

**Minutes of Board of Directors Meeting
For the Association of Unit Owners of
Firelight Meadows
July 24, 2012**

Call to Order

Presiding Officer Jack Eakman calls the meeting to order at 6:00 pm.

Directors in attendance are Chair Jack Eakman of unit V096/441, Garrett Baldensperger of unit V095/433, Sam Geppert of unit C1/120, Kari Gras of units V019/184, A1/85 & B1/155, Pride Fisher of unit V014/140 (via conference call), and Annette Stone of unit B12/155 (via conference call).

Director Scott O'Connor of unit V060/251 is absent.

Unit owners Bob Donner of unit C14/120, Bruce Das of unit V066/103, and Travis Wangsgard of unit V069/354 are present.

Also in attendance are Dick Hovde of Hovde Property Maintenance, Scott Hammond, Angie Guinn and Mike Harter all of Hammond Property Management, Accountant Doug Shanley (via conference call) and Communications Coordinator Bethany Davies.

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

Minutes of the Last Meeting

Baldensperger makes a motion to approve the Minutes of the June 19, 2012 meeting. Geppert seconds the motion. All are in favor. None oppose. The Minutes of last month's meeting are approved.

Financial Report

Accountant Doug Shanley provides the Financial Report (see attachments or view them on the website: www.hpmmontana.com under the Firelight Meadows HOA tab, *password is FL1234*).

Property Manager's Report

Angie Guinn and Mike Harter of Hammond Property Management provide the Property Manager's Report. (see attachments or view them on the website: www.hpmmontana.com under the Firelight Meadows HOA tab, *password is FL1234*). Angie Guinn distributes a rough draft of the new Contractor Policy to the board. The board will discuss changes or amendments to the Contractor Policy at the next scheduled board meeting (a rough draft of the Contractor Policy is attached).

Angie will order 500 new parking passes within the next two weeks to be distributed with the Annual Owners Meeting Packets. The board will discuss a policy to prevent delinquent owners from receiving parking passes.

Mike Harter provides a Chalet door painting update. The painting contractor is doing an excellent job and will complete the 27 units by the end of the week. The association tries to complete painting on 20% of all units each year so that units are painted once every five years. Staining will begin on Condo decks the first week of August, 2012.

The driveway of Chalet 74 has a dip in it that holds a significant amount of water, leading water toward the garage. Mike Harter called an engineer from Big Sky Asphalt to look at how to fill the hole. They decided that the entire driveway will need to be repaved. Big Sky Asphalt assured Mike Harter that they could repave the driveway to get a proper slope so that water will not accumulate and flow into the

garage, but it will cost \$3900. At that price, Eakman would like to wait to repave the driveway until they reseal the road, but he would like to look into a temporary fix. Dick Hovde recommends digging a narrow trench to pull water out of the driveway into the road. Baldensperger makes a motion to dig a trench from the hole in the driveway to try to correct the problem of water collecting and flowing into the garage of Chalet unit 74. Geppert asks how much a project of this magnitude will cost. Dick Hovde replies that he will dig the trench for free. Geppert seconds the motion. All are in favor. None oppose. The motion carries. Dick Hovde will dig a trench from the hole in the driveway of Chalet unit 74 to drain water from the driveway to the street in an effort to temporarily fix the problem. The board will monitor the progress of the effort and then assess further options.

Mike Harter asked Andy Driesbach to open up chimney chases to inspect for code violations. They opened up two sample chimney chases: One chase was from phase one with a single chase and the other chase was from phase two with a double chase. They found quite a few code violations within both chimney chases that were inspected, leading them to believe that these violations are consistent throughout the other chimney chases. Mike Harter will research what it will take to make the chimney chases code compliant.

The developer built the units with code violations and brought them into the HOA for the rest of the association to clean up, explains Eakman. He would like to find an affordable way to remedy this. Baldensperger suggests inspecting a larger sample of chimney chases then condemning them until the problem can be remedied. Future inspections can utilize a fiber optics camera to inspect the remainder of the chimney chases by drilling a small, unobtrusive hole and threading the camera through the hole, explains Mike Harter. Hammond Property Management will create a comprehensive plan for inspecting the remainder of the chimney chases and finding an affordable remedy for getting all chimney chases up to code. Eakman emphasizes that necessity of addressing this concern immediately. Stone recommends informing the insurance company; perhaps they can provide guidance. Angie Guinn will inform the insurance company of the newly discovered code violations.

