

Minutes of Annual Meeting of the Association of Unit Owners of
Firelight Meadows Condominiums
October 24th, 2009

Directors in attendance were Jack Eakman –chair, Garrett Baldensperger, Twila Moon, Bryan Conway, Scott O'Connor, Amy Ronnigen-Free, and Ben Pariser. Also in attendance were guests Jose Morales and Markus Kirchmayer (Alpine Property Management), Doug Shanley (Accountant), Alexis Kilby (recording secretary), Dick Hovde (Hovde Property Maintenance). Owners in attendance are listed following these minutes.

(All Directors will be identified by their last names from hereafter in the minutes.)

The meeting was held pursuant to notification at the Big Sky Whitewater Inn.

The meeting was called to order by Chairperson Jack Eakman at 9:38am MDT.

Ronnigen-Free welcomed all owners to the Annual Meeting. Ronningen-Free discussed that Board of Directors meetings are being held every month and all owners are invited to attend. Ronnigen-Free mentioned her strong desire to resolve issues and will be running again for another term on the Board of Directors.

Those in attendance are listed following the minutes. The proxies represented were later announced by Doug Shanley.

Eakman presented additions to the agenda:

- Guest speaker Peter Bolane would be presenting information on an alternative for internet services
- Baldensperger would be presenting an update on the water and sewer issues as well as a report from Cashman Nursery.

Eakman asked if there was a quorum, Doug Shanley verified that there was. Eakman then introduced the Board of Directors.

Moon presented the Glossary of Terms provided in the packet to clarify common misunderstandings of the Declarations and Bylaws. Moon stated that Alpine Property Management has been hired to enforce the Declarations and Bylaws.

Eakman introduced the Association of Unit Owners of Firelight Meadows as a non-profit corporation. The owners of Firelight Units have shared authority, responsibility of expenses, and enjoyment of the Association.

Eakman stated that the attendance list attached with the minutes should say 2008, not 2007. Ron Seher (117) moved to approve the minutes of the Annual Meeting of 2008, Jeff Morgan (81) seconded. The motion was duly carried.

Markus Kirchmayr of Alpine Property Management introduced Jose Morales. Markus then presented a Property Management Report of projects done from January through October 2009 and of upcoming projects. Markus explained the Firelight Meadows

Owners Association website. The site for Firelight Meadows can be found at www.apmbigsky.com> HOA > Firelight Meadows. The password to access this site is FL7316. Emails will also be sent of any updates to the website.

Dick Hovde of Hovde Property Maintenance discussed what his company had done this year. Dick described how the issue with bugs in the bushes and trees were addressed. He also mentioned that weeds were sprayed at no charge to the Association.

Chris Moon (103) and Sam Reznicek (D2) reported on the progress of the Grounds Beautification Committee. This year's focus was treating the grass, including doing soil testing and sprinkler adjustments. Sam stated that a BlogSpot has been started for owners to monitor progress. The BlogSpot can be found at flm-gbcinfo.blogspot.com.

Peter Bolane reviewed the details of the internet service that would be provided. The signal would be beamed to the Utility Building and West Fork Utilities would no longer be involved with the service. Service would be pre-paid via credit card and can be purchased daily, weekly, monthly, etc... The service can be purchased by the owner or the renter.

Baldensperger presented information in regards to the West Fork Utilities (WFU) rate increase. Baldensperger discussed that the original rates were established in 2005. The stated reason for the 2009 increase was due to the water treatment facilities being replaced, though the previous system was six years old and should have lasted around 20 - 30 years. The system had to be replaced because of several factors including inadequate maintenance. Baldensperger described the advantages of the new system saying it is state-of-the-art and that it is not a sand filtration system but a pod system which is quite odorless. The disadvantage of the new system is that it cost \$355,000, plus interest, which is being passed on to customers. In doing some research for these costs, Baldensperger found out that the utility building is owned by WFU and also rented to WFU for the highest amount of rent for a utility building in the state of Montana. Baldensperger then discussed the breakdown of the current water and sewer rates and that the replacement of the system including interest would be about \$1 million paid over the next 15 years. This amounts to \$27 a month per unit.

