

Minutes of the Regularly Scheduled Meeting of the Firelight Meadows Board of Directors

Firelight Meadows

May 4, 2015

Call to Order

Karen Roberts called the meeting to order at 6:00 p.m.

Directors in attendance were Karen Roberts of unit 319, Kari Gras of units 184, A1 and B1, Curt Wilson of unit B2, Sam Geppert of C1, Catherine Gilb of unit D14, and Laura Gregory of unit D9. Owners in attendance were Travis Wangsgard of unit 354, Chris Moon of unit 495, and Kinga Wilson of unit B2. Director Annette Stone of unit B12 and accountant Doug Shanley were present via WebEx. Scott Hammond, Mike Harter, Tom Davis, Mike Palmer, and Michelle Everett of Hammond Property Management (HPM) were also in attendance.

Minutes of the Last Meeting

Geppert moved to approve the minutes of the March 16, 2015 meeting and Gilb seconded. All were in favor and the motion carried.

Approval of Year End 2014 Financial Statements

Roberts presented the 2014 year-end financial statements. Though the board hasn't approved year-end financials in the past, Roberts stated that reviewing and approving annual financial statements is one of the board's responsibilities. These reports were also presented in January. At year-end, the association was in a good financial position. At the December and January meetings, the board decided to increase the reserves to better prepare for roof and siding replacement. Though the reports state that there is a net income at the end of 2014, it was decided that these funds should be used for the upcoming common expenses. Since there was not an Actual vs Budget Report as of December, 2014, included in the board package, Roberts suggested that the board wait to approve these statements at the next BOD meeting when this report would be supplied.

Financial Report

Shanley presented the financial report. He discussed the balance sheet, accounts receivable, and year to date profit and loss reports. The association is currently pacing under budget. Roberts stated that the association hasn't completed any maintenance and repairs yet, and that there are many expenses to come. She also explained that the association is over budget in legal and utilities. The utilities fluctuate from season to season, so this line item should even out over time. Gregory asked why the snow removal line item was slightly over budget. Roberts explained that the budget was written prior to finalizing the snow removal contract. Geppert asked if it is possible to have a multi-year snow removal contract, and Roberts explained that this issue will be addressed later in the meeting. Roberts asked if Shanley could prepare the 2014 actual vs budget spreadsheet for the next meeting.

Schedule Next BOD Meeting

The next board meeting will be held on Wednesday, June 17th at 6:00 p.m. at Hammond Property Management.

Schedule 2015 Annual Meeting

The 2015 Annual Meeting will be held on Friday, September 11th at 6:00 p.m. The location of the Annual Meeting will be decided at the next BOD meeting.

Schedule 2016 Budget Meeting

The 2016 Budget meeting will be held on Monday, July 13th at 6:00 p.m. at Hammond Property Management.

Property Management Report

Hammond made some announcements prior to Harter presenting the property management report. First, he stated that Hammond Property Management plans to move to the Ringstone Building, across from the Big Sky post office. He also explained that Allison Bachtel was absent due to the fact that she recently got married and is on her honeymoon. The last announcement was that Mike Harter has resigned from his position at Hammond Property Management. Tom Davis and Mike Palmer will be taking on Harter's role, and Harter has agreed to assist them through the transition. The board will receive an email explaining the separation of duties between Palmer and Davis.

Harter presented the property management report. Crawlspace mitigation on four chalets is moving forward, and will begin on Monday, May 11th. When the chalets are complete, the contractors will move on to the crawlspace of condo building A. He asked if there was an update on the RID. Roberts explained that she has not received anything from Jack Schunke. Harter's concern was that speed bumps are typically put out in May, and that suggestions on speed bump placement should be discussed. This will be added to the agenda for the next board meeting.

Compactor Discussion

Davis brought up concerns about having a lock on the compactor. He explained that residents are continuing to leave their trash around the compactor. The left trash has attracted birds, and he fears that it will begin to attract bears. Hammond agrees that the code is not helping with poaching. Roberts explained that she doesn't want a great number of people that do not reside in Firelight to start bringing their trash to the compactor. Hammond explained that when people that bring their trash to the compactor and don't have the code, they will just leave it outside the compactor for someone else to clean up. If the lock is removed, they at least have the option to put their trash inside the compactor where animals will not make a mess of it. Stone's concern is that word will get around in the community that there isn't a lock on the compactor and that more poachers will start using it. Hammond stated that this is a concern at many of the associations that he manages. Roberts agreed that the board should have a trial period of leaving the compactor unlocked and track the costs. Liability concerns were discussed, and Roberts will look into them. An update will be given at the June meeting.

Landscaping Update

Gras presented the landscaping update. She was contacted by Jack Schunke, Ryan Hamilton, and Herb Davis to tie the crosswalks into the Ousel Falls Trail. Kari will look into what materials will cost, and will try to recruit volunteers to help with the labor. The work will be done on Trails Day, which is organized by the Big Sky Community Corporation, and will be held on June 6th. She explained that Jack Schunke will not have crosswalk signs installed until this work is done.

Gras brought up the idea to pave the gravel area between the chalet driveways and the grass. She suggested that it would look best if the asphalt were to be extended up to the concrete stoops. This would require that the shrubs that are currently there would have to be moved. Roberts asked that she present a cost estimate for removing the shrubs at the next meeting.

Neighborhood Update

Roberts asked Gras to get a quote for a flag that is printed on both sides, and is more durable. Gras will present this at the next meeting. Gras thanked everyone who participated in the Earth Day campus cleanup. She also asked if there was interest in a "Party in the Park". The board showed support. Gras will pick some dates and ideas to present at the next meeting.

Legal Report

Roberts presented the legal report. She explained that since the association gets charged for every email and phone call that Jennifer Farve receives, she prefers that she be the point person for any issues that require attorney consultation. As the board moves forward in determining which parts of the Declaration should be amended, Roberts believes it will be beneficial to have Jennifer explain to the board which parts of the declarations should be clarified.

Communications from Owners

Roberts informed the board that the issue regarding the windows at chalet 278 has been resolved. She also stated that a lien has been filed on unit 337. The owners of this unit worked out a payment plan with the former board president, but a lien was never filed on their unit. The owner of chalet 406 has refused to pay for the cost of the vehicle "boot" that was damaged by the tenant of that unit, and for the sake of unit owner relations, Roberts has asked Shanley to write-off this amount.

Old Business

Gras asked if there was an update on the legal situation with Shanley. Karen stated that Shanley's insurance company has taken over that issue.

Update on RV Parking Area

Gras explained that the committee met on March 21st. They determined that there are 26 spaces available. Seven go to the administrative building and three have been used for the compactor, leaving 16 that are available to rent. The committee came up with some recommendations to the board. The first recommendation is that these spaces should only be available

to unit owners and should not be secured for tenants. They also recommend that only wheeled vehicles should be allowed. Owners should also be in good standing to be able to rent a long-term spot. The committee believes that the cost should be raised to \$360 per year, and short-term rentals (under 6 months) should be \$50 per month. Roberts asked if the committee wants to designate spots for short-term rentals. Wangsgard believes that some spots should be reserved for short-term renters, and that only the long-term spots should be reserved for owners. Roberts suggested that some spots be designated for short-term parking spots for owners only. Roberts asked the committee to present their ideas in writing to send to the board prior to the next board meeting.

Update on Exterior Painting Project

Gras and Gilb presented an update from the painting committee. They have discussed breaking up the colors of the campus. The colors that they have chosen are neutral muted colors. There will be four color palates, each having two colors (one for the body of the building and one accent color). The committee will look into getting a rendering of what the buildings will look like with the colors that were chosen.

Recommendation for Permanent Document Storage

This committee didn't have an update, but will prepare one for the next meeting.

Maintenance Expense Update

Roberts presented two scenarios for the painting. One showed what the assessment would be if the board decided to assess the cost of the project equally over a 5-year period. The cost would be \$135 quarterly for each unit. The Declaration states that there can be a painting reserve, but the board has never funded it due to prior beliefs about the HardiPland warranty. Roberts would like to start funding this reserve in the future. The other option is for the association to get a loan, which would allow the painting project to be done in one or two summers rather than four or five. The loan could then be paid over ten years, and would reduce the monthly payments. Roberts explained that, based on an estimated roof life of 17-20 years, phase one could be due for new roofs in as little as four to five years. With the roofs potentially needing to be replaced relatively soon, the board agreed that it would be irresponsible to pay for the painting project out of the reserves. It was agreed that property values would be affected if the painting project were to be completed over 4-5 years. Moon asked if paying off the loan amount upfront to avoid paying interest from the loan would be an option, and Hammond advised that it should be. Hammond also advised that, due to the scope of the project, it is worth contacting a company to create conceptual drawings with the selected paint colors. Roberts will look into getting a loan for the painting project.

