

Townhomes at Crail Ranch

PO Box 160099 Big Sky, MT 59716

December 30, 2008

9:30AM Annual Meeting for Townhomes at Crail Ranch Big Sky Water and Sewer Building

Annual Meeting Minutes

Present: George Hagar, Mike Schwarzkopf, Scott Hammond, Virgil Schutze, Vince & Sue Meng, Craig McCoy, Peter Smith, Don Kotula, Steve Stephenson, Josie Erickson & Alison Gregory.

The meeting was called to order at 9:30AM. George stated that we should approve the minutes from the December 2007 Annual meeting and the July 2008 Board of Director meeting. Don Kotula made a motion to pass the minutes from both of the meetings. Vince Meng seconded. All in favor, motion passed.

Financial report

Mike Schwarzkopf gave a synopsis of the financial report, treasurer's report, and the proposed 2009 budget.

The 2008 Budget was over its proposed amount, even though we did start the 2008 year with a \$13,000 surplus. Crail Ranch currently has about \$13,524 current year deficit for the end of this fiscal year. Roof shoveling was a little bit over budget, as well as building maintenance repairs, and grounds repairs. The Board of Directors also had meetings this year to improve conditions of townhomes and went forward doing so. There were also insurance changes not budgeted for that added to deficit. Mike will be sending out final budget with insurance changes explained and included in budget.

Mike gave a status as to the how much money was in reserves for the long-term projects. Painting is \$22,000. Roof reserves are at \$7,000, and pavement sealing is \$1,500. Total reserves and operating fund equals \$114,140.

All owners have paid their association dues and there are no delinquencies at this time. Mike then gave an overview of the proposed 2009 budget. There was discussion to adjust dues after finding out final expenses to make up for the amount over budget. The estimate is about \$15,000.00. Peter Smith made a motion to put that amount in contingency for 2009 budget. Don Kotula seconded the motion. All in favor, motion passed.

George made a motion to accept the 2008 financial reports and 2009 proposed Budget. The 2009 dues may be more than 2008 dues due to motion passed to increase dues for going over budget in 2008. Don Kotula seconded the motion. All in favor, motion passed.

Manager's Report

Scott Hammond gave a synopsis of all the projects that Hammond Property Management has worked on this past year. He highlighted a few items such as contracting Pest Control to take care of bat problem as well as wasp nests, performing numerous roof repairs, performing carpentry repairs throughout complex, replacing signage, servicing sewer lift station, and improving landscaping with Wapiti. Scott also addressed snow removal concerns for the winter of 2007/2008, including extensive roof snow removal. Also performed was chinking and caulking throughout the complex. Scott also worked with painting contractors to obtain bids for 2009. Enclosed is the manager's report highlighting other items discussed.

Also discussed were the irrigation problems occurring throughout the complex regarding the numerous dry spots, and the natural degradation of the land. With regards to the irrigation problem came up the question of putting more clocks on sprinkler systems and adjusting the systems to avoid dry spots. There also needs to be a proposal put together to replace dead trees, bushes, and also take care of sinking rocks.

Scott went on to discuss the increase in insurance coverage as well as the addition of earthquake coverage. We switched to State Farm Insurance and are now working with Brad Dawes.

Scott stated that we have really enjoyed working with Townhomes at Crail Ranch and what a great year it had been. George also stated that he has been impressed with Hammond Property Management and all of the work we have done for the owners and the complex.

Old Business

Steve Stephenson brought to attention the improvements he made in the Common Elements Area and that he had not been reimbursed. Steve asserted that the BOD and Management did not respond to his concerns regarding a small leak with his crawl space. He told the group that he had to take matters into his own hands to install a French Drain behind his unit. Scott Hammond apologized for this and the lack of communication that occurred with Hammond Property Management. Scott and George then requested a letter documenting the cost incurred for the French Drain and a request for reimbursement. The letter would then go to the BOD for approval. Further discussions about common area element work, how owners should communicate with BOD and Management, and how to avert a similar situation in further took place. After a lengthy discussion, apologies from Scott for miscommunication, this topic was closed.

New Business

Scott would like to paint first five buildings built (10/20, 30/40, 50/60, 15/25, 55/65). EL Painting approximate bid is \$26,500.00. It was approved to paint first five buildings with no need for a motion to be passed.

Board Member Election

George Hagar noted that Virgil Schutze and Craig McCoy's term would be complete at the end of the year. Josie made a motion to nominate both of them to serve another term. They both agreed to do so. Vince Meng seconded that motion. All in favor motion passed.

Meeting was adjourned at 11:00 am.



Townhomes at Crail Ranch

Annual Meeting

December 30, 2008

Manager's Report

Thank you so much for allowing Hammond Property Management the opportunity to service the townhomes at Crail Ranch this year. We have enjoyed the services we have performed at Crail Ranch and hope they exceed your expectations. Below is a list of projects completed in 2008 outside of routine maintenance. Please review the following:

- Contracted Pest Control Company to take care of bat problem in townhomes. We also knocked down numerous wasp nests throughout the complex.
- Trimmed tree in front of Unit 10 at the request of the owner to maintain views.
- Replaced window for Unit 80. The glass broke after being hit by golf ball.
- Performed numerous roof repairs in reaction to winter 2007/2008 leaks.
- Hired subcontractor to perform spot painting throughout the complex.
- Addressed snow removal concerns late winter 2007/2008, including extensive roof snow removal.
- Advanced Water Waste Solutions was contracted to maintain and service sewer lift station.
- Performed carpentry repairs throughout complex.
- Performed chinking and caulking at numerous locations throughout the campus.

- Worked with numerous painting contractors to obtain bids for painting services for 2009.
- Worked with Chad of Rocky Mountain Rustics to patch asphalt.
- Subcontracted with Wapiti Landscaping to improve the landscaping at the complex.
- Worked with Big Sky Owner's Association to replace signage throughout complex.

Once again, thank you for giving Hammond Property Management your business and trust in taking care of the properties at Crail Ranch this year. We look forward to working with you this upcoming year and the years to come.

Thank you,

Hammond Property Management



