



Silver Bow Owners' Association
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Quarterly Meeting – July 24, 2012 @ 5:30 p.m.
ERA Office Conference Room

Minutes

I. Call to Order/Quorum Determination

The meeting was called to order at 5:35 p.m. by President Kirk Dige.

In attendance were the following Board members: Kirk Dige, Al Malinowski, Tom Angstman, Kelly Fried, Lisa Prugh, and Derek Leonard. A quorum was established.

II. Approval of 5/17/2012 Board Meeting Minutes

The Board reviewed the 5/17/2012 minutes and made a few revisions to the minutes. Ms. Gregory will update the minutes with the suggested revisions. Mr. Malinowski made a motion to approve the 5/17/2012 minutes with revisions. Mr. Angstman seconded the motion. All in favor; motion passed.

III. Treasurer's Report

Mr. Malinowski presented the financials, beginning with the P & L report for the time period October 2011 through July 24, 2012. The budget is on track and operating as expected. Some of the highlights Mr. Malinowski discussed are as follows: The Association saved \$2,600 in the two snow removal line items and \$5,000 in trim and deck staining. The Association will be over budget in the pool building maintenance line item due to the purchase and installation of the new propane tank and on demand water heater; the Board decided to use the savings in snow removal and staining to install these improvements in the pool building. In the long run, the Association will experience significant savings by owning the propane tank and water heater. The roof replacement costs to date are \$206,760 with 10% (20,676) withheld for retainage. There were no questions on the P & L report.

Mr. Malinowski continued on to the aging report. The report was reviewed in detail and then multiple individual accounts were discussed. Mr. Malinowski and Ms. Gregory will meet with CBO Collections in the upcoming weeks to discuss several accounts and options in moving forward with legal action. A review of the meeting with CBO Collections will be communicated to the rest of the Board after the meeting.

Mr. Malinowski presented the check register for the time period ending 7/24/2012. There were no questions regarding the check register. Mr. Fried made a motion to accept P&L report as well as the check register. Mr. Angstman seconded the motion. All in favor; motion passed.

a. Approval of 2012/2013 Budget for Presentation at Annual Meeting

Mr. Malinowski presented the proposed budget for 2012/2013 to be reviewed and approved by the Board to be presented at the Annual Owners Meeting. The Board discussed the proposed budget line by line. The following line items were discussed in detail and/or changed:

- The legal line item will be \$0. There is now a contingency line item added to the budget of \$500. This line item can absorb any legal fees or other one time minor expenses that may arise.
- The management fee will remain the same at \$33,000.
- An interest expense line item of \$4,500 was added for the Big Sky Western Bank loan for the roof replacement project.
- The building maintenance line item will remain \$3,000.
- The chimney maintenance line item is again budgeted at \$3,000 for 2012/2013. The Board requested HPM to obtain bids from other reputable chimney sweep companies.
- The lawn maintenance line item will increase from \$20,000 to \$22,000.
- The pool building maintenance line item will increase to \$10,000. The \$3,000 increase will allow for both the ceiling of the pool building to be painted as well as the entire interior. The Board will assist HPM in choosing appropriate paint colors for the painting. The painting will take place fall 2012.
- The electricity pool facility line item will decrease from \$6,000 to \$5,000. New sensor lighting and LED lighting was installed in the pool facility and will enhance the pool facility as well as save money.
- Mr. DiTullio confirmed to the Board HPM will shovel snow again for Silver Bow for \$12,000. Therefore, the line item was proposed to be \$12,000. The Board agreed.
- Mr. DiTullio confirmed to the Board Grizzly Snow Removal's contract price for snow plowing will remain at \$5,400 (contract price for previous year). Therefore, the line item was proposed to be \$5,400. The Board agreed.
- With the \$20,000 added to the pool reserve in the next fiscal year, the balance will be \$70,000 at the end of the fiscal year, 9/30/2013.
- The Board proposed to create an entry sign replacement line item of \$10,000.
- The Board proposed to add \$52,420 to the roof reserves; based on current anticipated costs to complete the project, the loan balance at the end of 9/30/2013 will be approximately \$50,000.

Mr. Fried made a motion to approve the proposed 2012/2013 budget for mailing to the ownership and presenting at the Annual Meeting for approval subject to the changes discussed and listed at the current Board meeting. Mr. Angstman seconded the motion. All in favor; motion passed.

IV. Manager's Report

Mr. DiTullio presented the Manager's Report and highlighted services performed at the campus. The following was discussed in detail:

- Mr. Leonard requested HPM address the weed encroachment on walkways throughout the complex and perform more detailed work and edging throughout.
- Mr. DiTullio walked the complex and took a look at the exterior of multiple units/buildings that may have similar issues to unit #26, in which the water heater drain was covered up by siding on the building. Unit #26 was addressed and repaired. The Board requested Mr. DiTullio assess all other units that may have

the same concern. From the outside inspection Mr. DiTullio could not find any problems. It was requested that in the off season, Mr. DiTullio contact #18 unit owners and the unit owners in building #1 and inspect the interior of those units for any draining concerns.

a. Silver Bow Codes for Pool/Laundry Access

There have been some recent concerns with access to the pool/laundry facilities. There is concern that visitors that are not residents of Silver Bow are entering the facilities with codes that belong to particular units. To regulate who is coming in and out of the facility, Ms. Gregory will begin pulling monthly frequency reports and monitoring the number of times the facility is entered. Codes will also be changed on a more frequent basis to prevent anyone from entering with an old code. HPM's code will change monthly as well. Ms. Gregory will work with Security Solutions, Inc. regarding this process and investigate options for HPM to have control over changing codes and printing frequency reports.

