

# Minutes of the Annual Owners Meeting

## For the Association of Unit Owners of Firelight Meadows

September 19, 2014 5:00 PM, Whitewater Inn

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### **Call to Order**

Presiding Officer Garrett Baldensperger called the meeting to order at 5:02 pm.

Directors in attendance were Garrett Baldensperger of unit V95/433, Karen Roberts of unit V54/319, Annette Stone of unit B12/155, Kari Gras of units V19/184, A1/85 and B1/155, Curt Wilson of unit B2/155, Sam Geppert of unit C1/120, and Scott O'Connor of unit V60/251.

Also in attendance were owners Nicole Berg of unit V34/314, Steve Cherne of unit V73/308, Jan Baldensperger of unit V95/433, Lucina Finn of unit B11/155, Catherine Gilb and Ryan Lacey of unit D14/50, Jason Gras of units V19/184, A1/85 and B1/155, Laura Gregory of unit D9/50, Chris Moon of unit V103/495, Mike Jarrett of unit V57/277, Scott Olson of unit V59/259, Tracie Pabst of units V55/311 and V61/65, Austin Pettit of units A4/85 and A10/85, Marnie Hamilton of unit A17/85, Ron Seher of unit V17/162, Karla Yeager of unit B9/155, Scott Kinne of unit B12/155, David and Susan Van Eyll of unit V90/389 and Kinga Wilson of unit B2/155. The following owners attended the meeting via WebEx: Todd Williamson of unit V13/132 and Philip Barnhill of units V30/286, V92/405 and V098/455.

Guests were Jack Schunke of Morrison-Maierle, Accountant Doug Shanley, Attorney Jennifer Farve, as well as Scott Hammond, Mike Harter, Michelle Everette, Mike Palmer and Bethany Davies of Hammond Property Management (HPM).

### **Quorum Report**

A quorum was established with 95 votes including 66 proxies and 29 in attendance.

### **Minutes of Last Annual Meeting**

David Van Eyll made a motion to accept the 2013 Annual Owners Meeting Minutes as written. Kari Gras seconded the motion. All were in favor; none opposed. The motion carried.

### **Rural Improvement District (RID) Discussion**

Jack Schunke an engineer with Morrison-Maierle discussed the proposal for the RID (please refer to pages 5 through 9). The goal of the RID is to upgrade the roads that have failed and to keep the other roads and parking areas from failing. There is an inverted crown that causes the water to pool in the center of the road. The proposal is to remove the failed areas, repave the valleys, transition into the driveways 20 feet, and then place an impervious fabric across the entire road system. The impervious fabric will keep the water out of the road base. Finally, a two inch overlay will be applied. Included in the budget are three or four additional drainage inlets to help drain water away from the road.

The cost of the project is estimated to be \$650,000 which includes the construction, engineering, and administrative costs with the county. Once this budget is set the costs cannot be higher than \$650,000. If the actual bids come in lower, the annual assessments per unit will be less than the current estimate of \$252. Once the RID is created and the costs are confirmed, the homeowner will have the option to pay the entire assessment all at once or to stretch it out over the course of 20 years. When an RID is created, a Maintenance District must also be created which is a second fund created to maintain the roads. This second assessment is estimated to cost \$92 per year per unit. Therefore the total of the two assessments is estimated at \$342 per year per unit. These assessments will be paid for through county taxes.

Jack Schunke then explained the process to create a RID indicating the multiple opportunities the ownership will have to protest the plan. Once it is determined that the majority of the ownership is not opposed to the RID, information is prepared and submitted to the county which is then reviewed during a public meeting in which ownership would have the opportunity to speak again. Assuming that the county still feels it is in the public interest to create the RID, the commissioners would pass a Resolution of Intent to create the RID. They then would set another meeting to hear any protests or further information from the ownership; notices will be sent out to all those affected before the meeting. If it is determined that the majority of the ownership is still not opposed to the RID, then the RID is created.

Jack Schunke and Karen Roberts opened the floor to questions. Tracie Pabst voiced her opposition to the RID and requested her typed response be included in the minutes (please refer to pages 10 through 14). Karen Roberts responded, the RID should be thought of like any other high expense item that requires financing. "You could look at this in a couple of ways. If you've got the money when you buy a house you pay cash for it. If you don't have the money when you buy a house, you get a mortgage." She went on to explain that the unit owners can decide if they want to pay cash for it or they can in essence get a mortgage. The association does not have the money in reserves to put towards the roads. Any money that is currently in reserves is already slated for other much needed repairs.

Comments from homeowners and answers to other questions are as follows:

- During construction there will always be one lane open or in some situations a vehicle may have to wait for as long as 15 minutes. But for the most part, the contractors try to accommodate the residents.
- The life of the road is estimated to last 18 years and the Maintenance District should cover any additional repairs and a new overlay in 18 years.
- The Board does not have the knowledge and expertise of an engineering firm such as Morrison – Maierle, nor do they have the capability to complete construction at as low of a rate as can be obtained through an RID.
- Owners are assessed through their taxes; therefore if an owner does not make their payments to the RID, the rest of the ownership does NOT have to make the payments for them. Rather, the county tax office will come after them.
- The common elements are divided equally among the Chalets and the Condos per the Declarations.

Any owners opposed to the RID are requested to send their written protests to [firelightmeadows@hotmail.com](mailto:firelightmeadows@hotmail.com). They will then be passed on to Jack Schunke.

The ownership present thanked Jack Schunke.

### **Financial Report**

Accountant Doug Shanley provided the Financial Report. Cash available in the Reserve account is \$427,805 and the Operating account has \$320,849 although \$80,000 is earmarked for the trash compactor that will be installed within the next couple of months.

### **Proposed 2015 Budget**

The Chalet Budget (please refer to page 15) is proposed to change from \$411,180 in 2014 to \$429,533 in 2015. This is a 4.46% increase or a \$34 per quarter increase for the Chalets. Chris Moon made a motion to approve the Chalet Budget. Dave Van Eyll seconded the motion. All were in favor; none opposed. The Proposed 2015 Chalet Budget was approved. Each Chalet owner will pay \$3,158.33 for the year or \$789.58 per quarter.

In 2014 the Condo Budget was \$247,920. The Proposed 2015 Condo Budget (please refer to page 16) is \$258,081 which is a 4.10% increase from last year. Questions arose regarding upcoming maintenance and repair items. As Karen Roberts explained, the reason for the increase in dues is to cover much needed maintenance and repair items as the campus ages (please refer to pages 17 through 20). The Board is currently looking into options for Condo hallway light replacements which include motion sensor lighting. Marnie Hamilton made a motion to approve the 2015 Condo Budget. Kinga Wilson seconded the motion. There was a discussion; Karen Roberts reviewed the Long Term Reserves Spreadsheet (please refer to pages 21 through 23). All were in favor; none opposed. The Proposed 2015 Condo Budget was approved. Each Condo owner will pay \$3,226.01 for the year or \$806.50 per quarter.

If any owner has questions or concerns about the finances, the proposed budgets, or the long term reserves, please contact the Board at [firelightmeadows@hotmail.com](mailto:firelightmeadows@hotmail.com).

