

**EMPIRE PASS MASTER OWNERS
ASSOCIATION**

Q2 & Q3 2023 Board Meeting

Minutes

October 25, 2023

10:00AM to 10:30AM

EMPIRE PASS MOA BOARD MEMBERS:

Doug Ogilvy | President – In Person

Jeff Butterworth | Storied Living DV – In Person

Lisa Reynolds | Storied Living – Present by Phone

David Ash | Wells Fargo – Present by Phone

Dave Pottruck | Homeowner Representative – Not Present

Jay Wasserman | Homeowner Representative – Present by Phone

HOMEOWNERS BY PHONE: There were approximately 6 owners on the call.

STAFF PRESENT:

Trish Waterman, Jessica Layton, Steve Sovinsky, Steve Mair, Tonya Farnsworth, Codiann Lance and Alexis Grant

MEETING CALLED TO ORDER:

Doug Ogilvy called the meeting to order at 10:05AM

REVIEW AND APPROVAL OF THE MAY 9, 2023 BOARD MEETING MINUTES:

Jeff Butterworth made a motion to approve the meeting minutes, David Ash seconded, and the motion was carried.

Q3 2023 FINANCIAL REPORT:

- Q3 Revenue is \$2.27 M compared to \$2.04M budgeted.
 - YTD Reinvestment fees are \$955K, compared to \$675K budgeted.
- Q3 Expenses are \$2,063,589, compared to \$1,878,139 budgeted, over budget by \$184K.
 - Admin expenses are over budget by \$3K, merchant fees are higher, more people paid by credit card. Liability insurance rate increases.
 - Vehicle insurance is over budget due to rising rates and higher vehicle values.
 - Downtowner is under budget \$35K.
 - Vehicles and Equipment is over budget due to higher costs and last winters snow. Higher backhoe rent, unexpected blower repairs, and unexpected Mog repairs.
 - Fuel is over budget \$21K, related to record amounts of snow.
 - Repairs and Maintenance is over budget by \$22K, we replaced four streetlights that were falling apart.

- Payroll is over budget by \$106K related to extra hours and overtime for snow removal.
- Road expenses are over budget \$88K due to road salt, outside contractors for snow hauling, outside contractor plowing Moon Shadow, hydrant extensions not budgeted and temporary repairs to salt shed that collapsed.
- DRB and Tipping site expenses are under budget.
- All other expenses are at or under budget.
- Overall YTD expenditures are \$185K over budget.
- YTD Net Revenue is \$210K compared to \$163K budgeted.
- The updated Reserve Studies should be ready for review in the next few weeks.

2024 BUDGET REVIEW AND APPROVAL:

- Dues have been decreasing since 2014. With no new developer inventory, there is a decrease in reinvestment fee revenue and an increase in costs. The proposed increase is 20%, which is similar to what was assessed back in 2020. The Board thought the owners should pay their own credit card fees, instead of the EPMOA increasing dues to cover the cost.
- The Board discussed and were all in favor increasing the assessment to 23% and offer a 3% discount only if the 2024 dues are paid by cash or ACH by January 31, 2023. All payments received after January 31st will have the 23% increase.
- \$100K to the reserve fund.
- Budgeted Reinvestment fees are \$1M.
- Overall admin expenses increase \$16K. This is merchant fees for online payment option and increased cost for audit.
- Insurance is up \$27K. This is related to higher vehicle values and rates and premium increases for liability insurance.
- Empire Express increased \$132K, due to new vehicles, higher fuel prices and higher wages.
- Fuel is increasing \$10K to cover higher fuel prices, and cushion for higher snow fall.
- Security is increasing \$41K. This is to cover higher fuel costs, wage increases, but mostly because it was under budget in 2023. There was a larger allocation to Tuhaye, this year there is a 50/50 allocation.
- Payroll is up \$55K, to cover COLA and a new Full Time seasonal snowplow employee.
- Tipping site expenses were reduced \$50K.

- Depreciation increased \$45K, which is an estimated increase to cover new loader and new salt shed.
- Overall operating expenses increased \$220K.
- Budgeted deficit \$386K.

Jay made a motion to approve the 2024 Budget with an increase in dues assessments of 23% and offer a 3% discount if the 2024 dues are paid by cash or ACH by January 31, 2023. All payments after January 31, 2024, will be assessed the 23% increase amount. Jeff seconded, motion carried.

CONSTRUCTION UPDATE:

1. At the time of this report, there are 411 EPMOA units sold. There are 497 total units sold, which includes the 81 Montage units and 5 Moonshadow merchant builder lots.
2. Red Cloud has 5 homes under construction. There are another 2-3 homes anticipated to still be built in the future. Nakoma has 2 homes under construction. Moonshadow has 4 homes under construction. Sommet Blanc condominium project anticipates pulling the building permit in November, 2023.
3. Red Cloud construction excavation tipping is finished for the season as Deer Valley starts preparing for this winter season.
4. Shooting Star condominium is currently starting to replace their roof. They wanted to start this summer, but have been delayed from insurance claims. Apparently, they suffered a lot of water damage from last winter. They hope to be done in 45 days.

