

Silver Bow Condominium Owners' Association Annual Meeting
Friday, August 31, 2012 at 9:00am
Big Sky Water and Sewer District Building

MINUTES

I. Call Meeting to Order

a) Introduction – Chairman, Kirk Dige

Kirk Dige called the meeting to order at 9:05am. Introductions were made of those in attendance. Board Members present included: Kirk Dige, Derek Leonard, Kelly Fried, Tom Angstman, and Dick & Lorena Lauritzen. Owners present included the following: Bayly and Becky Turlington, Betty Steffens, Margaret Leeper, Joe Woodmansee, Margaret Shively, Barb Maves, Kevin Frederick, and Bunny and Pete Hansen. Additional guests included: Marjorie Knaub and Samantha Mize, Knaub & Company, P.C. and Steve Ditullio, Hammond Property Management.

b) Determination of a Quorum by Proxy or in Person (50% Required)

A quorum was established with 35 out of 70 units represented in person or via proxy.

II. Review Last Year's Minutes

Kirk called for a review and changes to last year's minutes, there were no comments regarding the minutes. Kirk asked for a motion to approve last year's minutes; Lorena Lauritzen moved to approve the minutes and Joe Woodmansee seconded the motion and it passed unanimously.

III. Management Report (Please Refer to Exhibit A)

Steve Ditullio of Hammond Property Management (HPM) reviewed the Manager's Report.

a) Pool Building Efficiency

- A new propane tank was purchased and installed, this will allow us to shop for providers and thereby decrease our propane costs.
- An on demand hot water system was installed so we are not constantly heating water if it is not needed.
- We subcontracted Lone Peak Electric to install new lighting and motion sensors.

b) Other Management Issues

- New lenses have been installed on the light poles.
- Steve has replaced photo eyes.
- We have hired a new landscaping company to help come up with a new, unified landscape plan.

c) Questions

- Dick Lauritzen asked how often the garbage is picked up. Steve stated that they are all picked up every other week with the exception of the dumpster in the far West parking lot, and that is picked up weekly. We do not expect to have to increase these pick-ups for the busier seasons. Steve also addressed the

inappropriate items being placed in the dumpster buildings and on the campus. It is asked that you dispose of your garbage appropriately and if you need assistance disposing of larger items, please call HPM and they will be happy to haul your larger items to the dump for a nominal fee.

- Bayly Turlington commented that he really appreciated the work that Steve and Hammond Property Management are doing to cut down on violations and keeping the campus looking good and operating well.

IV. Treasurer's Report (Please Refer to Exhibit B)

Marjorie Knaub of Knaub & Company, P.C. presented the treasurer's report. The expenses for the current fiscal year are estimated to come in under budget by approximately \$5,045.

V. Discussion and Approval of 2012-2013 Budget (Please Refer to Exhibit B)

The total budget for the new fiscal year will be the same as last year at \$275,000. A new item on the budget is the Entry Sign Replacement. We have budgeted \$10,000 to replace the main entry sign to Silver Bow. The parking lot signs were torn down due to rot. We are holding off on replacing the signs because the county will be assigning new addresses and possibly be giving the parking lots road names. There was an increase to the budget for pool building maintenance due to plans to repaint.

Questions were asked regarding liens on foreclosed properties and how we might be able to collect those funds. Liens are filed after an account is past due by 120 days, if that property is then foreclosed on the bank will only pay dues for the periods they owned the property. Another question was asked about insurance rates in regards to the new roofing. Kirk responded saying that we did shop around for new insurance rates and State Farm had already lowered our rate last year. Other companies did have an issue with the shake roofs, but State Farm was able to offer a substantially lower rate regardless of the cedar shake shingles. We do not expect to see a further decrease in those rates. Another question was asked regarding the handling of the laundry revenue. All deposits the laundry revenue monthly into the Money Market account and it is treated as normal income.

Kirk called for a motion to approve the 2012-2013 budget, Margaret Leeper motioned and Joe Woodmansee seconded and it passed unanimously.

