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November 29, 2023

Dear Bachelor Gulch Village Association Member:

When you purchased property in Bachelor Gulch Village, you became a member of the Bachelor Gulch Village Association (the “Association”). The Association enforces protective covenants and provides public safety, transportation, design review, construction compliance, common area maintenance, and recreation and landscape improvements. Please be notified that an Annual Meeting of Members of the Association will be held on December 29, 2023 at The Ritz-Carlton in Bachelor Gulch, Colorado, at 4:00 p.m., local time, for the following purposes:

1. To elect one (1) Class A (Single-Family) Director
2. To review and consider the Board adopted budget for fiscal year 2024, and 2022 Annual Meeting Minutes.
3. To transact other business as may properly come before the meeting.

Those who are unable to attend in person may join the meeting virtually. The Zoom link to register in advance for the webinar is as follows:

https://us06web.zoom.us/webinar/register/WN_CnBkLmCrT7G0UFxhOmt9ww

Upon completion of registration, you will be emailed a link to join the webinar.

To help the community achieve quorum, an option to vote online is being offered. Those who have provided an email address will receive a registration code and link to the voting website. Anyone wishing to vote online who does not receive an email notice, please contact Carol Floyd at cfloyd@vailresorts.com or (970) 754-6905. If you have already signed and submitted a hard copy proxy, you do not need to visit the voting website. The deadline for online voting is 12:00 p.m. on December 29, 2023.

The close of business on November 15, 2023 is fixed as the record date for the determination of the Members entitled to notice of and to vote at the meeting. Enclosed please find a proxy, the 2022 Annual meeting minutes, candidate biographical information, and a copy of the fiscal year 2023 summary financial status report along with a summary of the proposed fiscal year 2024 budget.

Because of the limited parking at the Ritz-Carlton, Village Connect will be available beginning at 3:00 p.m. to take you to The Ritz-Carlton and return you to your home after the meeting. Please arrange your transportation through the Village Connect app.

We look forward to seeing you at the Annual Meeting.

Sincerely,

BACHELOR GULCH VILLAGE ASSOCIATION

Lee Hoover
Association Manager



MINUTES OF THE 2022 ANNUAL MEETING

OF THE MEMBERS

BACHELOR GULCH VILLAGE ASSOCIATION

The 2022 Annual Member Meeting of Bachelor Gulch Village Association (the “Association”) was held at The Ritz-Carlton, Bachelor Gulch with a virtual option via Zoom on December 28, 2022. Board Members present were Nadia Guerriero, Brian Kushner, Dan Ramker and Paul Gorbald. Leo Hoover, Association Manager; Dana Miller, Financial Analyst; Lisa Mayers, acting attorney for the Association; Hugh Fairfield Smith with Eagle Valley Wildland; Carol Floyd, Secretary for the Meeting; and a number of property owners 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 sent on November 29, 2022 to all members of the Association, and that the 10% of membership required for quorum had been achieved in person or by proxy.

Introductions

Nadia Guerriero, Chief Operating Officer for Beaver Creek Resort and President of the Association, introduced Paul Gorbald, who holds the Class C-Commercial position and is Sr. Manager of Transportation; Dan Ramker holding the Class D-Open Space Recreation seat and is Vice President of Mountain Operations for Beaver Creek; and Brian Kushner who holds in the Class B-Multi Family seat and is a resident of Bachelor Gulch. Nick Nichols, Bachelor Gulch resident who represents Class A-Single Family on the Board, was not present due to illness. Nadia introduced Lee Hoover, Association Manager and Sr. Director of Village Operations and other support staff.

Association Description

Lisa Mayers described the Association as a non-profit corporation formed pursuant to the recorded Declaration of Covenants. It operates and oversees the Bachelor Gulch community and services, functions, and facilities provided to the community including maintenance of common areas, public safety, transportation, and design review. All property owners are members of the Association by virtue of acquiring property within Bachelor Gulch.