Wilson moved to give the painting committee authorization to spend up to \$2,000 to get a professional mock up with the new colors. Gras seconded the motion. All approved, and the motion passed.

Roberts discussed the maintenance and repairs budget and explained that she and Wilson will be keeping track of what is being spent throughout the year. This will help the board decide what projects can be done within the budget, and what amount, if any, needs to be assessed closer to year-end.

Mold Mitigation Update

Harter collected bids from Anderson Enterprises and Buffalo Restoration. Buffalo Restoration was chosen, and the final contract for four chalets and the condo building crawlspace was for \$101,000. Due to the fact that the mold attaches to the floor joists, the mold mitigation is considered a general common expense. Once the work on the five scheduled crawlspaces is completed, Buffalo Restoration has suggested sealing all of the crawlspaces. Hammond and Roberts have discussed creating a crawlspace inspection rotation, and being proactive about addressing any issues that arise immediately.

Extension of Driveway Parking

Due to the fact that the board agreed to change the parking rules to allow people to park on the gravel next to the chalet driveways. The board discussed extending the chalet driveways and agreed to bring this up at the annual meeting.

New Business

Resolution Regarding Collection Process

Roberts explained that FLM does not have an official collection policy. She presented a draft resolution and asked Gilb and Wilson to look over it and send her edits.

Resolution Regarding Document Retention

The Declaration does not state any specific document retention standards. Roberts obtained a list of recommended document retention standards, and the association will implement this change. She asked that the board look over the proposed resolution and send her any comments. The resolution will be adopted at the next board meeting.

Resolution for Levying Rule Violation Fines/Rules Enforcement - Booting and Towing of Vehicles

After dealing with upset owners and tenants regarding a parking violation, Roberts asked the board about input on parking violations. Hammond suggested that HPM stop using the "boot" when towing vehicles. Harter explained that the boot is used to immobilize the vehicle for towing; if the vehicle is moved before the tow company arrives, the association must pay a dispatch fee. Gilb agreed that it is a vital tool for towing. Roberts asked if vehicle owners receive written warnings prior to being towed. Harter clarified that he does post a notice on the vehicle that is in violation of the parking rules. If the vehicle belongs to an owner, a written notice is sent to the homeowner. Roberts suggested that HPM try not using the boot for a month or two to see what the financial ramifications are for the association. After further discussion, the board voted to continue the practice of using the boot with ample written notification. Roberts suggested that the association does not continue to attempt to collect the cost of the boot from the owner of unit 406. The board agreed. The board also would like to clarify the rules to state that if a vehicle is parked in a chalet driveway, it must display a parking pass that was assigned to the driveway it is parked in. Roberts will draft a resolution clarifying the process for rule violations.

Proposed Declaration Amendments

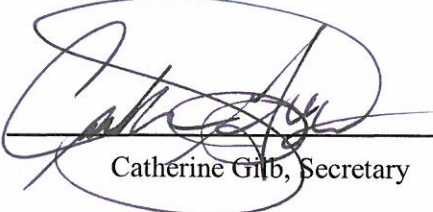
Roberts presented a list of proposed Declaration amendments. Wilson will speak to another person he knows who is an attorney to see if she is willing to join the committee. The list of Declaration items represent specific ambiguities in the Declaration wording and include: the initial assessment to new owners, clarification of general common elements versus limited common elements, clarification of the board's power, and insurance. In addition, Roberts suggested that changing the designation of unit CB from commercial to residential might be something the board would elect to do. There is a realtor who wants to buy the property for residential use. Another Declaration issue that the board should consider changing is the date of the annual meeting. Roberts reached out to Pariser about his reasoning for making Unit CB for commercial use only. He said that his intention was to provide flexibility to the HOA.

Snow Removal Bids

Roberts requested that HPM put together a detailed scope of work and obtain three sealed bids for snow removal for next year. These should be submitted to the board prior to the 2016 Budget Meeting.

Adjournment

Geppert moved to adjourn the meeting. Wilson seconded the motion. Meeting adjourned at 9:02.



Catherine Gilb, Secretary

06/17/15

Date

9:32 AM
04/27/15
Accrual Basis

Firelight Meadows Owners Association
Balance Sheet
As of March 31, 2015

	<u>Mar 31, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
BSWB 113 557 Operating	226,366.22
Reserve Bank Accounts	
AM Bank Cash Management 08217	36,440.48
Edward D Jones	<u>550,000.00</u>
Total Reserve Bank Accounts	<u>586,440.48</u>
Total Checking/Savings	812,806.70
Accounts Receivable	
Accounts Receivable	<u>9,875.43</u>
Total Accounts Receivable	9,875.43
Other Current Assets	
Prepaid Insurance	<u>297.00</u>
Total Other Current Assets	<u>297.00</u>
Total Current Assets	<u>822,979.13</u>
TOTAL ASSETS	<u>822,979.13</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	<u>8,356.52</u>
Total Accounts Payable	<u>8,356.52</u>
Total Current Liabilities	<u>8,356.52</u>
Total Liabilities	8,356.52
Equity	
Retained Earnings	748,376.46
Net Income	<u>66,246.15</u>
Total Equity	<u>814,622.61</u>
TOTAL LIABILITIES & EQUITY	<u>822,979.13</u>

9:34 AM

04/27/15

Firelight Meadows Owners Association
A/R Aging Summary
As of March 31, 2015

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Altman Scott & Pamela - V68	0.00	100.00	0.00	0.00	0.00	100.00
Barnhill Michelle & Phillip - V30	0.00	0.00	0.00	-50.00	0.00	-50.00
Becker Donald & Suzanne - C 9	0.00	0.00	0.00	0.00	-21.50	-21.50
Boone Mike - D 2	0.00	-250.00	-250.00	-250.00	0.00	-750.00
Braun David - B10	0.00	-1.00	0.00	0.00	0.00	-1.00
Cirillo/Jacques - V12	0.00	0.00	0.00	0.00	-50.00	-50.00
Curilla Shawn & Kirk - V40	226.19	0.00	839.58	0.00	0.00	1,065.77
Das Bruce & Amy - V66	0.00	0.00	0.00	-9.00	0.00	-9.00
Desrocher Johanna - B 5	0.00	-165.16	0.00	0.00	0.00	-165.16
Duhaylongsod Henry - V45	212.72	0.00	789.58	0.00	0.00	1,002.30
Grad Jeff - V131	0.00	0.00	0.00	0.00	-789.58	-789.58
Horrar & Powell - V 5	0.00	0.00	0.00	-786.50	0.00	-786.50
Hudik Mick - A 05	0.00	-806.50	0.00	0.00	0.00	-806.50
Hunt Virginia Lockman - V29	212.72	0.00	789.58	0.00	0.00	1,002.30
Johnson Luke & Fiona - B08	0.00	0.00	0.00	0.00	-100.00	-100.00
Koch Stuart - V108	0.00	0.00	789.58	0.00	9,076.84	9,866.42
Martin Gregory & Leslie - V132	6.20	0.00	319.89	0.00	0.00	326.09
Maybee Scott - V129	212.72	0.00	789.58	0.00	0.00	1,002.30
McClanahan Edward - V106	0.00	0.00	0.00	-2,368.74	0.00	-2,368.74
Mitchell William - V122	0.00	-300.00	0.00	0.00	0.00	-300.00
Moore Glenn & Suzette C Hong -V 99	0.00	0.00	0.00	-0.01	0.00	-0.01
Morelli Michael - V133	212.72	0.00	789.58	0.00	0.00	1,002.30
Morgan Jeff - V 81	211.80	0.00	827.31	0.00	983.72	2,022.83
Neal David - C19	0.00	0.00	-807.00	0.00	0.00	-807.00
Nordahl Vicenza and Steve - V 3	226.19	0.00	839.58	0.00	0.00	1,065.77
Poertner Trenholm Jacque - V124	212.72	0.00	789.58	0.00	0.00	1,002.30
Scott Kathy J - B04	0.00	-226.50	0.00	0.00	0.00	-226.50
Skydoc Rentals LLC - V018	0.00	0.00	0.00	-789.58	0.00	-789.58
Smart Michael - B 9	211.44	0.00	334.79	0.00	450.09	996.32
Snider Patricia - V127	0.00	197.79	0.00	0.00	0.00	197.79
Stewart John & Anna - V41	0.00	-2,368.74	0.00	0.00	0.00	-2,368.74
Tagliabue Pierre - V 72	0.00	0.00	0.00	-2,419.24	0.00	-2,419.24
Tinnin Kris - V 83	0.00	24.01	865.28	0.00	2,113.47	3,002.76
Wilkus Mary - V 63	0.00	0.00	0.00	-855.50	-115.27	-970.77
TOTAL	<u>1,945.42</u>	<u>-3,796.10</u>	<u>7,706.91</u>	<u>-7,528.57</u>	<u>11,547.77</u>	<u>9,875.43</u>



ASSOCIATION OF UNIT OWNERS OF
FIRELIGHT MEADOWS CONDOS INC
C/O DOUGLAS SHANLEY CPA
2055 NORTH 22ND AVE STE 2B
BOZEMAN MT 59718-2796

Important Tax Information

Edward Jones has issued all 1099 tax statements for the 2014 tax year. You may view, print, download and securely share your Edward Jones tax information anytime through Online Account Access. For more information about your Edward Jones tax forms, visit us at www.edwardjones.com/taxcenter.

