EAST CANYON RESORT
2025 Annual Shareholders Meeting Notice & Agenda

Date: **Wednesday,** September 17, 2025

Time: 6:00 PM MT Registration
7:00 PM MT Annual Meeting Call to Order

Location: East Canyon Resort
8896 S. Hwy. 65
Morgan, UT 84050

East Canyon Resort Lodge

Agenda

I. Welcome and Introductions

II. 2024 Annual Members' Meeting Minutes

III. East Canyon Resort Financial Report

IV. Resort Manager Report/Report from Board Chairperson

V. Board Candidate Introductions and Ballot Collection

VI. Other Resort Business

VII. Question and Answer Period

VIII. Adjournment

EAST CANYON RESORT, INC.
ANNUAL MEETING MINUTES
September 26, 2024

I. WELCOME AND INTRODUCTIONS

The meeting was called to order by Board President Cody Barnes at 7:15 PM MT at East Canyon Resort in Henefer, UT. A quorum was present to conduct business. Cody Barnes introduced the Board of Directors, Resort and VRI/Capital Vacation staff members, and thanked the members present for their attendance. The following persons participated in the meeting:

Board Members
Cody Barnes, Board President
Randy Upton, Board Chairman
Toni Noerring, Board Vice Chairman
Robert Watson, Board Director
William (Bill) Thomson, Board Director
Terry Nelson, Board Director
Bill Feveryear, Board Director

Excused Board Members:
Ashely Wilson, Board Secretary

VRI and Resort Staff
Richard Johnson, General Manager
Moriah Morgan, Assistant General Manager
Caitlin Postlethwait, VRI/CV Administration / Association Governance

Members
There were 32 Members in attendance and a quorum was established by members present. At any meeting of the members, the members and proxy holders in attendance shall, whether or not a majority is present, constitute a quorum.

II. APPROVAL OF THE 2023 ANNUAL MEMBERS MEETING MINUTES

MOTION: Royce Gibson moved to approve the minutes of the 2023 Annual Members Meeting on September 28, 2023 as presented. Motion was seconded by Wade Ross and approved.

III. EAST CANYON RESORT FINANCIAL REPORT

A sign-sheet was provided to members at check in to request a copy of the most recent finalized financial audit report when it is available. Randy Upton reviewed the 2022-2023 fiscal year end audit and addressed various questions from members on variances in budget line items.

Randy Upton reviewed the five (5) financial resolutions for the 2023-2024 operating fiscal year:

1. Establishes the Board as the agent of the owners in assessing, collecting, and allocating Replacement Fund distribution.
2. Ratifies the 2023/2024 audit and the actions of the Board for the 2023/2024 fiscal year.
3. Ratifies the amount of excess operating funds transferred to the Replacement Fund after the end of the 2023/2024 fiscal year
4. To ratify the 2024/2025 fiscal year budget and authorize the funding of a Replacement Fund account.
5. Designates that all excess operating funds at 2024/2025 (if any) will be transferred into the Replacement Fund account rather than have it returned to the owners.

MOTION: Wade Ross moved to accept the five (5) financial resolutions as presented above. Michael Finch seconded the motion and it was approved.

IV. RESORT MANAGER REPORT

Richard Johnson addressed members in attendance to report on current on-site operations. It was discussed that resort staff has been busy completing maintenance and improvement projects related to lodge decking, pool resurfacing, grounds maintenance among other items. It was noted that resort staff including Assistant Manager Moriah Morgan should be commended for their efforts to operate and run the resort during the busy summer season.

V. ELECTION

Cody Barnes invited Board election candidates present in the meeting to make three (3) minute candidate statements. There were no additional candidate nominations from the floor.

The candidates in the 2024 election are:

Robert Watson (Incumbent)
William (Bill) Thomson (Incumbent)
Ash Jenkins
Tiffany Keim
John Milano
Wade Ross

ECR Members Royce Gibson and Kathy Huntsman were selected to sit in on ballot count post meeting to tabulate election results. Election results will be available for announcement on Monday September 30, 2024.

The Board candidates were thanked for their willingness to serve.

VI. QUESTION AND ANSWER PERIOD

Members were invited to address the management staff and Board members in attendance with questions and comments. Discussion held on financial reporting and how to obtain budget related information. The Board members encouraged member involvement in committees to help facilitate solutions related to Budget & Finance and Outdoors and Facilities/Land Use concerns. Suggestions made regarding updating of bathroom access codes, swimming wrist band policies, sheep grazing boundaries, housekeeping issues, etc.