### **Legal Report**

Attorney Jennifer Farve provided the Legal Report. The current issue concerns the initial assessment that the Declaration requires new owners to pay. Owner Richard Schwalbe has refused to pay this initial assessment, so in accordance with normal delinquent account procedures, the accountant, Doug Shanley, turned over Mr. Schwalbe's account to CBO

Collections, Inc. (CBO). Initially CBO tried to resolve the issue through mediation, but when this approach failed, they filed an action against Mr. Schwalbe in Justice Court. Mr. Schwalbe is not only protesting the fee but is also questioning the Association's right to collect this initial assessment. In addition, Mr. Schwalbe has made a number of legal threats against the HOA's accountant, Doug Shanley. At this point in time, CBO has suspended their proceedings until they receive direction from the HOA since they feel that the issue has now moved beyond their scope of responsibility. Ms. Farve then delineated the various options that the HOA could pursue and the probable outcomes of each option. After much discussion, Dave Van Eyll moved to clarify the wording in the Declaration that references this initial assessment. The motion was seconded by Kinga Wilson. All were in favor; none opposed. The motion carried.

### **Presidents Report**

Garrett Baldensperger provided the President's Report. The past year has been rather calm and uneventful compared to previous years. He then went into detail on some of the main events of the year. Future budgets will address the routine repairs and maintenance of an aging complex. "Keep in mind that this HOA is NOT the Board ... it is all of you ... and therefore what lies ahead is what the Board hears from you ... what you would like for the HOA to consider and pursue." Baldensperger went on to thank all the members of the Board and HPM in great detail for all their work and dedication throughout the year.

### **Property Management Report**

Scott Hammond provided the Property Management Report (please refer to page 24). Kinga Wilson noted how much she enjoys living at Firelight compared to when the previous management company handled the day-to-day operations. She specifically said that she felt that her change in attitude was because of Mike Harter and the quality of job that he does.

### **Snow Removal Report**

Curt Wilson provided the Snow Removal Report noting HPM performed excellent work and if any owners have questions or concerns with the snow plowing they are welcome to contact him or email [firelightmeadows@hotmail.com](mailto:firelightmeadows@hotmail.com) (or contact Hammond Property Management at 406-995-7220).

### **Landscaping Report & Neighborhood Portfolio Report**

Kari Gras provided both the Landscaping Report and the Neighborhood Portfolio Report (please refer to pages 25 and 26). She discussed projects that have been completed and upcoming projects. The landscaping upgrades have been divided into phases; phase one is complete. There are now crosswalks across Ousel Falls Road. If anyone has questions, concerns, suggestions or is interested in having a garage sale during the summer of 2015, you are welcome to email the Board at [firelightmeadows@hotmail.com](mailto:firelightmeadows@hotmail.com).

### **Board Composition and Election of Officers**

Karen Roberts presented the Board Composition and the Election of Officers. Three Board members have terms that will expire at the end of 2014: President Garrett Baldensperger, Officer Scott O'Connor, and Officer Kari Gras. As such there are three vacancies on the Board of Directors. Kari Gras is running for re-election. Garrett Baldensperger and Scott O'Connor are stepping down from the Board. Karen Roberts requested nominations to the Board. Garrett Baldensperger nominated Laura Gregory, Sam Geppert nominated Catherine Gilb and Curt Wilson nominated Todd Williamson.

Curt Wilson made a motion to use the populous vote. Karen Roberts seconded the motion. All were in favor; none opposed. Ballots were distributed and the owners present voted.

- Kari Gras received 26 votes from the owners present
- Laura Gregory received 18 votes from the owners present
- Todd Williamson received 10 votes from the owners present
- Catherine Gilb received 22 votes from the owners present

The 2015 Board of Directors:

- Annette Stone of unit B12/155 – term expires in 2015
- Curt Wilson of unit B2/155 – term expires in 2015
- Sam Geppert of unit C1/120 – term expires in 2016
- Karen Roberts of unit V54/319 – term expires in 2016
- Kari Gras of units V19/184, A1/85 and B1/155 – term expires in 2017
- Catherine Gilb of unit D14/50 – term expires in 2017
- Laura Gregory of unit D09/50– term expires in 2017

## **Old Business**

### Annual Meeting Date Change

The ownership present discussed the preferred meeting date. The majority appreciated the current date, preferred a 5:30 pm start time and agreed to keep the meeting on a Friday.

### Trash Compactor Update

Annette Stone provided the Trash Compactor Update. There have been a few delays from the manufacturer, but the concrete pad is ready and electricity has been connected to the site. Therefore as soon as the manufacturer completes the installation on site, the trash compactor should be ready for use. Mike Harter is currently looking into fencing and may be able to reuse some of the existing fencing from the dumpster enclosures. There was discussion on a security key/card system for the trash compactor; the Board decided to wait until next year to see if a security system is necessary.

### Exterior Upgrade

Scott O'Connor provided the Exterior Upgrade Report. He has been researching steel garage doors with the appearance of wood. Wood garage doors are about \$3000 more plus they require yearly maintenance. Bridger Door has a wood-like steel door called Amarr that costs \$800 per door and Door Tech Bozeman has a Midland Door for \$700 each. The installation costs may vary, however as the existing doors are of varying sizes. The Board has tabled this project due to financial and budgetary considerations.

## **New Business**

Chris Moon has reviewed the architectural drawings of the potential exterior upgrades; he requested the Board consider incorporating the proposed overhang over the front entrances.

The Board requested a show of hands of the owners supporting or opposing the proposed RID. A total of three owners present representing six units were in opposition to the RID. With the Board representing 66 votes by proxy, the result of the show of hands was 89 units in favor of the RID and 6 units opposed to the RID.

Ron Seher asked the Board who owns the pressure reducing valve that affects Chalet units. He explained recent flooding that occurred both in his and in a neighboring unit. The Board and HPM will investigate.

Karla Yeager would like the Board to pursue investing in garages for the condominium units.

## **Adjournment**

Ron Seher made a motion to adjourn at 8:19 pm. Kinga Wilson seconded the motion. All were in favor. None opposed. The meeting adjourned.

**Estimated financial impact of the Firelight Meadows proposed RIDs:**

**20-year Bond RID:**

Estimated cost:	\$650,000
Estimated interest to be paid over 20 years:	\$437,831
Estimated total cost of RID over 20 years:	\$1,087,831
Estimated cost per unit:	\$3,009
Estimated interest per unit over 20 years:	\$2,027
Estimated total cost of RID over 20 years per unit:	\$5,036
Estimated annual assessed tax per unit:	\$252

**Please note** that the 20-year bond RID may be paid in the following ways:

- One lump-sum payment when the RID goes into effect—using the above estimate, this would be \$3,009
- At the rate currently estimated at \$252 per year for 20 years at which time this particular RID will be removed from the tax bill
- The principal plus accrued interest may be paid off at anytime by calling the County Treasurer.

**Maintenance RID:**

Estimated annual cost for 2015 is \$92 with an estimated annual increase of 3% to keep up with inflation. Please refer to Exhibit E attached.

The Maintenance RID is an ongoing annual cost per unit included in the county tax bill. This RID will continue after the bond RID is paid in full.

**Current Road Condition:**

The main problem with the roads is the inverted crown design that creates a “V” shape with the drainage flowing down the center seam of the roadway. This type of design eventually leads to water penetrating the center cold seam causing potholes and, in the end, general road failure. Mr. Schunke’s proposal (Exhibit B attached) would address this problem as follows:

1. Remove the center section that is failing
2. Replace the center section with several feet of fabric-reinforced pavement that still allows for drainage but removes the cold seam down the center.
3. Overlay the pavement and transition into each chalet driveway to maintain as much of the original slope/drainage design as possible.

