



BACHELOR GULCH VILLAGE ASSOCIATION NOTICE OF 2024 ANNUAL MEMBERS MEETING

November 27, 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 enforces protective covenants and provides public safety, transportation, design review, construction compliance enforcement, common area maintenance, and recreation and landscape improvements. Please take notice that the Association's 2024 Annual Members Meeting will be held on **Friday, December 20, 2024, at 3:00 p.m. MST** at The Ritz-Carlton Bachelor Gulch Salon and virtually via Zoom for the following purposes:

1. To vote for approval of the Association's 2023 Annual Members Meeting Minutes;
2. To review and consider the Association budget for 2025 approved by the Board of Directors;
3. To transact such further business as properly comes before the meeting.

If you cannot attend in person, you may attend the meeting virtually through a Zoom webinar. You can register for the webinar at the following link:

https://us06web.zoom.us/webinar/register/WN_I7DQAOpISpuUpYGspWRm4Q

Once registered, you will be emailed a link to join the webinar.

As a property owner in the Association as of November 15, 2024, you are a member entitled to notice of and to vote as the Association's 2024 Annual Members Meeting. To that end, in addition to this notice, please find enclosed the 2023 Annual Members Meeting Minutes, the Association budget for 2025, and a directed proxy and ballot form. **The deadline to complete and return the directed proxy and ballot form as provided on the form is Thursday, December 19, 2024, at 6:00 p.m. MST.**

Alternatively, the Association offers the option to vote online. If we have your email address, you will receive an email with a registration code for and a link to the voting website where you can execute an electronic directed proxy and record your vote. If you would like to vote online and did not receive this notice by email, please contact Mike Heaphy at mjheaphy@vailresorts.com / (970) 754-6905. **The deadline for online voting is Thursday, December 19, 2024, at 6:00 p.m. MST.**

All members are encouraged to complete and return the directed proxy and ballot form OR vote online before the meeting.

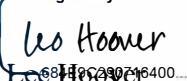
Due to limited parking at the Ritz-Carlton, Village Connect will be available to take you to The Ritz-Carlton and return you to your home after the meeting. Please arrange your transportation through the Village Connect app.

We look forward to seeing you at the Annual Meeting.

Sincerely,

BACHELOR GULCH VILLAGE ASSOCIATION

Signed by:


Leo Hoover

Association Manager



MINUTES OF THE 2023 BACHELOR GULCH VILLAGE ASSOCIATION ANNUAL MEMBERS MEETING

The 2023 Bachelor Gulch Village Association Annual Members Meeting was held at The Ritz-Carlton Bachelor Gulch and virtually via Zoom on December 29, 2023. Board Members present were Bobby Murphy, Brian Kushner, Kristi Kennedy, Dan Ramker, and Paul Gorbald. Lee Hoover, Association Manager, Dana Miller, Financial Analyst, Lisa Mayers, attorney for the Association, Hugh Fairfield Smith with Eagle Valley Wildland, Carol Floyd, Secretary for the Meeting, and many property owners were also present.

Call to Order and Verification of Proper Notice and Quorum

Bobby Murphy called the meeting to order at 4:17 p.m. Lisa Mayers verified proper notice was distributed on November 29, 2023, to all members of the Association and that a quorum was achieved.

Introductions

Bobby Murphy introduced himself, fellow Board members, and staff.

Association Description

Lisa Mayers described the Association as a non-profit corporation formed pursuant to the recorded Declaration of Covenants and the Colorado Common Interest Ownership Act (“CCIOA”). It operates and oversees the Bachelor Gulch community which includes owning and managing any common areas, providing security, transportation, and design review services, and other functions as provided in the Declaration. All property owners are members of the Association by acquiring property within Bachelor Gulch.

Election Results and Appointment of Directors

Lisa Mayers stated the Class-A seat was up for election. Kristi Kennedy had been appointed to the position earlier in the year replacing Nick Nichols who stepped back from the Board. Kristi then stood for the election and was reelected to the position with a 40% unanimous vote.

Approval of the Minutes of the 2022 Annual Member Meeting

Lisa Mayers confirmed the 2022 annual member meeting minutes were approved, with 120 votes for approval, a .33 vote against, and nine abstentions.

