

PINESTEAD REEF OWNER'S ASSOCIATION
2020 ANNUAL MEETING
Date: November 8, 2020

Present: President Hawley, Vice President John Beauchamp, Secretary Jennifer LaPointe, Treasurer Rick Vahlbusch and Directors Joe Dombrowski, Karen Kehrwecker, William Adams, Mary Butcher, Bill Carpenter, and General Manager Gary Thaxton

Absent: None

I. Call to Order: Mark Hawley, President

President Hawley called the meeting to order at 12:00 p.m. at the Elks Lodge, Traverse City, Michigan. He welcomed the Owner's Association members in attendance and each current director introduced him/herself. President Hawley announced there were 3 open positions on the Board of Directors, with 3 candidates running for those seats.

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

President Hawley made a motion to elect the 3 current candidates by acclamation. Motion was seconded by Barb Groleau and passed.

III. Secretary's Report: Jennifer LaPointe, Secretary

Minutes of the 2019 Annual Owner's Association Meeting were previously distributed. Secretary LaPointe called for any additions, subtractions, or corrections. None were noted. **Motion was made by Director William Adams to approve the minutes of the 2019 Owner's Association Annual Meeting as written. The motion was seconded and passed.**

IV. Treasurer's Report: Richard Vahlbusch, Treasurer

Treasurer Rick Vahlbusch reviewed the recent resort financial statements and noted that the resort occupancy is down from the previous year, but the ADR (average daily rate) is up. The actual net room rental through September was approximately \$184,000 with \$208,000 budgeted. Maintenance fees will increase by 4% for 2021. The resort received the federal Payroll Protection Plan funds, which was very helpful in this situation, and hope it is not required to be repaid. Pinestead Reef is allowing owners who had displaced stays due to COVID-19 to stay for an alternate time between September 2020 and April 2021. **Treasurer Vahlbusch presented a motion to approve the Treasurers Report as presented. The motion was seconded and passed.**

V. Building and Grounds Committee Report: Rick Vahlbusch, Chairperson

Manager Thaxton explained that the water levels are 54" higher than 5 years ago, which has taken away beach area. We are still Silver Crown status with RCI, but owner's RCI membership is down. The resort was down 18% in occupancy during the state's travel ban. An influx of people from other states is currently moving to the Traverse City area. Hotels that were expected to be built are on hold.

The East End Enclosure has had a few setbacks. The owner of the construction company passed away and the company lost many employees. The project still needs some work with drywall, exterior, roof and much more, but it will get completed. Fire suppression is done in the East End and will be completed in the West End shortly.

VI. Manager's Report: Gary Thaxton, Manager

Manager Thaxton announced there will now be a smoking ban (in its various forms) on the property from north of the parking lot (starting with the sidewalks) through the beach area. Manager Thaxton thanked the ownership for being patient through the projects completed over the years. It is greatly appreciated.

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

President Hawley opened the floor for questions from the ownership:

- Q – How could the fire marshal change the fire suppression requirements after the initial project approval?

A – Manager Thaxton: He did, and others are fighting the same situation.

Q – Will there be signs and advertisement regarding the new smoking ban?

A – Manager Thaxton: Yes, we will post signs, and have guests sign an agreement.

Q – Can we get RCI to add the smoking ban to their information on the resort?

A – Manager Thaxton: We will contact them and ask.

Q – Do we allow pets and emotional support animals?

A – Manager Thaxton: All but “Trained Service Animals” are banned from the resort.

Q – Are the pool and hot tub currently open?

A – Manager Thaxton: Yes, but COVID rules limit the number of people using them. Our hot tub is needing repair right now due to high water rising and cracking the tub area.

Q – How many units are currently owned by the resort?

A – Manager Thaxton: There are 295 units owned by the resort right now.

VIII. Election Results: Mark Hawley, President

With the election by acclamation, the re-elected incumbents are John Beauchamp, Karen Kehrwecker and Rick Vahlbusch.

X. Adjournment: Mark Hawley, President

Motion was made by Secretary LaPointe to adjourn the Annual Owner's Association Meeting at 1:05p.m. The motion was seconded and passed.

Respectfully submitted:

Attested:

Jennifer LaPointe, Secretary

Mark Hawley, President