

MINUTES OF THE
BOARD OF DIRECTORS MEETING OF
BEAVER CREEK RESORT COMPANY OF COLORADO
OCTOBER 26, 2023

The 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, October 26, 2023.

Mr. Bobby Murphy called the meeting to order at 8:00 a.m. Erin Jarvis 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:

Bobby Murphy	John Dawsey
Phil Metz	Bob Boselli -zoom
Tim Maher -zoom	Peter Dann
Jim Donohue - zoom	Brian Nolan

Representing the Company were Jim Clancy, Executive Director; Karen Braden-Butz, Treasurer, Erin Jarvis, Secretary.

Attendance in Public Session:

Clint Huber - BCRC	Sam Hearn – BC DRB
Krista DeHerrera - BCRC	Dave Eicholt-BC Metro District
Inno Martino- BCRC – zoom	Scott Sailer-EW Property Manager-zoom
Laura Dziadosz - BCRC	Bill Simmons-BC Metro District
Justin Brown - VPAC Director of Operations-zoom	Bruce Kiely – BCPOA -zoom
Jerry Hensel- Village Operations	Michael Paderewski-Paderewski Fine Art –zoom
Amy Bamford- Vail Resorts Retail	Paul Gorbold- Transportation
Koby Kenny – Base Area Operations -zoom	Lee Hoover – Resort Operations
Justin Deluca – Village Operations	Janet Boeser – zoom
Chris Romer – Vail Valley Partnership	Chris Gersbach – zoom
Matt Tetef- VRR- zoom	Dr. Smith- zoom
	Louis Kreig- BC Homeowner

1. Public Comment. None

2. Minutes of the Beaver Creek Resort Company Board Meeting September 28, 2023. Upon motion made by Mr. Nolan and seconded by Mr. Dann, the Board unanimously

RESOLVED to approve the minutes of the September 28, 2023.

These minutes are attached as Exhibit A.

3. Public Safety Report. Mr. Kenny covered the PS report. Changes to reporting now have trash and speeding & vehicle violations have been broken out of the report. Boot and Tow orders were up YOY due to Oktoberfest violations. Public Safety isn’t monitoring guest speeds for ticketing but will track any observed reckless driving.

4. Parking System Update. Mr. Hoover mentioned that the new system is actively being installed. From Nov 6th-10th SP+ will be onsite to break and overwhelm the system to iron out any issues while also providing training to the parking employees. They'll be onsite for the first week of opening for support. There has been contact with Avon and Frontgate construction about upcoming changes and implementation.

5. DRB Report. Mr. Hearn reported on the DRB projects. There was an appeal of DRB approval of Creekside Park but the decision was upheld.

6. Transportation Report. Mr. Gorbald presented the September report with success of 100% ride requests in 20mins or less. Service hours are up over budget due to hiring and providing hours to employees for retention. Will have more conversations about forecasting service hours to minimize surprises. Employee recruiting has been successful with many new hires and looking to staff up to 100 drivers with a large pool of candidates. Took delivery of two new Gillig buses but people mover bus is still TBD on delivery. Mirabelle traffic reporting showed minimal rides going through the access gate on Beaver Creek Dr. Committee meetings will meet on a quarterly basis with staff updates monthly. Employee shuttle to Wolf Lot will start on Sat 5:30am to 7:30pm and after 1pm employees are encourage to park in surface lots.

7. Event Update. Ms. Deherrera presented the summer events review. Halloween will have a family funfest. Tree Lighting and Cookie planning for Opening Week is well underway. There will be 250 lanyards in waves at every hour starting at 1pm for the Cookie Competition. Music headliners for Summer 24 have all been sent out offers. Blues Brews and BBQ is being elevated with Memphis theme music and BBQ masters.

8. Marketing Update. Mr. Clancy provided a verbal update. Recently met with OpenSpace to review summer recap with direction for more innovative ways to collect more data and what channels are leveraged. Met with new Vail Resorts Sr. Director of Brand Marketing for Rockies, Jessica Zukin.

9. Vail Valley Partnership Group Sales & Economic Development Funding Request. Mr. Romer presented the group sales yearly report. Great partnership with BCRC to drive off-peak occupancy with direct efforts pulling in 241 new group leads and assisting with 50 repeat group leads. Cvent platform for meeting planners to request CVB option is vital to large leads.

