
RECORD OF PROCEEDINGS

**Minutes of the Joint Meeting of the
Boards of Directors of
Alpine Metropolitan District and Breckenridge Mountain Metropolitan District
May 26, 2022**

The Joint Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held May 26, 2022 at 9:00 a.m. via electronic Zoom meeting <https://zoom.us/join>, Phone Only US 1 253 215 8782, Meeting ID: 899 0768 0446.

Attendance

The following Directors were present and acting:

Alpine:

Trevor Maring
Dustin Stokes
Martin Allen
Ryan Thomas
David Little

Breckenridge Mountain:

Trevor Maring
Dustin Stokes
Martin Allen
Ryan Thomas
David Little

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- Trish Harris, White Bear Ankele Tanaka & Waldron PC
- William Ankele, White Bear Ankele Tanaka & Waldron PC
- Jason Bretz, Breck Blades
- Michael Lund, Piper Sandler
- Sydney Burnett, Piper Sandler
- Graham Frank, Breckenridge Grand Vacations
- Deb Norton, Breckenridge Grand Vacations
- Blake Davis, Breckenridge Grand Vacations

Call to Order

Director Maring called roll at 9:05 am for the joint meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District meeting noting a quorum was present for each district.

**Potential
Conflicts**

The Boards noted that they have received certain written disclosures of potential conflict of interest statements from each of the Directors more than seventy-two hours prior to the meeting, indicating the following conflicts: **Dustin Stokes** is General Manager of Keystone Lodge and Spa for Vail Resorts Management Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; **Trevor Maring** is Director of Base Area Operations at Breckenridge Ski Resort a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; **Martin Allen** is Director of Resort Services Keystone Ski Resort, Vail Summit Resorts Inc, a subsidiary of the Vail Corporation

RECORD OF PROCEEDINGS

Alpine and Breckenridge Mountain Metropolitan Districts May 26, 2022 Meeting Minutes

and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts.

Mr. Ankele noted that written conflict disclosures of potential conflicts of interest were not received from directors Little and Thomas in sufficient time to file at least seventy-two hours prior to the meeting. Since conflict disclosures could not be filed, Directors Little and Thomas would abstain from voting on any actions of the Board except administrative business not directly in conflict with their positions within Vail Resorts.

Agenda No changes were submitted.

Public Input There was no public input.

2021 Audits Ms. Johnston introduced Ms. Hemann with Chadwick Steinkirchner and Davis, the independent auditor who completed the 2021 audits for both districts. Ms. Hemann reviewed the policies and procedures used to complete the audits and that both audits were issued without any significant items to report. Ms. Hemann explained that the audit focused on internal controls and other weaknesses and that none were found. There was one client-requested audit journal entry for Alpine to move the remaining balance in the Capital Fund into the General Fund at year end as the Capital Fund is no longer needed. There were no grey areas or discrepancies on any presentations, no other findings or issues and information was readily received from Management and the Board when requested. Following discussion, and by motion duly made and seconded, it was unanimously

RESOLVED to approve the Breckenridge Mountain Metropolitan District 2021 Audited Financial Statements; and

FURTHER RESOLVED to approve the Alpine Metropolitan District 2021 Audited Financial Statements.

Mr. Marchetti thanked Ms. Hemann and her team for timely completion of the audits and also for being available to discuss the reports with the Board.

Ms. Hemann left the meeting at 9:11 a.m.

Minutes The Board reviewed the minutes included in the packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the March 22, 2022, minutes as presented.

Ice Rink Operations Mr. Bretz reviewed the following for the Ice Rink:

RECORD OF PROCEEDINGS

Alpine and Breckenridge Mountain Metropolitan Districts May 26, 2022 Meeting Minutes

- The rink was closed for the season on April 3rd due to unsafe ice conditions
- Labor expenses were incurred in April for closing up the rink.
- Electricity has not been billed but is expected to be about \$2000. Mr. Bretz will follow up to be sure the expense is included in the next reimbursement.

Tarp Overages

Mr. Bretz gave a recap of the custom tarp overage cost variance and discrepancy. Originally the funds saved by not purchasing the sport court were enough to cover the custom tarp however the final product came in \$2,566 higher. Since the custom tarp directly benefits the District, the Manager feels that the full expense should be that of the District and not the Manager. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to approve payment of \$2,566 to Breck Blades to cover the full cost of the custom tarp for the ice rink.