Account Value	
\$547,820.42	
1 Month Ago	\$497,825.04
1 Year Ago	\$0.00
3 Years Ago	\$0.00
5 Years Ago	\$0.00

Value Summary		
	This Period	This Year
Beginning value	\$497,825.04	\$0.00
Assets added to account	50,000.00	550,000.00
Income	0.05	1.08
Assets withdrawn from account	0.00	0.00
Fees and charges	0.00	0.00
Change in value	-4.67	-2,180.66
Ending Value	\$547,820.42	

Asset Details (as of Mar 27, 2015)		additional details at www.edwardjones.com/access			
	Current Yield/Rate	Beginning Balance	Deposits	Withdrawals	Ending Balance
Money Market	0.01%*	\$1.03	\$50,000.05	-\$50,000.00	\$1.08

* The average yield on the money market fund for the past seven days.

	Maturity Date	Maturity Value	Amount Invested Since Inception	Amount Withdrawn Since Inception	Value
Certificates of Deposit					
Firstmerit Bank CD 0.35%	8/13/2015*	84,000.00	84,000.00	—	83,952.01
Santander Bank CD 0.50%	2/11/2016*	84,000.00	84,000.00	—	83,853.06
Discover Bank CD 0.60%	8/11/2016*	83,000.00	83,000.00	—	82,716.14
Discover Bank CD 0.90%	2/13/2017*	83,000.00	83,000.00	—	82,691.13
Goldman Sachs Bank USA CD 1.05%	8/11/2017*	83,000.00	83,000.00	—	82,611.93
Goldman Sachs Bank USA CD 1.25%	2/12/2018*	83,000.00	83,000.00	—	82,649.30
Goldman Sachs Bank USA CD 1.30%	3/26/2018*	50,000.00	50,000.00	—	49,345.77



Asset Details (continued)

Certificates of Deposit	Maturity Date	Maturity Value	Amount Invested Since Inception	Amount Withdrawn Since Inception	Value
-------------------------	---------------	----------------	---------------------------------	----------------------------------	-------

* This investment has an option that allows executor(s), surviving owner(s), or beneficiary(ies) to redeem it at par value upon your death subject to limitations. See the prospectus or banking agreement for additional information.

Total Account Value	\$547,820.42
----------------------------	---------------------

Summary of Other Products and Services

Loans and Credit	Account Number	Balance	Approved Credit	Available Credit	Interest Rate
Amount of money you can borrow for Association of Unit Owners of	592-19203-1-9	\$0.00	\$356,082*	\$356,082	4.75%

* Your approved credit is not a commitment to loan funds. It is based on the value of your investment account which could change daily. The amount you may be eligible to borrow may differ from your approved credit. Borrowing against securities has its risks and is not appropriate for everyone. If the value of your collateral declines, you may be required to deposit cash or additional securities, or the securities in your account may be sold to meet the margin call. A minimum account value is required if you have loan features on your account. Your interest will begin to accrue from the date of the loan and be charged to the account. Your interest rate will vary depending on the assets under care of your Edward Jones Relationship Pricing Group. For more information on how your interest rate is calculated, contact your financial advisor or please visit: www.edwardjones.com/disclosures/marginloans

Investment and Other Activity by Date

Date	Description	Quantity	Amount
3/17	Electronic Transfer from American Bank		\$50,000.00
3/25	Buy Goldman Sachs Bank USA CD @ 100.00 Due 03/26/2018 01.300% 1M Denomination	50,000	-50,000.00

Money Market Detail by Date

Beginning Balance on Feb 28						\$1.03
Date	Transaction	Description	Deposits	Withdrawals	Balance	
3/18	Deposit		50,000.00		\$50,001.03	
3/20	Income	Dividend on Money Market for 28 Days @ 0.01%	0.05		\$50,001.08	
3/25	Withdrawal			-50,000.00	\$1.08	
Total			\$50,000.05	-\$50,000.00		
Ending Balance on Mar 27						\$1.08



Normal Stock Market Volatility Returns

Markets have been relatively calm for the past few years. But 2015 has started with bigger daily price moves averaging about 1% per day. Because that's in line with the long-term average, we think stocks are likely to return to their historical volatility levels: at least one correction of 10% or more and several dips of 5% or more per year.

Dips and corrections are inevitable but unpredictable. So don't be alarmed by talk of a market correction - be prepared. Pullbacks offer opportunities for alert investors to add quality investments at lower prices when supported by economic and earnings growth. Other preparations include having:

1. Enough cash to cover short-term spending needs
2. An appropriate mix of stocks and bonds, based on your risk tolerance and your long-term goals, to help reduce the swings in your portfolio's value

Work with your financial advisor to determine which of the following actions you may need to take:

1. Review - Revisit your long-term financial goals and tolerance for risk to ensure your portfolio has the mix of equity and fixed income that's appropriate for you. If your circumstances have changed, you may need to update your investment mix.
2. Rebalance - Since the stock market has risen over the past few years, you may need to rebalance your investments. That way, your portfolio realigns with your recommended mix of equity and fixed income. Make sure you have enough cash for current needs, as well as to take advantage of likely pullbacks.

After several years of calm markets and above-average returns, it's easy to become overconfident and ignore some of the risks of investing. Realistic expectations can help you address some risks today and stay focused when markets are volatile.

To read the entire report, visit www.edwardjones.com/sevenroadsigns.



About Edward Jones

Edward D. Jones & Co., L.P. is dually registered with the Securities and Exchange Commission (SEC) as a broker-dealer and an investment adviser. Edward Jones is also a member of FINRA.

Statement of Financial Condition — Edward Jones' statement of financial condition is available for your personal review:

- at your local branch office
- at www.edwardjones.com/en_US/company/index.html
- by mail upon written request

About Your Account

Account Information — Your Account Agreement contains the complete conditions that govern your account. Please contact your financial advisor if you have any changes to your financial situation, contact information or investment objectives.

Account Safety — Please review your statement carefully. If you believe there are errors on your account, you must notify us promptly of your concerns. You may either contact our Client Relations department or your financial advisor. You should re-confirm any oral communication by sending us a letter within 30 days to protect your rights, including your rights under the Securities Investor Protection Act (SIPA).

Errors or Questions about your Electronic Transfers — Contact Client Relations at (800) 441-2357.

Complaints about Your Account — If you have a complaint please call (800) 441-2357 or send a letter to Edward Jones, Attn: Complaints Dept., 1245 JJ Kelley Memorial Dr., St. Louis, MO 63131.

Ratings and Recommendations — Edward Jones research opinions, Standard & Poor's, Moody's and Fitch ratings may be shown for certain securities. Ratings or recommendations should not be considered an indication of future performance.

Withholding on Distributions or Withdrawals — Federal law requires Edward Jones to withhold income tax on distribution(s) from your retirement accounts and other plans unless you elect not to have withholding apply. You may elect a percentage to be withheld from your distribution or not to have the withholding apply by signing and dating the appropriate form and returning it to the address specified on the form. Your election will remain in effect until you change or revoke it by returning another signed and dated form. If you do not return the form by the date your distributions are scheduled to begin, Federal income tax will be withheld. If you do not have enough income tax withheld from your distributions, you may need to pay estimated tax. You may incur penalties if the amounts withheld and your estimated tax payments are not equal to the tax you owe. State withholding, if applicable, is subject to the state's withholding requirements.

Fees and Charges — The "Fees and charges" amount shown in your Value Summary includes all activity fees, except dividend reinvestment fees.

Fair Market Value for Individual Retirement Accounts Your fair market value as of December 31st will be reported to the IRS as required by law.

Rights to Your Money Market Fund, Bank Deposit and Free Credit Balances — Your free credit balances are payable on demand. You may require us to liquidate your bank deposit or money market fund balance. We will then disburse the proceeds to you or place them in your securities account. Your instructions must be made during normal business hours and are subject to terms and conditions of the Account Agreement.