### **RID Process:**

- The board approaches the county and requests an RID
- The county appointed engineering firm reviews the road situation and prepares an estimate of what the proposed RID would entail and estimates the costs of the RID
- The board distributes the RID information to unit owners requesting written objections to the RID proposal
- If the board determines that a majority of the unit owners support the RID, then an RID attorney prepares the RID resolution.
- The RID resolution is placed on the agenda of a regularly scheduled meeting of the County Commissioners. Unit owners may attend this meeting and voice their objections to the proposed RID.
- If there continues to be wide support for the RID, the RID resolution is placed on the agenda of a second regularly scheduled meeting of the County Commissioners that typically occurs four to six weeks after the initial meeting. Unit owners may attend this meeting and voice their objections to the proposed RID. If it is determined that there is no significant number of unit owners objecting to the RID, the RID will be approved.
- As long as all of the above happens prior to December 31, 2014, then during the spring of 2015, bids will be sent out for the major work to be done during the summer of 2015.
- When the bids are received and approved by the FLM board, a bond will be issued for the actual amount of the bond RID, which in this case, cannot exceed \$650,000.
- If all goes well, the work will be done and paid for during the summer of 2015.
- Once the work is completed, any money left over for the project will be used to pay down the bond. Actual costs might be less than the bond if, for example, the contingency money was not needed.
- Updated schedules are prepared to calculate the actual annual cost, which in this case, cannot exceed \$251.81 per unit for the bond RID.
- At the same time, the maintenance RID will be implemented as it is a requirement of all bond RIDs.

## EXHIBIT B

### OPINION OF ESTIMATED QUANTITIES AND CONSTRUCTION COST (for Preliminary BOND Sizing Purposes)

#### Firelight Condominium

UPDATE 7/30/2014

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	AMOUNT
1	MOBILIZATION	1	LS	\$12,000.00	\$12,000.00
2	HOT PLANT MIX ASPHALT CONCRETE, SURFACE COURSE (2" DEPTH), COMPACTED IN PLACE	2,727	TONS	\$92.00	\$250,884.00
3	TACK	2,605	GAL	\$4.00	\$10,420.00
4	REMOVE AND REPLACE CENTER SECTION FAILED PAVEMENT AT 3 IN DEPTH	1,670	SY	\$55.00	\$91,850.00
5	GENERAL REMOVE AND REPLACE FAILED PAVEMENT AT 3 IN DEPTH	150	SY	\$60.00	\$9,000.00
6	PLACE 8 FT WIDE PAVING MAT ON CENTERLINE	5,714	SY	\$2.50	\$14,285.00
7	MILLING 10 FT TRANSITIONS	2,500	LF	\$3.50	\$8,750.00
8	MILLING ROADWAT TRANSITIONS	4	EA	\$75.00	\$300.00
9	STORMWATER INLETS / DRAINAGE IMPROVEMENTS	1	LS	\$30,000.00	\$30,000.00
10	WHITE STRIPING 4 IN WIDTH	6,160	LF	\$1.10	\$6,161.10
11	REMOVE AND REPLACE IIN DOWNS	1	LS	\$10,000.00	\$10,000.00
12	ADJUST WATER VALVES	12	EA	\$275.00	\$3,300.00
13	ADJUST MANHOLES	26	EA	\$750.00	\$19,500.00
<b>TOTAL - ROAD PAVING IMPROVEMENTS:</b>					<b>\$466,450.10</b>

Construction costs from above:	\$466,450
+ Contingency (~8.7%):	\$40,840
<b>CONSTRUCTION SUBTOTAL:</b>	<b>\$507,290</b>
+ Engineering Design & Inspection:	\$51,310
<b>CONSTRUCTION TOTAL:</b>	<b>\$558,600</b>
+ Preliminary Engineering for RID Creation:	\$9,750
+ RID fees (bond counsel, advertising, etc.):	\$8,000
+ County Administrative Fee:	\$31,400
+ County Legal Fee:	\$0
+ 1.5% bond discount:	\$9,750
+ 5% Revolving Fund Fee:	\$32,500
Capitalized Bond Interest	\$0
SUBTOTAL:	\$91,400
TOTAL:	\$650,000
<b>BOND AMOUNT: \$650,000</b>	

# EXHIBIT C

## FIRELIGHT CONDOMINIUMS\_

### ESTIMATED BOND AMORTIZATION SCHEDULE

#### 20 YEAR BOND

RID Bond Amount =	\$650,000.00
Assumed Interest Rate =	5.5%
Total # of assessed lots =	216
Number of Payments =	20

Payment No.	Principal	Interest	Payment	Unpaid Balance
			\$	3,009.26
1	\$86.30	\$ 165.51	\$251.81	\$ 2,922.96
2	\$91.05	\$ 160.76	\$251.81	2,831.91
3	\$96.06	\$ 155.75	\$251.81	2,735.85
4	\$101.34	\$ 150.47	\$251.81	2,634.51
5	\$106.91	\$ 144.90	\$251.81	2,527.59
6	\$112.80	\$ 139.02	\$251.81	2,414.80
7	\$119.00	\$ 132.81	\$251.81	2,295.80
8	\$125.54	\$ 126.27	\$251.81	2,170.25
9	\$132.45	\$ 119.36	\$251.81	2,037.80
10	\$139.73	\$ 112.08	\$251.81	1,898.07
11	\$147.42	\$ 104.39	\$251.81	1,750.65
12	\$155.53	\$ 96.29	\$251.81	1,595.12
13	\$164.08	\$ 87.73	\$251.81	1,431.04
14	\$173.11	\$ 78.71	\$251.81	1,257.94
15	\$182.63	\$ 69.19	\$251.81	1,075.31
16	\$192.67	\$ 59.14	\$251.81	882.64
17	\$203.27	\$ 48.55	\$251.81	679.37
18	\$214.45	\$ 37.37	\$251.81	464.93
19	\$226.24	\$ 25.57	\$251.81	238.69
20	\$238.69	\$ 13.13	\$251.81	(0.00)
<b>TOTALS:</b>	<b>\$3,009.26</b>	<b>\$ 2,027.00</b>	<b>\$5,036.26</b>	

<b>Annual Average Principal</b>	<b>\$150.46</b>
<b>Annual Average Interest</b>	<b>\$ 101.35</b>
<b>Annual Payment Per Parcel</b>	<b>\$ 251.81</b>