Election Results and Appointment of Directors

Lisa Mayers stated there were two classes for election this year. She announced, Brian Kushner, the single candidate for the Class B position received a majority of votes and has been reelected, noting there were five write-in candidates. Lisa stated Paul Gorbald has been reappointed to the Class-C position by the Class-C commercial members.

Approval of the Minutes of the 2021 Member Meeting

Lisa Mayers confirmed the 2021 annual member meeting minutes were approved with 67 votes for the action and two fractional votes against the action.

Vail Resorts Employee Investment

Nadia Guerriero spoke about the \$175K annual investment Vail Resorts has made into their employees. Going into the season, the company’s goal was to be fully staffed. Vail Resorts looked at providing employees with an

experience of a lifetime so they can, in turn, provide guests with an experience of a lifetime. Some of the significant changes included increasing the minimum wage to \$20 per hour, seasonal frontline leadership development, doubling the retail discount to 40%, free equipment rental for some employees and two free lessons each month. Vail Resorts has doubled down on its mental and behavior health support by offering six free therapy sessions for every issue an employee is dealing with via in-person, telehealth and videoconferencing providers. This support is extended to family and roommates that live with an employee. Affordable housing remains a priority. Beaver Creek was able to secure and subsidize 100 additional beds at Green Tree Suites in Eagle. Vail Resorts has increased HR support for hiring managers, reworked the recruiting strategy, and improved the onboarding process. Reproductive health care benefits were expanded. In states that do not provide reproductive healthcare an employee needs or wants, the company will pay for travel to another state for an employee to receive care.

Fire Mitigation

Hugh Fairfield Smith explained Eagle Valley Wildland (“EVW”) is a cooperative program between all of the local fire districts with a mission to reduce the threat of catastrophic wildfire for the entire community. In partnership with all of the entities in Beaver Creek and Bachelor Gulch, very robust and visible fire mitigation projects were designed with fuel breaks. Just under 400 acres have been treated in Bachelor Gulch this year. Bachelor Gulch Metro District (“BCMD”) dedicated a lot of their resources to implementing the project designed. Work is also contracted out to local contractors. Projects for next year will be on small islands throughout the community and moving upward to treat another 300 acres. Hugh noted fire moves much faster uphill than downhill. Treatment on ridge systems and below structures give fire fighters a tactical advantage. He further spoke about the importance of a healthy eco system to resist fire and support natural habitat for wildlife. With investment by BCMD and the Association, EVW also works closely with State and Federal partners to seek grant funding. Eagle County funding ensures EVW program is able to operate and wildfire projects move forward. To receive emergency and other real-time notifications, Hugh recommended signing up for ECAAlert by filling out a profile online and selecting desired alerts. He further spoke about the opportunity to schedule a free home risk assessment at realfire.net.

Transportation / Village Connect Update

Paul Gorbald reported Village Connect has seen great hiring success this year. He explained the Vail Resorts minimum wage increase included a skill differentiator. For CDL drivers the minimum wage is \$25 per hour. In addition, the three communities Village Connect serves came together to fund an incentive for drivers. The amount varies, but can be as much as \$5.00 per hour, paid at the end of the season. Transportation received 12 extra housing allocations for new hires. With the support of the communities in which Village Connect operates, the service plan was changed to offer more shoulder-season work to build back the year-round employee base. Paul said they have handled higher volumes with a better level of service. He stated Village Connect runs from 7:00 a.m. to midnight in Bachelor Gulch, and recommended booking ride requests via the Village Connect app. Paul talked about the service standard to arrive for pick up within 20 minutes 90% of the time, noting they reached 93% for completed rides last season. Discussion took place regarding capturing data for canceled rides. Lee Hoover said they will look into dropped rides to see if there are trends or adjustment that can be made with how rides are dispatched.

