

BC Hotel A Residences Owners Association, Inc.

Board of Directors Meeting

April 27, 2022

A regular meeting of BC Hotel A Residences Owners Association, Inc. was held on April 27, 2022 via Microsoft Teams, hosted at Residences at Park Hyatt Beaver Creek, 136 East Thomas Place, Avon CO, 81620.

Present from the Board of Directors were: Dr. Pamela Triolo, President; Brian Sbrocco, Vice President; Hans d'Orville, Secretary/Treasurer; Ron Bernard, Director; and Eric Swartz, Director

Present from the Management Company were: Chris Gersbach, General Manager; Jami Champagne, Market Vice President, Resort Operations-West; Magdalena Nopper, Manager, Region Operations; Chris Colantonio, Market Director of Finance; Jennifer Kammerer, Assistant Vice President, Finance, West Region; Carolina Vidal, Financial Analyst; Herb Rackliff, General Manager at Park Hyatt Beaver Creek; Kyle Nichols, Director of Finance at Park Hyatt Beaver Creek; Andrew Carter, Associate Director, Association Governance and Lisa Bythwood, Specialist, Board Relations, Association Governance.

Guest present was: Genae Affrunti, Senior Financial Consultant, Comerica

CALL TO ORDER

Dr. Pamela Triolo, President, called the meeting to order at 9:01 a.m. MT.

ESTABLISHMENT OF QUORUM

Dr. Triolo announced with all Board Members present, quorum was met.

APPOINTMENT OF RECORDING SECRETARY

Dr. Triolo appointed Lisa Bythwood to serve as Recording Secretary.

PROOF OF NOTICE OF MEETING

Notice of the Board of Directors Meeting was emailed to all Board Members on December 10, 2021, as required by the Association documents.

APPROVAL OF AGENDA

A motion was made by Eric Swartz to approve the Agenda as amended. The motion was seconded by Ron Bernard and unanimously passed.

APPROVAL OF BOARD OF DIRECTORS MEETING MINUTES

A motion was made by Eric Swartz to approve the November 3, 2021 Board Meeting Minutes as amended. The motion was seconded by Brian Sbrocco and unanimously carried.

A motion was made by Ron Bernard to approve the November 15, 2021 Organizational Meeting Minutes as amended. The motion was seconded by Brian Sbrocco and unanimously carried.

ACKNOWLEDGEMENT OF UNANIMOUS WRITTEN CONSENT

The Board acknowledged the Unanimous Written Consent executed by the Board of Directors on April 12, 2022 for approval to move forward with the commencement of foreclosure action on the 2022 delinquent accounts as illustrated in Exhibit A.

INVESTMENT PORTFOLIO & POLICY UPDATE

Genae Affrunti presented the investment portfolio update, a copy of which was presented to the Board.

Ms. Affrunti exited the meeting at 9:30 a.m.

FINANCIAL REPORT

Chris Colantonio presented the financial report. Highlights included:

2021 Year End Unaudited Financials

▪ Unaudited Operating Fund Balance 2020	\$514,959
▪ Unaudited Year End Variance 2021	\$198,820
▪ Committed Surplus Return 2021	\$(50,889)
▪ Board Approved Refund	\$(150,060)
▪ Unaudited Year End Fund Balance 2021	\$512,830
▪ Key Variances Contributing to \$198,820 Unaudited 2021 Surplus	
○ Housekeeping	\$99,690
○ Administrative & General	\$39,608
○ Pool	\$18,394
○ Master/Condo Assessment	\$17,367

2022 Year to Date Results

- Key Variances Contributing to (\$56,277) YTD Deficit
 - Club Rental Revenue (\$22,379)
 - Housekeeping (\$16,128)
 - Administrative & General (\$12,503)
 - Credit Card Expense (\$5,615)

- Club Rental Revenue budget was straight-lined. It is anticipated this account will be on budget by year end
- Housekeeping expenses are driven by increased laundry and cleaning supplies expenses
- Administrative & General Expenses are driven by the allocation for the GM position. This variance is partially offset with savings in the Front Office Department
- Credit Card Expense is driven by the timing of payments. Based on the current collection trends the full year forecast for this line item is expected to be \$1K over budget

Accounts Receivable

- 97.9% of maintenance fees collected March 2022 – March 2021 96.8%
- An overview of delinquent accounts was provided

Action Items

- Mr. Gersbach will meet with Operations team to review housekeeping savings options
- The Management team will provide comparable fees of maintenance costs during the budget meetings
- Ms. Champagne and Mr. Gersbach will speak with Mr. Rackliff and Mr. Nichols regarding restaurant service

PRESENT DESIGNER RFP SELECTION OF DESIGNER

- Will be presented at the next Board meeting

RESORT OPERATIONS UPDATE

Chris Gersbach presented the Resort Operations Update. Highlights included:

- Month to date occupancy was 76.9%
- Pool and hot tubs open
- Fitness center and locker rooms open, masks optional but recommended
- Aqua Sanitas - open by reservations
- Housekeeping: Daily service and turn down in place
- Local area update

NEW BUSINESS

- The Board requested that Berkshire Hathaway be considered as authorized resale agent.
- The board requested that brokers are able to show units when available.

A motion was made by Ron Bernard to explore possibility of adding Berkshire Hathaway as an authorized resale agent. The motion was seconded by Eric Swartz and unanimously approved.

Communication Priorities to Owners

- Dr. Triolo led the discussion regarding Communication Priorities to Owners. The Board briefly discussed topics to be included in communication to owners, including owner's money at work, reserves, and renovation process

Investment Policy Motion

Update policy to reflect change of no more than \$100,00 to \$250,000 investment in any one FDIC-insured financial institution

A motion was made by Brian Sbrocco to approve the investment policy as amended and engage Comerica for services in 2022 for BC Hotel A Residences Owners Association, Inc. The motion was seconded by Ron Bernard and unanimously carried.

Board Reimbursement Policy Motion

- The board had discussion about amending segments of the existing policy to note:
 - Direct billing of a room rate is available if arranged in advance with the General Manager
 - Meal per diem is updated to reflect \$200 as of April 15, 2022

A motion was made by Hans d'Orville to approve the new Board Member Expense Reimbursement Policy as amended and to be attached to the minutes of record. The motion was seconded by Ron Bernard. Hans d'Orville & Brian Sbrocco abstained. The motion passed (3-2).

2022 Board Meeting Dates

- Special Board Meeting: June 8, 2022, at 8:00 a.m. MT
- Budget Meeting: September 9, 2022, at 9:00 a.m. MT
- Annual Meeting: November 2, 2022, at 9:00 a.m. MT

Mr. d'Orville exited at 11:08 a.m.

Meeting Evaluation

The Board briefly discussed and evaluated the meeting.

ADJOURNMENT


There being no further business to come before the Board, a motion was made by Ron Bernard to adjourn the meeting at 11:19 a.m. The motion was seconded by Brian Sbrocco and unanimously carried.

Submitted by:

Approved by:

 09/07/2022

Lisa Bythwood Date
Recording Secretary

 09/08/2022

Pamela Triolo Date
President