VII. ADJOURNMENT

MOTION: Hans Noerring moved to adjourn the meeting at 8:45 PM MT. The motion was seconded by Korey VanCott and approved unanimously.

The meeting was adjourned at 8:45 PM (MDT).

EAST CANYON RESORT
Presentation Budget as Mailed to the Ownership
For the Year: April 1, 2025 - March 31, 2026

REVENUE	2024-2025 Annual	2025-2026 Annual	2024-2025 Monthly
Maintenance Fees Assessment	1,683,966	1,750,736	145,894.67
Maintenance Fees Reserves	143,000	275,000	22,916.67
Late Fee Income	30,000	20,000	1,666.67
Interest Income	25,000	34,000	2,833.33
Interest Income Reserves	42,000	42,000	3,500.00
Credit Card Fees	-	25,000	2,083.33
Rental Revenue	27,000	25,000	2,083.33
Merchandise Sales	100,000	100,000	8,333.33
Activities Revenue	4,000	10,000	833.33
Bonus Weeks	27,000	27,000	2,250.00
Laundry Income	500	500	41.67
Hunting Revenue	15,000	30,000	2,500.00
Special Events Revenue	7,000	40,000	3,333.33
Wedding Revenue	55,000	65,000	5,416.67
Transfer Fees	20,000	20,000	1,666.67
Relative Rights Fees	7,000	7,000	583.33
Damages/Fines	6,000	4,000	333.33
Family Reunion Revenue	20,000	17,500	1,458.33
OHV Registration	16,000	8,000	666.67
Range Plan Fees	14,000	14,000	1,166.67
Membership Revenue	62,000	52,000	4,333.33
Miscellaneous Revenue	10,000	4,000	333.33
Total Revenue	2,314,466	2,570,736	214,228.00
Store Cost of Goods Sold	(60,000)	(60,000)	(5,000.00)
Net Revenue	2,254,466	2,510,736	209,228
EXPENSES			
Maintenance	226,440	256,600	21,383.33
Housekeeping	296,160	337,840	28,153.33
Laundry	12,000	12,000	1,000.00
Common Area/Ground	55,000	57,000	4,750.00
Guest Services/Front Desk	131,120	135,144	11,262.00
Utilities	193,000	190,000	15,833.33
Security	102,830	103,280	8,606.67
Resort Management	978,303	1,069,791	89,149.22
Special Events	104,863	121,000	10,083.33
Member Services	3,000	2,000	166.67
Grocery/Market	8,750	11,500	958.33
Reserves	143,000	275,000	22,916.67
Total Expenses	2,254,466	2,571,155	214,263
Net Income	-	(60,419)	(5,035)

EAST CANYON RESORT
Presentation Budget as Mailed to the Ownership
For the Year: April 1, 2024 - March 31, 2025

REVENUE	2022-2023 Annual	2023-2024 Annual	2023-2024 Monthly
Maintenance Fees Assessment	1,536,938	1,683,966	140,330.47
Maintenance Fees Reserves	182,000	143,000	11,916.67
Late Fee Income	30,000	30,000	2,500.00
Interest Income	8,000	25,000	2,083.33
Interest Income Reserves	32,000	42,000	3,500.00
Rental Revenue	30,000	27,000	2,250.00
Merchandise Sales	110,000	100,000	8,333.33
Activities Revenue	4,000	4,000	333.33
Bonus Weeks	33,000	27,000	2,250.00
Laundry Income	500	500	41.67
Hunting Revenue	35,000	15,000	1,250.00
Special Events Revenue	9,000	7,000	583.33
Wedding Revenue	39,000	55,000	4,583.33
Transfer Fees	17,000	20,000	1,666.67
Relative Rights Fees	10,000	7,000	583.33
Damages/Fines	6,000	6,000	500.00
Family Reunion Revenue	18,500	20,000	1,666.67
OHV Registration	4,000	16,000	1,333.33
Range Plan Fees	14,000	14,000	1,166.67
Membership Revenue	-	62,000	5,166.67
Miscellaneous Revenue	500	10,000	833.33
Total Revenue	2,119,438	2,314,466	192,872.14
Store Cost of Goods Sold	(65,000)	(60,000)	(5,000.00)
Net Revenue	2,054,438	2,254,466	187,872
EXPENSES			
Maintenance	188,000	226,440	18,870.00
Housekeeping	203,000	296,160	24,680.00
Laundry	12,000	12,000	1,000.00
Common Area/Ground	62,000	55,000	4,583.33
Guest Services/Front Desk	129,000	131,120	10,926.67
Utilities	212,000	193,000	16,083.33
Security	72,000	102,830	8,569.17
Resort Management	845,838	978,303	81,525.22
Special Events	85,000	104,863	8,738.58
Member Services	49,000	3,000	250.00
Grocery/Market	10,500	8,750	729.17
Reserves	182,000	143,000	11,916.67
Total Expenses	2,050,338	2,254,466	187,872
Net Income	4,100	-	-