MANAGEMENT & MAINTENANCE UPDATE

1. Staff is seeking approval of the Empire Express 1 year contract extension. Jeff made a motion to approve the 1 year Empire Express contract extension, Lisa seconded, motion carried.
2. Empire Express: Q3 2023 Stats
 - Passengers: 13,621 (16,688 in 2022)
 - Rides: 4,627 (4,911 in 2022)
 - Average Wait Time: 9 minutes (9 minutes 2022)
 - Average rating at 4.97 stars out of 5 (4.96 in 2022)

3. The Empire Express shoulder season hours are 8am to 10pm until mid December.
4. UDOT repaved Marsac Avenue over the summer.
5. Maintenance crews continued to remove dead tress around the mountain, clean drain boxes, and fire hydrant maintenance.
6. There was a Level II slurry seal on Ruby Hollow and Red Cloud Trail.
7. There are No Parking/Tow Area signs around the Tower Club and along Empire Club Drive east. The road shoulder parking on that street is very dangerous and the No Parking will be enforced indefinitely.
8. 2023 Year to Date Sales: 28 resales and 3 original sales.
9. The new salt bin building at the mine bench is progressing before winter arrives. They are framing the building this week. Salt bin will be complete well before the onslaught of winter.

NEW BUSINESS

Doug Ogilvy discussed that REDUS will be annexing four potential development parcels into EPMOA. These parcels are on Marsac Avenue and Twisted Branch Road. While these parcels are not currently entitled, REDUS is in discussion with City regarding entitling them for a small number of single family homes in exchange for community benefits. Annexing the properties into EPMOA ensures that EPMOA will receive assessments and reinvestment fees should the parcels receive entitlements.

OTHER

A question about when the EPMOA will be turned over to owners will take place. There are two merchant homes under construction in Moonshadow that when closed will meet the turnover number. This will most likely be Q3/Q4 of 2024. The EPMOA will start outlining the steps for turnover in accordance with the CC&R's and Bylaws.

ADJOURN

Jeff made a motion to adjourn, Lisa seconded, and the meeting was adjourned at 10:31AM.

EMPIRE PASS MASTER OWNERS ASSOCIATION

Q1 2023 Board Meeting Minutes

May 9, 2023

10:00AM to 10:30AM

EMPIRE PASS MOA BOARD MEMBERS:

Doug Ogilvy | President – In Person

Jeff Butterworth | Storied Living DV – In Person

Lisa Reynolds | Storied Living – Present by Phone

David Ash | Wells Fargo – Present by Phone

Dave Pottruck | Homeowner Representative – Present by Phone

Jay Wasserman | Homeowner Representative – Present by Phone

HOMEOWNERS BY PHONE: There were approximately 7 owners on the call

STAFF PRESENT:

Trish Waterman, Jessica Layton, Steve Sovinsky, Steve Mair and Tonya Farnsworth

MEETING CALLED TO ORDER:

Doug Ogilvy called the meeting to order at 10:04AM

REVIEW AND APPROVAL OF THE MARCH 7, 2023 BOARD MEETING MINUTES:

Dave Pottruck made a motion to approve the meeting minutes, David Ash seconded, and the motion was carried.

REVIEW AND APPROVAL OF THE MARCH 23, 2023 ANNUAL MEETING NOTES:

Jeff made a motion to approve the annual meeting notes, Dave Pottruck seconded, and the motion was carried.

Q1 2023 FINANCIAL REPORT:

- Q1 Revenue is \$1.34M compared to \$1.45M budgeted.
 - YTD Reinvestment fees are \$221K, compared to \$225K budgeted.
 - The timing of the maintenance service income did not match the forecast. Some revenues were received Q4-22 and other revenues will be received later this year.
- Q1 Expenses are \$1,020,579, compared to \$889,608 budgeted.
 - Admin expenses are over budget by \$18K. merchant fees are higher and more people paid by credit card. Liability insurance rates have increased.
 - Vehicle insurance is over budget also due to rising rates.
 - Downtowner is under budget \$16K.
 - Fuel is over budget \$24K, due to snowplow usage related to record amounts of snow this winter.
 - Payroll is over budget by \$63K related to extra hours and overtime for snow removal.
 - Road expenses are over budget \$51K due to large volumes of road salt required this past winter.
 - All other expenses are at or under budget.
- YTD Net Revenue is \$325K, compared to \$561K budgeted.
- EPMOA has experienced substantial surpluses in recent years. With \$4.5 M cash on hand, the modest shortfall given the weather this winter is easily absorbed and EPMOA remains in a very strong financial position.
- We will be updating the equipment and reserve studies this summer. We anticipate the percentage

funded to go down based on current and future costs of equipment and reserve projects.