Mr. Nolan suggested VillageWide be a large topic at an upcoming Marketing Meeting to ensure a cohesive effort. There is a new Director of Sales at the Park Hyatt who has a lot of large group experience. Mr. Romer agreed it has been too long since there has been a strategic effort but assured that BCRC and VVP are connected on group bids.

Vail Valley Works is now a 501c3 to obtain more grants. Chamber of Commerce, Economic Development and Tourism Services all have a goal of championing the community and business interests with political actions and public affairs. The CareerWise Youth Apprenticeship program was the first in a rural community and has more youth in the program than the entire state of Colorado combined.

Upon motion made by Mr. Nolan and seconded by Mr. Metz, the Board unanimously

RESOLVED to approve the Group Sales request of \$51,000 and \$9,000 for VVP Programing.

Mr. Nolan discussed the importance of BCRC to be involved in the upcoming Eagle County housing efforts like the Eagle Vail parcel. Mr. Romer gave some background on the project and will make sure BCRC is looped in.

10. Financial Report August 31, 2023. Ms. Braden-Butz presented the results of August financials, which are attached as Exhibit B.

October through August revenues came positive to budget by 19.7% at \$4.109M and exceeded prior year by 6.5% or \$1.54M. Expenses YTD is at a positive variance of 2.6% \$548k to budget and.

Yearend forecast shows revenues changed from prior month by \$215,832. This increase is the result of revenues collected and RETA forecast, with Event revenue forecasted at a negative variance of \$141,444 due to the Epicurean ticket sales not materializing. The Year End Revenues are now forecasted for a Positive 21.5% to budget a positive variance of \$4.798M to budget. And to PY (excluding the \$2.1M Mountain Rec true up) a positive 9.6% or \$2,382M.

Expense change from prior month is a negative \$18K.

- Activities and Events positive variance of \$170K is mainly the recouping of costs for Epicurean Adventure events by canceling several venues. YE is forecasted now at a positive variance of \$233,120 to budget.
- Transportation parking lot buses negative variance of \$168,719 includes adding back two monthly lease payments of \$120,000 inadvertently taken out last month, repairs and maintenance exceeding budget by \$27,531, and service hours exceeding budget by \$18,598. Also forecasted is a positive \$59,745 for the sale of 2 (a 2013 & 2014) El Dorado passenger vehicles and 2 2009 Gilligs. YE for Transportation as a whole is a negative variance of \$118k to budget.
- Property Maintenance negative variance of \$16K is the combination mainly of savings in management fee for open positions (\$115k) offset by the Market Square special assessment (\$138k). Property maintenance is now forecasted at a (\$17k).
- Public Safety negative variance change of \$39,086 is for OT for covering gate shifts at the upper parking garages for VPAC underground sound and Public Safety training that led to higher labor.
- Expenses are now forecasted at a -.3% or (\$59,000) to budget (this includes the \$162K contribution to VPAC). And to Prior Year a -17.1% or (\$3,246) to budget

Capital Update

- Strategic Projects total forecasted budget is now \$3,029,932, a change of \$286,084, of which \$226,520 for Teens Space and \$70,515 in Lighting Projects is pushed to FY24.
- Maintenance Capital forecasted budget is now \$649,946, a change of \$21,659. Unspent maintenance capital for Landscape \$5,000, McCoy deck Wirsbo snowmelt tubing check \$8,000, Events Equipment balance of \$3,306, and Office Remodel balance of \$5,352

Changes in Cash and Financing

- Ending cash balance forecast is a positive increase of \$529k from prior month's forecast.

11. Civic Assessment Update. Ms. Jarvis presented the progress of the proposed change to the bylaws regarding Civic Assessment Collection. The Rules and Regs Committee hosted a meeting with the Merchant community on October 6th that was very well attended. Staff gathered that information and feedback to discuss next steps at a committee meeting on October 11th. The Rules and Regs Committee recommends to the BOD to delay putting the bylaw amendment on the ballot for the FY23 Annual Meeting on December 7th, in order to collect more data on exempt assessments, continue discussions with the community and find an equitable solution for civic assessment collection. Their recommendation is to target June 1st as a deadline for any further decision which would allow for data and solution presentations to the BOD at the March or April meetings.