Important disclosures and other information relating to your account(s) are available at www.edwardjones.com/disclosures.



Go Green! Did you know you can receive your statements and other documents online instead of on paper? Visit www.edwardjones.com/edelivery for more information.

Contact Information

Client Relations	Online Access	Other Contacts
Toll Free Phone 800-441-2357 Monday-Friday 7am-7pm CST	Online Account Access www.edwardjones.com/access	Edward Jones Personal MasterCard® 866-874-6711
201 Progress Parkway Maryland Heights, MO 63043	Edward Jones Online Support 800-441-5203	Edward Jones Business MasterCard® 866-874-6712
		Edward Jones Visa Debit Card 888-289-6635

S1EDJ001 rev 03-15 RJ

4:25 PM

04/30/15

Firelight Meadows Owners Association
A/P Aging Summary
As of March 31, 2015

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
3 Rivers Communications	397.92	0.00	0.00	0.00	0.00	397.92
CISCO WEBEX	84.52	0.00	0.00	0.00	0.00	84.52
Douglas N Shanley CPA	1,356.07	0.00	0.00	0.00	0.00	1,356.07
HAMMOND PROPERTY MANAGEMENT EXTRA	0.00	435.00	0.00	0.00	0.00	435.00
KENCO SECURITY & TECHNOLOGY	241.50	0.00	0.00	0.00	0.00	241.50
MONTANA STEAMWORKS INC	0.00	990.00	0.00	0.00	0.00	990.00
MOORE OCONNEL	0.00	1,515.23	0.00	0.00	0.00	1,515.23
Northwestern Energy	1,722.81	0.00	0.00	0.00	0.00	1,722.81
Rau Designs Inc	0.00	85.00	0.00	0.00	0.00	85.00
REPUBLIC SERVICES #886 COMPACTOR	1,528.47	0.00	0.00	0.00	0.00	1,528.47
TOTAL	<u>5,331.29</u>	<u>3,025.23</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>8,356.52</u>

Firelight Meadows Owners Association
Profit & Loss by Class - Year to Date
 January through March 2015

	<u>CHALET</u>	<u>CONDO</u>	<u>TOTAL</u>
Ordinary Income/Expense			
Income			
BAD DEBT INCOME	300.00	0.00	300.00
Finance and Late Fee Charges	1,496.91	428.71	1,925.62
Parking Income	1,060.00	480.00	1,540.00
Fine Income for Violations	300.00	0.00	300.00
Membership Dues	2,400.00	400.00	2,800.00
Quarterly Assessment Income	107,382.80	64,520.00	171,902.80
Total Income	<u>112,939.71</u>	<u>65,828.71</u>	<u>178,768.42</u>
Gross Profit	112,939.71	65,828.71	178,768.42
Expense			
Insurance	11,518.29	3,629.55	15,147.84
Utilities	105.95	7,065.89	7,171.84
Trash Removal & Compactor Maint	1,350.94	793.40	2,144.34
Maintenance & Repairs	2,695.80	2,002.06	4,697.86
Snow Removal	29,328.86	17,224.87	46,553.73
Roof Snow Removal	1,653.75	135.00	1,788.75
Condo - Cleaning and Rugs	0.00	1,425.00	1,425.00
Management Company	16,002.00	9,397.98	25,399.98
Accounting	2,502.21	1,469.55	3,971.76
Legal	2,237.25	1,313.94	3,551.19
Office Supplies	330.07	193.86	523.93
Taxes	224.28	131.72	356.00
Total Expense	<u>67,949.40</u>	<u>44,782.82</u>	<u>112,732.22</u>
Net Ordinary Income	44,990.31	21,045.89	66,036.20
Other Income/Expense			
Other Income			
Postage Income	150.00	50.00	200.00
Interest Income	6.26	3.69	9.95
Total Other Income	<u>156.26</u>	<u>53.69</u>	<u>209.95</u>
Net Other Income	156.26	53.69	209.95
Net Income	<u><u>45,146.57</u></u>	<u><u>21,099.58</u></u>	<u><u>66,246.15</u></u>

Firelight Meadows Owners Association Profit & Loss Budget vs. Actual January through March 2015

	<u>Jan - Mar 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
BAD DEBT INCOME	300.00	0.00	300.00
Finance and Late Fee Charges	1,925.62	0.00	1,925.62
Parking Income	1,540.00	0.00	1,540.00
Fine Income for Violations	300.00	0.00	300.00
Membership Dues	2,800.00	0.00	2,800.00
Quarterly Assessment Income	171,902.80	171,903.50	-0.70
Total Income	<u>178,768.42</u>	<u>171,903.50</u>	<u>6,864.92</u>
Gross Profit	178,768.42	171,903.50	6,864.92
Expense			
Insurance	15,147.84	15,167.72	-19.88
Utilities	7,171.84	6,600.00	571.84
Landscape	0.00	0.00	0.00
Trash Removal & Compactor Maint	2,144.34	3,675.00	-1,530.66
Maintenance & Repairs	4,697.86	7,287.62	-2,589.76
Snow Removal	46,553.73	46,475.01	78.72
Roof Snow Removal	1,788.75	5,000.01	-3,211.26
Condo - Cleaning and Rugs	1,425.00	4,462.50	-3,037.50
Management Company	25,399.98	26,419.26	-1,019.28
Accounting	3,971.76	3,971.77	-0.01
Legal	3,551.19	2,250.00	1,301.19
Office Supplies	523.93	375.28	148.65
Taxes	356.00	435.00	-79.00
Bad Debt	0.00	1,625.06	-1,625.06
Meeting Expense	0.00	0.00	0.00
Total Expense	<u>112,732.22</u>	<u>123,744.23</u>	<u>-11,012.01</u>
Net Ordinary Income	66,036.20	48,159.27	17,876.93
Other Income/Expense			
Other Income			
Postage Income	200.00	0.00	200.00
Insurance Claim Income	0.00	0.00	0.00
Interest Income	9.95	0.00	9.95
Total Other Income	<u>209.95</u>	<u>0.00</u>	<u>209.95</u>
Other Expense			
Reserve Expense Chalet	0.00	0.00	0.00
Reserve Expense Condo	0.00	0.00	0.00
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Other Income	<u>209.95</u>	<u>0.00</u>	<u>209.95</u>
Net Income	<u><u>66,246.15</u></u>	<u><u>48,159.27</u></u>	<u><u>18,086.88</u></u>

9:35 AM
 04/27/15
 Accrual Basis

Firelight Meadows Owners Association Profit & Loss Budget vs. Actual - Chalet January through March 2015

	Jan - Mar 15	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
BAD DEBT INCOME	300.00	0.00	300.00
Finance and Late Fee Charges	1,496.91	0.00	1,496.91
Parking Income	1,060.00	0.00	1,060.00
Fine Income for Violations	300.00	0.00	300.00
Membership Dues	2,400.00	0.00	2,400.00
Quarterly Assessment Income	107,382.80	107,383.25	-0.45
Total Income	<u>112,939.71</u>	<u>107,383.25</u>	<u>5,556.46</u>
Gross Profit	112,939.71	107,383.25	5,556.46
Expense			
Insurance	11,518.29	11,603.72	-85.43
Utilities	105.95	0.00	105.95
Landscape	0.00	0.00	0.00
Trash Removal & Compactor Maint	1,350.94	2,315.25	-964.31
Maintenance & Repairs	2,695.80	4,000.03	-1,304.23
Snow Removal	29,328.86	29,279.01	49.85
Roof Snow Removal	1,653.75	3,150.00	-1,496.25
Management Company	16,002.00	16,634.25	-632.25
Accounting	2,502.21	2,502.28	-0.07
Legal	2,237.25	1,417.50	819.75
Office Supplies	330.07	236.53	93.54
Taxes	224.28	275.00	-50.72
Bad Debt	0.00	1,125.00	-1,125.00
Meeting Expense	0.00	0.00	0.00
Total Expense	<u>67,949.40</u>	<u>72,538.57</u>	<u>-4,589.17</u>
Net Ordinary Income	44,990.31	34,844.68	10,145.63
Other Income/Expense			
Other Income			
Postage Income	150.00	0.00	150.00
Insurance Claim Income	0.00	0.00	0.00
Interest Income	6.26	0.00	6.26
Total Other Income	<u>156.26</u>	<u>0.00</u>	<u>156.26</u>
Other Expense			
Reserve Expense Chalet	0.00	0.00	0.00
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Other Income	<u>156.26</u>	<u>0.00</u>	<u>156.26</u>
Net Income	<u><u>45,146.57</u></u>	<u><u>34,844.68</u></u>	<u><u>10,301.89</u></u>