The 2022 audit is complete. Jeff made a motion to approve the 2022 Audited Financials, Dave Pottruck seconded, and the motion was carried.

CONSTRUCTION UPDATE:

1. At the time of this report, there are 410 EPMOA units sold. There are 496 total units sold, which includes the Montage and 5 Moonshadow Merchant builder lots.
2. Red Cloud has 5 homes under construction. There are another 5-6 homes anticipated to start this spring. Nakoma has 2 homes under construction with the last Nakoma unit anticipated starting this year. Bannerwood has 1 home anticipated to start this year. Moonshadow has 2 homes under construction, and we anticipate another 2-3 starting this year. Sommet Blanc Condominium project will be starting this spring.
3. Tipping sites: The MOA met with the Red Cloud HOA and dirt from Empire Pass will be exported to the hairpin tipping site on Twisted Branch. Excavation dirt from Red Cloud lots will go to the Trump tipping site in Red Cloud.
4. HOA Maintenance is in need of a new utility flat-bed truck. The truck will be used for summer projects and winter plowing for the more narrow roads in Empire Pass. The cost of a new truck is \$150K. Jeff made a motion to approve the new truck, Dave seconded, and the motion was carried.

MANAGEMENT REPORT:

1. Empire Express: Q1 2023 Stats
 - Passengers: 53,930 (52,888 in 2022)
 - Rides: 17,863 (17,180 in 2022)
 - Average Wait Time: 11.5 minutes (9 minutes 2022)
 - Average rating at 4.95 stars out of 5 (4.96 in 2022)
2. The Empire Express shoulder season started April 17th and the hours are now 8:00AM to 10:00PM until mid-June.
3. Friendly reminder that the service is only for owners and their guests staying with them in Empire Pass. Please do not give out the app to family and friends not staying in Empire Pass.
4. Huge thanks to the EP plowing crews. This winter was vicious and the crews kept up with the massive amounts of snow. Also with all of that snow, the mine road was only closed twice this entire winter.
5. Maintenance crews noticed there are 3 fire hydrants that will require an extension collar to raise them to allow room for shoveling snow.
6. When conditions allow, maintenance will begin cleanup of Empire Pass and get ready for the summer.
7. There are No Parking/Tow Area signs around the Tower Club and along Empire Club Drive east. The road shoulder parking on that street is very dangerous and the No Parking will be enforced indefinitely.
8. 2022 Year End Sales: 23 resales and 32 original sales. 2023 Year to Date Sales: 10 resales and 3 original sales.

NEW BUSINESS:

The salt shed roof at the Ontario Mine Bench failed due to the massive amount of snow and needs to be

replaced. The cost of a new larger pre-fab steel building is approximately \$200K. The application is on the June 28th planning commission agenda. The planning department has not expressed any issues with the building. In order to make sure the building is ready for winter, the Board is requesting the payment for the steel be paid in advance of the planning commission meeting. The steel would then be delivered late October. Jeff made a motion to pay for the steel in advance, David seconded, motion carried.

ADJOURNMENT: Dave made a motion to adjourn, Jeff seconded, and the meeting was adjourned at 10:31AM.

EMPIRE PASS MASTER OWNERS ASSOCIATION

Q4 2022 Board Meeting Minutes

March 7, 2023

10:00 AM to 10:30 AM

EMPIRE PASS MOA BOARD MEMBERS

Doug Ogilvy | President – In Person

Jeff Butterworth | Storied Living DV – In Person

Lisa Reynolds | Storied Living – Present by Phone

David Ash | Wells Fargo – Present by Phone

David Pottruck | Homeowner Representative – Present by Phone

Jay Wasserman | Homeowner Representative – Not in Attendance

HOMEOWNERS BY PHONE – There were 3 owners on the call.

STAFF PRESENT

Trish Waterman, Jessica Layton, Steve Sovinsky, Codiann Lance, Steve Mair and Tonya Farnsworth

MEETING CALLED TO ORDER

Doug Ogilvy called the meeting to order at 10:02 am.

REVIEW AND APPROVAL OF THE OCTOBER 20, 2022 BOARD MEETING MINUTES:

Dave made a motion to approve the meeting minutes, Jeff seconded, and the motion was carried.

Q4 2022 FINANCIAL REPORT

- YTD Revenue is \$2,531,820, compared to \$2,178,755 budgeted.
 - YTD Reinvestment fees are \$1.1MK, compared to \$900K budgeted.
 - YTD Other income \$138K, compared to \$30K budgeted.
- YTD Expenses are \$2,837,836, compared to \$2,450,787 budgeted.
 - Admin expenses are over budget by \$7K due to merchant fees and insurance rate increases.
 - Vehicle insurance is over budget \$6K due to rising rates and higher values of newer vehicles.
 - Downtowner is under budget \$18K.
 - Fuel is over budget \$28K, related to increased fuel prices last year and above average snow fall in November and December.
 - Security is over budget by \$4K related to fuel and wages.
 - Repairs and Maintenance is over budget \$19K. Aging streetlights were replaced.

