

**TRAILHEAD II CONDOMINIUM ASSOCIATION
141 FIREHOUSE ROAD
CLE ELUM, WASHINGTON**

**MINUTES OF THE BOARD OF DIRECTORS MEETING
HELD AT THE REAL ESTATE SALES CENTER, DISCOVERY CONFERENCE ROOM
JANUARY 28, 2026, 8:00 A.M.**

MEMBERS:

Dave Allegre	President
Noah Pieper	Secretary-Treasurer

MANAGEMENT:

Edward Simpkins	Director of Community Associations
Jennifer Kramer	Deputy Director of Community Associations
Megan Huddleston	Senior Accountant
Vanessa Reust	Senior Manager Accounting Shared Services
Brandi Darnall	Owner Relations Manager
Courtney Kephart	Assistant Director of Operations

GUESTS:

Bethany Young	Recording Secretary, Minutes Solutions Inc.(via teleconference)
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1. CALL TO ORDER

There being a quorum present, and adequate and proper notice of the meeting having been given, the meeting was called to order at 8:07 a.m.

2. APPROVAL OF AGENDA

On a motion made by Dave Allegre, seconded by Noah Pieper, it was resolved to approve the agenda for the January 28, 2026, Board meeting as presented. Motion carried at 8:08 a.m.

3. APPROVAL OF MINUTES

On a motion made by Dave Allegre, seconded by Noah Pieper, it was resolved to approve the minutes of the Board of Directors meeting held on October 28, 2025, as presented. Motion carried at 8:08 a.m.

4. OPEN FORUM

There were no owner comments.

5. CORRESPONDENCE

5.1 Signed Commercial Crime Policy

The signed Commercial Crime Policy was included in the Board packet.

6. CONSENT CALENDAR

6.1 2024 Newman Audit

On a motion made by Dave Allegre, seconded by Noah Pieper, it was resolved to ratify the email approval of the 2024 Newman audit. Motion carried at 8:14 a.m.

7. TREASURER'S REPORT

7.1 Financial Reports Q4 – 2025

On a motion made by Dave Allegre, seconded by Noah Pieper, it was resolved to approve the division of the 2026 budgeted reserves contribution of \$36,480 into quarterly contributions of \$9,120 to be made at the beginning of each quarter. Motion carried at 8:21 a.m.

Megan Huddleston presented the Q4 2025 financial report, including the balance sheet, income, expenses, and reserves as of December 31, 2025. She explained line-item variances and compared the actual amounts to the budget forecast. The Association ended the year in a stronger cash position than expected.

7.2 A/R – Collections Status Report

There were no arrears to discuss.

7.3 2026 Trailhead II Reserves Schedule

The 2026 Reserves Schedule does not recommend any items for repair or replacement.

8. MANAGEMENT REPORT

8.1 Staff Report

The staff report was included in the Board packet.

9. PRESIDENT'S REPORT

No report was given.

10. UNFINISHED BUSINESS

There was no unfinished business to discuss.

11. NEW BUSINESS

11.1 Proposal from IMA Insurance Policy

On a motion made by Dave Allegre, seconded by Noah Pieper, it was resolved to approve the proposal for the IMA insurance policy at a rate of \$129,475, provided clarification on the 10% early cancellation fee of the Risk Strategies policy. Motion carried at 8:28 a.m.

ACTION – Management will negotiate with Risk Strategies to remove the 10% early policy cancellation fee and notify the Board of the outcome.

ACTION – Brandi Darnall will contact insurance brokers on January 28, 2026, to proceed with switching to the IMA insurance policy.

Brandi Darnall explained that the Association would receive a \$17,000 refund from the early cancellation of the Risk Strategies insurance. Since the policy term is nearly over, Management is negotiating to have the 10% early cancellation fee removed. IMA quoted a more robust policy with more features at a rate of \$129,475 for a two-layer policy compared to the Risk Strategies three-layer policy at a rate of \$185,926. Brandi Darnall encouraged switching policies as soon as possible since the Association has reached the required 35% earned premium for a mid-term switch, and it is past January 18, 2026. Renewing after that date allows the water loss claim on the Association’s record from January 18, 2024, to drop off as soon as possible, five years from that date.

Dave Allegre asked if owner assessments would be reduced in 2026 due to the insurance savings. Megan Huddleston explained a new budget process would be required to revise and approve a 2026 budget change. Edward Simpkins recommended the assessments not be changed for the small refund amount since excess funds at the end of the year will be rolled over.

12. NEXT MEETING

The date of the next Board of Directors meeting is April 22, 2026.

13. ADJOURNMENT

The meeting closed at 8:32 a.m.

DISCLAIMER

The above document should serve as a summary of the motions passed and the issues discussed at the meeting. This document shall not be considered a verbatim copy of every word spoken at the meeting.

Director

Director

Date

Date