Independent Auditor's Report

Board of Directors and Management
East Canyon Resort
Morgan, Utah

Opinion

We have audited the accompanying financial statements of East Canyon Resort, which comprise the balance sheet as of March 31, 2025, and the related statements of revenue and expenses, changes in stockholder's equity and fund balances, cash flows, and other operating revenue and expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position East Canyon Resort as of March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of East Canyon Resort and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The prior year summarized comparative information has been derived from the Association's March 31, 2024 financial statements and, in our report dated September 23, 2024, we expressed an unqualified opinion on those financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about East Canyon Resort's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of East Canyon Resort's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about East Canyon Resort's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Omission of Required Supplementary Information about Future Major Repairs and Replacements

Management has omitted supplementary information about future major repairs and replacements of common property that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

FITZGERALD & ASSOCIATES, INC. CPAs

Irvine, California
July 31, 2025

East Canyon Resort

Balance Sheet
March 31, 2025
(Summarized Totals for March 31, 2024)

	Operating Fund	Replacement Fund	Capital Fund	2025 Total	2024 Total
Assets					
Cash, including interest bearing deposits	$ 891,215	$ 1,273,647	$ -	$ 2,164,862	$ 1,617,110
Assessments receivable	-	-	-	-	428
Interest receivable	-	9,505	-	9,505	9,726
Prepaid expenses	161,593	-	-	161,593	124,964
Inventory	16,443	-	-	16,443	18,628
Property and equipment, net	-	-	3,356,233	3,356,233	3,549,057
Interfund borrowing	631,450	(631,450)	-	-	-
Total assets	$ 1,700,701	$ 651,702	$ 3,356,233	$ 5,708,636	$ 5,319,913
Liabilities					
Accounts payable	$ 68,787	$ -	$ -	$ 68,787	$ 40,518
Accrued expenses	120,186	-	-	120,186	99,109
Prepaid assessments	915,208	-	-	915,208	168,015
Deferred revenue	36,393	-	-	36,393	31,428
Total liabilities	1,140,574	-	-	1,140,574	339,070
Stockholders' Equity and Fund Balances (Deficits)					
Common stock, $100 par value, 7,500 authorized and 1,486 issued and outstanding	148,600	-	-	148,600	146,400
Subscribed stock	-	-	-	-	24,600
Subscribed stock receivable	-	-	-	-	(10,959)
Additional paid-in-capital	4,906,711	66,530	3,984,791	8,958,032	8,668,333
Fund balances (deficits)	(4,495,184)	585,172	(628,558)	(4,538,570)	(3,847,531)
Total stockholders' equity and fund balances (deficits)	560,127	651,702	3,356,233	4,568,062	4,980,843
Total liabilities and fund balances	$ 1,700,701	$ 651,702	$ 3,356,233	$ 5,708,636	$ 5,319,913

The accompanying notes are an integral part of these financial statements.

East Canyon Resort

Statement of Revenue and Expenses
For the Year Ended March 31, 2025
(Summarized Totals for March 31, 2024)