VI. Re-Roofing Project Update

Kirk reviewed the re-roofing project stating that it was on budget and that he is happy with the work that Ridgeline Roofing is doing. The total cost will be \$512,000, including rain gutter replacement, and a line of credit is being taken out at Big Sky Western bank for \$125,000. This was approved at the last meeting. He estimates that we will only need \$80,000 of that amount. This will be a three year loan but Kirk estimates that it will be paid off in 18 months. There will be no special assessment to fund this project.

Barb Maves asked if the reserves will stay the same. Kirk replied that we will be keeping the reserve assessments the same so we can build our reserves back up. It was discussed that having this reserve will help to increase our real estate value because the banks are asking to see HOA financials as well as individual owners' financials.

It was stated that the owners are happy to see the minimal impact the roofing project is having on the campus. Ridgeline Roofing is doing a great job cleaning up and maintaining their work areas. It was mentioned that the new roof systems will create more rapid run off of snow melt and that owners may notice deeper divots in the grass where the run off occurs. The new shingles are 50 year shingles.

VII. Nomination and Election of Board of Directors

This year's current open positions on the board are Kirk Dige's and Lisa Prugh's positions. Kirk stated that he was willing to continue with his position and that Lisa had indicated the same to him. Kirk asked for nominations from the floor. Kelly Fried nominated Kirk Dige and it was seconded by several Owners. Barb Maves nominated Lisa Prugh and Bunny Hansen seconded. Betty Steffens made a motion to cease nominations, it was seconded and passed unanimously. Kirk and Lisa were then elected unanimously.

VIII. Other Business

- Betty Steffens posed a question as to the handling of the wetlands behind Silver Bow. She stated that she is concerned that people are using the area as a park and destroying the wetland foliage and disturbing the animals. Betty suggests putting up signs in an attempt to educate visitors that this land is an animal habitat. It was determined that the land in question was not Silver Bow land but the board would discuss going to BSOA to see if they can do anything to alleviate this issue. Bayly Turlington made a motion that the board go to the BSOA and ask them to designate that area as a protected area. Betty Steffens seconded that motion and it was approved unanimously.
- Silver Bow has a website where owners can see meeting minutes and other information on the association. Please visit www.hpmmontana.com and click on the HOA tab and select Silver Bow and the password is silverbow.
- David and Jodi Huard asked, via proxy, if we would consider numbering the parking lot as it seems there are never any spots when they visit. Kirk stated that currently parking is not designated. The majority of the time parking is not an issue and the board has previously decided not to undertake the issues associated with numbered parking. There are no designated parking spaces.

IX. Adjournment

There were no further comments so Kirk asked for a motion to adjourn. Bayly Turlington made the motion to adjourn and Margaret Leeper seconded it. The meeting adjourned at 10:05am.



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**Silver Bow Condominiums HOA
Annual Owners Meeting
August 31, 2012 @ 9:00 am
Big Sky Water Sewer District Meeting Room**

Hammond Property Management has enjoyed our service at the complex this year. The following is a list of projects completed at the complex outside of our normal daily tours and maintenance of the complex.

Manager's Report

Fall/Winter 2011:

- Contacted Allied Waste Services, Inc. and requested extra trash pickups during Labor Day Weekend.
- Replaced light bulbs throughout the complex.
- Replaced irrigation head by unit #57.
- Swept and cleaned in and around dumpster buildings.
- Removed debris from the campus with HPM's dump trailer.
- Issued warning to unit #67 concerning abandoned vehicle.
- Engaged with Vega Creations to begin creating sign ideas for Silver Bow entry signs.
- Subcontracted Mike McCarthy, per the request of the Board, to paint the pool building doors bronze.
- Issued warning to #70 for firewood placement and removal of trailer.
- Issued warning to #53 regarding drift boat parked in parking lot.
- Hauled debris away from pool area.
- Replaced fascia on multiple buildings throughout the complex.
- Shut down irrigation system.
- Monitored sidewalk replacement in front of Unit #2 (Big Sky Water and Sewer)
- Picked up trash around complex and dumpster areas due to Bear encounter with the trash in the dumpsters.
- Established snow plowing contract for winter with Grizzly Snow Removal, Inc.
- Established snow shoveling contract with Mike McCarthy.
- Monitored trash pickup services and increased pickup times over the holiday season.
- Supervised snow shoveling and plowing services.



