

QUAIL RUN II CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS' MEETING
Approved Minutes - # 59 - Monday, November 18, 2024

PRESENT: Debra Beals, Darlene Corey, Carol Gersmehl, Judy Loudin, Kimberly Nower, and Lindsay Flynn and Diane Bornhorst from Berkshire Hathaway Management Company (B-H).

CALL TO ORDER: The meeting was called to order at 5:59 p.m. by Debra Beals, President.

REVIEW OF DRAFT MEETING MINUTES October 28, 2024:

The Board reviewed the draft minutes and noted no corrections.

A motion was made by Darlene Corey, seconded by Judy Loudin to approve the minutes for October 28, 2024. The motion passed.

PRESIDENT'S REPORT:

Happy Holidays to each and every one of you in the QR II Community!

The annual meeting on November 7th was eventful and informative. The 2025 budget and capital plan were announced, a poster board presentation with photos showing condo units needing major repairs was explained and lastly the transition of moving to a new Property Management Company beginning January 1, 2025, was announced. All of these actions will move the QR II Community forward in a positive direction in 2025 and beyond while building a foundation for stronger support and management.

Information is regularly being sent to you, so we ask you to read any and all documentation that you receive in order to stay informed. We don't want anyone to have to say, "I wasn't aware of that". If we have missed something you believe is important for co-owners to know, please contact the new property managers listed in the packet you received from Berkshire Hathaway. Thank you and take care as we head into winter.

FINANCIAL REPORTS:

Treasurer's Report - Water Usage

The City of Kalamazoo has started using multiple methods to read meters. They are not all compatible with each other; there have been several errors, and I've requested to have meters read again to avoid paying thousands in over-charges. At this point in time, there are too many issues with the City's invoicing to produce any accurate charges to co-owners for excess usage.

Treasurer's Report - Financials: Report as of October 31, 2024, from the Board financial packet provided by PVHM and from Bank statements:

Checking Account Ending Balance:	\$34,117.12	As of 10.31.2024 (Amount includes several full and partial payment deposits for the additional assessment dues that are invoiced during Oct., Nov. and Dec.)
Reserve Fund (RF) Account Ending Balance:	\$40,633.22	As of 10/31/2024 September's ending balance \$30,103.68, + 8,749.22 RF + .32 int + 1,780.00 buy in fee = \$40,633.22
HOA Dues Income = Operating Income + Reserve Fund Income + Additional Assessment (2024)	\$37,606.68	\$15,341.67 operating dues + \$70 late fees + \$8,749.54 (\$8,749.22 Res Fund dues + .32 interest) + \$1,780.00 buy in fee + 2024 additional assessment \$11,665.47
Total Operating Expenses:	\$16,778.24	Administrative expenses: \$2,907.17

Transfer \$ from Checking into Reserve Fund:	\$8,749.22	Building maintenance: \$4,792.74 Insurance: \$0 Common area expenses: \$3,786.45 Grounds & snow removal: \$5,291.88
Total Capital Expenses	0	

Reimbursements: The following expenses were incurred for the annual meeting, and two Board members requested for reimbursement: Kimberly Nower \$30.70 and Debra Beals \$12.56.

A motion was made by Darlene Corey and seconded by Judy Loudin to accept the requests for reimbursements (Kimberly Nower \$30.70; Debra Beals \$12.56). The motion passed.

The Board discussed the short Co-Owner Delinquency list: The Board reviewed past due accounts and asked PVHM to send warning letters to co-owners whose payments are late. PVHM is in the process of taking late accounts to court.

After discussion, a motion was made by Kimberly Nower and seconded by Judy Loudin to accept the October 31, 2024, financial reports. The motion passed.

OLD BUSINESS:

2025 Budget – The Board reviewed the budget for 2025 as presented at the annual meeting, and then made a few adjustments to operational costs to accommodate price increases from some of our contractors such as water and management along with the co-owner approved 2024 audit cost.

Judy Loudin made a motion to approve the QR II 2025 Operational Budget with a total 2025 HOA cost of \$291,430.00 (including the \$85,000.00 reserve fund income), and Kimberly Nower seconded the motion. The motion passed.

PVHM to send a copy of the 2025 annual budget to co-owners along with their new 2025 HOA dues amount based upon their percentage of value.

Insurance Renewal – The President and the Treasurer met with Coldbrook Insurance and provided Association information to obtain a quote. The renewal for the current Freemont insurance contract is coming up. Comparisons and a final decision on which carrier to go with will be completed before the end of the year.

Rolling Five Year Capital Plan – The Board will continue to review it as needs and cost estimates come in.