A sewer backed up in a Chalet four-plex from the main sewer service leaving the building. Dick Hovde helped dredge sewage from the building. They discovered a five foot negative slope with standing water. They didn't find any obstructions and the integrity of the pipe looks great. The problem is believed to be the double ninety degree angles in the pipe which makes blockage more probable. Hammond recommends that in the event that any Chalet owners experience a backup, to stop what they are doing and to immediately report the problem to Hammond Property Management. Hammond Property Management will get some estimates to remedy the situation to prevent future sewage backups.

Hardy Plank has been contacted and is receiving pictures of the quality of warranty work. Mike Harter is waiting to get a factory representative to walk around campus to assess the work.

Mike Harter is sad to report that the reflective paint purchased to illuminate house numbers when headlights shine on them, did not work.

Kurt Strange is the newest addition to the Hammond field staff. He will be assisting Mike Harter Firelight.

Landscaping Report

Dick Hovde of Hovde Property Maintenance provides the Property Maintenance Report. Tree planting with Cashman's Nursery went well. He installed wire fencing around the new trees to prevent moose from consuming them. He continues to adjust the sprinklers to allow for more even watering. Hovde replaced 100 feet of underground hose and counted about sixty shrubs that need replacing.

Bruce Das has a tree in his front yard that is the same size that it was seven years ago and it is dead on top. He would like to know what he can do to replace this tree with one that will grow. Baldensperger suggests having a tree program through Cashman's Nursery every year, he recommends Bruce Das get on next year's list if one is approved in the 2013 budget.

Neighborhood Portfolio

Kari Gras provides the Neighborhood Portfolio Report. The First Annual Neighborhood Party was a success. Eakman compliments Gras on the community picnic, "It was fun and while we might not have had a lot of people there, everybody that was there was just so friendly and engaged. Everybody brought something and it was excellent food. There was enthusiasm for more [events like this]. And it was great to meet people. I think everyone should take advantage of something like that. So thank you Kari."

Jack Schunke of Morrison-Maierle is not responding to phone calls from Gras regarding the crosswalk.

The board thanks Dick Hovde for his generous donation of several state flags to the HOA to be displayed on the third flag pole. Any owners who would like to donate a flag to be displayed on the third flag pole are asked to email the HOA at firelightmeadows@hotmail.com.

Gras has completed the Welcome Letter to be sent to all new unit owners.

Utilities Portfolio Report

A decision by Judge Brown has been made regarding the lawsuit with West Fork Utilities or HLH, LLC. Three major rulings have been made: 1) The Association is liable for unpaid water and sewer bills that are more than 90 days past due. 2) Judge Brown struck down the 12th Amendment as illegally voted on as we extended it past our own deadline. 3) West Fork Utilities cannot charge the owners for cable television fees if the owners have requested not to have the service. "The HOA is not responsible to paying unpaid cable television bills that are more than 90 days past due, since the cable contract and the Declarations relative to Cable TV, is not enforceable. The Judge considered it egregious and greedy on the part of the Developer to have set up cable TV as he did.

14th Amendment Vote

As of today, 76 votes have been returned to the HOA regarding the 14th Amendment Vote. Seventy two votes are in favor of the 14th Amendment and 4 oppose. Please email Firelight Meadows at firelightmeadows@hotmail.com if you need information regarding the vote or if you need a new ballot sent to you. The board greatly appreciates your vote.

Communications

Bethany Davies provides the Communications Report. A unit owner has asked the board for maintenance on the swings in the neighborhood park. Mike Harter took pictures of the swings. The board asks Hammond to get a quote for the cost; they would like to get these swings fixed or replaced. Bruce Das is concerned about the insulation falling out of his chimney. Mike Harter will look at the chimney and provide Mr. Das with the Engineer's Report.

Old Business

Annette Stone is currently looking into new Condo carpeting.

The Condominium entrances and stairs are being vacuumed Mondays, Thursdays and Saturdays. So far, unit owners have not noticed a decrease in cleanliness and agree the units look clean. This schedule will continue through the month of August. Please email the HOA at firelightmeadows@hotmail.com with your input on the condition of these Condo carpets.

New Business

There is no New Business.

Schedule Next Board Meeting

The next Board Meeting is scheduled for Tuesday, August 28th at 6:00 pm in the Conference Room of Hammond Property Management. All owners are welcome and encouraged to attend.

Adjournment

The meeting adjourns at 7:29 pm.

Minutes submitted by Bethany Davies, Communications Coordinator.