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➤ **Winter 2012:**

- Performed a light check throughout the campus to ensure all lights were working.
- Cleaned Rinnai filter in wall heater.
- Subcontracted Big Sky Cleaning, Inc. to perform a deep clean on the pool room.
- Performed a light check throughout the campus.
- Checked and replaced receptacles as needed.
- Re-installed fascia at unit #45.
- Replaced ballast at unit #2.
- Met with Northwestern Energy, Inc. to perform an energy audit for the pool building.
- As suggested by NWE, HPM obtained a bid from Lone Peak Electric, LLC for timers and lighting in the pool building.
- Posted rule violations for various unit numbers throughout the complex.
- Changed exterior light bulb by pool building.
- Checked all dumpsters and areas around dumpsters for cleanup.
- Removed broken glass by unit #60.
- Moved overflowing trash from dumpster by unit #32 to another dumpster.
- Attached fascia at unit #46.
- Contacted unit #62's owner regarding a bad valve on outside water spicket; subcontracted Williams Plumbing, Inc. to replace the valve at owner's expense.
- Assisted unit #18 with access code concerns for pool building.
- Posted new recycle signs on dumpsters.
- Assisted with new window install at unit #54.
- Inspected crawl space underneath hot tub to ensure proper function of sub pump.
- Inspected attic insulation in the pool building.
- Monitored plowing and shoveling in front of dumpster buildings.
- Cleaned areas in and around trash dumpster buildings.
- Performed weekly walkthroughs of campus to assess snow plowing and shoveling services to ensure all pathways and parking areas were clear.
- Assisted unit owner in retrieving lost \$ in washing machine after machine got jammed; fixed washing machine.
- Worked with Ali on violation notices for units #66 and #67.
- Performed weekly walkthroughs of campus to assess snow plowing and shoveling services to ensure all pathways and parking areas were clear.



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➤ **Spring/Summer 2012:**

- Re-attached a trim piece on unit #29.
- Worked with the Board on lighting options for pool building; Subcontracted Lone Peak Electric, Inc. to obtain estimates for lighting options in the pool building.
- Provided estimates from Gas Works, Inc. to the Board for a new propane tank for pool building and for an on demand water bid.
- Worked with Ali on violation notices for units #41, #43, and #56.
- Subcontracted Mike McCarthy to preform touch up paint repairs in the men's bathroom to cover graffiti on wall.
- Subcontracted Williams Plumbing, Inc. to repair hot water heater piping in unit #26.
- Performed an early spring cleanup and picked up after dogs throughout the campus.
- Checked all dumpsters and areas around dumpsters for cleanup.
- Performed a walkthrough to check for trash throughout the campus.
- Contacted Sean Lucy after discovering hot tub jets were not working; Sean Lucy repaired jet.
- Obtained painting/staining estimate from Mike McCarthy; presented to the Board for approval; Board approved for work to be completed; scheduled painting rotation for summer 2012.
- Obtained lawn mowing estimate from Pat Dillon; presented to the Board for approval; quote approved and work initiated.
- Performed repairs on garbage door latch.
- Checked unit #1's chimney for voids; found two areas that need addressed; filled in voids.
- Picked up trash around the complex.
- Subcontracted Gallatin Valley Heating and Services, Inc. to clean boiler for hot tub.
- Subcontracted 46 North Landscape and Design, Inc. to provide estimates for entire campus for landscape improvement project; Met and walked campus and looked at each building individually.
- Cleaned up sand bags behind dumpster buildings.
- Worked with Ali on several rule violation notices; Ali contacted all owners.
- Worked with Ali on several owner action notices; Ali contacted all owners.
- Trimmed trees behind unit #4, on the side of unit #6, and on the side of unit #35.