- Payroll is over budget by \$22K related to overtime for snow removal in November and December.
- Road expenses are over budget \$16K due to salt in November and December.
- Historic preservation was over budget \$350K. This is partially offset by future contributions revenue and will be absorbed by future contributions from Empire MOA and PCMC. The total cost to raise Daly Headframe was \$651K, from 2020-2022.
- All other expenses are at or under budget.
- YTD Net Revenue is a loss of \$306K, compared to budgeted loss of \$272K.
- We have received a \$207K refund for Unimog 6, which we purchased in 2021 and the motor blew shortly after. Holland Equipment is still dealing with the importer in Canada, but has agreed to refund an additional \$200K.
- There is a Mack Truck on order to replace this Unimog.
- We will be updating both the capital reserve and equipment study this summer.
- At year end the Equipment reserve fund balance was \$1.4M, which is 95% funded.
- The capital reserve fund balance at year end was \$871K, which is 109% funded.
- The audit is underway and a draft is expected by the end of April.
- It was noted that the existing Empire salt shed roof has failed. A new salt shed will be needed and the estimated cost is several hundred thousand dollars, which will be taken out of the reserved fund. We are looking into replacement buildings.
- Maintenance is requesting the purchase of a new blower attachment. The cost is &178k and needs to be ordered now for next year. Jeff made a motion to approve the purchase, Dave seconded, motion carried.

CONSTRUCTION UPDATE

- Red Cloud has 5 homes under construction. There are another 5 homes anticipated to start this spring. Nakoma has 2 homes under construction. Moonshadow has 2 homes under construction and 3 more starting this spring.
- Update of EPMOA construction excavation tipping site.
- Snow storage around Empire Pass is very limited due to the heavy storms this year.
- EPMOA construction excavation tipping site. The excavated clean dirt from new construction must stay on the mountain. The recent tipping site on Twisted Branch is full, and the Developer has secured a tipping site in Red Cloud, which should accommodate the remaining construction in Empire Pass. There have been ongoing discussions relating to this location that we hope to have resolved by the time spring construction resumes.

MANAGEMENT REPORT

- Empire Express: Q4 2022 Stats
 - Passengers: 14,694 (15,606 in Q4 2021)

- Rides: 4,902 (5,423 in Q4 2021)
- Average Wait Time: 10 minutes (13 minutes Q4 2021)
- Average rating has remained at 4.96 stars out of 5 (4.97 in Q4 2021)
- Empire Express: 2022 Year Stats
 - Passengers: 88,210 (78,585 in 2021)
 - Rides: 29,083 (26,709 in 2021)
 - Average Wait Time: 9 minutes (9 minutes 2021)
 - Average rating has remained at 4.96 stars out of 5
- Dave Davis, Empire Express driver, that has been driving since the inception of the service will be leaving at the end of the year. We would like everyone to wish him well as he has been so valuable to the service year in and year out.
- Friendly reminder that the service is only for owners and their guests staying with them in Empire Pass. Please do not give out the app to family and friends not staying in Empire Pass.
- The EPMOA found enough plow drivers to contract this year with UDOT to provide snowplowing services for the Mine Road.
- We ask that owners place their trash containers at the end of their driveway and not in the street. Plow drivers have been having difficulty safely plowing the roads with containers put on the road and unfortunately, there have been a few hit by plows and buried in snow.
- Seasonal holiday lighting ended March 1, 2023. However, due to the amounts of snow and difficulty accessing outlets buried in snow, that deadline will not be enforced. We ask that lights are disconnected as conditions allow.
- A homeowner requested the EPMOA Board consider indefinitely extending holiday lighting hours until April 15th. Park City has a night sky ordinance which has the March 1st seasonal deadline. The Board did not want to ignore the City ordinance of the March 1st end date and denied the request.
- The EPMOA annual meeting date is set for Thursday, March 23 at 4:00pm MDT by Zoom. Details to follow.
- There are No Parking/Tow Area signs around the Tower Club and along Empire Club Drive east. The road shoulder parking on that street is very dangerous and the No Parking will be enforced indefinitely.
- 2022 Year End Sales: 23 resales and 32 original sales.
2023 Year to Date Sales: 1 resale and 1 original sale.

NEW BUSINESS/OTHER

There was no new business or other items to discuss.

ADJOURN

Jeff made a motion to adjourn, David seconded, and the motion was carried. The meeting was adjourned at 10:34 AM.

