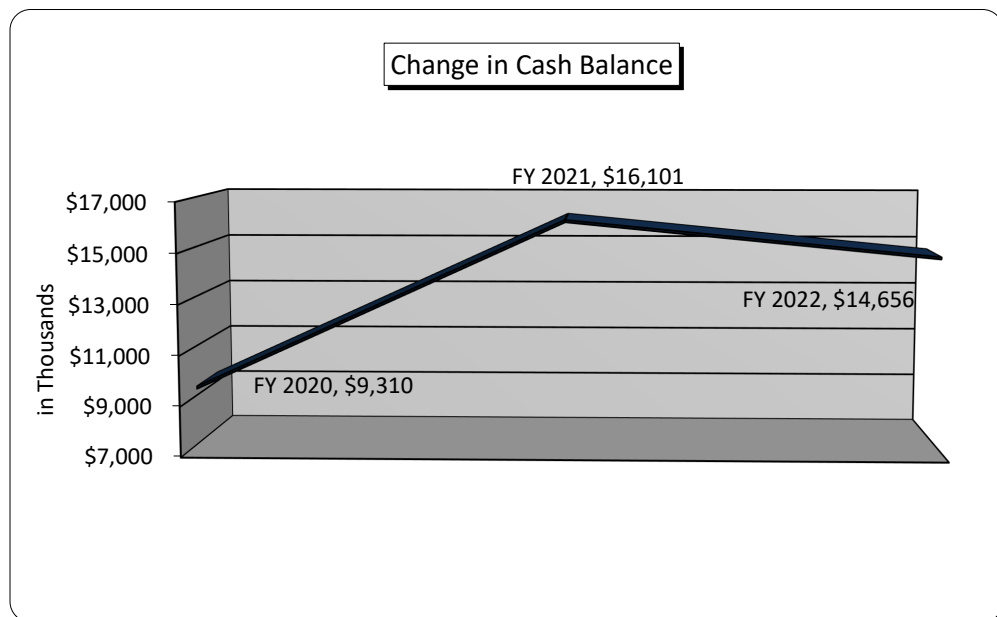
	Fiscal Year 2021		Fiscal Year 2022	
	Actual	Percent of Total	Budget	Percent of Total
Expenses	\$15,754	94.7%	\$20,379	89.5%
Capital Expenditures	867	5.2%	2,372	10.4%
Debt Service	10	0.1%	10	0.0%
<b>Total Expenditures</b>	<b>\$16,631</b>	<b>100.0%</b>	<b>\$22,761</b>	<b>100.0%</b>





**BEAVER CREEK RESORT COMPANY OF COLORADO**  
**Statement of Cash Flows and Reserve Balances (in thousands)**  
**Fiscal Year 2020 Actual, Fiscal Year 2021 Budget and Actual, and Proposed Fiscal Year 2022 Budget**

	FY 2020 Actual	FY 2021 Budget	FY 2021 Actual	FY 2022 Budget
<b>Beginning Cash Balance</b>	<b>\$9,837</b>	<b>\$9,310</b>	<b>\$9,310</b>	<b>\$16,101</b>
<b>Cash Flow from Operations:</b>				
Net Income	1,029	(843)	6,501	70
Add Back Depreciation	1,131	1,256	1,382	1,385
Less Capital Expenditures	(1,999)	(501)	(867)	(2,372)
Changes in Assets and Liabilities	(689)	(625)	(225)	(527)
Cash Flow from Operations	(527)	(713)	6,791	(1,445)
<b>Cash Flow from Financing Activities:</b>				
Net Borrowing / (Payment)	0	0	0	0
Cash Flow from Financing Activities	0	0	0	0
<b>Ending Cash Balance</b>	<b>9,310</b>	<b>8,597</b>	<b>16,101</b>	<b>14,656</b>
Less Outstanding Debt	0	0	0	0
<b>Ending Unrestricted Cash Balance</b>	<b>\$9,310</b>	<b>\$8,597</b>	<b>\$16,101</b>	<b>\$14,656</b>
<b>Capital Reserve Balance</b>				
<b>Beginning Maintenance Capital Reserve</b>	<b>\$9,837</b>	<b>\$9,310</b>	<b>\$9,310</b>	<b>\$16,101</b>
Annual Funding	(228)	(533)	7,088	(719)
Maintenance Capital Expenditures	(300)	(180)	(297)	(725)
<b>Ending Maintenance Capital Reserve</b>	<b>\$9,310</b>	<b>\$8,597</b>	<b>\$16,101</b>	<b>\$14,656</b>
<b>Beginning Strategic Capital Reserve</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Annual Funding	1,699	321	570	1,647
Strategic Capital Expenditures	(1,699)	(321)	(570)	(1,647)
<b>Ending Strategic Capital Reserve</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



**BEAVER CREEK RESORT COMPANY**  
**(A Colorado Nonprofit Corporation)**  
**FINANCIAL POSITION (in thousands)**

	September 30	
	2021	2020
<b><u>ASSETS</u></b>		
CURRENT ASSETS:		
Cash and cash equivalents		
Cash	\$ 6,194	\$ 9,310
Investments	9,907	-
	16,101	9,310
Receivables		
Common assessments	0	0
Civic assessments	476	258
Lodging Civic assessments	42	17
Mountain and Recreation assessments	69	22
Real estate transfer assessments	363	564
Other receivables	103	(9)
	1,053	852
Deposits and other		
Prepaid transportation expenses	2,444	2,258
Prepaid expenses and deposits	289	347
Inventory	6	54
	2,738	2,658
 Total current assets	 19,892	 12,820
PROPERTY AND EQUIPMENT		
Leasehold improvements	13,541	11,366
Buildings	8,008	8,011
Vehicles	418	325
Equipment	2,699	2,663
Furniture and fixtures	35	35
Computers and software	279	219
Artwork	302	302
	25,283	22,921
Less accumulated depreciation	16,242	15,306
Net property and equipment	9,041	7,615
CONSTRUCTION IN PROGRESS	5	1,956
Total assets	\$ 28,937	\$ 22,392
<b><u>LIABILITIES AND NET ASSETS</u></b>		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 889	\$ 1,211
Deferred revenue	0	0
Design Review Board deposits	1,377	1,009
Total current liabilities	2,266	2,220
NOTES PAYABLE	0	0
UNRESTRICTED NET ASSETS	26,672	20,171
Total liabilities and net assets	\$ 28,937	\$ 22,392