

WestWall Lodge Board Meeting
April 30, 2025

Board President Jeff Sacra called the meeting to order at 5:00 pm CST and the attendees were announced. The following board members were present: Jeff Sacra, Ed Heinrich, Bert Johnson, Ashley Woody and Jonny Jost. Owner Stephen Lewis was also present together with Ritchie Mullins, General Manager.

Jeff noted the first item of business on the agenda is the approval of the January, 2025 minutes. On motion made by Bert and seconded by Ed, the board unanimously voted to approve the January, 2025 minutes.

Welcome to Ritchie Mullins

The board welcomed Ritchie Mullins back to WestWall as its General Manager. Ritchie's first day was April 8, 2025 and he was able to hit the ground running due to his prior experience as WestWall's General Manager. Ritchie took a few minutes to talk about his first few weeks at WestWall and express his gratitude for the opportunity to return as its General Manager.

Property Update

Ritchie stated he did not have a lot to report due to his recent return and the fact that the Facilities Manager, Doug Bittle, is currently on vacation. That said, Ritchie reported that landscaping is a priority of the team now that the snow is melting. Efforts are underway to get the outside spaces cleaned up and make sure the irrigation system is working properly. The STR and liquor licenses have been updated. Ritchie has opened a dialogue with Travel CB to determine if it makes sense to use their marketing services. The housekeeping team has started deep cleans of owner units. The maintenance staff is in the process of cleaning and re-striping the underground parking garages. Replacement of the smoke detectors in the units and common areas is underway per the recent communication that went out to the owners.

Next, Ritchie discussed the financials for the period ending March 30, 2025. HOA net income year to date was \$90,000 compared to a budget target of \$99,000. Ritchie stated the variance was largely due to unexpected expenses related to the fire control panels. Property Management net revenue year to date was \$80,000 compared to a budget target of \$99,000. Ritchie reported that this is due in part to lower visitor numbers statewide and that visitation was down across all Vail resorts this winter. Ritchie hopes to improve on these numbers during the summer season by focusing on both marketing and rental rates. Net revenue for the Alpine Club year to date was slightly ahead of budget at \$31,000.

Ed asked for an update on the use of the laundry capacity recently installed in C storage. Ritchie reported that additional machines will be required to make it a workable laundry room. Ed requested Ritchie to prepare a business case to determine if the addition of machines would support the anticipated reduction in expenses.

Jonny spoke about one of the board's goals for the year - optimizing rental pool performance. Per Jonny, this will be particularly important as WestWall experiences more competition in the coming years. Ritchie agreed and said he is in the process of developing a plan. Ritchie also spoke about the need to think outside the box and tap into new markets to increase visitation to WestWall Lodge.

Jeff asked for an update on the status of the heat tape for the new guttering. Ritchie will get with Doug on his return from vacation and provide an update to the board. Jeff also asked about the smoke detector replacement project which should be complete in mid-May. Invoices to owners will follow after completion of the project. Bert asked about the walk through program for individual units. Ritchie replied this is a priority for him and he will be meeting with Doug about this on his return. Ashley asked about repairing the stonework on the exterior of the building. Ritchie replied that Doug has a contractor lined up to address this project. Jeff replied that the area of concern above the C garage entry was repaired late winter.

Ashley provided an update on the Refresh Committee. The update work on the Alpine Club is almost finished. The work on the new cabinets for locking the liquor is complete except for some mesh which is back ordered. The committee anticipates this project will be complete in advance of the summer season. The next phase is the pool furniture. Kelley Design has provided ideas to the Refresh Committee and proposed a budget of \$30,000. Ed asked for drawings and more details about what would be included within the proposed budget. Ashley agreed to get back with Mary Lou and provide more detail to the board.

Old Business

Jeff reported on the insurance renewal for WestWall Lodge. Per Mountain West, the insurance broker for WestWall, the renewal process was complicated by the wildfires in California which has caused most carriers to increase their rates. Due to the recent replacement of the roof and use of synthetic shake shingles, WestWall was able to get a competitive renewal quote from the existing carrier, Cincinnati. Mountain West reports that additional carriers will be added to their HOA program in May and they would explore improving on WestWall's rate at that time. Ritchie reported he reached out to an insurance contact of his in Steamboat who informed him WestWall's renewal rate appears competitive and market reasonable.

New Business

Ed provided a report on the outside audit for the fiscal year ended September 30, 2024. Ed reported that WestWall received an unqualified opinion for the fiscal year. Ed discussed the details of the audit report. No significant issues were identified by the outside auditor with respect to WestWall's bookkeeping practices.

Per Ed, one issue that needs to be addressed by the board is member revenue in excess of operational expenses. In the past, excess member revenue has been contributed to the reserve fund instead of being returned to the owners. Per the outside auditor, the owners would ideally vote on a resolution each year to approve contribution of the excess to the reserve fund. Ed will determine from the outside auditor if this resolution can be put to a vote of the owners in conjunction with the annual meeting. Assuming this is approved by the outside auditor, the board on motion made and duly seconded unanimously approved pursuing an owner approved resolution to continue contributing excess revenue to the reserve fund.

Owners Forum

Stephen Lewis raised several issues during the owners forum. Steve asked for a high level understanding of the reasons why Linda was replaced by Ritchie. He agreed with Ed that more detail should be provided about what will be included in the \$30,000 budget for the pool furniture. Last, he believes the owner resolution for excess member revenue will require super majority approval but encouraged the board to confirm this with legal counsel.

Executive Session

The Board went into executive session to discuss employee related matters.

The meeting was adjourned at approximately 6:30 pm CST.