



White Pass Village Inn Association  
Minutes of a Special Meeting of the Directors  
July 27, 2020 at 6:00PM PST via Zoom Teleconference

**Call to Order:**

The meeting was called to order and presided by the Chairman, Michael Murphy, at 6:00PM on July 27, 2020. Waiver of notice was granted by all Directors.

**Roll Call:**

In attendance were all Officers and Directors of the Association, including Michael Murphy, Director and Chairman; Laura Attaway, Director and Secretary; Hans Breivik, Director; Kathy Evans, Director, Patty Pruiett, Director, and Erin Simonson, Treasurer.

**Discussion:**

Our typical cash flow for the Rentals LLC has been disrupted due to COVID-related cancellations that began in mid-March, resulting in the need to rethink former budget drafts (which typically split fixed management costs between the Association and Rentals LLC). It was suggested we move those fixed costs (about \$65,000) from the Rental budget to the Association budget given the circumstance.

Additional circumstances caused us to consider several other revisions to the Association Operating Budget:

- Our actual insurance cost is going to be much lower than budgeted (approximately \$73,000 savings).
- Unit 27 refurbishment (\$7,000) should be paid for out of Reserves, not the operating budget.
- We have decided to delay several capital projects which are needed but not as critical in tough economic times (reducing the budget by \$17,300).
- We need to add funds (\$10,000) to the budget to pursue corporate structure (tax and accounting), advice as a result of auditor recommendations.
- There is a general desire to trim other non-essentials as we look toward an extended uncertain future as a result of Covid-19 (eliminate these items for this fiscal year: Internal Controls Review, Accounting Oversight CPA Service, Officer Expense Stipend, and Board Discretionary Fund).

Last year we assessed \$22,200 for various capital projects that were not ever completed. It is appropriate to return that assessment to the owners by reducing this year's budget by an additional \$22,200.

Erin Simonson will prepare and email copies of the agreed upon revisions as soon as possible. Board members will review prior to reconvening within the week.

**Motion to Suspend the Meeting**

Motion made by Kathy Evans, seconded by Hans Breivik, to suspend the meeting and resume within one week to review and approve a Revised 2020-2021 Association Budget and 2020-2021 Rental Budget.

The suspended meeting resumed July 30, 2020 at 6:00 PM with all directors and officers in attendance except for Patty Pruitt, Director.

**Discussion:**

1. Rental Budget:

- We reviewed the latest draft (emailed by Erin) and agreed the changes we had previously discussed were accurately represented. One additional change was made, modifying the USFS fees from 2% to 2.7% on guest and owner stays to balance fees collected with fees owed (to accommodate for the 6% rate that is typically triggered in the second half of the year).
- In addition, the Chairman and Treasurer will plan to meet with Management as soon as possible to discuss expectations for timely monthly financial reporting.
- The Approved Rental Budget will be posted on the owner website.

**Motion to Approve and Seconded:**

Motion made by Kathy Evans, seconded by Hans Breivik, to approve the Rental Budget as written.

**Vote of the Directors:**

| Director       | Approve | Decline Approval | Abstain  |
|----------------|---------|------------------|----------|
| Hans Breivik   | x       |                  |          |
| Michael Murphy |         |                  | Chairman |
| Laura Attaway  | x       |                  |          |
| Kathy Evans    | x       |                  |          |

The motion passed by a vote of 3 to 0.

2. Association Budget:

- We reviewed the latest draft (emailed by Erin) and agreed most of the changes we had previously discussed were accurately represented.
- Some additional revisions were made to adequately fund the common area survey (added \$5,000), recategorize and add legal/accounting fees for corporate structure advice (total changed from \$10,000 to \$12,500).
- Specific revisions are noted on the Revised Assn. Budget spreadsheet alongside the originally approved budget for comparison.
- The Revised Assn. Budget will be posted on the owner website and owners will receive an explanatory letter detailing the revisions.
- The revised operating budget total is \$337,000. The net return to owners is \$58, 500, which includes a \$19,000 operating budget reduction, eliminates the \$17,300 2020-21 Additional Assessment, and refunds the \$22,200 2019-2020 Additional Assessment.

**Motion to Approve and Seconded:**

Motion made by Kathy Evans, Seconded by Has Breivik, to approve the Revised Association Budget as written.

**Vote of the Directors:**

| Director       | Approve | Decline Approval | Abstain  |
|----------------|---------|------------------|----------|
| Hans Breivik   | x       |                  |          |
| Michael Murphy |         |                  | Chairman |
| Laura Attaway  | x       |                  |          |
| Kathy Evans    | x       |                  |          |

The motion passed by a vote of 3 to 0.

Murphy to draft a letter of explanation for Board review and feedback as soon as possible; the letter will then be sent to owners and posted on the owner website.

**Other Business:**

1. Upgrading our internet bandwidth with new equipment installation is a high priority. Murphy to follow-up.
2. Continued training, specifically Quickbooks, for Management is another high priority.

There being no further business, a motion to adjourn was made by Kathy Evans and seconded by Hans Breivik. The meeting was adjourned at 8:15 pm by unanimous vote.

By:

Secretary: **Laura Attaway** July 30, 2020

Chairman: **Michael Murphy** July 30, 2020

Approved: August 11, 2020