Hirzel Law Communications – Arrangements have been made to have Lyster's complete repairs on Nov. 25, 2024, for a water intrusion. PVHM has advised co-owner to complete previously requested items prior to the Nov. 25, 2024 repair.

Current Maintenance Projects: Being reviewed by Board or On To-Do lists

The Board discussed several open maintenance items in the PVHM system and how to best proceed with the transition to new management by Berkshire Hathaway (B-H).

All Roads: Gutter and downspout cleaning by United to be done during the last week in November, and the cost is the same as last spring. Please notify PVHM's office immediately with any concerns.

Fairgrove

2402 & 2404 FG – Brick mortar repairs that were approved by the Board will be completed in spring 2025 by Betke Concrete.

2404 FG – Most of the new front railing's wood needs to be painted. PVHM All Seasons began this painting and should complete it as specified in its bid. PVHM to provide a status update.

Mansfield (MF)

2368 MF – Oct.28 minutes had co-owner concern about hole where raccoons were seen entering and then noise in attic. Did PVHM investigate and resolve this issue?

Strathmore (SM)

2408 SM – Steps on deck at 2408 were not replaced correctly, so PVHM added a center support stringer.

2406 SM – Deck boards were replaced with incorrect thickness at 2408. PVHM added supports.

Wildemere (WM)

2398/2400 WM – Brick mortar repairs that were approved by the Board will be completed in spring 2025 by Betke Concrete.

2399 WM (north wall) & 2391 WM (north wall) – Evaluations of basement leaks are still ongoing. Need update from PVHM.

2399 WM – There is a basement leak under the steps, and the source is currently unknown. PVHM to have this leak assessed.

Completed Maintenance Projects:

Multiple roads: Three back gutters were cleaned to prevent water intrusion (2386 WM, 2386 MF, and 2373 MF)

Fairgrove (FG): No update this month

Mansfield (MF): No update this month

Strathmore (SM): 2406 SM – PVHM completed drywall repairs (for damage caused by a roof leak).

Wildemere (WM): No update this month

Co-owners' Correspondence Report (since the last meeting)

All Roads: The Board will meet as a group to prepare answers to questions that co-owners sent in for the annual meeting.

Fairgrove (FG), Mansfield (MF), Strathmore (SM), Wildemere (WM): No updates this month

COMMUNITY FRIENDLY REMINDERS: Important: Do not use Rock Salt (sodium chloride) near or around any cement surfaces. Sodium chloride causes damage to our cement foundations and is harmful to pets.

NEW BUSINESS:

2025 Capital Repairs

The Board requested bids from Lyster's for work to be completed in 2025. Lyster's has previously been selected as the Association's building maintenance repair company. Lyster's provided the following bids:

- 2378/2380 FG chimney chase siding only at a cost of \$ 7,607.00
- 2373/2375 FG full building siding replacement at a cost of \$ 57,465.00
- 2373/2375 FG New Gutters at a cost of \$ 3,387.00
- 2373/2375 FG New roof at a cost of \$16,846.00

After reviewing the bids from Lyster's, a motion was made by Darlene Corey and seconded by Judy Loudin to accept the four Lyster bids for work to be done in 2025 at a total cost of \$85,305.00.

The motion passed.

Transition to New Management by Berkshire Hathaway HomeServices

The Board has discussed signing a contract with Berkshire Hathaway (B-H) as our new management company.

Debra Beals made a motion to change the management firm for the Quail Run II Condominium Association away from PVHM and to move management over to Berkshire Hathaway HomeServices, and Kimberly Nower seconded the motion. Berkshire Hathaway will begin management on January 1, 2025 using First National Bank for the accounts under the Association's name. The motion passed.

The Board discussed the transition from PVHM to Berkshire Hathaway. The Board will review existing work orders with PVHM and will plan transfer of responsibility for unfinished work orders with B-H.

Financial Audit

Co-owners voted at the annual meeting to complete a 2024 compilation audit. The Board discussed how best to accomplish this, and it will be completed after the transition to B-H and the end of 2024.

Board Member Seats & Officer Positions

Darlene Corey and Judy Loudin, incumbents, were re-elected to the Board of Directors. The Board officer positions will be assigned at the next Board meeting in December.

NEXT BOARD MEETING and ADJOURNMENT:

The Board of Directors will meet next on Dec. 16, 2024, 6:00 pm in the Berkshire – Hathaway office.

The motion to adjourn was made by Darlene Corey and seconded by Kimberly Nower. The motion was passed by the Board. The meeting was adjourned at 7:52 p.m.

Respectfully submitted,
Carol Gersmehl