The Meeting of the Board of Directors of the Beaver Creek Resort Company of Colorado, a Colorado non-profit corporation (the “Company”), was held on Thursday, January 26, 2023.

Ms. Nadia Guerriero called the meeting to order at 9:00 a.m. Erin Jarvis verified the Notice of Meeting sent and a quorum established for the purposes of the meeting. The following members of the Board of Directors were present:

<table>
<thead>
<tr>
<th>Nadia Guerriero</th>
<th>Jeff Luker</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phil Metz</td>
<td>Brian Nolan-zoom</td>
</tr>
<tr>
<td>Tim Maher-zoom</td>
<td>John Dawsey</td>
</tr>
<tr>
<td>Jim Donohue</td>
<td>Peter Dann-zoom</td>
</tr>
<tr>
<td>Bob Boselli</td>
<td></td>
</tr>
</tbody>
</table>

Representing the Company were Jim Clancy, Executive Director; Karen Braden-Butz, Treasurer; Erin Jarvis, Secretary via Zoom.

**Attendance in Public Session:**

Clint Huber - Beaver Creek Resort Company
Krista DeHerrera - Beaver Creek Resort Company
Gayle Grider McDonald, BCRC Contractor
Sam Hearn - Design Review Board via Zoom
Robin Nash-BCRC via zoom
Olivia Lyda- BCRC via zoom
Inno Martnio- BCRC via zoom
Jeff Werkheiser- Vail Resorts Marketing
Koby Kenny- Beaver Creek Base Area Operations
Rachel Mabie- Vail Resorts Marketing
Bruce Kiley-BC Property Owners Association
Alexia Jurschak-BCPOA via zoom
Bill Simmons-Beaver Creek Metro District
Sarah Frank-Vail Valley Foundation
Jerry Hensel-Beaver Creek Base Area Operations
Lee Hoover - Beaver Creek Village Operations
Paul Gorbold - Beaver Creek Transportation
Matt Titet – Vail Resorts Retail

1. **Public Comment.** None

2. **Minutes of the Beaver Creek Resort Company Board Meeting December 8, 2022.** Upon motion made by Mr. Boselli and seconded by Mr. Dawsey, the Board unanimously

   **RESOLVED** to approve the minutes of the December 8, 2022 meeting.

   The minutes are attached as Exhibit A.

3. **Birds of Prey Review.** Ms. Sarah Frank presented the event overview of the Birds of Prey Race and expressed her gratitude for the support of Beaver Creek Resort Company. Significant Beaver Creek impact was seen through room nights generated in resort and the television exposure with 30 second TV spots. Public Relations saw a 2.7B total reach. Discussion followed on how YOY impression data is captured and planned improvement for next year. The success of the ice rink being covered and activating the village core will be a focus on how to utilize that space even further. Ms. Guerriero expressed her gratitude and appreciation for all the efforts put forth in executing this world class event.

4. **Marketing Update.** Mr. Clancy presented an overview of the work and efforts being put forward by the Marketing Committee. Jeff Werkheiser and Rachel Mabie from Vail Resorts presented the Marketing Winter status updates which highlighted the enhancements of the guest experiences via expanded cookie
time, live music and website optimizations. Lodging Performance was reviewed which saw an outpacing YOY in January and February with shorter booking windows being seen. Guest reviews are generally up YOY due to conditions but culinary continuing to be a callout for improvement and marketing is taking this as a focus area. The Beaver Creek Newsletter has seen a 21% YOY increase on advertising channels. The partnership with BCRC Events on the newsletter has proven to be successful with that section seeing the highest click through rate. Mr. Werkheiser reviewed the branding and 5-year look ahead in how the Marketing Team is looking to position the brand to grow the next generation of high net worth guest for Beaver Creek. The brand strategy, with the collaboration of the BCRC Marketing Committee, will be launched next year for 23/24 season.

Mr. Boselli asked if the website landing page highlights only VR lodging and restaurants. Mr. Werkheiser explained that there were improvements made to include all locations and not only VR. Discussion about how the new branding/tagline/phrase could be tied into retail that can be taken home by the guests and it is acknowledged that Beaver Creek has been missing this for the last few years.