Mountain Update

Dan Ramker reported there are currently 1,700 acres of terrain and 152 trails open, and all chairlifts are operating. During the same period last year, there were 700 acres of terrain open and 11 chairlifts operating. The remainder of terrain are western trails that require snowmaking. The snowcat crew are actively dozing on the lower portion of Little Brave from Roughlock down. Dan said the mountain is in fantastic shape. When asked how often skiways are groomed, Dan responded in accordance with the contractual agreement, when there is four inches of snow, Class B skiways will be groomed within 24 hours.

Financial Report

Dana Miller stated the Association remains in a strong financial position. Fiscal year 2022 was another exceptional year with \$8.2M in revenue vs. a budget of \$4.1M. The two primary sources of revenue are civic

assessments and real estate transfer assessments (“RETA”). \$4.9M in RETA was collected in 2022 from 97 sales of which five were over \$10M. Expenses came in at \$4.2M on a budget of \$4.5M. There were savings in Transportation, because of fewer service hours than budgeted, Public Safety, and legal expense. Overall, there was an operating surplus of slightly over \$4M. \$181K in capital funds was spent on landscaping, wildfire mitigation, and trail signage. Dana noted the bulk of Board directed capital in the amount of \$91K was an \$80K payment for wildfire mitigation. The ending reserve balance for FY2022 was \$13.8M. Dana said a conservative approach was taken for the FY2023 budget. Revenue is budgeted at \$4.5M for the year, factoring in a decrease in real estate sales, lower inventory, and the expectation of a decline in activity. Civic assessments are budgeted at \$2.4M. Total expenses are budgeted at \$5.6M for the year, an increase of \$1.4M over last year. The biggest factors relate to wage increases, inflation, utilities, and trash. Dana explained the Waste Management contract was renewed including an increase of \$180K for the year. For 2023, there is a decrease in the reserve balance of \$1M from the operating account. \$1.4M is budgeted for capital expenses to include landscaping, wildfire mitigation, trail signage, a \$1M contribution to Bachelor Gulch Metro District, and \$200K board directed capital. The ending reserve balance for FY2023 is budgeted at \$11.3M. Dana stated the FY2023 budget has been approved by the Board and, unless there is a motion to disapprove the budget, it will be ratified. Hearing none, the budget was ratified.

Other Business

A suggestion was made to add a community dumpster for property owners to use before leaving town. Lee Hoover spoke about the challenges of finding a location for a dumpster and controlling usage. He recommended utilizing a local caretaker or property manager. Lee agreed to look into the matter further.

The status of adding pickleball courts in Bachelor Gulch was discussed. Lee Hoover said he walked the site with a vendor in November and will be receiving information on options to begin the conversation.

A question was raised with regard to the process for serving on the Association Board. Lisa Mayers answered, historically, there has not been a lot of interest. It has been an informal process whereby individuals come forward and let the Board know they are interested in serving by appointment to fill a vacancy or standing for an election. She recommended anyone interested should reach out to Lee Hoover. In response to a follow-up question of whether there is a term limit, Lisa stated there is not.

There being no further business, Brian Kushner moved to adjourn the meeting. Dan Ramker seconded the motion and it was adjourned at 5:06 p.m.

Respectfully submitted,

Carol Floyd
Secretary for the Meeting

KRISTI KENNEDY BIO



Kristi Kennedy moved to Bachelor Gulch in 2020 from Naples, Florida and is a full-time resident on Daybreak Ridge. Kristi is currently a shareholder and CEO of a data management software company. Much of her career has focused on mergers and acquisitions of software companies. Kristi is the President of the Bachelor Gulch Residents Association. She also serves on the Board of the Columbia College Women's Association and on Board of Friends for Double Discovery Center in NYC, a non-profit dedicated to providing college access to low-income students. Kristi received her BA from Columbia College and her JD from Columbia University School of Law. Kristi, her husband, Dan, and their five children enjoy tennis, pickleball, hiking, biking, skiing and snowshoeing.

