



MINUTES OF THE 2021 ANNUAL MEETING

OF THE MEMBERS

BACHELOR GULCH VILLAGE ASSOCIATION

The 2021 Annual Member Meeting of Bachelor Gulch Village Association (the “Association”) was held virtually via Zoom on December 22, 2021. Board Members present were Nadia Guerriero, Gary Shimanowitz, Brian Kushner, Nick Nichols, and Phil Metz. Leo Hoover, Association Manager; Dana Miller, Financial Analyst; Lisa Mayers, acting attorney for the Association; and Carol Floyd, Secretary for the Meeting were also present.

Call to Order and Verification of Proper Notice and Quorum

Nadia Guerriero called the meeting to order at 4:07 p.m. Lisa Mayers verified proper notice was given on November 26, 2021 to all members of the Association, and that a quorum has been achieved.

Introductions

Nadia Guerriero, Chief Operating Officer for Beaver Creek Resort and President of the Association, introduced Leo “Lee” Hoover, the new Association Manager, replacing Mike Trueblood who left his position on December 4, 2021. She also introduced Board members, Brian Kushner and Nick Nichols, who hold residential seats; Gary Shimanowitz, Vice President of Beaver Creek Mountain Operations; and Phil Metz, Sr. Director of Signature Clubs.

Association Description

Lisa Mayers described the Association as a homeowners association created pursuant to the recorded Declaration of Covenants. All property owners are members of the Association by virtue of ownership of a lot within the community. The Association’s purpose is to own and maintain common property, enforce the Declaration including design review, covenant enforcement, collect assessment, and provide the functions described in the Declaration including the transportation system.

Election Results

Lisa Mayers stated the two Board member seats that were expiring this year were Class D. Vail/Arrowhead Inc. has reappointed Gary Shimanowitz and Nadia Guerriero to those seats for new three-year terms. Lisa confirmed, based on the online vote, paper ballots and proxies, the 2020 Annual Meeting Minutes have been approved.

Financial Report

Dana Miller gave an overview of the Association’s year-end financial status as of September 30, 2021. She reported 2021 was a very strong year financially. Dana said some line items ended the year more favorable than forecasted. Actual real estate transfer assessments (“RETA”) collected were \$5.4M driven by sales volume and more single-family residence sales. Civic assessments came in at \$2.4M and Design Review fees collected were \$240K, favorable to budget because of a large tree fine that was assessed. Total revenue ended the year at \$8.1M. Operating expenses were favorable for Public Safety with lower staffing levels at the beginning of the year and for Village Connect because of reduced volume. The surplus for the year is approximately \$4M. Improvements for the year included security vehicles, fire mitigation, and Tennis Center improvements. \$20K in Board directed capital was used for the Association’s share to pave the Wolf parking lot. Dana reviewed the 2022 budget noting a conservative approach was taken for revenue. \$2M is budgeted for RETA based on a historical average from 2015 to 2019, excluding 2020 and 2021 for being extraordinary years in real estate sales. Civic Assessments

were reduced to \$2.1M because of The Ritz-Carlton renovation occurring April through mid-July. Design Review fees were based on historical averages excluding 2021. Total revenue is budgeted at \$4.1M. Increases in operating expenses include Public Safety for higher staffing levels and increase in wage, Village Connect for an expected volume increase and incentive program, and Design Review for an increased staffing level and rent. Overall, operating expenses are budgeted to exceed revenue by \$317K. This amount would be withdrawn from reserves built up from prior year surpluses. Improvement projects for 2022 include landscaping upgrades, staining of the gatehouse, fire mitigation, trail signage and Tennis Center improvements. Total improvements are budgeted at \$316K. Dana noted transportation vehicles in the amount of \$314K are shown on the Balance Sheet as depreciable assets. No vehicles were purchased in 2021. Three vehicles have been purchased for 2022.

Mountain Update

Gary Shimanowitz reported Mountain Operations had a busy summer with the McCoy Park project. The additional 250 acres of skiable terrain offers 17 beginner and intermediate trails serviced by two lifts, one fixed grip quad and one detachable quad. More natural snowfall is needed to open the area. In conjunction with this project, snowmaking was installed on Primrose run. Gary said the opening of Beaver Creek was delayed by four days due to warm weather in November and lack of snow. The Birds of Prey event was a success with the ability to make snow at higher elevations in October. It was noted, half of the course is above 10,000 feet. Bachelor Gulch opened on December 18th and the interconnect opened on the 20th. The current priority is to make snow on Cabin Fever, down to Little Brave and Roughlock.

Property owner questions were addressed with regard to future improvements, repair of the light post at the guard house, fire mitigation, the possibility of mail delivery in Bachelor Gulch, and lifts opening at 9:00 a.m.

There being no further business, Brian Kushner moved to adjourn the meeting. Phil Metz seconded the motion and the meeting was adjourned at 4:34 p.m.

Respectfully submitted,

Carol Floyd
Secretary for the Meeting