MINUTES OF THE

BOARD OF DIRECTORS MEETING OF

BEAVER CREEK RESORT COMPANY OF COLORADO

July 25, 2024

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, July 25, 2024.

Mr. Jim Clancy called the meeting to order at 8:01 am. 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:

John Dawsey Bob Boselli

Phil Metz Jeff Luker

Mike Trueblood Peter Dann-zoom

Jim Donohue Brian Nolan

Representing the Company were Jim Clancy, Executive Director, Nick Osborn, Treasurer and Erin Jarvis, Secretary.

Attendance in Public Session:

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| Clint Huber-BCRCKrista DeHerrera-BCRCLaura Dziadosz-BCRC-zoomKoby Kenny-BC Public SafetySam Hearn-BC DRB-zoomScott Sailor-East WestSarah Frank-VVFDave Dressman-VVF-zoomMike Imhof-VVF Exec Director | Matt Tetef-VRRAmy Bamford-VRRBill Simmons-BCMDRobin Nash-BCRC-zoomCameron Morgan-VPACOwen Hutchins-VPAC-zoomStacy Thibedeau-BCRC-zoomCasey Wydra- BCRC-ZoomLee Dittmar-BC Owner |

1. Public Comment. None

2. Minutes of the Beaver Creek Resort Company Board Meeting June 27, 2024. Upon motion made by Mr. Nolan and seconded by Mr. Metz, it was unanimously

 **RESOLVED** to approve the minutes of the June 27, 2024.

These minutes are attached as Exhibit A.

3. DRB Mr. Hearn updated the BOD on DRB submittals for the month which are pacing slight down from prior year. There was an improper landscaping project on Highlands Dr. which DRB was made aware of and is now requiring plans to be submitted prior to more work being completed along with mitigating erosion into Wayne Creek.

4. Public Safety Report. Mr. Kenny reviewed the June report. Bear disturbances have increased YOY primarily due to issues with dumpsters and material at the Hyatt loading dock. Conversations and best practices have been implemented to mitigate this. Boot and tow orders have increased due to more focus from Public Safety staff and violations at trailheads. On July 3rd parking management parked over 150 cars on Prater Rd and it went as smoothly as possible. A drone policy violation had been identified and all parties have been made aware of the application and approval process to correct the issue going forward

5. VVF Birds of Prey Sponsorship Agreement. Mr. Clancy reviewed the changes to the Sponsorship Agreement Exhibit A per the requests of the Events & Marketing Committees, however the specific monetary request has not changed. Lodging packages are being created in which VVF will help to facilitate BCRC marketing efforts. Mr. Imhoff and Ms. Frank answered questions from the BOD about quality of bands, schedule of events, village activations and finish area changes. There are important marketing deliverables like the Lodging Package and Video creation for promotional spots that staff will work on for VVF. Mr. Luker mentioned it would be good to have a commemorative piece of artwork similar to Bode Miller in 2015. He also stated that merchandise available in the village needs to be improved and available year round. Board members encouraged a proactive focus and a prioritization on mountain terrain from VR in conjunction with the additional support for Birds of Prey.

 Upon motion made by Mr. Trueblood and seconded by Mr. Metz, it was unanimously

 **RESOLVED** approve the amended Exhibit A of the VVF Birds of Prey sponsorship agreement with a contribution of $520,000 and $150,000 for Village Activations.

6. Economic Development and Marketing Committee. Mr. Huber reviewed the strategic plan for the Economic Development Department which includes Mission, Strategic Imperatives and Priorities. Measurements of success for each priority and objectives were reviewed. The numbering on the Strategic Imperatives does not designate priority and based on board recommendation will be changed to bullet points. Mr. Metz stated this plan has already been reviewed by the Marketing Committee and includes their feedback and alignment. Mr. Donohue mentioned that Beaver Creek homeowners are a large constituent group and property values in comparison to comparable resort communities should be evaluated as a measurement of success in Economic Vitality. Additional comments included that DRB requirements can impact property values and should be reviewed; RETA data can be used a measurement as well. Mr. Luker suggested bringing in a realtor to give high level reviews of trends of the Beaver Creek real estate market. Mr. Donohue stated that a constant comparison of Beaver Creek comp set needs to be a priority which Mr. Huber stated that is included in Objective 2, Strategy A of the Elevate Economic Priority.