## EXHIBIT E ESTIMATED ANNUAL MAINTENANCE ASSESSMENT

RID <b>Firelight Condominium</b>										
july30,2014										
24,816 SY		1 AVERAGE COST/LOT		\$92.00 *						
216.00 UNITS		2032 AVERAGE COST/LOT (EST.)		\$166.16						
216		*ASSESSMENT BASED ON		23,958		SQUARE FEET PER LOT				
ITEM	DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	TOTAL AMOUNT					
<b>CHIP SEAL</b>										
1	Seal Coat	24816	S.Y.	\$2.80						
2	Patches	75	S.Y.	\$35.00						
					SUBTOTAL		\$2,625.00			
					ENGINEERING & CONTIN.		\$14,421.96			
							<b>\$86,531.76</b>			
<b>WEED CONTROL</b>										
1	Weed Spraying		L.F.	\$0.05						
							<b>\$0.00</b>			
<b>Snow Plowing &amp; Misc.</b>										
1	Plow, Sand and Misc 20% Added (Weather Extremes)									
2	Misc. Expenses									
							\$0.00			
							\$0.00			
							<b>\$868.56</b>			
<b>OVERLAY</b>										
1	1 1/2 INCH OF ASP	2150.00	TONS	\$92.00						
2	ASPHALT TACK	2735.00	GAL	\$2.00						
3	STRIPING	6160.00	LF	\$1.10						
3	ADJ MH/VALVES	38.00	EA	\$600.00						
4	PATCHES	150	S.Y.	\$36.00						
					SUBTOTAL		\$197,800.00			
					ENGINEERING & CONTIN.		\$5,470.00			
							\$6,776.00			
							\$22,800.00			
							\$5,400.00			
							\$238,246.00			
							\$47,649.20			
							<b>\$285,895.20</b>			
<b>COMMENTS</b>										
INTEREST ON CASH EARNINGS BASED ON				1.5% PER YEAR						
THE CONSTRUCTION COSTS ARE BASED ON				3.0% PER YEAR INFLATION						
2015 CASH ON HAND		\$0.00								
2014 ASSESSMENT		\$0.0000								
NOV. ASSESS.	ASSESSMENT/UNIT.	AMOUNT BILLED	MARCH 31 CASH ON HAND	AVG. COST PER LOT	CONST. COSTS	ENGINEER FEES	MISC. crack sealing etc	ADMIN. COSTS	BALANCE ON HAND	TYPE OF MAINTENANCE
2014			\$0.00						\$0.00	
2015	92.0000000	\$19,872.00	\$19,872.00	\$92.00	\$0.00	\$400.00	*		\$19,872.00	
2016	94.7600000	\$20,468.16	40,945.26	\$94.76	\$0.00	\$412.00	\$ 868.56	\$500.00	\$39,164.70	
2017	97.6028000	\$21,082.20	61,150.61	\$97.60	\$0.00	\$424.36	\$ 894.62	\$500.00	\$59,331.63	
2018	100.5308840	\$21,714.67	82,262.00	\$100.53	\$0.00	\$437.09	\$ 921.46	\$500.00	\$80,403.45	
2019	103.5468105	\$22,366.11	104,311.11	\$103.55	\$0.00	\$450.20	\$ 949.10	\$500.00	\$102,411.81	
2020	106.6532148	\$23,037.09	127,330.63	\$106.65	\$1,000.00	\$463.71	\$ 977.57	\$500.00	\$124,389.35	crack sealing
2021	109.8528113	\$23,728.21	150,339.32	\$109.85	\$0.00	\$477.62	\$ 1,006.90	\$500.00	\$148,354.80	
2022	113.1483956	\$24,440.05	175,386.78	\$113.15	\$0.00	\$491.95	\$ 1,037.11	\$500.00	\$173,357.72	
2023	116.5428475	\$25,173.26	201,508.94	\$116.54	\$1,100.00	\$506.71	\$ 1,068.22	\$500.00	\$198,334.02	crack sealing
2024	120.0391329	\$25,928.45	227,626.41	\$120.04	\$0.00	\$521.91	\$ 1,100.27	\$500.00	\$225,504.23	
2025	123.6403069	\$26,706.31	255,993.69	\$123.64	\$0.00	\$537.57	\$ 1,133.27	\$500.00	\$253,822.85	
2026	127.3495161	\$27,507.50	285,550.30	\$127.35	\$0.00	\$553.69	\$ 1,167.27	\$500.00	\$283,329.34	
2027	131.1700016	\$28,332.72	316,336.99	\$131.17	\$0.00	\$570.30	\$ 1,202.29	\$500.00	\$314,064.40	
2028	135.1051016	\$29,182.70	348,395.80	\$135.11	\$0.00	\$587.41	\$ 1,238.36	\$500.00	\$346,070.03	
2029	139.1582547	\$30,058.18	381,770.14	\$139.16	\$0.00	\$605.04	\$ 1,275.51	\$500.00	\$379,389.59	
2030	143.3330023	\$30,959.93	416,504.76	\$143.33	\$0.00	\$623.19	\$ 1,313.77	\$500.00	\$414,067.80	
2031	147.6329924	\$31,888.73	452,645.88	\$147.63	\$0.00	\$641.88	\$ 1,353.19	\$500.00	\$450,150.81	
2032	152.0619822	\$32,845.39	490,241.14	\$152.06	\$0.00	\$661.14	\$ 1,393.78	\$500.00	\$487,686.21	
2033	156.6238416	\$33,830.75	529,339.72	\$156.62	\$486,717.44	\$680.97	\$ 1,435.60	\$500.00	\$40,005.71	OVERLAY
2034	161.3225569	\$34,845.67	75,974.15	\$161.32	\$0.00	\$701.40	\$ 1,478.67	\$500.00	\$73,294.08	
2035	166.1622336	\$35,891.04	110,822.90	\$166.16	\$0.00	\$722.44	\$ 1,523.03	\$500.00	\$108,077.43	

\*\*\* Note: Snow Plowing services are not included as a maintenance expense in this RID.

0.00018 PER SQUARE FOOT FOR ENGINEERING (A 3% INCREASE PER YEAR FOR INFLATION IS INCLUDED FOR ENGINEERING & ADMINISTRATION)  
 \* AMOUNT PAID BEFORE JUNE 1, 0

CHANGES

Date of Original Improvements: 1993

Email 1: 8-13-2014, Summary of RID

Email 2: 8-22-14, PDF Annual Meeting RID PKG

Email 3: 8-29-14, Summary of RID Process Questions

September 19, 2014

To: Firelight Board

Subject: Proposed RID

On 8-14-14, the FLM Board sent out the first letter with details regarding the proposed RID for road repair and maintenance. Titled Email 1. In the body of the email, it was stated, "The Board believes that an RID is the easiest and most economical method of handling costly road maintenance and repairs."

On 8-22-14 the FLM Board sent out a second email regarding the RID. Titled Email 2. In the body of the email it was stated, "So far, most unit owners appear to support the RID initiative." There was no basis for that statement. In fact, according to Bethany, TWO owners attended the August 19 board meeting and 3 owners via WebEx. By sending a statement that so far unit owners appear to support the RID, it sends a message that the discussion is over. Why comment when the board has already made up its' mind? I believe this was very misleading to unit owners.

On 8-29-14 Bethany sent out another email with, titled Email 3, with questions and answers from owners regarding the RID. The majority of the 29 questions came from myself. Question 11 asking where is the proof that most homeowners support this RID is answered with the following, "So far, seven individuals owning nine units have expressed their opposition to the current RID proposal. Unless other unit owners voice their objections, the board assumes that the other unit owners are in favor or at least do not object to the proposed RID's. With only nine specific objections out of 216 units, it appears that currently most unit owners support the RID."

Assuming a historically low turnout at board meetings, it is FALSE to assume the above statements of support with only 7 unit owners representing 9 units out of 216. Considering the extremely large sum of funding called for

in the proposed RID's, the FLM Board MUST BE REQUIRED to send out return receipt letters with details of the RID and a VOTE to all owners.

After reading all three emails sent out to owners regarding the proposed RID, I believe the FLM board has misled owners beginning with the numbers laid out in Email 1. That email presents the cost for RID 1 as \$650,000. It presents the cost of the second RID as \$92 in county tax assessments. There is no final cost of the second RID maintenance listed. Email 1 states the total tax per unit annually is \$343.81 for 20 years. Nowhere does it state the total cost per unit over 20 years, which is \$6876.20. Nowhere does Email 1 state the total cost of the RID 1 & 2 including interest, which is \$1,485,259.20. The FLM Board misleads owners by presenting only the nominal \$343.81 in taxes per year, but not the total cost over 20 years and not the total cost of almost a million and a half over 20 years. Instead the FLM board uses a scare tactic of a \$4-5000.00 special assessment in January 2015 to fund the construction vs. a \$343.81 annual tax. Thus the \$343.81 falsely appears affordable.