9:35 AM
 04/27/15
 Accrual Basis

Firelight Meadows Owners Association
Profit & Loss Budget vs. Actual - Condo
 January through March 2015

	<u>Jan - Mar 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
BAD DEBT INCOME	0.00	0.00	0.00
Finance and Late Fee Charges	428.71	0.00	428.71
Parking Income	480.00	0.00	480.00
Fine Income for Violations	0.00	0.00	0.00
Membership Dues	400.00	0.00	400.00
Quarterly Assessment Income	64,520.00	64,520.25	-0.25
Total Income	<u>65,828.71</u>	<u>64,520.25</u>	<u>1,308.46</u>
Gross Profit	65,828.71	64,520.25	1,308.46
Expense			
Insurance	3,629.55	3,564.00	65.55
Utilities	7,065.89	6,600.00	465.89
Landscape	0.00	0.00	0.00
Trash Removal & Compactor Maint	793.40	1,359.75	-566.35
Maintenance & Repairs	2,002.06	3,287.59	-1,285.53
Snow Removal	17,224.87	17,196.00	28.87
Roof Snow Removal	135.00	1,850.01	-1,715.01
Condo - Cleaning and Rugs	1,425.00	4,462.50	-3,037.50
Management Company	9,397.98	9,785.01	-387.03
Accounting	1,469.55	1,469.49	0.06
Legal	1,313.94	832.50	481.44
Office Supplies	193.86	138.75	55.11
Taxes	131.72	160.00	-28.28
Bad Debt	0.00	500.06	-500.06
Meeting Expense	0.00	0.00	0.00
Total Expense	<u>44,782.82</u>	<u>51,205.66</u>	<u>-6,422.84</u>
Net Ordinary Income	21,045.89	13,314.59	7,731.30
Other Income/Expense			
Other Income			
Postage Income	50.00	0.00	50.00
Insurance Claim Income	0.00	0.00	0.00
Interest Income	3.69	0.00	3.69
Total Other Income	<u>53.69</u>	<u>0.00</u>	<u>53.69</u>
Other Expense			
Reserve Expense Condo	0.00	0.00	0.00
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Other Income	<u>53.69</u>	<u>0.00</u>	<u>53.69</u>
Net Income	<u><u>21,099.58</u></u>	<u><u>13,314.59</u></u>	<u><u>7,784.99</u></u>

Firelight Meadows Owners Association
Balance Sheet
As of December 31, 2014

	<u>Dec 31, 14</u>
ASSETS	
Current Assets	
Checking/Savings	
BSWB 113 557 Operating	325,474.93
BIG SKY WESTERN BANK	
BSWB CD 11906	<u>132,308.92</u>
Total BIG SKY WESTERN BANK	132,308.92
FIRST SECURITY BANK	
1ST SECURITY CD 11 00000 7468	<u>75,866.76</u>
Total FIRST SECURITY BANK	75,866.76
Reserve Bank Accounts	
AM Bank Cash Management 08217	<u>220,620.60</u>
Total Reserve Bank Accounts	<u>220,620.60</u>
Total Checking/Savings	754,271.21
Accounts Receivable	
Accounts Receivable	<u>15,012.88</u>
Total Accounts Receivable	<u>15,012.88</u>
Total Current Assets	<u>769,284.09</u>
TOTAL ASSETS	<u>769,284.09</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	<u>20,907.63</u>
Total Accounts Payable	<u>20,907.63</u>
Total Current Liabilities	<u>20,907.63</u>
Total Liabilities	20,907.63
Equity	
Retained Earnings	626,599.41
Net Income	<u>121,777.05</u>
Total Equity	<u>748,376.46</u>
TOTAL LIABILITIES & EQUITY	<u>769,284.09</u>

Firelight Meadows Owners Association
Profit & Loss
 January through December 2014

	Jan - Dec 14
Ordinary Income/Expense	
Income	
Chimney & Roof Special Assessme	36,950.00
BAD DEBT INCOME	2,751.74
Finance and Late Fee Charges	
ABATED INT/PENALTIES	-6,030.29
Finance and Late Fee Charges - Other	12,929.42
Total Finance and Late Fee Charges	6,899.13
Parking Income	3,507.00
Fine Income for Violations	2,000.00
Membership Dues	8,800.00
Quarterly Assessment Income	
Chalet - Quarterly Assesment	411,182.40
Condo - Quarterly Assessment	247,920.00
Total Quarterly Assessment Income	659,102.40
Total Income	720,010.27
Gross Profit	720,010.27
Expense	
Garbage	
Garbage - Chalet 63%	269.77
Garbage - Condo 37%	158.43
Total Garbage	428.20
Insurance	
Chalets 76.5% per Ed Melcher	47,200.61
Condo 23.5% per Ed Melcher	14,499.55
Total Insurance	61,700.16
Utilities	
Dumpster Electricity	147.48
Condo Utilities - Building	18,291.62
Utilities - Other	1,517.20
Total Utilities	19,956.30
Telephone	
Condo - Fire Alarm System	5,101.50
Total Telephone	5,101.50
Landscape	
Condo-Landscape & Sprinkler 30%	8,610.78
Chalet-Landscape&Sprinkler 70%	34,443.24
Landscape Upgrade - Condo 30%	1,365.90
Landscape Upgrade - Chalet 70%	3,164.75
Total Landscape	47,584.67
Trash Removal & Compactor Maint	
Trash Removal - Chalet 63%	1,000.62
Trash Removal - Condo 37%	36,068.89
Total Trash Removal & Compactor Maint	37,069.51
Maintenance & Repairs	
Maintenance and Repair - Misc	-640.00
Chalet M & R	26,046.10
Condo M & R	32,451.70
Fireplace Maintenance - Chalet	6,350.00
Alarm System Monitoring	136.50
Total Maintenance & Repairs	64,344.30
Snow Removal	
Snow Removal - Chalet 63%	64,941.85
Snow Removal - Condo 37%	26,727.50
	91,669.35

Firelight Meadows Owners Association
Profit & Loss
 January through December 2014

	Jan - Dec 14
Total Snow Removal	91,669.35
Condo - Cleaning and Rugs Management Company	17,967.50
Extra Work Condo 37%	110.00
Chalet Basic Fee 63%	64,008.00
Condo Basic Fee 37%	37,591.92
Total Management Company	101,709.92
Accounting	
Accounting - Chalet 63%	10,425.87
Accounting - Condo 37%	6,123.13
Total Accounting	16,549.00
Legal	
Legal - Chalet 63%	3,097.67
Legal - Condo 37%	1,819.25
Total Legal	4,916.92
Postage & Delivery	
Chalet 63%	133.17
Condo 37%	78.23
Total Postage & Delivery	211.40
Office Supplies	
Chalet Office Supplies 63%	1,562.80
Condo Office Supplies 37%	1,140.59
Total Office Supplies	2,703.39
Taxes	
Taxes - Chalet	235.00
Taxes - Condo	138.00
Total Taxes	373.00
Bad Debt	4,580.10
Meeting Expense	
Meeting Expense Condo	34.95
Meeting Expense Chalet	59.51
Total Meeting Expense	94.46
Licenses and Fees	
License & Fees - Chalet 63%	9.45
License & Fees - Condo 37%	5.55
Total Licenses and Fees	15.00
Total Expense	476,974.68
Net Ordinary Income	243,035.59
Other Income/Expense	
Other Income	
Postage Income	550.00
Patronage Dividend	37.11
Interest Income	1,285.04
Total Other Income	1,872.15
Other Expense	
RESERVE EXPENSES	
TRASH COMPACTOR	72,818.50
INSURANCE DEDUCTIBLE	2,500.00
NEW CARPET CONDO BUILDINGS	12,200.00
LANDSCAPING	33,833.98
Total RESERVE EXPENSES	121,352.48
CHIMNEY REPAIR 2013	-900.00
Water & Sewer Delinquent Owners	2,678.21

1:32 PM
03/17/15
Accrual Basis

Firelight Meadows Owners Association
Profit & Loss
January through December 2014

	<u>Jan - Dec 14</u>
Total Other Expense	123,130.69
Net Other Income	<u>-121,258.54</u>
Net Income	<u><u>121,777.05</u></u>



hpmmontana.com

Firelight Meadows Manager's Report
March 2015-April 2015

FLM update 5/04/2015

3/9/15 - 4/26/15

- Picked up trash throughout campus as needed.
- Picked up trash around trash compactor as needed.
- Arrange with Republic Services to have the FLM trash compactor emptied as needed.
- Filed dog waste stations as needed.
- Checked all exterior lights throughout campus.
- Performed snow removal of walkways, driveways, roads, and parking lots as needed.