Mr. Donohue discussed the issue with high net worth guest wanting on-mountain dining and the perception of safety on the mountain which longstanding ski instructors could help provide feedback on these issues. The Marketing Team has continued research outside of guest surveys to understand the new luxury, high net-worth guest behaviors and wants and needs. Mr. Luker suggested this data should be brought back to Beaver Creek to help guide the capital projects on mountain. Mr. Metz commented that with all the metrics provided, BCRC should feel confident in their marketing investment.

5. Financial Report December 31, 2022. Ms. Braden-Butz reviewed the financial results of the first quarter of FY23, which are attached as Exhibit B.

BCRC’s investment of $17,000,000 in Treasury Bonds with Alpine Bank Wealth Management have been ladder with maturities starting in March 2023 through June 2024 with a Yield to Maturity at 4.39%. The Finance Committee will review the re-investing as each bond matures.

Interest and Investment Income negative variance of $81,468 is the result of purchasing Treasury Bonds on Dec 22nd that included the purchase of accrued interest on these bonds that will more than offset the negative balance when we receive the payout of coupon interest in the 1st and 2nd Quarter of 2023.

Revenues ended the 1st Quarter with a positive variance to budget of $1,313,862.

- Civic & Lodging Assessments, including the estimate for December, results are a favorable variance of $167,490 or 8% to budget. Mountain Recreation Assessment results are a favorable variance of $253,114 or 24% to budget.
- Real Estate Transfer Assessment results are a favorable $1,023,550 or 83% of budget.

Expenses resulted in a positive variance to budget of $224,706.

- Transportation Parking Lot Service negative variance ($31,526) is made up several elements as follows: crediting back the accrued lease payments for 3 village connect buses $82K offset by the increase village connect and bus service hours for Oct – Nov totaling $88,219, the budgeted labor savings of $14,352, and the Avon Shuttle cost increase of $9,206 negotiated after the budget was finalized.
- Administration positive variance of $104,979 directly related to unfilled positions in the 1st quarter, however all positions have been recently hired.

Capital Spend:

- $200,951 of the maintenance capital budget of $895,757 has been spent in the first quarter.
- $478,828 of the strategic capital budget of $6,508,589 has been spent in the first quarter.

Mr. Luker asked for further explanation of the paid parking revenue. Ms. Braden-Butz explained that the actual for December is $13K. When the parking lots open, we are allocated 40% of the revenue which offsets the expenses for the month. It is the net of revenue and expenses that is being shown.

Year End Forecast:
Revenues that have been re-forecasted are Events and Interest & Investment Income plus the positive variance of all other revenue sources for 1st Quarter is resulting in a positive $505,992 compared to the previous forecast and $1,746,837 to budget.

- Winter Culinary Weekend has an increase of $56,405 for the increase in ticket pricing for the dinners due to increased expense at those restaurants.
- Trued up the interest on investment income through Sept 2023 by $256,352.

All departments were reviewed and scrubbed for a Year End Forecast result in a negative variance of ($59,644):

- Transportation forecast is a negative $115,724 includes the negative 1st quarter variance of $31,625 plus the labor budgeted savings of $19,136 added back into the forecast, increase to Avon Shuttle Contract another $27,618, increase to Parking Lot Bus Leases $30,328, and Muni Services, Grounds Maintenance, Snowmelt expenses have a negative variance for the first three months totaling $8,870 due to the winter conditions.
- Activities and & Events negative variance $123,000 is a combination of savings in the winter events thus far of $30,743, increased WCW costs by another $125,375, Sister City spring trip increase by $11,440, $10,386 increase in One Village spend totaling $17,886 on a budget of $7,500, Holiday Decorations savings of $18,643, Village Accent Lighting did not have the annual cost for the ice rink lighting budgeted $13,440. Resulting in an overall impact (revenues minus expenses) to Activities & Events of ($66,595).

Year End Forecast ending with a net income of $1,755,447 on a budget of $68,253. And an ending cash balance of $21,699,792 on a budget of $19,954,984.

6. Strategic Initiative Update. Mr. Huber presented an updated on three different projects: Creekside Park Master Plan and Playground, the dedicated space for Kids and Teen, and Phase II Lighting initiatives.