Email 2 includes a second attachment. The email states,

**RESPONSE NEEDED**

The FLM Board of Directors is moving forward with the creation of these two RIDs. The estimated tax increase resulting from these RIDs is \$343.81 per year beginning in November 2015. **If you are opposed** to the Board implementing these two RIDs, please send an email stating the reasons for your objection to Bethany Davies at [bethany@hpmmontana.com](mailto:bethany@hpmmontana.com) by **no later than next Wednesday, August 27th**. If you are in support of the two RIDs, no response is needed."

Owners are given 5 days to respond. In the attachment to Email 2, there is more detail. Now we find the construction total is \$558,600. Another \$91,400 is added for the fees for the RID. NOWHERE does the board present the total cost for RID #1 of \$1,087,819.20. They mislead by making the total cost APPEAR to be \$650,000, when in fact it is over ONE MILLION DOLLARS. The total funded cost of the RID 1 is \$592,219.20 MORE than the actual cost of the construction, which is \$558,600. MORE THAN DOUBLE! Does this make sense to anyone?

The second RID is presented as a cost per year to each owner of \$92.00 on page 2. In Exhibit E, on page 5, we find that the BASE ANNUAL cost for maintenance over 20 years is \$285,895.20. (less snow plw fee?)NOWHERE does the FLM board state the total cost including interest. That total cost per owner is \$1840.00. The total funded cost of the RID 2 is \$397,440, which is \$111,544.80 of interest and fees above and beyond the actual cost. Does this make sense to anyone?

In EMAIL 3, the FLM Board finally discloses the cost of RID 1 as \$1,087,831. (They uses a per owner cost of \$252 instead of the previous number of \$251.81, more confusion) Yet the FLM Board continues to mislead owners by not disclosing the total funded cost of RID 1 & 2, which is \$1,485,259.20.

Further, the FLM Board for the FIRST time discloses that owners can pay a one-time lump sum payment when the RID goes into effect of \$3009, not the previously stated \$4-5000.00. This includes funding the \$91,400 for the RID. Why should an owner who is willing to pay upfront, pay the fees to fund the RID?

The FLM board also for the FIRST time discloses that RID 2, for the maintenance over 20 years, will be a tax of \$92.00 for 2015, but will increase 3% each year. On year 20 owners will pay \$166.16 in taxes instead of \$92. And originally presented as \$92 per year for a total of \$1840, has now turned into \$2472.06, an increase of \$632.06 per owner.

Thee FLM Board has stated we have \$428,000 in reserves, and that reserves slated for roads were moved into other funds in anticipation of the RID's going forward. As an owner, I pay HOA dues in order to fund projects needed. The money should be therefore used to fund needed projects.

Therefore I propose the following:

1. The FLM Board allocates a significant amount of reserves toward the road construction. For an example I suggest \$250,000.

That leaves a balance for the construction of \$308,600.

**A one-time assessment per unit would be \$1428.70.**

(\$308,600 / 216 units)

Option 1: owner pays assessment of \$1428.70 in one full payment.

Option 2: owner pays assessment in 3 quarterly installments of \$476.23

Option 3: owner pays assessment in 9 monthly installments of \$158.75

**THIS WOULD SAVE EACH OWNER \$3607.50**

(RID 1 COST PER UNIT, \$251.81 X 20 YEARS = 5036.20

Would anyone who has the money to buy a home finance that home instead? Or would they use the money they have in reserves to finance their home?

2. The FLM Board would continue to add a percentage of reserves into the road fund for future maintenance and repairs. If at the time of needed work, there is not enough in the reserve to pay, owners would receive another assessment, WITHOUT ANY INTEREST PAID, to complete necessary work. It does not make sense to fund through RID, future repairs for the next 20 years.

Summary:

FLM Board RID 1 & 2 cost to unit owners:

RID 1: \$5036.20

RID 2: \$1428.70

TOTAL COST PER UNIT OWNER FOR RID 1 & 2: \$6464.90

Suggested Plan:

**TOTAL COST TO UNIT OWNER FOR INITIAL CONSTRUCTION: \$1428.70**

**COST SAVING OVER FLM BOARD RID PLAN OF \$5036.20.**

MAINTANCE COST PER UNIT:

BASED ON ESTIMATE OVER 20 YEARS OF \$285,895.20

## **COST PER OWNER OVER 20 YEARS: \$1323.59**

I stand firmly in opposition to the proposed RID's for Firelight. A project with a cost of almost one and a half MILLION dollars should require a majority support of homeowners that have been given exact detailed information. It should not be "assumed" that owners support simply because they have not responded to an email. Sadly, most unit owners do not participate in the management of Firelight. They do not attend the meetings and do not read the emails. But that is not a free pass to push thru a huge tax over a 20-year period without majority support.

I will also state that I have serious questions as to the necessity of the tremendous scope of work proposed.

Should the FLM Board persist in moving forward with the proposed RID's, I will take up the task of putting letters on every unit owners door until enough support is garnered in order to file an injunction to stop the RID's from moving forward. I encourage the FLM Board to "take a breath" and look at the numbers and present a concise and understandable proposal to all unit owners via a certified letter. Then and only then can the FLM Board be confident as to the support or opposition to the RID's.

Sincerely,

Tracie Pabst  
Owner Chalet 65 & 311

CHALETS						
Firelight Meadows Owners Association						
2014 BUDGET TO ACTUAL						
		2014	BUDGET	ACTUAL	OVER	PROPOSED
		BUDGET	THROUGH	THROUGH	(UNDER)	2015
			JULY		BUDGET	BUDGET
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
	Dues Assessed	411,180	308,385	308,387	2	429,533
	Dues Collected			278,174		
					0	0
	<b>Total Income</b>	411,180	308,385	308,387	2	429,533
<b>Expenses</b>						
	Insurance 76.5%	44,205	25,786	24,134	(1,652)	46,415
	Common Area Utility	544	317		(317)	0
	Common Area Lawn Care 70%	34,400	17,200	17,222	22	30,138
	Landscape Upgrade & Weed & Feed 70%	5,070	2,535		(2,535)	6,762
	Trash Compactor Maintenance & Trash Removal	0	0		0	9,261
	Snow Removal & Shoveling Roads & Entry Ways 63%	60,620	40,413	40,413	(0)	58,558
	Snow and Ice Removal on Rooftops 63%	6,300	4,200	5,009	809	6,300
	Fireplace Maintenance & Cleaning	6,000			0	8,000
	Maintenance & Repair	21,697	12,657	8,637	(4,020)	27,292
	Property Manager	63,978	37,321	37,338	18	66,537
	Accounting	9,619	5,611	5,614	3	10,009
	Legal	11,339	6,614	1,787	(4,827)	5,670
	Postage & Delivery	1,260	735	84	(651)	0
	Office Expense	1,260	735	212	(524)	946
	Taxes	272	159	244	86	275
	Bad Debt Uncollectible	13,600	7,933	1,459	(6,475)	4,500
	Meeting Expense	680	397		(397)	1,071
	<b>Subtotal Expense</b>	280,844	162,613	142,152	(20,461)	281,734
	<b>Roofing &amp; Siding Reserve Account</b>	41,003				127,500
	Landscape Improvements year 2 of 10	2,285	46 Degree North	15,492		2,285
	Trash Compactor repayment year 1 of 10	0				4,914
	Road & Walkway Maintenance Reserve Account 75%	7,500				6,300
	Insurance Deductible Reserve	3,400				3,400
	Legal and PSC reserve	0				0
	General Repairs Reserve	0				3,400
	Roofing Reserve Account	76,148				0
	<b>Subtotal Reserves</b>	130,336				147,799
	<b>Total Expenses &amp; Reserves</b>	411,180				429,533
				136 units per year		3,158.33
				136 units per quarter		789.58
					2,013	755.85
					increase	4.46%

