

December 13, 2024

Loyal Baker
Charlotte Baker
163 East Main Street
Dayton, WA 99328



RE: Impermissible Conduct Related to Board of Directors

Dear Mr. and Mrs. Baker:

Please be advised that our office has been retained by the Board of Directors of Dayton Days, Inc. (“DD” or “Organization”) to protect its legal interests. Through your actions and oral statements, you both resigned from the Board of Directors of Dayton Days, effective October 20, 2024. Washington law states explicitly that “[a] director may ... resign by giving oral notice to the board at a meeting of the board.”¹ It was made clear to the rest of the Board of Directors² that you both intended to resign due to your decreased time to commit to the Organization, among other reasons. This was continuously communicated by both of you at various Board meetings throughout 2024 and is confirmed in different meeting minutes. This resignation is effective immediately and was confirmed in writing with you. We therefore demand that you cease acting as Directors of DD, and cease your efforts to undermine the Organization and its Board.

Despite your clear resignation from the Board, you have continued to hold yourselves out as Officers and Directors of Dayton Days and have attempted to hold meetings on at least two occasions. On or about November 18, you purported to hold a meeting of the Organization whereby a vote was held to remove Deanna Vandever as Treasurer. Notice was given ineffectually, as it was only sent out by Charlotte on November 16. Washington law requires at least 10 days’ notice of a member meeting³, which as your Bylaws state, is the only way for the Organization to remove an Officer from their positions via vote.⁴ Therefore any actions alleged to have been taken on November 18 were without effect.⁵ Moreover, the meeting purported to be held on or about December 2 was similarly conducted improperly, as notice was only given on November 28.

Not only this, but you have impermissibly changed locks at the Organization’s post office box, caused the original Organizational bank account to be frozen, and changed governing person information with the Washington Secretary of State, all without Board approval. Changing governor or other registration information with the Secretary of State without the Board’s approval may also be a violation of state law.

¹ RCW 24.03A.525.

² Lee Ann Literal, Deanna Vandever, George Barton, David Laughery, and Wanda Baldwin.

³ RCW 24.03A.410.

⁴ Article IV Sec. 5 of the Bylaws states that “Officers and Trustees may be removed from office by a majority vote of the total *membership* enrolled.” (emphasis added). The Bylaws are silent on the provision of notice, thus the default 10-day rule under Washington law applies.

⁵ There was also not proper quorum under the Bylaws with only two Directors at this impermissible meeting. Article IV Sec. 8 sets quorum at three members of the Board.

Furthermore, it is unclear why you failed to hold proper meetings in the past and allowed DD's licensing and compliance measures to lapse with the state of Washington from at least 2022 to 2024.⁶ This puts the organization at risk for a variety of claims by the state, and weakens its ability to function in the community, and ultimately could have resulted in an administrative dissolution by the state.

There is ongoing concern on the part of the Board that your conduct of late, in disputing your resignation and continuing to operate over the last two months as if you are on the Board, is part of an effort to dissolve the Organization without a valid reason to do so. Nonprofit directors in the state of Washington have duties loyalty, care, and obedience with regards to their roles and it is clear that you have not been following those guidelines.⁷ You have allowed your misguided desire to control the Organization to spill out into the community such that there is an ongoing level of confusion with the Organization's municipal partners in the context of next year's Dayton Days operations, tentatively planned for May 24 – 26, 2025.

Your acts have also caused problems within DD. You are using your local paper to bully the Board and members. You are continuing to cause members of the organization anxiety and worry, with some expressing a desire to no longer continue with the Organization and pursue its charitable purpose. Dayton Days was created to organize and put on the local rodeo in Dayton and the associated efforts to bring visitors in to benefit local businesses. The bulk of the Board desires for this to continue and is greatly concerned that you seek to dissolve the Organization for no reason other than to transfer its considerable assets elsewhere.

There has been an ongoing effort by you to undermine the leadership and efforts of the Board. This has had a detrimental effect on the organization and its ability to carry out its mission and vision. Owing to the foregoing, the Board of Dayton Days now demands that you cease holding yourselves out as members of the Board and desist from carrying on as such. You are harming the standing of the Organization within the community and making it difficult to operate.

Finally, any property belonging to Dayton Days must be returned to the Board immediately. Please contact my office within ten (10) days of receipt of this letter to communicate your intentions and to facilitate the return of said property.

Sincerely,

Spencer E. Rehn, Attorney
CHARITABLE ALLIES, INC.

CC: COLUMBIA COUNTY COMMISSIONERS

⁶ RCW 23.95.255.

⁷ See RCW 24.03A.495(1); 24.03A.590(1).