	Operating Fund	*Replacement Fund*	*Capital Fund*	*2025 Total*	*2024 Total*
Revenue					
Maintenance fee assessments	$ 1,627,101	$ 135,273	$ -	$ 1,762,374	$ 1,623,460
Membership fees	82,297	-	-	82,297	71,475
Country store revenue	88,068	-	-	88,068	80,537
Interest income	23,182	32,992	-	56,174	56,804
Other revenue (Schedule)	256,671	-	-	256,671	239,319
Total revenue	2,077,319	168,265	-	2,245,584	2,071,595
Expenses					
Bank and credit card fees	31,413	-	-	31,413	33,699
Market	69,393	-	-	69,393	52,337
Maintenance	248,798	-	-	248,798	165,106
Depreciation expense	-	-	192,824	192,824	210,338
Front desk	115,740	-	-	115,740	179,171
General and administrative (Schedule)	556,100	-	-	556,100	317,958
Housekeeping	293,932	-	-	293,932	260,578
Current income taxes (refunds)	-	-	-	-	765
Common area	52,047	-	-	52,047	45,494
Insurance	189,122	-	-	189,122	178,919
Laundry and linen	8,641	-	-	8,641	12,117
License and permits	13,381	-	-	13,381	13,131
Management fees	63,802	-	-	63,802	62,599
Membership services	2,474	-	-	2,474	48,346
Property taxes	79,677	-	-	79,677	85,262
Professional fees	31,505	-	-	31,505	30,943
Printing and postage	4,425	-	-	4,425	1,848
Repairs and replacements	-	566,180	-	566,180	187,136
Grocery	11,134	-	-	11,134	11,583
Special events	100,359	-	-	100,359	73,024
Security	93,672	-	-	93,672	72,579
Vehicle expenses	17,204	-	-	17,204	18,643
Utilities	194,800	-	-	194,800	194,262
Total expenses	2,177,619	566,180	192,824	2,936,623	2,255,838
Excess revenue (expenses)	$ (100,300)	$ (397,915)	$ (192,824)	$ (691,039)	(184,243)

The accompanying notes are an integral part of these financial statements.

East Canyon Resort

Statement of Cash Flows
For the Year Ended March 31, 2025
(Summarized Totals for March 31, 2024)

	Operating Fund	Replacement Fund	Capital Fund	2025 Total	2024 Total
Cash Flows From Operating Activities					
Excess revenue (expenses)	$ (100,300)	$ (397,915)	$ (192,824)	$ (691,039)	$ (184,243)
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:					
Depreciation expense	-	-	192,824	192,824	210,338
Changes in:					
Assessments receivable	428	-	-	428	(428)
Interest receivable	-	221	-	221	(910)
Inventory	2,185			2,185	(8,469)
Prepaid expenses	(36,629)	-	-	(36,629)	7,836
Accounts payable	28,269	-	-	28,269	854
Accrued expenses	21,077	-	-	21,077	(82,169)
Deferred revenue	4,965	-	-	4,965	17,526
Prepaid assessments	747,193	-	-	747,193	97,151
Net cash provided (used) by operating activities	667,188	(397,694)	-	269,494	57,486
Cash Flows From Financing Activities					
Net proceeds from issuance of common stock	278,258	-	-	278,258	4,999
Interfund borrowing	(357,243)	357,243	-	-	-
Net cash provided (used) by financing activities	(78,985)	357,243	-	278,258	4,999
Net increase (decrease) in cash	588,203	(40,451)	-	547,752	62,485
Cash, beginning of year	303,012	1,314,098	-	1,617,110	1,554,625
Cash, end of year	$ 891,215	$ 1,273,647	$ -	$ 2,164,862	$ 1,617,110

The accompanying notes are an integral part of these financial statements.

East Canyon Resort

Statement of Other Operating Revenue and Expenses
For the Year Ended March 31, 2025
(Summarized Totals for March 31, 2024)

	2025 Total	2024 Total
Other Revenue		
Damages and fines	$ 930	$ 6,117
Grazing fees	14,000	14,000
Late and final demand fees	19,824	32,660
Laundry	409	177
OHV registration	8,240	2,865
Guest rental	15,055	18,500
Family reunion fees	15,072	20,725
Bonus time	26,150	14,560
Special events	134,625	74,852
Other income	22,366	54,863
Total other revenue.	$ 256,671	$ 239,319
General and Administrative		
Wages - admin and accounting	$ 295,885	$ 44,172
Audit and tax	9,000	14,900
Computer and website	46,255	46,632
Employment expenses	4,665	1,832
Employee relations	8,952	8,046
Officer and director	4,100	1,714
Other expense	28,687	19,099
Other rental and lease expense	2,682	2,319
Payroll processing	20,647	18,037
Payroll taxes and benefits	135,227	161,207
Total general and administrative	$ 556,100	$ 317,958

The accompanying notes are an integral part of these financial statements.

Name: Terry Nelson *(Incumbent)*
Home: Woods Cross, UT
Education: Weber State University
Area Manager at TruckPro
Objective(s): I've been a proud member of East Canyon Resort for seven years and spend a great deal of time enjoying all it has to offer. I currently serve as Vice Chairman of the Board of Directors and I am also an active member of the Outdoor Committee, where I help oversee outdoor recreation and hunting activities.