CONDOS						
Firelight Meadows Owners Association						
2014 BUDGET TO ACTUAL						
		2014	BUDGET	ACTUAL	OVER	PROPOSED
		BUDGET	THROUGH	THROUGH	(UNDER)	2015
			JULY		BUDGET	BUDGET
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
	Dues Assessed	247,920	185,940	185,940	0	258,081
	Dues Collected			165,654		
	<b>Total Income</b>	247,920	185,940	185,940	0	258,081
<b>Expenses</b>						
	Insurance 23.5%	13,578	7,921	7,414	(507)	14,256
	Building Utilities	24,000	14,000	13,780	(220)	26,400
	Common Area Utility	320	187		(187)	0
	Common Area Lawn Care 30%	8,600	4,300	4,305	5	12,916
	Landscape Upgrade & Weed & Feed 30%	2,980	1,490		(1,490)	2,898
	Trash Compactor Maintenance & Trash Removal	36,000	21,000	20,641	(359)	5,439
	Snow Removal & Shoveling Roads & Entry Ways 37%	20,206	13,471	13,471	0	34,392
	Snow and Ice Removal on Rooftops 37%	3,700	2,467	1,793	(674)	3,700
	Cleaning and Common Area	17,000	9,917	8,218	(1,699)	17,850
	Maintenance & Repair	25,703	14,993	6,778	(8,216)	44,108
	Property Manager	37,635	21,954	22,039	85	39,140
	Accounting	5,658	3,301	3,297	(3)	5,878
	Legal	6,670	3,891	1,050	(2,841)	3,330
	Postage & Delivery	741	432	49	(383)	0
	Office Expense	741	432	121	(312)	555
	Taxes	160	93	144	50	160
	Bad Debt Uncollectible	8,000	4,667	857	(3,810)	2,000
	Meeting Expense	400	233		(233)	629
	<b>Subtotal Expense</b>	212,092	124,748	103,955	(20,792)	213,651
	<b>Roofing &amp; Siding Reserve Account</b>	7,355				30,000
	Landscape Improvements year 2 of 10	1,344	46 Degree North	9,098		1,344
	Trash Compactor repayment year 1 of 10	0				2,886
	Carpet Replacement	7,000				2,500
	General Repairs Reserve	7,000				2,000
	Road & Walkway Maintenance Reserve Account 25%	2,500				3,700
	Insurance Deductible Reserve	2,000				2,000
	Legal and PSC reserve					0
	Roofing Reserve Account	15,629				0
	<b>Subtotal Reserves</b>	42,828				44,430
	<b>Total Expenses &amp; Reserves</b>	254,920				258,081
				80 units per year		3,226.01
				80 units per quarter		806.50
					2.013	774.75
					increase	4.10%



**Firelight Meadows  
Repair and Maintenance Costs by Year**

	<u>Chalets</u>	<u>Condos</u>	<u>Total</u>
2007	39,289.95	20,512.56	59,802.51
2008	60,463.57	43,665.85	104,129.42
2009	49,967.59	41,300.02	91,267.61
2010	42,909.60	12,444.74	55,354.34
2011	63,670.70	30,983.71	94,654.41
2012	46,862.81	63,847.78	110,710.59
2013	56,631.72	16,455.90	73,087.62
2014 (6 mos)	10,716.99	4,891.14	15,608.13
	370,512.93	234,101.70	604,614.63
Check:	370,512.93	234,101.70	604,614.63
	-	-	-
Average:	51,399.42	32,744.37	84,143.79

**Firelight Meadows**  
**Analysis of Repairs and Maintenance**  
**Analysis as of August 19, 2014**

**Scenario 1: Result by doing all required repairs and maintenance**

	<u>Chalets</u>	<u>Condos</u>
Maintenance and Repairs as of July 31:	8,816.53	6,777.64
2014 Budget:	21,697.00	25,703.00
<b>Remaining Budget 7/31/14:</b>	<b><u>12,880.47</u></b>	<b><u>18,925.36</u></b>
Unbooked work completed or in progress:		
Painting of chalet vents	7,000.00	
Condo facia		6,560.00
Towing	250.00	480.00
Fire supression system		1,236.00
Re-attach vent pipe Bldg A		60.00
Kenco monitoring		136.50
Lawn fertilizing	1,020.60	599.40
Noxious weed spraying	850.50	499.50
Parking outlet Bldg C		182.50
Parking outlet Bldg B		182.50
Carpet replacement Bldg A & B		20,000.00
Subtotal of additional expense:	<u>9,121.10</u>	<u>29,936.40</u>
<b>Actual Budget Surplus (Deficit) as of 08/19/14</b>	<b><u>3,759.37</u></b>	<b><u>(11,011.04)</u></b>
<u>Proposed Work 2014:</u>		
Condo decks		10,500.00
<u>Other Needed Work:</u>		
Dryer vent cleaning	6,075.00	3,400.00
Replacement of Log on A-8		750.00
Subtotal of additional work needed:	<u>6,075.00</u>	<u>14,650.00</u>
<b>Projected 2014 Surplus (Deficit):</b>	<b><u>(2,315.63)</u></b>	<b><u>(25,661.04)</u></b>
Use of Excess Budget Line Items:		
Legal	3,000.00	2,000.00
Bad Debt Uncollectible	4,000.00	3,000.00
<b>Adjusted Projected 2014 Surplus (Deficit):</b>	<b><u>4,684.37</u></b>	<b><u>(20,661.04)</u></b>

\* - Based on a 3 year rotation with approx 33% (45 units) being painted each year.

**Scenario 2: Result after eliminating some repairs and maintenance**

	<u>Chalets</u>	<u>Condos</u>
Maintenance and Repairs as of July 31:	8,816.53	6,777.64
2014 Budget:	21,697.00	25,703.00
<b>Remaining Budget 7/31/14:</b>	<b><u>12,880.47</u></b>	<b><u>18,925.36</u></b>
Unbooked work completed or in progress:		
Painting of chalet vents	7,000.00	
Condo facia		6,560.00
Towing	250.00	480.00
Fire supression system		1,236.00
Re-attach vent pipe Bldg A		60.00
Kenco monitoring		136.50
Lawn fertilizing	1,020.60	599.40
Noxious weed spraying	850.50	499.50
Parking outlet Bldg C		182.50
Parking outlet Bldg B		182.50
Carpet replacement Bldg A & B		20,000.00
Subtotal of additional expense:	<u>9,121.10</u>	<u>29,936.40</u>
<b>Actual Budget Surplus (Deficit) as of 08/19/14</b>	<b><u>3,759.37</u></b>	<b><u>(11,011.04)</u></b>
<u>Proposed Work 2014:</u>		
Condo decks		
<u>Other Needed Work:</u>		
Dryer vent cleaning	6,075.00	
Replacement of Log on A-8		
Subtotal of additional work needed:	<u>6,075.00</u>	<u>-</u>
<b>Projected 2014 Surplus (Deficit):</b>	<b><u>(2,315.63)</u></b>	<b><u>(11,011.04)</u></b>
Use of Excess Budget Line Items:		
Legal	3,000.00	2,000.00
Bad Debt Uncollectible	4,000.00	3,000.00
<b>Adjusted Projected 2014 Surplus (Deficit):</b>	<b><u>4,684.37</u></b>	<b><u>(6,011.04)</u></b>

\* - Based on a 3 year rotation with approx 33% (45 units) being painted each year.