Mr. Nolan suggested that the homeowner community be brought further into the conversation. The biggest surprise was that there was a potential new tenant who would not sign a lease if this amendment was pursued. Mr. Donohue said the comment about the impact of this change during current leases and that perhaps amendment gets phased in upon lease renewals.

13. Strategic Initiatives Update. Mr. Huber presented an update on the Strategic Initiatives.

The Hawks Nest Cabin reveal party with BOD members and other key community contributors was a great success. The space is 90% complete with the ski simulator installation next week which will be followed by a photoshoot.

Creekside Park is on track for full construction and completion in 2024 with a committee meeting of phase two to develop final designs and a November 8 Board Meeting prior to DRB submittal. Mr. Donohue suggested there be a document created to show timeline of all communication regarding Creekside Park for the next meeting.

Lighting Optimization has created a dramatic change to the village. Conversations with the Metro District for bollard upgrades as the next phase and lighting the flags on Village Road. Mr. Nolan said the lighting upgrades now make unlit storefronts that much more noticeable which Mr. Huber said is in the next phase of plans. Mr. Murphy thanked the BCPOA for their contribution to the Children Fountain lighting upgrade.

14. Day Camp & Hiking Center Update. Ms. Jarvis presented a review of the Day Camp and Hiking Center operations. Day Camp became fully licensed at the end of the summer which will carry through next summer. The Camp Director has committed to returning next summer. There were over 1000 campers this year from June-August which was triple. Biggest roadblock was transportation which limits camp attendance. Changes next year will look at two different camps with in-resort vs. out of resort as well as using an internal point of sale system for faster changes and discounts. Mr. Metz suggested there be tracking of resort guest attendance vs. Eagle County local residence.

Hiking Center saw increase revenues of 1% from PY and -3% expenses due to wage increases. There was an overall decrease in number of hikers mainly due to fewer Club and Group Sales hikes. Hike & Dine at Beano's was one of the most sought after offerings. With a new POS system, will look at offering more experiential hikes like Wild Flowers, Geology and Homesteading history to increase 1hr hike numbers. Having two yoga instructors, a new offering including hiking, yoga and an F&B option will be created.

Mr. Metz and Mr. Dann mentioned there is an opportunity in the technology used in these departments and further to help with guest tracking, insights and data.

15. Conduct of Meeting Policy. Ms. Jarvis presented a review of the current conduct of meeting policy for timing of public comment. There is an opportunity to allow for public comment on an agenda item to be saved until the right before the agenda item. Discussion followed around timing of public comments and powers of the Chairman to allow for comments. Direction was given to staff to make proposed changes to agenda item public comment timing with legal review at a future meeting. Mr. Metz commented that this seems like a positive change given the exciting future of BCRC projects.

16. Elk Track Cul de sac Reconsideration. Mr. Clancy presented the reconsideration ask of the Elk Track contribution request. The property manager and an owner feel like they were misled in thinking that if certain items were obtained then the contribution would be approved. The BOD reviewed the documents and communication from Ms. Jones and upheld their decision of denying the contribution based on the Beautification Contribution Policy.

17. New Business. Special BCRC BOD Meeting will be November 8, 2023 at 8:00am, VPAC May Gallery to review Creekside Park and version three of FY24 Budget. Public notice and website will be updated.

18. Adjourn. With no further business to come before the board and upon motion made by Mr. Nolan and seconded by Mr. Metz and the Board unanimously

RESOLVED to adjourn the public session of the meeting of the Beaver Creek Resort Company Board of Directors held Thursday, October 26, 2023 at 9:51am.

19. Executive Session. Upon motion made by Mr. Metz and seconded by Mr. Dann, it was unanimously

RESOLVED to enter into Executive Session for Personnel discussion at 10:02am and adjourned at 11:20am.

Respectfully submitted,

Erin Jarvis
Beaver Creek Resort Company
Secretary

LIST OF EXHIBITS
BOARD OF DIRECTORS MEETING
BEAVER CREEK RESORT COMPANY OF COLORADO
October 26, 2023

- A. Minutes of the BCRC Board of Directors Meeting September 28, 2023
- B. Financial Report August 31, 2023