Mr. Huber provided a review of the last Marketing Committee meeting where Vail Resorts presented the results of the Beaver Creek creative platform market research. As a result of the study, the concept or brand pillar of “Not Exactly Roughing It” will be brought back. Development of brand guidelines and marketing assets are on track for a September launch. The Destimetrics Beaver Creek Destination Region Report now includes SpringHill Suites, Towneplace Suites and The Christie Lodge. Discussion about occupancy reporting options for Beaver Creek ensued. Six different influencer trips are locked in for the next two months. Intercept surveys are underway to be complete by mid-August. The culinary campaign is up on websites and into targeted print ads. Discussion about the importance of ski resort rankings and metrics in various publications ensued.

7. Financial Report. Mr. Osborn provided the operating results ending May 31st which can be found attached as Exhibit B. There are no significant changes to the financial position through May and these financials include results from Brews, Blues and Barbeques event over Memorial Day weekend. The Committee reviewed the budget process and will review preliminary budgets in August. Total cash balance is strong with a current balance of approximately $30 million. Total assessment revenues exceeded budget largely due to RETA.

Year to date versus prior year show revenues down slightly with RETA down 13%, however Mountain Assessments is up 7% which helps offset this variance. Year End Expense Forecast shows a positive variance of $500k. End of year cash position is forecasted to be just under $29M. Discussion on the importance of review and urgency of capital projects with maintenance in the village because of the strong financial position ensued. Opportunities for BCRC partnership in larger projects need to be reviewed. Mr. Luker suggested a more detailed report output from the RETA tracker.

8. Event Committee. Ms. DeHerrera reported that Beaver Creek was nominated for many Best of Vail Valley awards with BCRC getting nominations for: BC Unplugged, CO Showcase, BC Kids Camp, and Oktoberfest. The music series have been very successful even though there has been more rain this year affecting the shows. CO Showcase attendance has been 50/50 destination vs local guests. Fourth of July attendance was estimated at 10k guests throughout the weekend. Opportunities to improve next year’s celebration included spreading out village activation and a focus on more VIP and security. . For upcoming events, Oktoberfest Saturday VIP is sold out already. Mr. Luker stated that during Oktoberfest there should be signs around the village and bus turnaround marketing Birds of Prey.

9. Rules and Regulations. Ms. Jarvis provided an update from the July 1st Civic Assessment Committee. Items reviewed at the committee level were the 2015 gallery shipping audit, previous Common Assessments, BCMD taxing abilities, and the new reserve study with 10yr capital and cash flow plan. With the CO Destination Tax, if the bylaw was amended, Beaver Creek would be the only place in Colorado with an “origin tax”. The Committee recommends to the Rules and Regulation Committee to not pursue the bylaw amendment. BCRC does receive total sales via the CO Sales Tax receipt, however they cannot differentiate in-state shipment vs. out of state shipment without further audits. The Rules and Regs Committee will review the remaining high level sales reports in Beaver Creek to determine if there is a minimum civic assessment per square foot that should be paid or a sliding scale business license. Both committees recognize that there is a high value to the non-branded, boutique retailers and galleries in Beaver Creek and in turn do not want to make it harder to operate business here.

10. New Business. Mr. Luker complemented how good the village looks. Engaging the maintenance team for continued focus on entire village is key. He suggests that there needs to be a meeting with VR about retail space visions. The BCMD approved an operating agreement for the Arcadian project and BCRC needs to obtain a copy for parking and public safety impacts. Ford Hall entrance bridge snowmelt repair is something that needs to be scheduled with BCMD.

Mr. Nolan stated June was one of the most variable months for his restaurants in recent history. Forefront is interested in using the ice rink for music. The City of Austin has now joined the Michelin program.

Mr. Donohue stated that during the next Strategy meeting, joint venture items such as screening on loading docks and on-mountain fine dining should be reviewed.

11. Adjourn. With no further business to come before the board and upon motion made and seconded, it was unanimously

**RESOLVED** to adjourn the BCRC Board of Directors Meeting held on Thursday, July 25, 2024 at 10:57am

Respectfully submitted,

Erin Jarvis

 Beaver Creek Resort Company

 Secretary

LIST OF EXHIBITS

BOARD OF DIRECTORS MEETING

BEAVER CREEK RESORT COMPANY OF COLORADO

July 25, 2024

1. Minutes of the Beaver Creek Resort Company Board Meeting June 27, 2024
2. Financial Report May 31, 2024