BACHELOR GULCH VILLAGE ASSOCIATION

PROXY and BALLOT

The undersigned hereby appoints _____, or in the absence of a specific designation appoints the chairperson as the undersigned’s proxy, with full power of substitution, to attend the Annual Meeting of the Members of the Bachelor Gulch Village Association (the “Association”) to be held at The Ritz-Carlton in Bachelor Gulch, Colorado, and virtually via Zoom webinar on **Friday, December 29, 2023 at 4:00 p.m., MST**, and any adjournment or adjournments thereof, and to vote thereat the number of votes which the undersigned would be entitled to vote, with all the power the undersigned would possess if present in person as follows:

1. To vote for one (1) Class A Director as follows:

For **Nominee**

_____ Kristi Kennedy

_____ _____
(write-in)

2. To vote on the 2022 Annual Meeting Minutes (attached).

_____ Yes – I approve the 2022 Annual Meeting Minutes

_____ No – I do not approve the 2022 Annual Meeting Minutes

_____ I abstain from voting on the 2022 Annual Meeting Minutes

3. To review and consider the Board adopted budget for fiscal year 2024.

4. To transact other business as may properly come before the meeting.

By submitting this Proxy, the undersigned hereby acknowledges receipt of Notice of Annual Meeting of Members dated November 29, 2023. **THIS PROXY MUST BE COMPLETED AND RETURNED VIA THE ASSOCIATION’S ONLINE VOTING PLATFORM, OR COMPLETED AND RETURNED TO CAROL FLOYD AT THE ADDRESS, FAX OR E-MAIL BELOW, AT OR BEFORE 12:00 P.M. ON DECEMBER 29, 2023.** *You may fax this signed Proxy to 970-754-5287, mail it to P.O. Box 100, Edwards, CO, 81632, or e-mail it to cfloyd@vailresorts.com.*

Dated: _____
(Please date your proxy)

Signature of Member as such Member’s name appears on deed

Print Name

Lot/Unit Number and/or Street Address

Bachelor Gulch Village Association
FY2024 Budget
Income Statement
For the fiscal year from 10/01/2023 thru 9/30/2024