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- Performed a light check throughout the campus; Replaced 3 photo eyes at unit #2, unit #8 and unit #25.
- Trimmed tree behind unit #48 per the owner request; Hauled branches to Logan Landfill.
- Subcontracted Gasworks, Inc. to install new propane tank and on demand hot water heater.
- Subcontracted Lone Peak Electric, Inc. to install new lighting and motion sensors in pool room.
- Trimmed tree at unit #69 per owner request because it was interfering with satellite dish/signal.
- Replaced fascia at unit #68.
- Adjusted irrigation head by unit #9.
- Repainted electric box by unit #2.
- Subcontracted Canyon Chimney Sweeps, Inc. to inspect and sweep chimneys throughout the complex.
- Performed bed work throughout the complex (pruning shrubs and beds).
- Ordered new lenses for light pole lamps.
- Repaired electrical cabinet roof behind unit #48.
- Hauled away abandoned couch and mattress.
- Obtained estimates for painting interior pool building; the Board approved estimate; work will be completed in the fall by Mike McCarthy.

SILVER BOW CONDOMINIUM OWNERS' ASSOCIATION
Final Approved Budget
For the year ending 9/30/2013

	2013 Approved
Operating Expenses:	
Administrative:	
Accounting	6,840
Bad debt expense	-
Insurance	25,000
Legal	-
Manager Fees	33,000
Office expense/postage	500
Annual corporate report	15
Contingency	500
Interest Expense	4,500
Meeting costs	-
Income tax expense	50
	70,405
Maintenance:	
Building maintenance	3,000
Window washing	2,000
Exterior utility enclosures	-
Chimney maintenance	3,000
Trim & deck stain	20,000
Landscaping Improvements	5,000
Entry Sign Replacement	10,000
Lawn maintenance	22,000
	65,000
Recreation Area:	
Telephone	500
Pool contract maintenance	15,000
Pool building maintenance	10,000
Pool supplies	2,500
Electricity - Pool Facility	5,000
Propane	5,000
Health license	275
Security system	500
	38,775
Services:	
Electricity	2,000
Garbage	9,500
Water and sewer	2,000
Snow shoveling	12,000
Snow plowing	5,400
	30,900
Less laundry, finance charge & interest income	(2,500)
Total operating expenses	202,580
Reserve Assessments:	
Roof Reserves	52,420
Pool reserve	20,000
Total Reserve Assessments	72,420
Total	275,000