Eakman then discussed the costs of the future Ousel Falls road improvement district. The Association will pay district 1 and 2 fees. Good arguments had been presented to the commissioners against paying these fees, but the commissioners did not agree. The fees will be an extra \$350 per year per unit. Eakman noted that these fees are equivalent to the fees on the million dollar homes. Eakman answered the question of when the assessment for this will start which will be in about 18 months.

Eakman next discussed the Legal Report. Eakman discussed that;

1. \$1,521 had been spent on service contract review and opinion,
2. \$2,523 had been spent on the illegal contracts established by the developer
3. \$1,121 spent on reviewing West Fork Utilities rate increase requests
4. \$1,126 had been spent preparing and coordinating the 12th Amendment

5. \$3,491 had been spent dealing with trustee sales and foreclosure issues
6. \$714 had been spent on West Fork Utilities' cable TV problems
7. \$1,545 spent on owner non-compliance and violations of conduct
8. \$497 spent on squabbles with the developer.

Eakman turned to recent history of the association. As of January 1, 2009, the Board decided to focus on ten issues; cable TV, curb appeal, rule enforcement, communications with unit owners, inadequate reserves, construction issues, legal counsel, delinquent accounts, lack of a preventative maintenance program and roof leaks.

He then added other issues such as keying problems, landscaping appeal, exterior of buildings deterioration, and the appeal of condo buildings interiors.

Resolutions to some of these issues have been found by; outsourcing propane to an independent enterprise, the proposed 12th Amendment to the Declarations, a formal evaluation of siding issues and working with the siding manufacturer to abide by the warranty, approving a master key system for the campus, initiation of a grounds beautification committee, hiring new legal counsel, active management of delinquent accounts, window replacement of those that have failed by compliance with warranties, and a roof preventive maintenance program to minimize leaks.

Unfortunately, new issues emerged during the year; foreclosures and nonpayment of assessments, West Fork Utilities demanding payment for water and sewer bills not paid by individual owners, moisture and mold found in crawl space inspections, increased siding deterioration, illegal and unenforceable contracts established by the developer, and the water and sewer rate increase to owners.

Ronningen-Free compliments Eakman on this full and unblemished report. She stated that in her opinion the complete airing of issues had never before been reported.

Doug Shanley discussed the proposed 2010 budget. Doug mentioned that Eakman and Baldensperger were very diligent in keeping dues down. Another way for owners to keep their dues down is by opting-in to electronic delivery of materials and invoices which will lower dues by \$48 a year per unit. The 2010 budget is included following these minutes. O'Connor motioned to approve the 2010 budget. Stuart Koch (V108/V49) seconded. The motion passed unanimously.

Eakman discussed the Board Elections. Moon moved to approve to continue with seven members on the Board of Directors, Pariser seconded. The motion passed unanimously. Four people were nominated to run for the Board, Stuart Koch, Amy Ronningen-Free, Sam Geppert, and Sam Reznicek (D2). Doug confirmed that all four were in good standing, except Stuart Koch who has one unit not current on assessments. Doug presented the proxies. Pariser later mentioned that he objects to Stuart Koch running due to the delinquent account. Stuart Koch and Amy Ronningen-Free were later elected to be on the Board of Directors.

An update to the Twelfth Amendment to Declarations was provided by Jack Eakman. 162 "for" votes were needed in order for the Amendment to pass. At the time of the meeting, there were 145 "for" votes and 5 "against", with the voting closing at midnight. Plans were made to make needed phone calls for votes prior to the midnight deadline.

Chris Moon (V103) brought up the current parking available to unit owners at the maintenance building and that the cost seemed excessive. Eakman thanked moon for this comment and tabled the discussion for the next board meeting.

Sam Reznicek (D2) suggested the Association get recycling bins. Eakman said this was a great idea and asked Sam if he would help with the proposal. Sam agreed that he would.

O'Connor moved to approve the Board's actions of the previous year. Moon seconded. The motion passed unanimously.

Eakman adjourned the meeting at 12:23pm MST.