Freon Sensor

Mr. Bretz reviewed the need for the sensor replacement because of frequent false alarms due to the chiller room being located near the parking garage. There was general discussion on the use of the sensor and what it detects. Mr. Frank said he followed up with PCL Construction and the sensor manufacturer however neither would cover the replacement cost since the sensor worked as intended and the 2-year construction warranty period had passed. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to authorize the purchase and replacement of the sensor with a new freon specific sensor at a cost not to exceed \$2,500.

Card Payment Surcharge

Mr. Bretz and Ms. Johnston reviewed a new surcharge that can be added by merchants to card purchases to offset the fees charged by card processors Ms. Johnston reviewed the potential savings for the District if it were to implement the surcharge. There was general discussion on the surcharge and impact to the guest experience. Following discussion, the Board decided to not implement the surcharge at this time and revisit the issue at a later date if the surcharge becomes more common or would have more impact on the District's bottom line.

Ice Resurfacers

Mr. Bretz reported the findings of his research on the maintenance costs for the District's Olympia electric ice resurfacers. He reviewed his conversation with Mr. Hensel from the Beaver Creek Ice Rink (BCIR). Their machine is an electric Zamboni purchased in 1998 and replaced in 2012. The Olympia model is less expensive up front but more expensive to maintain due to

RECORD OF PROCEEDINGS

Alpine and Breckenridge Mountain Metropolitan Districts May 26, 2022 Meeting Minutes

proprietary parts while the Zamboni is less costly to maintain since parts are more readily available but it is more expensive up front. BCIR advised the District keep a drive motor on hand in case of breakdown. Batteries last about 8 years and have recently doubled in price most likely due to supply shortages. The BCIR breaks even at best on rink operations with significantly more skaters and a larger rink than the Alpine Ice Rink. Mr. Marchetti said an ice rink comparison has been started but that it is difficult to compare the rinks due to variations in reporting and rink operations and that the District's rink is not expected to be a profit center for the District.

Mr. Bretz left the meeting at 9:38 a.m.

Officers Following discussion and upon motion duly made and seconded, it was

RESOLVED to elect the following officers for both Districts:

Trevor Maring	President/Chairman
Dustin Stokes	Treasurer/Secretary
Martin Allen	Vice President/Asst Secretary/Asst Treas
Ryan Thomas	Asst Secretary/Asst Treas
David Little	Asst Secretary/Asst Treas

The Board requested that Management update the signers on the bank accounts to include all current Board members. Payables should continue to be approved by the President and Treasurer.

Ms. Johnston reviewed the Board Member Workshop provided by SDA and requested that any directors interested in attending email with the date they would like to attend.

The meeting was temporarily paused for the Breckenridge Mountain Metro Subdistrict A meeting at 9:48 a.m.

Mr. Frank, Ms. Norton, Mr. Blake, Mr. Lund and Ms. Burnett left the meeting at 10:20 am.

The meeting reconvened at 11:00 a.m.

**Financial
Statements**

Ms. Johnston reviewed the financial statements explaining that the Subdistrict revenues and expenditures had been separated out into a separate financial report. Ms. Johnston also noted that the Ice Rink detail included items not included with the Breck Blades financial report and that the Alpine capital fund had been closed out in 2021 as discussed during the audit presentation.

EFT Procedures

Ms. Johnston reviewed the verification procedures policy included in the packet explaining that the District's insurance carrier, Colorado Special

RECORD OF PROCEEDINGS

Alpine and Breckenridge Mountain Metropolitan Districts May 26, 2022 Meeting Minutes

District Property and Liability Pool (Pool), requires a policy be in place to cover any fraud or cybercrime incidents. Ms. Johnston explained that the policy requires telephone or in person verification for any wire or electronic funds transfer requests and that a log be kept for all verifications. Ms. Johnston also reviewed the procedures currently in place for all requests via DocuSign, including any cash transfer requests, including a separate email request and a personal note and full signature in the DocuSign request. Ms. Johnston also recommended that any Board member follow up with a phone call or separate email if there was any question on a DocuSign request, especially for cash transfers. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Electronic Fund Transfer Request Verification Procedures Policy for Breckenridge Mountain and Alpine Metropolitan Districts as presented.

Accounts Payable The Board reviewed the Accounts Payable list included in the packet. Ms. Johnston reported that the sales tax returns and payments for the Ice Rink were filed and that the Town of Breckenridge waived all penalties but not interest for the late filing and the State could take up to four months to enter the filed returns. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the Accounts Payable list as presented.

Future Meetings The next meeting was confirmed for July 28 at 9:00 via electronic meeting.

Adjournment Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Joint Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 26th day of May 2022.

Respectfully submitted,



Beth Johnston
Recording Secretary