EMPIRE PASS MASTER OWNERS ASSOCIATION

Q2 & Q3 2022 Board Meeting Minutes

October 20, 2022

10:04 AM to 10:36 AM

EMPIRE PASS MOA BOARD MEMBERS

Doug Ogilvy | President – In Person

Jeff Butterworth | Storied Living DV – In Person

Lisa Reynolds | Storied Living – Present by Phone

David Ash | Wells Fargo – Present by Phone

Jay Wasserman | Homeowner Representative – Present by Phone

David Pottruck | Homeowner Representative – Present by Phone

HOMEOWNERS BY PHONE

Jason Oliger

STAFF PRESENT

Trish Waterman, Jessica Layton, Steve Sovinsky, Codiann Lance, Steve Mair and Tonya Farnsworth

MEETING CALLED TO ORDER

Doug Ogilvy called the meeting to order at 10:04 am.

REVIEW AND APPROVAL OF THE JUNE 1, 2022 BOARD MEETING MINUTES:

David made a motion to approve the meeting minutes, Jeff seconded, and the motion was carried.

Q2 & Q3 2022 FINANCIAL REPORT

- YTD Revenue is \$1,986,336, compared to \$1,834,262 budgeted.
 - YTD Reinvestment fees are \$762K, compared to \$675K budgeted.
- YTD Expenses are \$1.655M, compared to \$1.665M budgeted.
 - Bank charges are over budget as more owners have paid their annual dues by credit card.
 - Vehicle insurance is over budget by \$5K due to coverage for new vehicles higher values.
 - Empire Express is slightly under budget.
 - Vehicles, equipment, and fuel are both under budget due to the low snow year.
 - Maintenance facility is over budget by \$4K.
 - All other expenses are near or under budget.
- YTD Net revenue for Q3 is \$330K, compared to \$208K budget.

2023 PROPOSED BUDGET

- The annual assessment amounts are proposed to remain the same as last year for 2023.

- We are proposing another net budget deficit this year. Rather than increasing assessment amounts, we will continue to absorb some of the surplus from past years.
- Overall budgeted operating revenue increased by 186K.
 - Maintenance services revenue increased by \$75K. The EPMOA is discussing with UDOT the details of contracting to plow Marsac Ave this winter.
 - \$150K was added for the export of construction excavation materials tipping fee revenue.
- Overall budgeted operating expenses increasing by \$290K.
 - Office expenses increased by \$5K.
 - Insurance is increasing by \$7,875 related to higher equipment values.
 - Downtowner is increasing by \$115K related to increasing driver wages, increases in fuel costs and increases in maintenance costs.
 - Vehicles and equipment are up \$5,800. The seasonal backhoe lease has increased over the last 2 years.
 - Fuel increased \$5K due to higher gas prices.
 - Security is down \$4,500. We are now allocating 40% to Empire and 60% to Tuhaye.
 - Maintenance Facility increased \$4,800. A drain will be installed in the shop.
 - Payroll is up \$35,000 related to:
 - Cola
 - Hiring a new Full-Time mechanic
 - The existing and new mechanic will now be allocated 70% to Empire and 30% to Tuhaye.
 - Road Expense increased \$5,000 for salt.
 - Design Review Board decreased by \$6,550 related to a decrease in home submittal reviews.
 - Depreciation is up \$11K due to equipment purchases.
 - We are adding an expense line of \$100k for the management of the construction dirt tipping site, which should be offset by revenue.
- The 2023 proposed reserve contribution is \$80K. This would put the reserve fund at 81% funded at the end of 2023. However, the retained earnings or reinvestment fee surplus from 2022 can be moved to increase the percentage.

Jay made a motion to approve the 2023 Budget as presented, David Pottruck seconded and the 2023 Budget was passed.

CONSTRUCTION UPDATE

- There are 405 EPMOA units sold. There are 486 total units sold, which includes the Montage.
- Red Cloud has 6 homes under construction. There are 3 Red Cloud homes going through or have completed the DRB process. Nakoma has 2 homes under construction. There is one home under construction in Bannerwood. Moonshadow has 4 homes under construction.
- The Argent condo building on Village Way has started closing units. 14 of the 27 units have closed and they anticipate closing the rest of the units by the end of the year.

- EPMOA construction excavation tipping site update. The excavated clean dirt from new construction must stay on the mountain. The recent tipping site on Twisted Branch is full, and Doug Ogilvy found a new tipping site, which should accommodate the remaining construction in Empire Pass.

MANAGEMENT REPORT

- Empire Express: Quick stats for Q2 & Q3 2022
 - a. 20,100 passengers
 - b. 7,000 rides
 - c. 8.5 minutes was the average wait time.
 - d. Average rating has remained at 4.96 stars out of 5
- Friendly reminder that the service is only for owners and their guests staying with them in Empire Pass. Please do not give out the app to family and friends not staying in Empire Pass.
- There are No Parking/Tow Area signs around the Tower Club and along Empire Club Drive east. The road shoulder parking on that street is very dangerous and the No Parking will be enforced indefinitely.
- Year to Date Sales: 19 resales and 22 original sales at the time of this report.