**MAINTENANCE AND REPAIR CATEGORY FOR THE BUDGET**

Items to consider for 2015 Budget

VENDOR	MEMO	2014 BUDGET			2015 PROPOSED BUDGET		
		TOTAL	CHALET	CONDO	TOTAL	CHALET	CONDO
<b>UNFORESEEN REPAIRS AND MAINTENANCE EXPENSES</b>							
	UNFORESEEN REPAIRS TO BE SHARED EQUALLY BETWEEN ALL 216 UNITS GOING TO MAKE THIS \$6,000 PER MEETING PREVIOUS YEARS NUMBERS	6,000	3,780	2,220	15,000	10,000	5,000
<b>CONDO BUILDING LIGHTS, PROPANE GAS METER, AND FIRE ALARM SYSTEM</b>							
FIRE SUPPRESSION SYSTEMS	FIRE EXTINGUISHER INSPECTION	1,800		1,800	1,800		1,800
KENCO	FIRE ALARM SYSTEM MONITORING	1,600		1,600	1,650		1,650
PLATT ELECTRIC	BALLASTS AND LAMPS	2,500		2,500	2,500		2,500
	CLEAN AND PROTECT HALLS AND STAIRS	4,000		4,000	4,000		4,000
<b>SCHEDULED</b>							
ERA TEST LLC	INSPECTION OF ALL UNITS	10,000	8,000	2,000			
<b>ITEMS THAT NEED TO BE DONE IN THE NEXT YEAR</b>							
	ENTRY DOORS CONDOS PAINTING	1,100		1,100	4,000		4,000 2 buildings for each of next two years
	PAINTING AND TOUCHUP CONDO HALLWAYS	1,100		1,100	10,000		10,000 2 buildings for each of next two years
	REPAINTING OF ENTRY DOORS AND GARAGE DOORS	5,400	5,400		12,150	12,150	45 units for door, garage door, and hand rails and sconces
	PLAYGROUND EQUIPMENT MAINTENANCE	1,000	630	370	1,000	630	370
	ROOF VENT REPAINTING CHALETS AND CONDOS	2,500	1,575	925			
	PAINTING OF CONDO FACIA	7,000		7,000			
	SNOW MELT DEVICES MAINTENANCE AND REPLACEMENT	1,000	800	200	3,000	3,000	Assume 10 replacements at \$300 each
	LAWN SPRINKLER REPAIRS AND REPLACEMENT	2,400	1,512	888	2,400	1,512	888
	DRYER VENT CLEANING				3,400		3,400
	CONDO DECKS				10,500		10,500
	<b>TOTAL</b>	<b>47,400.00</b>	<b>21,697.00</b>	<b>25,703.00</b>	<b>71,400</b>	<b>27,292</b>	<b>44,108</b>

**Firelight Meadows**  
**Analysis of Repairs and Maintenance**  
**Analysis as of September 17, 2014**

	<u>Chalets</u>	<u>Condos</u>
Maintenance and Repairs as of August 31:	15,979.91	10,385.06
2014 Budget:	21,697.00	25,703.00
<b>Remaining Budget 8/31/14:</b>	<u>5,717.09</u>	<u>15,317.94</u>
Unbooked work completed or in progress:		
Invoice for painting 24 chalet vents	2,400.00	
Condo facia-Beehive Builders Inv. 335		6,560.00
Condo deck stain (material only)		1,030.17
Carpet replacement Bldg A & B less reserve-actual cost		8,942.64
Beehive Builders Inv. 337	355.60	152.40
Fire Suppression Systems-extinguishers, inspection, service		2,097.00
Kenco charges @ \$136.50 per month Sep-Dec		546.00
Subtotal of additional expense:	<u>2,755.60</u>	<u>19,328.21</u>
<b>Actual Budget Surplus (Deficit) as of 09/15/14</b>	<b>2,961.49</b>	<b>(4,010.27)</b>

<u>Proposed Work 2014:</u>		
Condo decks		10,500.00
<u>Other Needed Work:</u>		
Dryer vent cleaning	6,075.00	3,400.00
Replacement of Log on A-8		750.00
Subtotal of additional work needed:	<u>6,075.00</u>	<u>14,650.00</u>
<b>Projected 2014 Surplus (Deficit):</b>	<b><u>(3,113.51)</u></b>	<b><u>(18,660.27)</u></b>

This work has been delayed until 2015 and included in that budget.

**Firelight Meadows  
Reserve for Asset Replacement  
Chalets and Condos**  
Prepared September 2014

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**Assumptions:**

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Roof Replacement Cost: 1,785,000 in 2014  
Remaining Life of Roof: 10 years as of 2014 20 years total  
**Inflation Rate:** 2.5%

Siding Replacement Cost: 1,894,200 in 2014  
Remaining Life of Siding: 30 years as of 2014 40 years total

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**Base Information and Assumptions**

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Type of siding: Hardie Plank siding made by "James Hardie Products"  
Expected life of siding: 40 years maximum; requires painting every 15 years

Roof shingles: Asphalt Architectural  
Expected life of shingles: 25 to 50 depending on the grade of the shingle and climate  
High temperatures and low temperature both shorten expected life of shingles  
Per Andy Driesbach, 17 to 15 years is a more realistic life expectancy for the roof

### Inflation Chart

Year	Assest yr.	Roofing	Siding	Inflation rate
2014	1	\$1,785,000	\$1,894,200	<b>2.5%</b>
2015	2	\$1,829,625	\$1,941,555	
2016	3	\$1,875,366	\$1,990,094	
2017	4	\$1,922,250	\$2,039,846	
2018	5	\$1,970,306	\$2,090,842	
2019	6	\$2,019,564	\$2,143,113	
2020	7	\$2,070,053	\$2,196,691	
2021	8	\$2,121,804	\$2,251,609	
2022	9	\$2,174,849	\$2,307,899	
2023	10	<b>\$2,229,220</b>	\$2,365,596	
2024	11	\$2,284,951	\$2,424,736	
2025	12	\$2,342,075	\$2,485,355	
2026	13	\$2,400,627	\$2,547,488	
2027	14	\$2,460,642	\$2,611,176	
2028	15	\$2,522,158	\$2,676,455	
2029	16	\$2,585,212	\$2,743,366	
2030	17	\$2,649,843	\$2,811,951	
2031	18	\$2,716,089	\$2,882,249	
2032	19	\$2,783,991	\$2,954,306	
2033	20	\$2,853,591	\$3,028,163	
2034	21	\$2,924,930	\$3,103,867	
2035	22	\$2,998,054	\$3,181,464	
2036	23	\$3,073,005	\$3,261,001	
2037	24	\$3,149,830	\$3,342,526	
2038	25	\$3,228,576	\$3,426,089	
2039	26	\$3,309,290	\$3,511,741	
2040	27	\$3,392,022	\$3,599,534	
2041	28	\$3,476,823	\$3,689,523	
2042	29	\$3,563,744	\$3,781,761	
2043	30	\$3,652,837	\$3,876,305	
2044	31	<b>\$3,744,158</b>	<b>\$3,973,213</b>	