SILVERBOW CONDOMINIUM OWNERS' ASSOCIATION

ASSESSMENTS PER UNIT FOR 2012-2013

Unit	Percentage Interest	Annual Oper. Budget Assessment	Quarterly Oper. Budget Assessment	Annual Reserves Assessment	Quarterly Reserves Assessment	Total Quarterly Assessment
1	1.0308	2,088.19	522.05	746.51	186.63	708.68
2	1.7690	3,583.64	895.91	1,281.11	320.28	1,216.19
3	1.3826	2,800.87	700.22	1,001.28	250.32	950.54
4	1.8058	3,658.19	914.55	1,307.76	326.94	1,241.49
5	2.1773	4,410.77	1,102.69	1,576.80	394.20	1,496.89
6	1.0886	2,205.29	551.32	788.36	197.09	748.41
7	1.2792	2,591.40	647.85	926.40	231.60	879.45
8	1.2792	2,591.40	647.85	926.40	231.60	879.45
9	1.8058	3,658.19	914.55	1,307.76	326.94	1,241.49
10	1.3826	2,800.87	700.22	1,001.28	250.32	950.54
11	1.7690	3,583.64	895.91	1,281.11	320.28	1,216.19
12	0.9798	1,984.88	496.22	709.57	177.39	673.61
13	1.7690	3,583.64	895.91	1,281.11	320.28	1,216.19
14	1.3826	2,800.87	700.22	1,001.28	250.32	950.54
15	1.8058	3,658.19	914.55	1,307.76	326.94	1,241.49
16	2.1773	4,410.77	1,102.69	1,576.80	394.20	1,496.89
17	1.0886	2,205.29	551.32	788.36	197.09	748.41
18	1.8058	3,658.19	914.55	1,307.76	326.94	1,241.49
19	1.3826	2,800.87	700.22	1,001.28	250.32	950.54
20	1.7690	3,583.64	895.91	1,281.11	320.28	1,216.19
21	1.7690	3,583.64	895.91	1,281.11	320.28	1,216.19
22	1.3826	2,800.87	700.22	1,001.28	250.32	950.54
23	1.8058	3,658.19	914.55	1,307.76	326.94	1,241.49
24	0.9798	1,984.88	496.22	709.57	177.39	673.61
25	1.7690	3,583.64	895.91	1,281.11	320.28	1,216.19
26	1.3826	2,800.87	700.22	1,001.28	250.32	950.54
27	1.8058	3,658.19	914.55	1,307.76	326.94	1,241.49
28	1.2982	2,629.89	657.47	940.16	235.04	892.51
29	0.9036	1,830.51	457.63	654.39	163.60	621.23
30	2.1773	4,410.77	1,102.69	1,576.80	394.20	1,496.89
31	1.0886	2,205.29	551.32	788.36	197.09	748.41
32	1.8058	3,658.19	914.55	1,307.76	326.94	1,241.49
33	1.3826	2,800.87	700.22	1,001.28	250.32	950.54
34	1.7690	3,583.64	895.91	1,281.11	320.28	1,216.19
35	0.9798	1,984.88	496.22	709.57	177.39	673.61
36	1.8058	3,658.19	914.55	1,307.76	326.94	1,241.49
37	1.3826	2,800.87	700.22	1,001.28	250.32	950.54
38	1.7690	3,583.64	895.91	1,281.11	320.28	1,216.19
39	0.9798	1,984.88	496.22	709.57	177.39	673.61
40	1.7690	3,583.64	895.91	1,281.11	320.28	1,216.19

SILVERBOW CONDOMINIUM OWNERS' ASSOCIATION

ASSESSMENTS PER UNIT FOR 2012-2013

Unit	Percentage Interest	Annual Oper. Budget Assessment	Quarterly Oper. Budget Assessment	Annual Reserves Assessment	Quarterly Reserves Assessment	Total Quarterly Assessment
41	1.3826	2,800.87	700.22	1,001.28	250.32	950.54
42	1.8058	3,658.19	914.55	1,307.76	326.94	1,241.49
43	0.9036	1,830.51	457.63	654.39	163.60	621.23
44	0.9036	1,830.51	457.63	654.39	163.60	621.23
45	0.9798	1,984.88	496.22	709.57	177.39	673.61
46	1.7690	3,583.64	895.91	1,281.11	320.28	1,216.19
47	1.3826	2,800.87	700.22	1,001.28	250.32	950.54
48	1.8058	3,658.19	914.55	1,307.76	326.94	1,241.49
49	1.0886	2,205.29	551.32	788.36	197.09	748.41
50	2.2007	4,458.18	1,114.55	1,593.75	398.44	1,512.99
51	1.0614	2,150.18	537.55	768.67	192.17	729.72
52	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
53	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
54	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
55	0.9607	1,946.19	486.55	695.74	173.94	660.49
56	0.9607	1,946.19	486.55	695.74	173.94	660.49
57	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
58	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
59	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
60	1.0614	2,150.18	537.55	768.67	192.17	729.72
61	0.9607	1,946.19	486.55	695.74	173.94	660.49
62	0.9607	1,946.19	486.55	695.74	173.94	660.49
63	1.0614	2,150.18	537.55	768.67	192.17	729.72
64	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
65	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
66	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
67	1.0614	2,150.18	537.55	768.67	192.17	729.72
68	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
69	1.4357	2,908.44	727.11	1,039.73	259.93	987.04
70	0.9607	1,946.19	486.55	695.74	173.94	660.49

100.0000 202,579.97 50,645.07 72,419.99 18,105.03 68,750.10

BUDGET **202,580**

RESERVE **72,420**

TOTAL **275,000**