Fire Mitigation

Hugh Fairfield-Smith, Fire Management Officer for Eagle River Fire Protection District, leads the Eagle Valley Wildland (“EVW”) program, created in response to the growing threat of catastrophic wildfire that the community faces every year. They have partnered with many agencies throughout Eagle County, including the Association, to leverage the funds that are invested for wildland fire mitigation to gain grant funding. In 2023, EVW was able to treat 162.4 acres in the Bachelor Gulch community. 487.8 acres were treated in the larger Beaver Creek area in partnership with Bachelor Gulch Metro District, the Association, Arrowhead Metro District, Beaver Creek, and Vail Resorts. Slash piles will likely be burned next spring or fall. Thinning has commenced near many homes. EVW is working to restore the ecosystem. Overall, in 2023, \$1.22M was spent in the Beaver Creek area on wildland fire mitigation. In 2024, with the contributions pledged from the greater community and grant funding, EVW will be able to treat just over \$1M in wildland fire mitigation. The Association is also going to contribute toward the Healthy Forest program. With this new program, EVW staff will be in the community of Bachelor

Gulch assessing homes on a three-year rotation and will provide a report with tips to protect homes. EVW will provide one proposal of fire mitigation per property that can be accepted or denied. Hugh emphasized there are no requirements and explained the intent is to partner and make the process easier for property owners to gain protection on their private land. Hugh talked about the Eagle County wildfire cost share program available to anyone who meets the criteria outlined with a free assessment through [realfire.net](https://www.realfire.net). Discussion took place regarding insurance companies' recognition of fire mitigation. Upon request, EVW will assist with a letter to insurance companies if all assessment recommendations have been completed. Hugh noted Bachelor Gulch has been an accredited Firewise community for 12 years. The current certificate can be downloaded from the Bachelor Gulch Metro District website. In answer to an inquiry regarding water conservation efforts, Hugh said EVW is in the early phases of establishing an intergovernmental agreement with ERWSD to protect the watershed. Lee Hoover thanked Hugh and his team for their work and for bringing everyone together for this important cause.

Mountain Update

Dan Ramker reported 1,100 acres of skiable terrain and 15 of Beaver Creek's 18 lifts are open. Unseasonably warm temperatures in December delayed snowmaking. Roughlock opened today, and snow is being blown on lower Cabin Fever. Mountain Operations has finished blowing snow on Cresta in Arrowhead and McCoy Park. Once those runs areas are open, focus will shift back to the main mountain on lower Centennial and 1876 trails.

Financial Update

Dana Miller reviewed the Association's year-end financials as of September 30, 2023, noting the Association remains in a very strong financial position. 2023 ended with an operating surplus of \$1.6M. A deficit of \$1M was budgeted for the operating fund. The Association is \$2.6M favorable to budget for the year. Dana said the financials are currently being audited by an external firm and very few adjustments are expected. The Association assesses no dues. Favorability in revenue was driven by real estate transfer assessments ("RETA"). \$3.2M in RETA was collected, based on 56 sales of which four residences sold for over \$10M. \$3.6M collected in civic assessments exceeded budget by \$1.2M. Expenses were \$277K favorable to budget. Transportation saw savings of \$120K because of fewer service hours than budgeted and a rate increase that did not go into effect until November. Public Safety was budgeted for full staffing levels and had savings of \$70K because of open positions. Dana explained the purchase of buses scheduled for 2023 did not occur creating a savings in depreciation for new vehicles. Capital expenses included a \$1M contribution to the Bachelor Gulch Metro District for debt funding which resulted in a reduction in the mill levy rate, \$100K for fire mitigation, gatehouse camera and landscaping upgrades. 2023 had an ending fund balance of \$11.9M. Dana gave an overview of the 2024 budget noting the Board took a conservative approach. Revenue of \$5.2 is budgeted including \$2.5M in RETA and \$2.6M in civic assessments. Operating expenses are budgeted at \$6M, up 7% from the 2023 budget. This assumes full staffing levels for Public Safety and Design Review Administration. An increase in Transportation is for contract labor if needed during peak periods. Utilities were increased due to a rate increase and tier structure that will affect irrigation expenses. Overall, expenses are budgeted to exceed revenue by \$860K. Some of this year's surplus will be transferred into next year to offset the deficit. Reserve expenses are budgeted to be \$983K leaving a reserve balance of \$13M. New capital projects include \$20K for holiday light replacements, \$50K for bridges and tunnel maintenance, \$100K for fire mitigation, \$300K for summer trails, and \$200K in Board directed capital for unexpected projects the Board agrees to allocate capital funds. Dana stated the budget has been adopted by the Board and unless there is a motion to disapprove it, the budget would be ratified. Hearing none, the budget was ratified. Dana spoke about the Association's investments. In compliance with the Investment Policy, funds are invested with four institutions maintaining FDIC coverage and insured cash sweep accounts. Over \$10M is invested in laddered treasury bills through 2027, with an average yield of 4.94%.