Creekside Park Master Plan and Playground
A key point to the Creekside Park Master Plan, supported by stakeholder and consultant input, is the recommendation to install a new playground in lower Creekside Park and repurposing upper Creekside Park into a multi-use space with tenting potential for programing and possible winter options of ice castles. This concept has been socialized with the BCPOA beautification committee and Vail Resorts Operations. The target capacity of the upper Creekside tent space would be for approximately 200 people. The playground would be nature themed, include safety signage and elements along with an environmental stewardship plan to preserve the valued open space and natural resources of the creek. Further steps include developing the master plan design, a waterway feasibility study, and final design/permits. Phase 1 of construction would start in May of 2023 with Phase 2 in April of 2024. Prior to committing significant funds, plans and work sessions will be presented to the Board for consideration with further approval in April.

Mr. Luker stated it would be worth considering not demoing the upper playground park so it is accessible while the lower park is being constructed.

There was further discussion on tent size, permanent capability, stage and lawn play activations.

Dedicated Space for Kids and Teens
The commercial space above Hooked has been identified for a kid and teen space. The concept for this landed on a cabin theme to align with the other on-mountain cabins. Through significant comp set studies and focus groups, ideas to deliver a unique and energetic indoor hangout for kids and teens along with generating engagement with the Beaver Creek Brand has emerged. Designs will engage in natural textures, lodge feeling, and an interactive dancefloor. Multipurpose areas with ski simulation games, stage, and movie viewing will be considered. The operational and financial models still need to be designed.
The Board had a discussion around programming that are age group appropriate and what comp sets have versus what will make this space uniquely Beaver Creek.

**Phase II Lighting Capital**
The 2023 Lighting Capital Projects were presented with the following priorities.
The required priority is updating the Market Square Clock Tower Projection away from the Bavarian theme to a more modern projection. Bezark Productions has been identified as the company who can produce this world class concept. The Market Square Board members will be included in the concept designs and check-ins.
The top priority is to get all of the existing 1412 light fixtures working and consistent with the Village Lighting Masterplan prior to this winter. A key component of this priority is the replacement of the BCRC and BCMD existing lamp post fixtures that have been identified through a manufacturer, Robers, which blends the timeless feel but with a more modern look.
Second and Third Lighting priorities are to modernize the existing lighting of the Wonder installations and adding a new signature Wonder installation in the garden bed across from Blue Moose consisting of nature-inspired interactive lighting.

Mr. Luker and Mr. Metz commented on how important it is that the approved capital money gets spent and these projects get completed. Mr. Huber commented that the Creekside Patio will also be complete this spring.

7. **Rules and Regulations Committee Update.** Ms. Jarvis presented the memo from the last committee meeting held on December 22, 2022. The Commercial operating hours, core village definition, and enforcement were all discussed. Short Term Rental licensing in addition to the current Business License process will continued to be reviewed.

8. **DRB Report.** Mr. Hearn presented the January DRB Report. Significant decline in submittals in January with February tracking back up with an anticipated busy spring and summer. A replacement for the vacant DRB Board seat has been identified and should have an appointment letter by the next board meeting.

9. **Public Safety Report.** Mr. Kenny presented the December and January Public Safety Summary. Resort violations saw an increase from previous months with trash violations being the driving factor.

10. **Transportation Committee Update.** Mr. Gorbold presented the memo from the Transportation Committee meeting on January 17. Guest comments are collected and taken into consideration for continued improvements in the department. Staffing levels in December saw successful increases from prior year due to aggressive hiring efforts. The Holiday period days saw 95% of On-Demand wait times under 20+min wait. Mr. Clancy stated that the training prior to the holidays has been a noticeable improvement. Ms. Guerriero and Mr. Luker reiterated the compliments on the improvements seen this year.

11. **Executive Session.** Upon motion made by Mr. Luker and seconded by Mr. Boselli, it was unanimously

    **RESOLVED** to enter into Executive Session regarding Audit Review and Legal Review. The Board entered into Executive Session at 11:19 and adjourned at 12:14.

12. **Adjourn.** With no further business to come before the board and upon motion made by Mr. Boselli and seconded by Mr. Metz and the Board unanimously
RESOLVED to adjourn the meeting of the Beaver Creek Resort Company Board of Directors held Thursday, January 26, 2023 at 12:15pm.

Respectfully submitted,

Erin Jarvis
Beaver Creek Resort Company
Secretary
LIST OF EXHIBITS
BOARD OF DIRECTORS MEETING
BEAVER CREEK RESORT COMPANY OF COLORADO
January 26, 2023

A. Minutes of the BCRC Board of Directors Meeting December 8, 2022

B. Financial Report December 31, 2022