

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.