Douglas N. Shanley, CPA PC

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7/23/2012

TO: BOARD OF DIRECTORS

FIRELIGHT MEADOWS HOME OWNERS ASSOCIATION

CHECKING ACCOUNT BALANCE	\$189,177	
CD AT BIG SKY WESTERN BANK	\$130,942	MATURE 6/22/13 .51%
CD AT 1ST SECURITY BANK	\$75,000	
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TOTAL CASH AVAILABLE	\$395,119	

ACCOUNTS RECEIVABLE	\$91,827
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THE FOLLOWING ARE LATE TWO OR MORE QUARTERS
THESE WILL BE TURNED OVER TO COLLECTIONS
AT THE END OF THIS QUARTER IF PAYMENT IS NOT RECEIVED
LIENS HAVE BEEN FILED

B07	JOHN & SUSIE ALLEN	\$1,227.99
V47	CHRIST BOYD	\$1,816.32
V41	SIDNEY HOLLADAY	\$1,770.56
V56	MARY MEYER	\$1,871.55
V119	SUSAN OCONNOR	\$1,619.08
C05	NATHAN SMITH	\$1,836.04
	TOTAL OF ABOVE UNITS	\$10,141.54

BAD DEBT PREVIOUSLY WRITTEN OFF COLLECTED IN 2012 BY CBO, OUR COLLECTION AGENCY	\$10,168.12
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PARKING INCOME TOTAL THIS YEAR	\$1,330.00
FINES ASSESSED IN 2012	\$3,490.00
FINES RECEIVED IN 2012	\$450.00

NEW MEMBERSHIP DUES FOR 2012	\$6,500.00
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BAD DEBT WRITTEN OFF IN 2012	\$42,228.14
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OWNERS TAKING ADVANTAGE OF THE \$24 PER QUARTER POSTAGE SAVINGS 580 INVOICES - 193 OWNERS PER QUARTER OVER 3 QUARTERS THIS YEAR	\$13,920.00
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TO JOIN BY CONFERENCE CALL 1-888-325-3989
PASSCODE IS 693 796

CHALET									
Firelight Meadows Owners Association									
Chalet's Budget Overview									
		CHALET	BUDGET	ACTUAL	OVER				
		2012	THROUGH	THROUGH	(UNDER)				
		BUDGET	JULY	JULY	BUDGET				
Ordinary Income/Expense									
Income									
Assessment		405,280.00	303,960.00	303,960.00	0.00				
					0.00				
Total Income		405,280.00	303,960.00	303,960.00	0.00				
Expenses									
Insurance		35,870.00	20,924.17	22,854.84	1,930.67				
Common Area Lawn Care		36,822.00	22,093.20	15,984.00	(6,109.20)				
Landscape Upgrade - new plants flowers trees		6,494.00	3,896.40	1,145.22	(2,751.18)				
Snow Removal & Shoveling Roads & Entry Ways		70,584.00	47,056.00	47,000.00	(56.00)				
Snow and Ice Removal on Rooftops		6,290.00			0.00				
Fireplace Maintenance		5,712.00			0.00				
Administrative and Secretary		3,536.00	2,062.67	2,370.04	307.37				
Maintenance & Repair		53,720.00	31,336.67	5,159.10	(26,177.57)				
Property Manager		64,464.00	37,604.00	36,015.00	(1,589.00)				
Accounting		9,384.00	5,474.00	5,477.22	3.22				
Legal		31,416.00	18,326.00	9,796.10	(8,529.90)				
Postage & Delivery		13,056.00	7,616.00	123.03	(7,492.97)				
Office Expense		1,632.00	952.00	1,754.36	802.36				
Taxes		272.00	158.67		(158.67)				
Bad Debt Uncollectible		13,600.00	7,933.33	26,603.73	18,670.40				
Meeting Expense		680.00	396.67	146.27	(250.40)				
PSC - Consultant for Case		not budgeted		2,499.53	2,499.53				
Chimney & Siding Repairs		special assessment		7,755.35	7,755.35				
Subtotal Expense		353,532.00	205,829.77	184,683.79	(31,400.86)				



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Firelight Meadows Manager's Report
BOD Meeting 7/24/2012

Management discussion items for the meeting:

- First draft of Contractor Policies
- Parking passes
- Painting update
- Paving bid unit 74
- Chimney inspection findings
- Sewer back up findings

Below is the compilation of the weekly reports sharing the specific tasks that have been completed since the last BOD meeting:

- Inspected and photographed interior water damage at 215 Candlelight per owner's request. Damage appears to be the result of "ice damming" and has been a reoccurring problem.
- Put trash cans back in the garages at 73 Starlight and 95 Starlight per owner's requests.
- Measured windows for warranty work at 433 and 495 Firelight.
- Inspected damage on garage door at 473 Firelight per owner's request.
- Cleaned up a large amount of house hold trash that was left outside the trash enclosures at buildings A and D.
- Reinstalled the ice -melt system at 207 Candlelight.
- Picked up junk/trash off the back patio at 360 Candlelight (unit is currently vacant and in the process of foreclosure).
- Met with the new owner of 86 Candlelight to assist her with "key-issues" at front door lock set.
- Reinstalled the chimney cap at 456 Firelight.
- Adjusted/repositioned rain gutter downspouts on Candlelight chalets.
- Reinstalled the screen on the rear patio door at 433 Candlelight.
- Positioned larger rocks at the edge of the yard around the speed bumps at 351 Firelight, per owner's request.
- Met with Big Sky Asphalt and Paving at 74 Candlelight to inspect the "low" spot in the driveway and to obtain a bid for the repairs.
- Per owners request turned off the LP gas to the fire place in 19-B.
- Assisted HPM staff with cleaning the excessive oil from the driveway at 50 Candlelight.
- Obtained bid from Delzer Diversified for "re-seal coating" the driveway at 50 Candlelight.
- Walk FLM campus with Cashman's Nursery and Dick Hovde to compile a list of this summer's landscaping improvements and ongoing maintenance.
- Delivered notice to the following units: 159, 328, and 336 Candlelight, notifying occupants of up and coming chimney inspections.
- Delivered parking pass to 106 Candlelight.

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- Re-secured rain gutter down spouts at the following units: 297 Firelight, 311 and 314 Candlelight.
- Picked up several shingles (approx 6) that blew off during high winds at building "D".
- Assisted CSM with opening up chases for chimney inspections at 159, 328, and 336 Candlelight.
- Re-installed "wind directional" stove cap at 330 Firelight.
- Met with Burning Stoves and Stuff to facilitate chimney inspections at 159, 328, and 336 Candlelight.
- Posted notices from BSFD regarding current fire restrictions at all four condo buildings.
- Assisted owner of 351 Firelight with an electrical issue in her master bedroom.
- Double checked the crawlspace heat to make sure it was turned off at 181 Candlelight per owner's request.
- Dropped off guest passes at 251 Candlelight.
- Dropped off pass (recovered from vehicle previously towed from FLM property) at 15-B per owner's request.
- Contacted Jason Thommen of Hardie Products to inform him that I still have not received any reply back from their claims department.
- Replaced two ballasts on 2nd floor of building C.
- Inspected crawl space for any water damage and/or sewage build up at 200 Candlelight per owners request. 200 Candlelight and the other three units in that four-plex experienced a sewer line obstruction resulting in a "back-up" in each building on the night of July 1st 2012.
- Delivered finalized list of decks and chalets for summer painting to Beehive Builders.
- Assisted Dick Hovde with crawlspace clean up under 184 and 200 Candlelight. Remove all sewage from crawlspaces, place fans under each unit to improve air circulation, and removed and clean contaminated vapor barriers.
- Placed porta-potties and hand washing station near the flag poles in preparation for up and coming FLM BBQ event.
- Dropped off guest passes at 381 Firelight per owner's request.
- Scheduled Roto-Rooter to locate source of the blockage in sewer line service at 200 Candlelight and thoroughly clean and/or remove it.
- Locked deadbolt on front door of 294 Candlelight per owner's request.
- Delivered checks for payment to Beehive Builders and Hovde Property Management.
- Forwarded bids for interior water damage repairs at 221, 224, 215 and 170 Candlelight to Jack Eakman for his review.
- Repaired and cleaned out rain gutters at 354 and 338 Firelight.
- Delivered payment and signed contract for repairs at 215 Candlelight to Beehive Builders.
- Delivered guest passes to 353 Firelight per owner's request.
- Spoke to owners of 260 Candlelight and requested that they move their camper trailer to their assigned spot in the FLM storage yard. The trailer was parked in a spot that belonged to Westfork Utilities.
- Delivered notices to 50 and 58 Candlelight regarding up and coming driveway re-seal coating.
- Had Delzer Diversified re-seal coat the driveway at 50 and 58 Candlelight
- HPM staff painted reflective paint on unit number at chalets on Firelight Circle.
- Replaced two ballasts in Building A.
- Emailed Jack Eakman results of the chimney inspections for his review.