- Cleaned up dog waste in the 1st floor hallway of building B.
- Unplugged all ice-melt systems in phase one and two of the chalets.
- Assisted HO of C-1 with shutting off the water supply to his unit.
- Met with Anderson Enterprises on site at 447 FLD for an update with the ongoing floor damage repairs.
- Turned off all ice-melt systems at phase three chalets.
- Unlocked 192 CLD for plumber per the homeowner's request.
- Montana Steam Works continued with winter roof shoveling throughout campus as needed.
- Turned off all ice-melt systems at the condo buildings.
- Unlocked 156 CLD for Beehive Builders per the homeowner's request.
- Assisted homeowner with the operation of the FLM Compactor.
- Posted two new permanent signs on the FLM Compactor.
- Picked up trash in the parking lot of building C. Trash was pulled out of the back of a truck parked at C-7 by local ravens.
- Assisted Shadow Hearth and Home with locating the gas supply shut off valve at 13-B.
- GVHS installed new sump pump in the crawlspace of 114 SLD.
- Double checked the serial numbers on the failed windows at 278 CLD per the BOD's request.
- Contacted Kenco Security regarding the ongoing communication failure on the fire alarm panel at building D.
- Checked back up batteries in fire alarm panels at all the condo buildings.
- Assisted tenants at 344 CLD with trouble shooting issues with a noisy smoke detector.
- Turned off all crawlspace heaters in the condo buildings.
- Unlocked 464 FLD per the homeowner's request.
- Assisted homeowner with some repairs to his master bedroom door.
- Replace missing stud in crawlspace at 114 SLD. Stud was removed by GVHS for sump pump install.
- Met with the "storage yard" committee onsite at the FLM storage yard.
- Assisted tenant of 17-A with inflating a flat tire on his vehicle in the FLM storage yard.
- Assisted Direct TV with a service call at 9-B.
- Straightened up log barriers at the chalet entrance on SLD.
- Picked up strips of sod pulled up from snow plow throughout campus.
- Replace damaged light fixture at the FLM trash compactor.
- Sealed up opening in the crawlspace fire wall at 433 FLD.



hpmmontana.com

- Picked up trash/construction debris left in front of the Condo entrance sign.
- Installed new post bracket and street sign at the north intersection of FLD and CLD.
- Removed jam in the FLM trash compactor.
- Unlocked 9-C for the housekeeping crew per the homeowner's request.
- Turned off all hallway/entrance heaters in the common areas of the condo buildings.
- Cleaned and organized storage closets in buildings C and D.
- Built new street sign base/bracket for broken speed limit sign at the chalet entrance on SLD.
- Installed new post bracket and speed limit sign at the chalet entrance on SLD.
- LPE finished rewiring the tank heater on the FLM trash compactor control unit.
- Took down Xmas tree lights throughout campus and put in storage at building B.
- Installed jack rail fence north of overflow parking at north intersection of CLD and FLD in an effort to keep people from parking on the grass.
- Cleaned up empty beer cans in the back of spots 19 and 20 in the FLM storage yard.
- Stacked and organized old wood pallets in the FLM storage yard.
- Checked heat in 207 CLD per the homeowner's request.
- Assisted homeowner of 80 SLD with information regarding the Alside window warranty.
- Turned on exterior hose faucet at 2-B per the homeowner's request.
- Picked up all the winter road delineators and put in storage.
- Replace broken light bulbs at the FLM flag poles and the chalet entrance sign.

A verbal warning was issued to the following units:

140 CLD (Failure to comply with the FLM pet policy): Observed a tenants at this unit with a small dog living at the unit. BHPM was notified regarding the matter.

17-A (Failure to comply with the FLM parking policy): The tenant from this unit was observed with a vehicle in the FLM storage yard with a flat tire (inoperable vehicle).

441 FLD (Failure to comply with the FLM parking policy): Observed the tenants with their black Cadillac Escalade parked on campus without a valid FLM parking pass.

425 FLD (Failure to comply with the FLM parking pass): Observed the tenants from this unit without displaying valid parking passes and parking on the street in front of their unit.

447 FLD (Failure to comply with the FLM parking pass): Observed a contractor at this unit parking on the street in front of the unit and partially off the asphalt.

124 CLD (Trash and debris on the common elements): Observed this unit with an excessive amount of cigarette butts in the front yard, BHPM was contacted regarding the matter.

(Failure to comply with the FLM pet policy): Observed a young couple walking their dog off leash while on the FLM campus.

455 FLD (Failure to comply with the FLM parking pass): Observed the homeowner of this unit parking one of their vehicles in the adjacent driveway of 447 FLD.

Building D (Failure to comply with the FLM pet policy): Observed a young gentleman walking his two black labs off leash.

252 CLD (Failure to comply with the FLM pet policy): Observed the homeowner with dog off leash.

Building A (Failure to comply with the FLM pet policy): Observed a young woman walking her dog off leash.



hpmmontana.com

A written warning was issued to the following units:

1-A (Unauthorized items store on the common elements): The tenants at this unit were observed with the following items on the rear patio: An old Xmas tree, bags of domestic trash, and a set of car tires.

65 SLD (Failure to comply with the FLM parking policy): Observed the tenants parking their vehicle on the street in front of the unit.

7-C (Failure to comply with the FLM trash policy): Observed the tenants from this unit storing bags of domestic trash in the back of their pickup.

58 CLD (Failure to comply with the FLM parking policy): The homeowner from this unit was observed with a vehicle in the FLM storage yard with a flat tire (inoperable vehicle).

1-C (Failure to comply with the FLM parking policy): The homeowner from this unit was observed with a vehicle in the FLM storage yard with a flat tire (inoperable vehicle).

495 FLD (Unauthorized items parked on the common elements): Observed the homeowner with a large stack of firewood and other personal items stored off the asphalt behind his assigned storage yard spaces.

406 FLD (Failure to comply with the FLM parking policy): Observed the tenants from this unit still continuing to part there vehicle in the driveway of 397 FLD.

82 CLD (Damage to the exterior common elements): Observed damaged to the exterior of the garage door, lower right side.

18-A (Unauthorized items stored on the common elements): Observed the tenants from this unit with a refrigerator stored on the rear deck.

15-B (Failure to comply with the FLM trash policy): Observed the occupants from this unit leaving trash outside the FLM compactor.

98 CLD (Unauthorized items stored on the common elements): Observed the tenants from this unit with an old Xmas tree stored on the grass off the rear patio.

15-A (Failure to comply with the FLM dish/cable policy): Observed the tenants from this unit with an improperly installed Dish Network cable system (Approx 180 feet of exposed coax cable visible on the outside of the building).

327 CLD (Failure to comply with the FLM parking policy): Observed the tenants from this unit parking their black Subaru completely off the asphalt near the overflow parking at the north intersection of CLD and FLD.

386 CLD (Failure to comply with the FLM parking policy): Observed a maroon SUV parked in the driveway displaying the incorrect pass.

148 CLD (Unauthorized items stored on the common elements): Observed the tenants from the unit with the following items stored on the common elements near the front of the building: Large piece of irrigation drainage pipe and a set of truck tires.

336 CLD (Failure to comply with the FLM pet policy): Observed tenants with a dog on campus and off leash.

325 FLD (Failure to comply with the FLM parking policy): Observed tenants from this unit parking their vehicle on the street and on the common elements at the front of their unit.

329 FLD (Improper window coverings): Observed this unit with bubble wrap visible over front bedroom window.

A fine was issued to the following unit:

398 FLD (Failure to comply with the FLM parking policy): Observed the tenant from this unit continuing to park his vehicle on the street and on the common elements at the front of the unit.



hpmmontana.com

The following vehicle(s) was towed from the FLM campus:

Red Chevy Tahoe (Failure to comply with the FLM parking policy): This vehicle was observed without a valid FLM parking pass and broken down (inoperable).

White Infinity SUV (Failure to comply with the FLM parking policy): Attempted to tow this vehicle for not displaying a valid parking pass and parking completely off the Asphalt. The owner (non-resident of FLM) destroyed the wheel lock and fled the campus with the vehicle before the tow truck arrived. The Sherriff's department was notified and the individual was charged for theft of private property and reckless driving and issued a "notice of trespassing".

MEMORANDUM

April 30, 2015

To: Karen Roberts
From: Jennifer Farve, Esq.
Re: FLM Exterior Painting Questions
File: 34057/001

Questions Presented

1. Should the cost of painting and the subsequent budget be allocated between the condo buildings and the chalets based on actual costs that relate to each particular building? Or ,
2. Is the exterior painting of the siding considered to be a general common element that is shared equally across all units or is it considered a limited common element that is charged based on the cost of painting the condo buildings and the cost of painting the chalets?