HISTORIC PRESERVATION UPDATE

The Daly Headframe was erected this past June. The project was delayed due to weather and was a little over budget.

ADJOURN

Jeff made a motion to adjourn, Jay seconded, and the motion was carried. The meeting was adjourned at 10:36 AM.

The scheduled Executive Session was not necessary.

EMPIRE PASS MASTER OWNERS ASSOCIATION

Q1 2022 Board Meeting Minutes

June 1, 2022

10:00 AM to 11:00 AM

EMPIRE PASS MOA BOARD MEMBERS:

Doug Ogilvy | President – Present by Phone

David Ash | Wells Fargo – Present by Phone

Jeff Butterworth | Storied Living DV – In Person

Lisa Reynolds | Storied Living – Present by Phone

Jay Wasserman | Homeowner Representative – Present by Phone

David Pottruck | Homeowner Representative – Present by Phone

HOME OWNERS BY PHONE:

Greg Annick, Greg Jansen, Bill Elkus

STAFF PRESENT:

Trish Waterman, Jessica Layton, Steve Sovinsky, Steve Mair and Tonya Farnsworth

MEETING CALLED TO ORDER:

Doug Ogilvy called the meeting to order at 10:04 am.

REVIEW AND APPROVAL OF THE FEBRUARY 23, 2022 BOARD MEETING MINUTES:

Jeff made a motion to approve the meeting minutes, David seconded and the motion was carried.

Q1 2022 FINANCIAL REPORT

- YTD Revenue is \$1,419,330, compared to \$1,339,262 budgeted.
 - YTD Reinvestment fees are \$300K, compared to \$225K budgeted.
- YTD Expenses are \$751,576, compared to \$795,185 budgeted.
 - Vehicle insurance is over budget by \$3K due to coverage for newer vehicles.
 - Downtowner is right on budget.
 - Vehicles, equipment and fuel are both under budget due to the low snow year.
 - All other expenses are at or under budget.
- YTD Net revenue for Q1 is \$667K, compared to \$544K budget.
- The EPMOA was going to purchase a used dump truck in 2022, but found no suitable trucks available. However, staff found a new one that will be purchased for \$243K in the next few weeks. The reserve study allocated \$118K for a used one. There are equipment reserve funds for this purchase.

- The most recent CD rates are as follows “12 month around 1.8%, 2 years close to 2% and 3 years at 2.9%.” The Board was asked to consider starting the CD ladder again to earn interest and protect funds.
- Jay made a motion to reinvest cash in a CD ladder for a 3 year period, David seconded, motion carried.
- The next equipment reserve study will be done in 2023.

CONSTRUCTION UPDATE

- There are 396 EPMOA units sold. There are 477 total units sold, which includes the Montage.
- Red Cloud has 6 homes under construction. There are 3 Red Cloud homes going through the DRB process. Nakoma has 3 homes under construction. There is one home under construction in Bannerwood.
- The Residences at the Tower have closed all of their units.
- The Argent condo building on Village Way is under construction.

MANAGEMENT REPORT

- Congratulations to Jay Wasserman and David Pottruck! They are the recently elected homeowner Board representatives. Each will serve a 2 year term.
- Empire Express: Quick stats for Q1 2022
 - 52,888 passengers
 - 17,000 rides
 - 9 minutes was the average wait time.
 - Average rating has remained at 4.96 stars out of 5
- Friendly reminder that the service is only for owners and their guests staying with them in Empire Pass. Please do not give out the app to family and friends not staying in Empire Pass.
- Rock repair on the skier bridge next to the Grand Lodge is completed.
- There are No Parking/Tow Area signs around the Tower Club and along Empire Club Drive east. The road shoulder parking on that street is very dangerous and the no parking will be enforced indefinitely. An email in reference to the No Parking / Tow Areas was sent to all of the owners on June 3, 2022.
- 2022 Year to Date Sales: 14 resales and 8 original sales at the time of this report.
- 2021 ended with 29 original sales and 71 resales.

MAINTENANCE REPORT

- All of the bridges have been repainted.

- The rock wall on the Grand Lodge skier bridge on Marsac has been repaired.
- Maintenance crews will be doing an overlay on Hawkeye and patching on Northside this summer.
- A level 2 slurry will be done on Northside and Silver Strike.
- Toward the end of June crews will start trimming and removing dead trees on Marsac.

HISTORIC PRESERVATION UPDATE

The Daly Head Frame project is anticipated to start on June 23, 2022, weather permitting.

NEW BUSINESS

A new Unimog was purchased in November 2021 and after 2 days of use the engine blew. It was a factory defect and discussions are ongoing to have the repairs done under warranty or get a refund.

ADJOURN

Jay made a motion to adjourn, David seconded, and the motion was carried. The meeting was adjourned at 10:30 AM.