Other Business

Pickleball: Bonnie Kivel shared stats from the recent homeowner survey indicating there is significant interest in pickleball. She spoke about the inconvenience of playing pickleball at Beaver Creek. She asked the Board to share tracking of the tennis court usage from this summer. Lee Hoover provided court usage details for July and August. The upper courts were used 67% of the days, the third court was used 54%, and the fourth court was used 30%. Bonnie requested the Board consider repurposing the fourth court for pickleball. Lee explained beneath the

entire tennis area is an easement for Eagle River Water and Sanitation District infrastructure. The easement would not allow for updates to the existing irrigated courts. Lee further clarified the funds allocated to Tennis Center improvements are for necessary maintenance to keep the facility up to Bachelor Gulch standards. Kristi Kennedy added there is \$25K allocated in next year's budget to offset the cost for residents to play pickleball at other facilities, noting Lee has been working to partner and gain better access. Brian Kushner spoke about various options that have been looked into including temporary solutions. He said, that at this time, it is unlikely they will be able to find a flat area that can accommodate pickleball courts. Kristi said the Board is working to increase transparency and improve communication.

Dumpster: One property owner requested the Board consider implementing a community dumpster. Lee Hoover stated experience has shown public dumpsters are often abused from outside the community. Bobby Murphy said the Board will take this matter for discussion.

Recycling: A question was raised regarding what the Association is doing to encourage property owners to recycle. Bonnie Kivel spoke about educational communications sent by Bachelor Gulch Residents Association ("BGRA") and the Association. Brian Kushner added when the Association negotiated the renewal of its trash service contract, each property could receive large trash and recycling containers. Waste Management has committed to separate trash and recycling pick-ups on a timelier schedule.

There being no further business, Brian Kushner moved to adjourn the meeting. Dan Ramker seconded the motion and the meeting was adjourned at 4:52 p.m.

Respectfully submitted,

Carol Floyd
Secretary for the Meeting

Bachelor Gulch Village Association
FY2025 Budget
Income Statement
For the fiscal year from 10/01/2024 thru 9/30/2025



