

PINESTEAD REEF OWNER'S ASSOCIATION
2024 ANNUAL MEETING
Date: November 16, 2024

Present: President Mark Hawley, Vice President Karen Kehrwecker, Secretary Jennifer LaPointe, Treasurer John Beauchamp and Directors Mary Butcher, Bill Adams, Jane Carpenter, Judy Herrick, Tim Williams, and General Manager Gary Thaxton

Absent: None

I. Call to Order: Mark Hawley, President

President Hawley called the meeting to order at 11:10 a.m. at the Park Place Hotel, Traverse City, Michigan. He welcomed the Owner's Association members in attendance and requested each current director to introduce him/herself. President Hawley announced there were three open positions on the Board of Directors, with three incumbents and two new candidates running for those seats.

II. Proposal Discussion/Call for the Vote: Mark Hawley, President

Joe Knapp introduced himself as a candidate for election. Mark Hawley called for any additional voting ballots.

III. Secretary's Report: Jennifer LaPointe, Secretary

Minutes of the 2023 Annual Owner's Association Meeting were previously distributed. Secretary LaPointe called for any additions, subtractions, or corrections. None were noted. **Motion was made by Secretary LaPointe to approve the minutes of the 2023 Owner's Association Annual Meeting as written. The motion was seconded and passed.**

IV. Treasurer's Report: John Beauchamp, Treasurer

John reviewed the Proposed Budget for 2025 that listed several Capital projects to be completed in 2025. The year-to-date 2024 General Account numbers are currently over expected budget by approximately \$20,000. **Motion was made by President Hawley to accept the Treasurer's Report as presented. The motion was seconded and passed.**

V. Building and Grounds Committee Report: Karen Kehrwecker, Committee Chair

Karen stated that every comment card that is completed by a guest is seen by all directors on the Board. She mentioned that we have completed the enclosure project on the street side of the resort, and we also improved the fire suppression system. We ultimately fixed the big issue with the mini-split (HVAC/VRF) system. The midges (bugs) were stated as a big issue this summer season and they were an issue everywhere near large bodies of water. We have been working on preventing them and have a plan going forward.

VI. Manager's Report: Gary Thaxton, Manager

Manager Thaxton explained what the midges (bugs) look like and how they unfortunately multiply quickly by the thousands at the edge of the water. They swarm the beach area and wreck the ambiance. We have a plan to try to control them.

The Grandview Parkway through the downtown area was under major refurbishment this year and is nearing completion. The next road project will continue in the spring west of downtown, on Grand View Parkway to Grelickville, where a new roundabout will be built.

The State Park Campground across from our resort is closing until July of 2027. They will be removing the overpass walkway to the beach area and will be adding a crosswalk with a traffic light. They will change their main entrance to this location, which may affect the traffic flow in front of our resort.

The nearby power lines will hopefully be put underground. We currently have large utility poles in front of our building near the main road, and we lose power or experience surges when they are hit and damaged.

There are still more new hotels being built and are being planned in Traverse City. Some of these are suite-style units which will be in direct competition with our resort rentals. Traverse City has experienced its first decline in occupancy in several years, but fortunately the Pinestead Reef is slightly up in occupancy.

Our resort has once again achieved Silver Crown status with RCI. This status helps our exchange power within the RCI system. The RCI ratings and reviews are another way to help us define and focus on the areas we need to improve.

While we have been behind in refurbishment and maintenance issues due to the result of the effects from COVID travel restrictions, among other troubles, we are catching up. The new VRF heating/cooling system needed six different contractors to source and finally fix a major mechanical issue. The parts were under warranty, but the extra labor cost was a large hit to our budget.

We will be adding a new handicap accessible bathroom near our office area in the location where Fred's sales office previously was. We understand that our guests, and employees, would enjoy a ground level restroom. This new restroom will be ADA compliant, unisex, and include a diaper changing area. We are also converting two units, 107 and 124, to more ADA compliant units.

We have had a request for an electric car charger on site. Our current electrical system does not support that option, but we are getting a new electric panel installed and we will consider a charging station as demand increases in the future.

All of the unit bathrooms have been painted and refreshed. We will be adding new platform beds, new appliances and other furniture to improve the quality of the guest rooms. The overall labor force in Traverse City is better than in the last 4 years and has allowed us to hire much needed employees.

VII. Questions and Answers: Board of Directors and General Manager

The floor was opened for questions from the ownership:

Q – You mentioned the resort bought portable air conditioners when the normal system was not working correctly. Where are the portable units? **A – Manager Thaxton: We have them in storage in case we need them.**

Q – How do we manage the allowance of Service vs. Support animals? **A – Manager Thaxton: We always allow Service Animals, and we allow Support Animals (well trained only) by our resort owners, according to law.**

Q – The carpeting in the living areas of the unit sometimes looks worn. Can we consider other flooring? **A – Manager Thaxton: We believe it is best to keep carpet in the bedroom areas, but we are always looking at alternate options for living/kitchen areas.**

VIII. Election Results: Mark Hawley, President

Tom Maloney, our Inspector of Election, presented the election results to President Hawley. The elected candidates for the 3-year term starting in 2024 are Jennifer LaPointe, Judy Herrick, and John Brayman.

X. Adjournment: Mark Hawley, President

Motion was made by President Hawley to adjourn the Annual Owner's Association Meeting at 11:55a.m. The motion was seconded and passed.

Respectfully submitted:

Attested:

Jennifer LaPointe, Secretary

Mark Hawley, President