I'm seeking re-election to continue supporting the progress the board has made and to ensure the resort remains a place we're all proud to be a part of. I believe in putting the best interests of the resort and its members first, and I'm committed to making myself available to both.

East Canyon Resort is a special place, a community built on shared experiences. I volunteer my time because I believe in preserving that while working to improve the resort for all members. I will continue to advocate for transparency, member involvement, and thoughtful decisions that protect the unique environment and character of East Canyon Resort. I will be committed to help maintain the budget, revise and implement rules that will meet a common ground to ensure everybody's enjoyment while at the resort.

I would be honored to continue serving you on the Board.

Name: Toni Noerring *(Incumbent)*
Home: West Jordan, UT
Objective(s): I have been on the Board of Directors for the past 3 years and decided that there needs to be some balance on the board.

In my previous resume I stated that I wanted to be the ears for the members and that still hold true today. I want to hear what you are looking for in the resort. What changes do you think need to be made? What things stand out? What is lacking? How do you think we can increase our revenue?

I am hopeful that you will think outside the box and help make changes or keep things as they are.

I am here to hear you. My email is always open and ready to "listen" so to speak. You can even text me, but include your name, I do not have you all saved in my contacts.
I am a clinic administrator for 7-physician practice, so I am busy, but never too busy to read emails or text from my ECR family. Never too busy for someone to talk with me while at the resort.
I would love to get your vote and continue with the running of the board and make this the best place to visit for years to come.

Name:	Blake Housley
Home:	Willard, UT
Objectives:	I've been a member of East Canyon Resort for over 15 years, and it's become more than just a place we visit—it's where some of our best family memories have been made. I've worked for Weber School District for nearly 25 years as the HVAC Supervisor. I oversee teams, contractors, and help keep things running with preventative maintenance and hands-on leadership. I know how to work hard, solve problems, and keep people comfortable and safe in all kinds of situations. At the resort, I've served on the Hunting Committee and the Land Use Committee. My wife serves on the Rules Committee. As a family, we use the trails, campground, condos, lake, and rec areas often. I've been to every volunteer day I could and enjoy meeting and talking with other members about hunting, recreation, and what makes this place special. I'm running for the board because I care deeply about keeping East Canyon family-friendly and true to the values that have kept people coming back year after year. I want to help protect the land and wildlife and make sure it's a place our kids and grandkids can enjoy for years to come. I believe in working hard, being honest, and doing what's right for the members.
Name:	Ryan Spanton
Home:	South Jordan, UT
Objectives:	I would be interested in serving on the ECR Board to help with the stewardship of the land and aid in implementation of resort objectives. I would be lending my experience as Owner, Vice President, and Board Member at Goble Sampson Associates www.goblesampson.com , as well as my experience as Board Member and Region Manager for the South East Idaho Operator's Section (SEIOS) https://www.seios.org/ of the Pacific Northwest Clean Water Association (PNCWA) . I believe my nearly 25 year's experience in working with Engineers, Contractors, Municipalities, Private Industry, Private Equity, Developers and so forth in the design, funding, installation and implementation of projects from $10,000 to nearly 1 billion dollars may lend some unique perspective to the board and possibly be advantages with certain board functions and resort needs.

Name: Korey VanCott

Home: Salt Lake City, UT

Objectives: I have been a member of East Canyon Resort for 15 years and previously served on the ECR Board as both Chairman and Vice Chairman. My background includes extensive experience in computer networks, website development and maintenance, major capital projects, budget creation and financial oversight. I have also chaired both the IT Committee and the Outdoors Committee and remain an active member of both.

As a former board member who continues to regularly attend board meetings, I believe I can seamlessly reintegrate with the current board and begin addressing key challenges with minimal ramp-up time. I've led or contributed to several initiatives that improved member communication and website accessibility. Notable contributions include:

- Implementing online hunting applications
- Live streaming resort events
- Expanding email communications
- Updating website content and the members-only section
- Enhancing Wi-Fi performance
- Facilitating the creation of board candidate videos

I remain actively engaged through consistent attendance at board and committee meetings, member interactions, resort stays, and participation in resort activities.

Future Objectives:

- Identify and implement additional processes that can be transitioned to digital platforms to reduce overall resort costs.
- Collaborate with members to maintain a high-quality resort experience while minimizing annual maintenance fees.
- Maintain frequent and transparent communication with members via email and website updates.
- Continue improving the resort's network infrastructure to ensure strong, reliable Wi-Fi coverage in our complex environment.
- I am committed to serving the resort community with transparency, innovation, and a strong focus on member value.