			VARIANCE		VARIANCE		
	BUDGET	Forecast	2025	VS.	BUDGET	2025	
Revenue	2025	2024	2024 Forecast		2024	2024 BUD	
1 Transfer Assessment	\$ 2,700,000	\$ 3,081,816	\$ (381,816)	(12.4%)	\$ 2,500,000	\$ 200,000	8.0% Conservative approach for 2025 revenue budget
2 Civic Assessment	2,900,000	3,510,874	(610,874)	(17.4%)	2,600,000	300,000	11.5%
3 Design Review Fees	35,000	31,489	3,511	11.2%	50,000	(15,000)	(30.0%)
4 DRB Signs	-	-	-	0.0%	-	-	0.0%
5 Other	-	-	-	0.0%	-	-	0.0%
6 Interest - Operating Money Market Account	25,000	29,306	(4,306)	(14.7%)	35,000	(10,000)	(28.6%)
Total Revenue	\$ 5,660,000	\$ 6,653,484	\$ (993,484)	(14.9%)	\$ 5,185,000	\$ 475,000	9.2%
Expense							
7-8 Public Safety Expense	\$ (1,073,501)	\$ (1,002,094)	\$ (71,407)	(7.1%)	\$ (997,977)	\$ (75,524)	(7.6%)
9 Public Safety - Performance Incentive	(10,500)	(10,500)	-	0.0%	(10,500)	-	0.0%
10 Landscaping	(148,600)	(136,710)	(11,890)	(8.7%)	(120,700)	(27,900)	(23.1%)
11 Recreation / Tennis	(162,750)	(88,175)	(74,575)	(84.6%)	(127,600)	(35,150)	(27.5%)
12 Common Area Maintenance	(85,450)	(73,930)	(11,520)	(15.6%)	(78,050)	(7,399)	(9.5%)
13 Utilities	(122,600)	(113,573)	(9,027)	(7.9%)	(96,000)	(26,600)	(27.7%)
14 Trash	(529,020)	(494,998)	(34,022)	(6.9%)	(518,220)	(10,800)	(2.1%)
15 Insurance Premiums	(64,500)	(34,631)	(29,868)	(86.2%)	(36,860)	(27,639)	(75.0%)
16 Homeowner Meetings & Supplies	(10,000)	(5,354)	(4,646)	(86.8%)	(12,300)	2,300	18.7%
17 Legal & Audit	(60,000)	(39,974)	(20,026)	(50.1%)	(75,000)	15,000	20.0%
18 Income Taxes	(60,000)	(58,708)	(1,292)	(2.2%)	(30,000)	(30,000)	(100.0%)
19 Marketing and Promotion	(10,000)	(10,000)	-	0.0%	(10,000)	-	0.0%
20 Village Connect	(3,548,620)	(3,200,022)	(348,598)	(10.9%)	(3,339,090)	(209,531)	(6.3%)
22-23 Design Review Expense	(137,820)	(112,997)	(24,823)	(22.0%)	(123,498)	(14,322)	(11.6%)
24 Admin, Mgmt & Acctg Expense	(305,400)	(289,341)	(16,059)	(5.6%)	(269,940)	(35,460)	(13.1%)
24a Depreciation Expense	(175,000)	(132,048)	(42,952)	(32.5%)	(200,000)	25,000	12.5%
25 Improvement Fund (Funding) / Withdrawal	843,760	(850,429)	1,694,190	199.2%	860,735	(16,975)	2.0%
27 Operating Fund	-	-	-	-	-	-	-
Total Expense	\$ (5,660,000)	\$ (6,653,484)	\$ 993,484	14.9%	\$ (5,185,000)	\$ (475,000)	(9.2%)
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	\$ (319,883)	\$ (465,850)					*Vehicles are paid from the Reserve Investment Account
Improvements & Replacements Fund:							
Beginning Balance	\$ 14,040,086	\$ 13,541,786					
Interest - Reserve Investment Accounts	407,678	445,808					
Funding	(843,760)	850,429					
26 Expenditures Itemized							
Gatehouse, Entry & Other Landscape	(20,600)	(19,280)					
Gatehouse Exterior Staining	(6,175)						
Gate Upgrade	(15,000)						
Bus Shelter Improvements / Staining		(10,094)					
Recreation Facility	(200,000)	(55,455)					
Trails	(300,000)	(278,368)					
Wildland Fire Mitigation	(100,000)	(200,000)					\$100K from Board Directed capital; with funding from BGMD and Eagle County Fire
Parking Lot Resurface / Sealcoating	(20,000)	(3,000)					
Parking Lot Lights	(40,000)						
Security Vehicles	(50,000)	(44,391)					Purchased by BGMD and leased by BGVA
Gatehouse Cameras	-	(858)					
Trail Signage	(50,000)	(14,443)					
Bridges & Tunnels	(250,000)	(97,064)					\$50K from Board Directed capital; with funding from BGMD and VR
Landscape Upgrades	(20,000)	(24,985)					
Holiday Light Replacement	(20,000)						
Cellular Upgrades	(250,000)						
Board Directed Capital	(200,000)						\$200K budgeted in 2024
Board Directed Capital - Cellular Service Survey		(50,000)					
Total Expenditures	\$ (1,541,775)	\$ (797,938)	\$ (743,837)				
Ending Balance	\$ 12,062,229	\$ 14,040,086	\$ (743,837)				
Total Ending Fund Balance	\$ 13,062,229	\$ 15,040,086	\$ (743,837)				

BACHELOR GULCH VILLAGE ASSOCIATION
2024 Annual Members Meeting Directed Proxy and Ballot

The undersigned hereby appoints the chairperson of the meeting described herein as the undersigned's proxy, with full power of substitution, to attend the 2024 Annual Members Meeting of the Bachelor Gulch Village Association ("Association") to be held at The Ritz-Carlton Bachelor Gulch Salon and virtually via Zoom on **Friday, December 20, 2024, at 3:00 p.m. MST**, and any 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 on the Association's 2023 Annual Members Meeting Minutes as follows:

 ____ Yes – I approve the 2023 Annual Members Meeting Minutes as presented

 ____ No – I do not approve the 2023 Annual Members Meeting Minutes as presented

 ____ I abstain from voting on the 2023 Annual Members Meeting Minutes
2. To review and consider the Association budget for 2025 approved by the Board of Directors
3. To vote on such further business as properly comes before the meeting.

By submitting this directed proxy and ballot, the undersigned hereby acknowledges receipt of the Association's Notice of 2024 Annual Members Meeting dated November 27, 2024. **THIS DIRECTED PROXY AND BALLOT MUST BE COMPLETED AND RETURNED ON OR BEFORE DECEMBER 19, 2024, AT 6:00 P.M. MST.** *Please mail the completed form to Bachelor Gulch Village Association, PO Box 100, Edwards, CO 81632 or email it to Mike Heaphy at mjheaphy@vailresorts.com.*

Dated: _____

Signature of Member or Member's Authorized Representative

Print Name

Lot Number / Street Address