**Firelight Meadows  
Reserve for Asset Replacement  
Chalets and Condos**

Prepared September 2014

**2014 Funding:** 140,135 FY2014 Budget

**Earnings Rate:** 0.25% current earnings on 12 month CD

Asset Life Year	Fiscal Year	Beginning Balance	Fund Earnings	Annual Increase	Total Funding	Estimated Future Costs			Ending Balance
				4.40% Annual Contribution		Roof Replacement	Siding Replacement	Driveway Replacement	
10	2014	426,889		140,135	140,135				567,024
11	2015	567,024	1,418	150,000	151,418				718,442
12	2016	718,442	1,796	156,600	158,080				876,521
13	2017	876,521	2,191	163,490	165,035				1,041,557
14	2018	1,041,557	2,604	170,684	172,297				1,213,854
15	2019	1,213,854	3,035	178,194	179,878				1,393,732
16	2020	1,393,732	3,484	186,035	187,793				1,581,525
17	2021	1,581,525	3,954	194,220	196,056				1,777,580
18	2022	1,777,580	4,444	202,766	204,682				1,982,262
19	2023	1,982,262	4,956	211,688	213,688				2,195,950
20	2024	2,195,950	5,490	221,002	223,090	2,229,220			189,820
21	2025	189,820	475	230,726	232,906				422,727
22	2026	422,727	1,057	240,878	243,154				665,881
23	2027	665,881	1,665	251,476	253,853				919,734
24	2028	919,734	2,299	262,541	265,022				1,184,756
25	2029	1,184,756	2,962	274,093	276,683				1,461,440
26	2030	1,461,440	3,654	286,153	288,858				1,750,297
27	2031	1,750,297	4,376	298,744	301,567				2,051,865
28	2032	2,051,865	5,130	311,889	314,836				2,366,701
29	2033	2,366,701	5,917	325,612	328,689				2,695,390
30	2034	2,695,390	6,738	339,939	343,151				3,038,541
31	2035	3,038,541	7,596	354,896	358,250				3,396,791
32	2036	3,396,791	8,492	370,512	374,013				3,770,804
33	2037	3,770,804	9,427	386,814	390,470				4,161,274
34	2038	4,161,274	10,403	403,834	407,650				4,568,924
35	2039	4,568,924	11,422	421,603	425,587				4,994,511
36	2040	4,994,511	12,486	440,153	444,313				5,438,824
37	2041	5,438,824	13,597	459,520	463,862				5,902,686
38	2042	5,902,686	14,757	479,739	484,272				6,386,958
39	2043	6,386,958	15,967	500,847	505,580				6,892,539
40	2044	6,892,539	17,231	522,884	527,826		7,717,371		(297,006)



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Firelight Meadows Manager's Report  
2014 Annual Meeting 9/19/2014

**Projects Facilitated by HPM:**

- Trash Compactor
- Road Repairs
- Attic Vent/Hardi Plank Fascia Painting
- Hardi Plank Warranty
- New Carpet in Buildings A and B
- Research for BOD Projects

**Landscaping/Snow Removal Update**

- Irrigation System
- Regular Maintenance
- Weed Control
- Landscaping Improvements
- Remove Snow on Asphalt and Concrete Surfaces
- Facilitate Snow/Ice Mitigation on Roofs

**Property Management Services Provided**

- Build relationships with board members and owners. We respond to owner questions, comments and concerns, and escalate them to the Board of Directors when needed. We participate in BOD meetings and report activity, concerns, and discuss solutions for maintaining the campus.
- Daily Maintenance of the campus including: cleaning the campus, monitoring heat tape, replacing common element light bulbs and ballasts, assist with satellite dish installs, monitor alarm panels, assist with lock replacements, complete minor maintenance items, and monitor overflow parking.
- Coordinate planned maintenance and inspections including crawl space inspections, chimney cleanings, fire suppression inspections, winterizing and de-winterizing the crawl spaces, and water tests.
- Coordinate window warranty work. The Firelight windows are under warranty to cover seal failures. As we get reports or see windows with failures, we measure the windows, submit the warranty form, and coordinate the install with Guys Glass once the manufacturer approves it.
- Rule Enforcement is monitored daily while on site. HPM enforces the rules listed in the declarations, by laws and rule documents for the HOA.
- Office work including managing the parking pass distribution, overseeing the long term parking lot rental spaces, research as requested by the BOD, obtain pertinent information regarding reserve studies, communication for rule violations, completing mortgage questionnaires, creating manager's reports for BOD meetings, maintaining the Firelight website, organizing the meetings, completing meeting minutes and newsletter and sending owner communications



## **Landscaping Progress**

Last year, we discussed the Landscaping Master Plan that would take place over a five-year period, implementing a few projects at a time. Here's an outline of each phase:

This year, we accomplished **Phase I**:

- Condo and Chalet entrance landscaping with irrigation
- Replacing 7 dead/ dying trees throughout campus

Moving forward with **Phase II**, which includes the following: (budget permitting)

- Placement of 2 “pods”, here are the possible locations:
  1. Near the back entrance, but visible from Ousel Falls Road – on the corner of Ousel and Spruce
  2. Corner of Candlelight and Firelight
  3. In-between buildings A and D at the “T” in the entrance
- Replace logs in Chalet entrance with “movable” fencing
- “Movable” fence on the corner across from the maintenance building to obstruct cars from driving on the grass
- Place 2 trees in between Condo units C & D in the rock drain field to match the trees on the other side in between Condo units A & B
- Allow the grass on the Chalet side near the extra parking spaces to become native grass and discontinue watering and mowing

The **Phase III** would likely include the following projects: (budget permitting)

- On the Condo side, now that the dumpsters have been removed, turn each of the gravel spaces into a raised flower bed. If there isn't enough money in the budget to create all 4 we could create 2 and then do the other 2 the following Spring
- Starting to replace the rock beds, including better edging that won't warp & new weed matting

### **Other ideas:**

- Making another 2-car parking spot in between units 496 & 472 on Firelight Drive – the grass has been difficult to grow in this area due to sprinkler challenges
- When we “replace” the rock beds along the driveways for each Chalet, we could pave this area instead to allow enough room for 3 cars to park in the driveway and to help off-set the parking crisis.

### **Timetable:**

September Annual Meeting 2014 – Vote on upcoming projects

Winter 2015 – Quotes for “pods” obtained

Summer 2015 – Place trees & pods in specific locations as voted upon

Annual Meeting 2015 – Vote on next projects as outlined above under Phase III

## **Neighborhood Progress**

Improvement made this year:

- Crosswalks across Ousel Falls
- New - FLM Flag
- Party in the Park – 2<sup>nd</sup> annual
  - Scheduled for August 23<sup>rd</sup>, from 3-6pm
  - Unfortunately this was cancelled because of weather

Possible improvements for next year:

- Another organized Neighborhood Garage Sale?
- Party in the Park – 3<sup>rd</sup> annual
  - Any specific date/ time requests?
- Playground area enhancements? – remove the “workout” equipment and replace it with more playground items, like more swings, another slide, etc.

I’m always open to hearing your suggestions, email me anytime: [firelightmeadows@hotmail.com](mailto:firelightmeadows@hotmail.com)