Revenue	BUDGET		VARIANCE		BUDGET		VARIANCE	
	2024	Forecast 2023	2024 VS. 2023 Forecast		2023	2023 VS. 2023 BUD		
1 Transfer Assessment	\$ 2,500,000	\$ 3,249,050	\$ (749,050)	(23.1%)	\$ 2,100,000	\$ 400,000		19.0%
2 Civic Assessment	2,600,000	3,615,999	(1,015,999)	(28.1%)	2,400,000	200,000		8.3%
3 Design Review Fees	50,000	53,479	(3,479)	(6.5%)	50,000	-		0.0%
5 Other	-	-	-	0.0%	500	(500)		(100.0%)
6 Interest - Operating Money Market Account	35,000	35,507	(507)	(1.4%)	1,500	33,500		2,233.3%
Total Revenue	\$ 5,185,000	\$ 6,954,035	\$ (1,769,035)	(25.4%)	\$ 4,552,000	\$ 633,000		13.9%
Expense								
7-8 Public Safety Expense	\$ (997,977)	\$ (845,349)	\$ (152,628)	(18.1%)	\$ (911,496)	\$ (86,482)		(9.5%)
9 Public Safety - Performance Incentive	(10,500)	(8,500)	(2,000)	(23.5%)	(10,500)	-		0.0%
10 Landscaping	(120,700)	(123,253)	2,553	2.1%	(117,000)	(3,700)		(3.2%)
11 Recreation (Tennis)	(127,600)	(83,904)	(43,696)	(52.1%)	(91,250)	(36,350)		(39.8%)
12 Comm on Area Maintenance	(78,050)	(64,074)	(13,976)	(21.8%)	(76,450)	(1,600)		(2.1%)
13 Utilities	(96,000)	(78,649)	(17,352)	(22.1%)	(64,360)	(31,640)		(49.2%)
14 Trash	(518,220)	(474,129)	(44,091)	(9.3%)	(481,500)	(36,720)		(7.6%)
15 Insurance Premiums	(36,860)	(22,485)	(14,375)	(63.9%)	(23,400)	(13,460)		(57.5%)
16 Homeowner Meetings & Supplies	(12,300)	(7,315)	(4,984)	(68.1%)	(12,300)	-		0.0%
17 Legal & Audit	(75,000)	(44,908)	(30,092)	(67.0%)	(75,000)	-		0.0%
18 Income Taxes	(30,000)	(25,228)	(4,772)	(18.9%)	(562)	(29,438)		(5,238.1%)
19 Marketing and Promotion	(10,000)	(10,000)	-	0.0%	(10,000)	-		0.0%
20 Village Connect	(3,339,090)	(3,001,193)	(337,897)	(11.3%)	(3,125,089)	(214,001)		(6.8%)
22-23 Design Review Expense	(123,498)	(114,760)	(8,738)	(7.6%)	(117,709)	(5,789)		(4.9%)
24 Admin, Mgmt & Acctg Expense	(269,940)	(262,914)	(7,026)	(2.7%)	(262,009)	(7,931)		(3.0%)
24a Depreciation Expense	(200,000)	(189,771)	(10,229)	(5.4%)	(255,000)	55,000		21.6%
25 Improvement Fund (Funding) / Withdrawal	860,735	(1,597,602)	2,458,337	153.9%	781,625	79,110		(101.1%)
27 Operating Fund	-	-	-	-	-	-		-
Total Expense	\$ (5,185,000)	\$ (6,954,035)	\$ 1,769,035	25.4%	\$ (4,852,000)	\$ (333,000)		(6.9%)
Operating Reserve Fund								
Beginning Balance	\$ 1,000,000	\$ 1,000,000	\$ -		1,000,000	\$ -		
Ending Cash Balance	\$ 1,000,000	\$ 1,000,000	\$ -		\$ 1,000,000	\$ -		
Transportation Vehicles	\$ (310,566)	\$ -						
Improvements & Replacements Fund:								
Beginning Balance	\$ 13,512,423	\$ 12,879,090						
Interest - Reserve Investment Accounts	437,285	192,692						
Funding	(860,735)	1,597,602						
26 Expenditures Itemized								
Gatehouse, Entry & Other Landscape	(20,000)	(8,566)						
Gatehouse Exterior Staining		2,800						
Bus Shelter Improvements / Staining	(20,000)							
Tennis Court Landscaping	(50,000)							
Tennis Center - Deck Staining	(10,000)							
Tennis Center- Furniture	(15,000)							
Tennis Center - Supplies / Water Dispenser	(10,000)							
Tennis Center - Technology / Web Booking	(10,000)							
Summer Trails	(300,000)							
Wildland Fire Mitigation	(100,000)	(31,000)						
Parking Lot Resurface / Sealcoating	(20,000)							
Funding of BGMD Debt - Voluntary		(1,000,000)						
Security Vehicles	(48,000)	(250)						
Gatehouse Cameras	(10,000)	(30,545)						
Trail Signage	(50,000)							
Bridges & Tunnels	(50,000)							
Landscape Upgrades	(50,000)	(10,000)						
Holiday Light Replacement	(20,000)							
Board Directed Capital	(200,000)							
Board Directed Capital - Owner Survey		(10,400)						
Board Directed Capital - Fire Mitigation		(69,000)						
Total Expenditures	\$ (983,000)	\$ (1,156,961)	\$ 173,961					
Ending Balance	\$ 12,105,973	\$ 13,512,423	\$ 1,769,035					
Total Ending Fund Balance	\$ 13,105,973	\$ 14,512,423	\$ 1,769,035					