Applicable Provisions in the Declaration

Pursuant to Article I, paragraph 8(a) of the Declaration, the term General Common Element includes “exterior siding.” The term “Limited Common Elements” means those Common Elements which are expressly or implied designated by the Declaration, site plan, floor plans or designated by the Association or Declarant as reserved for use of a certain unit or number of units to the exclusion of other unit owners. *See* Declaration, Article I, paragraph 8(b). A number of examples of Limited Common Elements are included within the definition; none of which include exterior siding.

The Declaration further defines “Common Expenses” as those including the cost of administration, maintenance, repair or replacement of general or limited common elements, established as Common Expenses by the Board of Directors of the Association and expenses declared common by the Unit Ownership Act or the Declaration. The definition of “Common Expenses” set forth in the Declaration is consistent with the definition provided by statute except that it also includes a provision that common expenses may include any expenses agreed upon as common by all the unit owners.

Article V, paragraph 8 of the Declaration authorizes the Association to levy assessments upon the Unit Owners for the annual expenses of the Association and the Common Expenses of the Condominiums. Additionally, annual assessments may be made for the “repair, insurance, replacement, general maintenance of the Condominium and limited and general common elements.” *See* Declaration, Article V, paragraph 8(b). Assessments are based upon and

computed in accordance by using the allocated percentage of interest that each Unit Owner has in relation to the Common Elements which are associated with such unit.

Analysis

The Declaration expressly identifies exterior siding as a "Common Element." As such, the Association must levy assessments for the maintenance of the exterior siding as a Common Expense amongst the Unit Owners in accordance with their percentage ownership interests in the Common Elements.

Furthermore, the maintenance of the exterior siding is a benefit to everyone within the Condominium complex as proper maintenance generally enhances the market value of all units. Additionally, I understand that in order to maintain the warranty in effect with Hardiplank, each of the Buildings must be repainted. It is crucial that the Association abide by the terms of the warranty in order to keep it in effect.

In short, the Declaration is clear in that exterior siding is a General Common Element and as such is charged as a Common Expense amongst the Unit Owners in accordance with their percentage ownership interest in the General Common Elements.

Conclusion

In answer to your questions, pursuant to the clear terms of the Declaration, the cost of painting and subsequent budget should not be allocated as between the condo buildings and the chalets, but rather in accordance with each Unit Owner's percentage interest in the Common Elements as exterior siding is a General Common Element.

Hopefully this analysis offers the necessary guidance to the Board in making its decision. Please don't hesitate to give me a call to discuss your questions further.

Sincerely,



Jennifer Farve
Moore, O'Connell & Refling, P.C.

Firelight Meadows Condominiums

Exterior Painting Estimates

Prepared April 30, 2015 (Based on original quote from August 2014)

Pay Via Annual Assessments Over 5 Years

	<u>Buildings</u>	<u>Units</u>
Duplexes	32	64
Four-plexes	18	72
Condos	4	80
	<u>54</u>	<u>216</u>

	<u>Number</u>	<u>Estimated Cost per Building</u>	<u>Total Cost</u>
Condos	4	32,240	128,960
Chalets			
Duplexes	32	8,374	267,968
Four-plexes	18	14,688	264,384
Total Exterior Painting Cost:			<u>661,312</u>

				<u>2016</u>		
				<u>Per Unit</u>		
				<u>Inflation Factor</u>	<u>Annual Assessment</u>	<u>Quarterly Assessment</u>
				<u>4%</u>		
Phase 1						
Duplexes	6	50,244	52,254			
Fourplexes	2	29,376	30,551		539	135
Condos	1	32,240	33,530			
	<u>9</u>	<u>111,860</u>	<u>116,334</u>			

				<u>2017</u>		
				<u>Per Unit</u>		
				<u>Inflation Factor</u>	<u>Annual Assessment</u>	<u>Quarterly Assessment</u>
				<u>3%</u>		
Phase 2						
Duplexes	7	58,618	62,792			
Four-plexes	2	29,376	31,468		596	149
Condos	1	32,240	34,535			
	<u>10</u>	<u>120,234</u>	<u>128,795</u>			

				<u>2018</u>		
				<u>Per Unit</u>		
				<u>Inflation Factor</u>	<u>Annual Assessment</u>	<u>Quarterly Assessment</u>
				<u>3%</u>		
Phase 3						
Duplexes	4	33,496	36,957			
Four-plexes	3	44,064	48,617		561	140
Condos	1	32,240	35,572			
	<u>8</u>	<u>109,800</u>	<u>121,146</u>			

Firelight Meadows Condominiums

Exterior Painting Estimates

Prepared April 30, 2015 (Based on original quote from August 2014)

Pay Via Annual Assessments Over 5 Years

	Buildings	Units
Duplexes	32	64
Four-plexes	18	72
Condos	4	80
	<u>54</u>	<u>216</u>

				2019	
				Per Unit	
				Annual Assessment	Quarterly Assessment
Phase 4			Inflation Factor		
			3%		
Duplexes	4	33,496	38,066.06		
Four-plexes	8	117,504	133,535.79	964	241
Condos	1	32,240	36,638.70		
	<u>13</u>	<u>183,240</u>	<u>208,241</u>		

				2020	
				Per Unit	
				Annual Assessment	Quarterly Assessment
Phase 5			Inflation Factor		
			3%		
Duplexes	11	92,114	107,822.12		
Four-plexes	3	44,064	51,578.20	738	184
Condos			-		
	<u>14</u>	<u>136,178</u>	<u>159,400</u>		

Pay Via Annual Assessments	
Total Cost Per Unit	Total Cost
3,398	733,916
	<u>733,916</u>

Check: 54 661,312 733,916

Duplexes	32	267,968
Four-plexes	18	264,384
Condos	4	128,960
	<u>54</u>	<u>661,312</u>

Firelight Meadows Condominiums
Exterior Painting Estimates
Prepared April 30, 2015 (Based on original quote from August 2014)
10-Year Loan Scenario

Units
80
136
<u>216</u>

	Number	Estimated Cost per Building		
Condos	4	32,240	128,960	20%
Chalets				
Duplexes	32	8,374	267,968	
Four-plexes	18	14,688	264,384	532,352 80%

Total Exterior Painting Cost:	<u>661,312</u>
Estimate Increase Factor 4%:	<u>687,764</u>

Pay Via Annual Assessments	
Total Cost Per Unit	Total Cost
3,398	733,916

Loan Amount @ 6%: 916,271
 Interest: 228,506

Total Cost of Financing 182,355

Monthly Payment:	7,635.59
Per Unit:	35

Quarterly Assessment:	22,907
Per Unit:	106

Annual Assessment:	91,627
Per Unit:	424
	for 10 years

→ 539 to 738 per year over 5 years if paid from assessment funds only

Firelight Meadows
Analysis of Repairs and Maintenance
Analysis as of March 31, 2015

	<u>Chalets</u>	<u>Condos</u>	<u>Total</u>
Maintenance and Repairs Expense as of March 31:	2,695.80	2,002.06	4,697.86
2015 Budget:	27,292.00	44,108.00	71,400.00
Remaining Budget as of March 2015:	<u>24,596.20</u>	<u>42,105.94</u>	<u>66,702.14</u>

Firelight Meadows
Analysis of Repairs and Maintenance
Condos
Fiscal 2015

<u>Type</u>	<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Debit</u>	<u>Mold Testing Remediation</u>	<u>Miscellaneous</u>	<u>Fire Extinguisher Inspection</u>	<u>Fire Alarm System Monitoring and Service</u>
Bill	01/01/2015	15095	HAMMOND PROPERTY MANAGEMENT INC	62.52				
Bill	01/01/2015	98149	Best Rate Towing & Repair, Inc.	92.50		92.50		
Bill	02/01/2015	15391	HAMMOND PROPERTY MANAGEMENT INC	27.75		27.75		
Bill	02/01/2015	15391	HAMMOND PROPERTY MANAGEMENT INC	24.05				
Bill	02/01/2015	15391	HAMMOND PROPERTY MANAGEMENT INC	39.01		39.01		
Bill	02/01/2015	17753	WILLIAMS PLUMBING AND HEATING	779.58				
Bill	02/01/2015	1191958	KENCO SECURITY & TECHNOLOGY	136.50				136.50
Bill	02/19/2015	1164	LONE PEAK ELECTRIC	26.64				
Bill	02/28/2015		KENCO SECURITY & TECHNOLOGY	136.50				136.50
Bill	03/01/2015	15545	HAMMOND PROPERTY MANAGEMENT INC	0.51		0.51		
Bill	03/15/2015	15635	HAMMOND PROPERTY MANAGEMENT EXTRA	435.00				
Bill	03/30/2015		KENCO SECURITY & TECHNOLOGY	105.00				105.00
Bill	03/31/2015	1206371	KENCO SECURITY & TECHNOLOGY	136.50				136.50
				<u>2,002.06</u>	<u>0.00</u>	<u>159.77</u>	<u>0.00</u>	<u>514.50</u>
				<u>44,108.00</u>		<u>5,000.00</u>	<u>1,800.00</u>	<u>1,650.00</u>
				<u>42,105.94</u>	<u>0.00</u>	<u>4,840.23</u>	<u>1,800.00</u>	<u>1,135.50</u>