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- Had Roto-Rooter camera the sewer line service under at 200 Candlelight. Results were emailed to the BOD for their review.
- Assisted Scenic City Septic with removing the porta-pottys for FLM.
- Unlocked 215 Candlelight for Beehive Builders.
- Put out the 5 more sets of speed bumps on Firelight and Candlelight drives.
- Removed old piece of carpet form front yard of 162 Candlelight.
- Met with Kenco to trouble shoot alarm control panel at Building C. Panel had been the source of several after hour calls from Kenco Dispatch earlier in the week (7/11 at 2am and 4am, 7/12 at 10pm).
- On 7/14 met with Garrett and Dick for Campus wide "Walk-thru" to fine tune the summer landscaping improvement list and look at several concrete patios in need of repair.
- Unlocked chalet doors on north end of CLD for Beehive Builders to facilitate door painting.
- Checked on progress of interior repairs at 215 Candlelight being performed by Beehive Builders.
- Met with Guy's Glass and compiled a list of windows in need of warranty replacement on Firelight Drive.
- Met with new West Fork Utility employee/tenant and explained the FLM pet policy.
- HPM staff started inspecting the chalets for loose siding and compiling a list of units that need attention.
- Scheduled Williams Plumbing and Heating for repairs to outside hose faucet at 86 Candlelight.
- Removed buried sprinkler head in front yard at 354 Firelight. A sprinkler was discovered By Cashman's while attempting to plant a new tree in the vicinity.
- Unlocked 473 Firelight for a furniture delivery per request of the homeowner.
- Got spare garage door weather stripping out of storage for Beehive Builders.
- Delivered guest passes to 441 and 379 Firelight per homeowner's request.
- Delivered parking passes to 11-B per homeowner's request.
- Unlocked front door at 9-B per Homeowners request.
- Discussed warranty issues throughout FLM with the Hardie Plank Claims Department... Currently, they are working on scheduling another "on-site" visit to FLM with a factory/company rep.
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Formal written "Notices of Violations" where issued to the following units:

- **(259 Candlelight) "Failure to keep common elements clear from debris"** A full trash can, ice chest, plywood, and a stack of four car tires where observed on the rear patio area.
- **(288 Firelight) "Failure to comply with the FLM pet policy"** The contractor working at the unit has been observed on several occasions with a dog on the premises. (written warning issued to the homeowner and a verbal warning issued to the contractor)
- **(7-C) "Failure to comply with FLM quiet hours"** 17-C reported a loud party the night of June 25th.
- **(221 Candlelight) "Failure to comply with the FLM pet policy"** Received a complaint that the tenants in this unit have a dog that has been observed "off-lease" and have personally observed a cat in the unit.
- **(5-B) "Failure to comply with the FLM pet policy"** Guest associated with this unit were observed with pets on FLM campus and "off-leash"
- **(15-A) "Unauthorized items stored on common elements"** Bikes stored in hallway outside of unit.
- **(20-C) "Unauthorized items stored on common elements"** Bikes stored in hallway outside of unit.

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- **(472 Firelight) "Failure to comply with the FLM pet policy"** Tenants associated with the unit have been observed with a chocolate lab at the building, off leash and unattended.
- **(20-B) "Improper window coverings"** Improper window coverings observed at southwest bedroom window.
- **(20-C) "Improper window coverings"** Improper window coverings observed at northeast patio door off deck.
- **(354 Firelight) "Improper window coverings"** Improper window coverings observed at upper bedroom window at rear of building.
- **(62 Candlelight) "Failure to comply with the FLM parking policy"** On 7/12 at 11pm several vehicles were parked at the end of the driveway and on the street, thus blocking off much of the street.
- **(509 Firelight) "Failure to comply with the FLM parking policy"** On 7/12 at 11pm a vehicle belonging to a guest was observed parked on the common elements at the rear of the building (off of Candlelight).
- **(509 Firelight) "Failure to comply with the FLM quiet hours"** on 7/12 at 11pm a loud party was observed and the noise was noticeable outside the confines of the building.
- **(15-A) "Improper window coverings"** Unauthorized items stored on the common elements, Mountain Bikes stored in hallway.

"Fines" issued to the following units:

- **(509 Firelight) "Failure to comply with the FLM trash policy"** Trash can was not returned to garage during the same day of service

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