EMPIRE PASS MASTER OWNERS ASSOCIATION

Q4 2021 BOARD MEETING MINUTES

February 23, 2022

10:00 AM to 11:00 AM

WHITE SADDLE OFFICE

EMPIRE PASS MOA BOARD MEMBERS IN ATTENDANCE BY PHONE:

Doug Ogilvy | President

David Ash | Wells Fargo

Jeff Butterworth | Storied Living DV

Lisa Reynolds | Storied Living

BOARD MEMBERS NOT PRESENT:

Jay Wasserman | Homeowner Representative

Jack Mueller | Homeowner Representative

HOME OWNERS BY PHONE:

John Becker

Eric Sullivan

Ken Bassett

Terry Steele

Rory O'Neill

Trine LMQA

STAFF PRESENT: Trish Waterman, Jessica Layton, Steve Mair, Steve Sovinsky and Tonya Farnsworth.

MEETING CALLED TO ORDER:

Doug called the meeting to order at 10:07AM.

REVIEW AND APPROVAL OF THE OCTOBER 20, 2021 BOARD MEETING MINUTES:

Jeff made a motion to approve the meeting minutes, David seconded and the motion was carried.

Q4 2021 FINANCIAL REPORT:

- YTD Revenue is \$3,607,587, compared to \$2,257,244 budgeted.
 - YTD Reinvestment fees are \$2M, compared to \$750K budgeted.
- YTD Expenses are \$2,540,064, compared to \$2,257,244 budgeted.
 - Bank fees are over budget \$2K, due to implementing fraud prevention services.
 - Office / Insurance is over budget \$7K, due to increasing the value of the Mine Bench building.
 - Downtowner is over budget by \$9K, which is related to higher wages and vehicle cost.
 - Vehicles and equipment is over budget by \$8K.
 - Fuel is over budget by \$10K, due to higher gas prices.
 - Maintenance facility is over budget by \$38K, due to propane and electric expense.
 - Landscaping is over budget \$4K.

- Payroll is under budget by \$20K, due to the light snow year.
- Historic Preservation is over budget. These funds were received in 2020.
- All other expenses are at/or under budget.
- YTD Net revenue for Q4 is \$1M, compared to \$0 budget.
- The 2021 audit is in progress.
- Staff will research options to move reinvestment fees into other interest bearing markets and review with the Board at the next quarterly meeting.

The Reserve Fund is 107% funded for 2021 year end. The Equipment Reserve Fund is 84% funded for 2021. A \$244K contribution would bring the Equipment Reserve to 100% funded for 2021 Year end. Jeff made a motion to contribute \$244K to the Equipment Reserve fund, David seconded, and the motion was carried.

CONSTRUCTION AND MAINTENANCE UPDATE:

1. There are 467 EPMOA units sold.
2. Red Cloud has 5 homes under construction, with 2 of those close to completion. There are 5 Red Cloud homes either going through the DRB process or waiting on building permits. Nakoma has 3 homes under construction, with 1 more left to build. There is one home under construction in Bannerwood.
3. The Residences at the Tower have 2 remaining units left to close.
4. The Argent condo building on Village Way is under construction.
5. All 8 units at Moonshadow have sold and 5 units are going through the DRB process.

MANAGEMENT REPORT:

1. The (2) homeowner seats on the Board of Director's 2 year terms are up this year. We will be starting the election process the first week of March 2022.
2. The annual meeting date will need to be set and held sometime in March.
3. Empire Express: Quick stats for Q4 2021
 - 15,600 passengers
 - 5,400 rides
 - 13 minutes was the average wait time. This was due to the number of storms last December.
 - Average rating has remained at 4.97 stars out of 5.
4. Friendly reminder that the service is only for owners and their guests staying with them in Empire Pass. Please do not give out the app to family and friends not staying in Empire Pass.
5. The EPMOA still has not been successful recruiting any winter full or part time snow plow drivers. Thankfully this has been a light snow year. UDOT has done a great job maintain the road this year and assigned 2 truck mechanics full time to plow. The City and the EPMOA have also collaborated with UDOT to assist keeping the mine road open during storms.

6. Per Park City's ordinance for seasonal lighting, the season for lighting will end on March 1, 2022.
7. There are No Parking/Tow Area signs around the Tower Club and along Empire Club Drive east. The road shoulder parking on that street is very dangerous and the no parking will be enforced indefinitely.
8. 2022 Year to Date Sales: 4 resales at the time of this report.
9. 2021 ended with 29 original sales and 71 resales.

HISTORIC PRESERVATION UPDATE:

The Daly Head Frame project will start again this summer.

ADJOURN:

Jeff made a motion to adjourn, David seconded, and the motion was carried. The meeting was adjourned at 10:30 AM.