The Board discussed other options to help regulate the number of visitors as well as enforce rules to maintain a safe and clean facility. In the fall, HPM will provide Rule and Regulation sign options to the Board to be displayed in the pool facility. More information will follow at a later time.

V. Old Business

a. Roofing Project: Resolution to Authorize the President and Treasurer to Sign Loan Documents

The roof replacement project is going well and on schedule. Eleven of the 23 buildings have been completed and look great. The Board previously received approval at the 2011 annual meeting to obtain a line of credit to complete the roof replacement project. The line of credit will be \$125,000. The Board does not anticipate needing more than \$100,000 to complete the project. However, the extra \$25,000 will serve as a buffer in case of any unexpected costs. Mr. Dige explained the initial loan documents request that all Board members need to sign for the line of credit and to advance money on the line of credit. Mr. Dige requested a resolution be made to authorize Mr. Malinowski and himself to be able to sign for any transactions on the line of credit. Mr. Fried made a motion to authorize Mr. Malinowski and Mr. Dige to sign for the line of credit for the roof replacement project as needed up to \$125,000. Mr. Angstman seconded the motion. All in favor; motion passed.

It was recommended by Ridgeline Roofing Cooperative to reroof the dumpster buildings. This was discussed and approved by the Roof Replacement Committee. Due to some other revisions this did not result in an increase to cost.

There were no other questions regarding the roof replacement project.

b. Silver Bow Entry Sign Update

The Board will propose to owners at the annual meeting the \$10,000 line item for entry sign replacement. The current sign needs to be replaced. Ms. Gregory and the Sign Replacement committee have worked together over the past several months discussing sign options and costs. At the annual meeting, the Board will request owner's approval to spend an amount not to exceed \$10,000 to improve the current entry sign. Upon approval from the ownership of the

\$10,000 Entry Sign Replacement line item, the Sign Replacement committee and Ms. Gregory will work on obtaining estimates for the work to be completed spring/summer 2013.

VI. New Business

a. 46 North Landscape & Design Landscape Improvement Proposal

Currently, the Association has \$5,000 allocated in the Landscape Improvement line item to maintain the complex. After consideration, the Board would like to be more aggressive with the landscape improvements. They would also like to create uniformity throughout the complex. The Board requested HPM solicit an estimate to bring uniformity to the complex. Mr. DiTullio worked with 46 North Landscape & Design on an estimate to improve each bed throughout the complex (edging, adding flowers, bushes, etc.). Mr. DiTullio presented the estimate. The estimate is broken down building by building and explains the work needed for each area. The total for the entire complex is \$51,980.98. This estimate is more than just bed improvements. It is an extensive plan to enhance the complex in all areas of landscaping.

The Board discussed the proposal. Because of the amount and complexity of the proposal, Mr. Dige suggested a committee be formed to discuss the proposal and feasibility. This is a type of project that could be spread out over 3-5 years so as to not financially burden owners. The committee will include Derek Leonard, Tom Angstman, Lisa Prugh, and Steve DiTullio (as the HPM representative). Mr. DiTullio agreed to work with 46 North Landscape & Design and clarify questions discussed regarding the proposal. Mr. DiTullio will also clarify what is needed for Silver Bow for a drip system to irrigate what is being proposed. The committee will meet and discuss the following: determine how extensive of a landscape project is needed; determine how it will be incorporated into the 2013/2014 budget; and determine a time frame to begin.

No further discussion took place regarding the proposed landscape project.

b. RID – Road Maintenance Update

Mr. Dige announced Gallatin County has hired Morrison-Maierle to prepare the RID maintenance assessments for 2012. A portion of each owner's county assessments is banked to provide funding for asphalt surface overlay or chip seal. Crack sealing is scheduled for the parking lots for this summer/early fall.

c. Request for Skylights – Unit 59

Discussion took place regarding unit 59's request to install skylights. After much discussion, Mr. Malinowski made a motion to approve the amended request (installation of flat skylights instead of dome shaped skylights) for the installation of one skylight, to not exceed 2 feet by 3 feet, provided the owner or any successors accepts responsibility for any maintenance of the skylights and/or any leaking concerns. Mr. Angstman seconded the motion. All in favor; motion passed.

d. Window Request - Unit #55

The owner of unit #55 requested permission to replace all windows with a new energy efficient window from All City Glass, Inc. The new windows are cascade win-pro series white vinyl with clear annealed solar ban 60 glass. The Board discussed the request. The Board will approve the request if Rolex Bronze color is used in place of white. White windows are not permissible.

Mr. Angstman made a motion to accept unit #55's window request provided the windows are Rolex Bronze, NOT white. Mr. Fried seconded the motion. All in favor; motion passed.

VII. Correspondence

a. Annual Meeting Packet Mail-Out

Mr. Dige is reviewing the agenda and cover letter for the annual meeting packet. The packet will be mailed out to all owners with the proposed 2012/2013 budget for the Annual Owner's Meeting on 8/31/2012.

VIII. Other Business

Mr. Angstman requested HPM's assistance in providing him a quote to replace his entry stairs because the wood boards are splitting. He would like an estimate including grading on the steps. Mr. Angstman stated he would contact Tom Severson regarding the cost of the steps. Mr. DiTullio will work directly with Mr. Angstman regarding his request.

IX. Adjournment

The meeting was adjourned at 8:15 p.m.