



White Pass Village Inn Association
Minutes of the Annual Owners Meeting
October 4, 2020 at 1:00PM PST via Zoom Teleconference

Call to Order:

The meeting was called to order and presided by the Chairman, Hans Breivik at 1:09 PM on October 4, 2020.

White Pass Company Manager address – Kevin McCarthy

Kevin reported that their plans for opening this winter in light of Covid 19 change often and will likely change throughout the season, but we “will be skiing”. Expect many changes, some of which are: Lodges will be like restaurants with reservations required, maximum of 5 to a table – approximately 50% capacity, no daycare, maximum of 8 in a lesson, outside grill by lodge and pizza will be available to grab and go at a separate venue, no personal bags in the lodge – your car or condo will be your storage & warm up space. They will encourage reloading and purchasing tickets online to limit lines. There is currently no plan to limit ticket sales. X-C will operate on normal schedule. He is using county guidelines as well as NSAA program “Ski Well Be Well” for leadership as conditions change. They will not have “lift police” but request that all use good judgment and wear face masks, social distancing, etc. Bottom line is to think flexible.

Kevin is working with our staff on coordination of policies. Since transient accommodation guidelines vary by county, ski areas are trying to work with the state rather than the county to calculate risk as far as changing policies.

The Basin Quad has been modified this summer so the loading will be on the right rather than the left of the bull wheel. This has been done to make unloading at the top less problematic.

Finally, Kevin expressed a lingering feeling over several years that the Village Inn has moved to a model of the Board being overly involved in daily operations of the VI. He implored us to empower the great staff that we have to take charge and the Board to provide oversight.

Approval of 2019 Annual Meeting Minutes

A motion was made, seconded and passed unanimously to forego reading of the 2019 Annual Meeting Minutes and approve them as written.

Budget Ratification and Reserve Study – Erin Simonson & Hans Breivik

Hans began by acknowledging that efforts by Michael Murphy resulted in net savings of \$73,000 in our insurance with the same coverage as last year. This was offset by a variety of other increases. Erin shared a copy of the revised budget, and then it was suggested that we look at Reserve Study first as it affects the Budget.

It was stated that last year we voted to fund the Reserve Study at the rate of \$75,000 per year over 10 years. Mark Hillman stated that did not show up in the minutes, and Laura Attaway corrected that the decision was made at a quarterly board meeting.

The Reserve study is required disclosure in the state of WA when selling real estate. Clarification was made between regular minor maintenance that is included in the annual budget vs. Reserve study items that are larger and projected into the future, such as a new roof. Owners have expressed concern in the past about

amassing large reserves that appear to be a “war chest” of money with no specific project assigned to the money. Erin clarified that the \$75,000 annual assessment for 10 years as recommended by the Reserve Study was not for amassing a war chest, but was instead for known, scheduled, necessary project spending in the next 10 years. The reserve study recommends an additional amount of assessment each month/year to amass a war chest for spending needs in the more distant horizon, in addition to the \$75,000 per year needed to do what we already know needs to be done or will need to be done in the next 10 years.

Significant discussion ensued about condition of the common areas of the VI and needed repairs and refurbishment.

A motion was made by Glenda Schuh and seconded by Laura Attaway to ratify the revised budget.

After discussion it was approved unanimously.

Facilities Manager, Adrian Gonzalez reported:

- Unit 27 refurbishment is complete.
- Pool has been cleaned, patched and broken tiles repaired.
- Office has a new floor.
- 3rd floor siding has been patched.
- Conditions report is complete and results sent to owners.
- Safety signage re. slippery surfaces where necessary have been posted.
- Generator has an oil leak and we are seeking a vendor to make needed repairs.
- We are working on a flat rate to bill owners for cleaning of comforters and blankets
- Window project- I will be contacting owners who have already opted in to start project early next spring. I will be sending a packet with options, costs etc. Some owners may need to be required to replace windows of concern.
- We are asking owners to address porch door seals on the 2nd and 3rd floors and they may want to consider replacing the door by a licensed contractor as some owners have already done.
- Many owners have shared plans for remodel, and the work needs to be complete by October 31.
- Carpets have been cleaned. I am encouraging owners to install hard floors as they are easier to keep clean.
- Fire safety – good report from Fire Marshall. Most owners have received a new fire extinguisher.
- All units have received a new CO2 detector.
- 24-hour hold on Live Rez before and after all stays. This is recommended by the state. It started with 72 hours, then 48 and now 24. The day room is vacated, staff wears mask and gloves and strips and sanitizes. The next day the room is cleaned and ready for use.
- The pool has been closed as dictated by Yakima County. Not sure what reopening will look like or when.
- Concerns about need for upkeep of many portions of the property.
- Adrian requested that the Board refrain from micro-managing staff. Erin invited Adrian to elucidate on his request and to provide examples and specific suggestions for improvement.

Business Manager, Curtis Lovering reported:

When Covid 19 shut things down in March, housekeeping started deep cleans. With the loss of Running Camp, which is a huge part of summer business, all staff was furloughed. With the help of Erin, a PPP loan was secured. There were more reservations than anticipated during the summer, and staff were brought back intermittently to help and eventually finish deep cleans.

I am looking at marketing some of the slow seasons.

Chairman Report – Hans Breivik

The Unit #1032 damage and lost income claim is complete. All affected owners and the VI have received settlement checks.

The Declarations and Bylaws rewrite is almost done.

With Covid and resultant new policies, the staff is doing the best they can in a tough situation.

Board Nominations:

With recent resignations of 2 board members with one year remaining in their term, and 3 board members with their terms up, there are currently 5 open positions on the Board.

Willy Stiggelbout nominated Ken Evans

Kristy Wolgamot nominated Laura Attaway

Patty Pruiett nominated Hans Breivik, Mark Masterson and Michael Murphy

Vickie Williams nominated Erin Simonson

Erin Simonson nominated Kristi Hillman

John Rennie nominated Jens Jorgensen

Hans Breivik nominated John Rennie

Glenda Schuh made a motion, seconded by Carol Masterson, and approved unanimously to close nominations. Discussion it was suggested that all nominees submit a position statement and short bio to inform the members of their qualifications and vision as a board member. It was determined that we should expedite voting. Position statements need to be completed by Tuesday, October 6, and voting deadline should be October 12, 2020. It was also suggested that ballots should include the explanation of cumulative voting from the Declarations. Ballots and position statements will be sent by email and follow-up ballots will be sent by USPS.

New Business

Bob Curran gave an explanation of the history and need to change the corporate structure of the Village Inn. We have historically been a non-profit corporation, but in light of the clear profits from the Rental LLC, we need a pass-through mechanism such as an S Corp or LLC for either the Association, Rental business, or both. This inconsistency was noted by our auditors. We have engaged Bob's former colleagues/firm who have extensive background in HOAs and related tax implications in the state of WA. He has agreed to be a liaison between the board and the attorneys to assist.

There being no further business, a motion to adjourn was made by Carol Masterson and seconded by Don Miles. The meeting was adjourned at 4:20 pm by unanimous vote.

By:

Secretary: **Kathy Evans**, October 4, 2020

Chairman: **Hans Breivik**, October 4, 2020