EMPIRE PASS MASTER OWNERS ASSOCIATION

Q2 & Q3 2021

Board Meeting Minutes

October 20, 2021

10:00 AM to 11:00 AM

EMPIRE PASS MOA BOARD MEMBERS:

Doug Ogilvy | President

David Ash | Wells Fargo

Jeff Butterworth | Storied Living DV

Lisa Reynolds | Storied Living

Jay Wasserman | Homeowner Representative-not in attendance

Jack Mueller | Homeowner Representative

IN ATTENDANCE BY PHONE:

Mark Yarborough, Rory O'Neill, Greg Jansen, John Baker, Bill Elkus, David Houck

STAFF PRESENT:

Trish Waterman, Jessica Layton, Steve Sovinsky, Steve Mair and Tonya Farnsworth

MEETING CALLED TO ORDER:

Doug called the meeting to order at 10:04 AM

REVIEW AND APPROVAL OF THE MAY 11, 2021 BOARD MEETING MINUTES:

David made a motion to approve the May 11, 2021 meeting minutes, Jeff seconded and the motion was carried.

Q2 & Q3 2021 FINANCIAL REPORT:

- Year to date revenue is \$3,068,646, compared to \$1,998,776 budgeted.
 - Q2 YTD reinvestment fees are \$1.5M, compared to \$562K budgeted.
- Year to date expenses are \$1,563,018, compared to \$1,564,619 budgeted.
- Year to date net revenue for Q3 is \$1.5M, compared to \$434K budgeted.

EMPIRE PASS MOA 2022 PROPOSED BUDGET REVIEW AND APPROVAL:

- The 2022 budget proposes a decrease in annual assessment dues by 10%.
- The budget is operating at a loss due to the large reinvestment fee revenue in 2021.
- Budgeted operating revenue increase by \$65K.
- Budgeted operating expenses increase by \$182K.
- \$85K Empire Express labor, fuel, and vehicle expenses have increased.
- \$19K for vehicles and equipment.
- \$8K for fuel, and gas prices are up from last year.
- \$3K for security.
- \$43K increase in maintenance expenses.

- 34K increase in payroll.
- \$36K increase in depreciation with new 2022 equipment purchases.
- \$65K reserve fund contribution.
- Reserve fund projected to be 96% at the end of 2022.

The Board discussed the option to decrease dues 20% rather than 10% based on the amount of reinvestment fees received in 2021.

Jeff made a motion to approve the Empire Pass MOA 2022 Budget with the 20% decrease in the annual assessment dues, David seconded and the motion was carried.

CONSTRUCTION AND MAINTENANCE UPDATE:

- There are 375 EPMOA units sold. There are 455 total, which includes the Montage.
- Red Cloud has 7 homes under construction, with 3 of those close to completion. There are 2 homes that are waiting on building permits, and there are 2 homes in the early stages of the design review process. Nakoma has 4 homes under construction, with 1 more left to build. There is one home under construction in Bannerwood.
- Empire Residences condominium building preparing for final closeout. All 18 units have been sold.
- The Residences at the Tower are under still construction and 5 units have closed.
- The Argent condo building on Village Way is under construction.
- Ruby Hollow was roto milled, community wide tree removal and the Grand Lodge skier bridge was repaired.
- Steve Sovinsky was thanked by everyone for all of his hard work and diligence.

MANAGEMENT REPORT:

- Empire Express: Quick stats for Q2 & Q3 2021
- 26,000 passengers
- 8,800 rides
- 8:49 minutes was the average wait time, which has increased about a minute from last year.
- Average rating has remained at 4.95 stars out of 5.
- The Board recently approved the Empire Express contract extension for next year.
- Friendly reminder that the ride service is only for owners and their guests staying with them in Empire Pass. Please do not give out the app to family and friends not staying in Empire Pass.
- The EPMOA has not been successful recruiting an adequate number of winter full or part time snow plow drivers. Due to this, the EPMOA did not have the number of drivers needed to bid on the UDOT Marsac Avenue plowing contract.
- Park City has a new ordinance for seasonal lighting that starts November 1st and ending on March 1st the following year, until 11pm. The EPMOA will send out communication asking owners to follow these timeframes and hours for seasonal lighting.

- Staff has installed No Parking/Tow Area signs around the Tower Club and along Empire Club Drive east. The amount of vehicles parked along the road shoulder parking on that street was very alarming this past summer. The Club has communicated to owners that parking is not permitted on the street and to utilize the shuttle. The MOA will communicate the same and will enforce towing.
- Community Patrol continues to patrol the area and monitor parking, traffic issues, trash can compliance and construction site issues.
- 2021 Year to Date Sales: 83 total: 23 original and 60 resales.

HISTORIC PRESERVATION UPDATE:

The Daly Head Frame was set to be erected, but the early storms have delayed it for this year. It will be now be finished next July.

NEW BUSINESS:

An owner asked the MOA to look into the night sky compliance for one of the recently completed condominium buildings. The MOA will look into this.

ADJOURN:

Jeff made a motion to adjourn, David seconded, and the meeting was adjourned at 10:45 AM.