Balasts and Lamps	Clean Protect Halls and Stairs	Painting Entry Doors	Painting Touchup Hallways	Playground Maintenance	Dryer Vent Repair Replacement	Painting Facia	Snow Melt Devices Maintenance	Condo Deck Repair	Compactor Maintenance	Lawn Sprinkler Landscaping	Plumbing	Totals
							62.52					62.52
												92.50
												27.75
									24.05			24.05
												39.01
											779.58	779.58
												136.50
									26.64			26.64
												136.50
												0.51
											435.00	435.00
												105.00
												136.50
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50.69	0.00	1,214.58	1,939.54
2,500.00	4,000.00	4,000.00	10,000.00	370.00	3,400.00	-	-	10,500.00		888.00		44,108.00
2,500.00	4,000.00	4,000.00	10,000.00	370.00	3,400.00	0.00	0.00	10,500.00	-50.69	888.00	-1,214.58	42,168.46

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	
UNFORESEEN REPAIRS AND MAINTENANCE EXPENSES								
	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	
CONDO BUILDING LIGHTS, PROPANE GAS METER, AND FIRE ALARM SYSTEM								
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	
SCHEDULED								
ERA TEST LLC	INSPECTION OF ALL UNITS	10,000	8,000	2,000				
ITEMS THAT NEED TO BE DONE IN THE NEXT YEAR								
	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	
	TOTAL	47,400.00	21,697.00	25,703.00	71,400	27,292	44,108	



BOARD OF DIRECTORS RESOLUTION

RESOLUTION: ESTABLISHMENT OF AN ASSESSMENT COLLECTION POLICY

Date of Board Adoption: _____

Resolution No.: _____

Effective Date _____

Dates Revised: _____

RESOLUTION

WHEREAS, Article V of the Declaration and Bylaws for Firelight Meadows Condominiums (the “Declaration”) and the Bylaws of The Association of Unit Owners of Firelight Meadows Condominiums (the “Bylaws”) provides for the creation of three types of assessments: (a) Annual Assessments to fund Common Expenses as described in the Declaration in Article V Section 8 Paragraph b; (b) Special Assessments as described in the Declaration Article V Section 8 Paragraph e; and (c) Special Assessments as described in the Bylaws Paragraph 8(L); and

WHEREAS, the Bylaws Paragraph 8(F) authorizes the Association to levy and account for said assessments; and

WHEREAS, the Declaration Article V, Section 5 authorizes the Association to collect interest, late charges, costs, and reasonable attorney’s fees for delinquent assessments; and

WHEREAS, the Declaration states that assessments shall be due and payable thirty (30) days after the due date as set forth in Article V, Section 5; and

NOW, THEREFORE BE IT RESOLVED THAT: the Board of Directors (the “Board”) desires to establish the time for when and how assessments shall be paid and the process for collection of delinquent assessments in accord with the following policy:

1. **Budget:** Per the Declaration Article V, Section 8, Paragraph (a), the Board of Directors shall cause a preliminary budget to be mailed to each Unit Owner prior to the annual meeting and then presented at the annual meeting for discussion, potential amendment, and approval of the Unit Owners. The Association’s fiscal year runs from January 1st to December 31st of each year;
2. **Annual Assessment:** The Declaration Article V, Section 8, Paragraph (b) provides for the establishment of annual assessments.
3. The Board establishes that annual assessments shall be billed quarterly and notices for the next fiscal quarter shall be mailed to the Unit Owners of record as of January 1st, April 1st, July 1st, and October 1st. Unit Owners that sell their property to a third party during the



The Association of Unit Owners of Firelight Meadows Condominiums, Inc.

fiscal year, are to notify the Association of the Unit Ownership change prior to recording and provide the new Unit Owner's mailing address; thereafter the new Unit Owner is responsible for payment of the assessments and the Association shall mail the assessment notices to the new Unit Owner;

4. **Payment and Due Dates:** The Declaration Article V, Section 5, states that the assessments shall be paid thirty (30) days from the date of the due date as set forth in the mailing of the Assessments. Assessments shall be paid quarterly in equal amounts and shall be received by the Association on or before January 31st; May 1st; and July 31st; and October 31st of each fiscal year;
5. **Application of Payments.** All payments received will be applied in the following order, as applicable: legal costs, legal fees, collection costs and expenses, filing/recording fees, late fees and finance charges, and assessment principal (oldest to newest);
6. **Assessment Notices and Unit Owner's Responsibility.** Assessment notices will be sent to each Unit Owner on the first day of each fiscal quarter. The Unit Owner shall pay the assessment amount per the Declaration by the Due Date whether or not the assessment notice is actually received by the Unit Owner;
7. **Delinquent:** Assessments not received thirty (30) days after the due date on the assessment notice, are considered delinquent and interest will accrue in accordance with this policy;
8. **Late Charges:** The Declaration Article V, Section 5 states that at thirty (30) days past the due date, delinquent amounts are subject to a late fee equal to 25% of the amount due;
9. **Interest:** Article V, Section 5 of the Declaration states that all assessments shall bear interest at twelve (12) percent per annum from the date the delinquency first occurs and shall be computed as simple interest not compounding and shall be charged only on the assessment amount owed not on any late charges, costs or attorney's fees;
10. **Liens:** If the Unit Owner does not pay the assessments owed, then the Association may file/record a lien in the office of the Clerk and Recorder for Gallatin County and send a copy of the filed/recorded lien to the Unit Owner U.S. Mail, certified;
11. **Disputes.** Any Unit Owner who disputes any assessment(s) must submit the dispute in writing to the Board and pay the assessments under protest by the due date. Any disputed assessment must be paid by the due date or will be considered delinquent and all late fees and interest charges will begin to apply. The Board or its agent will send acknowledgement of receipt of the Unit Owner's letter of dispute within thirty (30) days of receipt by the Board and disputes will be reviewed at the next regularly scheduled Board meeting for which there is quorum. The Unit Owner or their agent shall have the opportunity to be present and comment at the Board meeting for which their dispute is discussed. The Board shall issue their decision regarding the Unit Owner's dispute in writing to the Unit Owner within thirty (30) days of the Board meeting;



The Association of Unit Owners of Firelight Meadows Condominiums, Inc.

- 12. **Costs and Attorney's Fees:** The Association, in its sole discretion, may charge the cost to prepare any liens and the cost to file/record the liens in the public record to the Unit Owner. All attorney's fees incurred in the preparation or enforcement of assessments owed will be passed through to the delinquent Unit Owner;
- 13. **Publication of Overdue Assessments:** Unit Owners are on notice that the Board will include in their financial reports a delinquency report reflecting those accounts that are delinquent. Accounts will be identified by account number and/or legal description;
- 14. **Other Remedies:** If payment of the assessments has not been received within ninety (90) days of the due date, the Board on behalf of the Association reserves its rights to submit any delinquency to its legal counsel or a collection agency for collection. The Board also reserves its rights to send notice of delinquent assessments or lien to the Unit Owner's mortgage lien holder;
- 15. The Board is the sole interpreter of this Resolution and decisions by the Board are final;
- 16. This Resolution supersedes all other Policies/Resolutions with regard to handling the collection of delinquent assessments.

DATED this _____ day of _____, 2015

**BOARD OF DIRECTORS
The Association of Unit Owners of Firelight Meadows Condominiums, Inc.**

_____	_____
Karen Roberts, President	Date
_____	_____
Catherine Gilb, Secretary	Date
_____	_____
Curt Wilson, Treasurer	Date



The Association of Unit Owners of Firelight Meadows Condominiums, Inc.

BOARD OF DIRECTORS RESOLUTION

RESOLUTION: ESTABLISHMENT OF A DOCUMENT RETENTION POLICY

Date of Board Adoption: _____

Resolution No.: _____

Effective Date _____

Dates Revised: _____

RESOLUTION

WHEREAS, Paragraph 8(O) of the Bylaws of The Association of Unit Owners of Firelight Meadows Condominiums (the “Bylaws”) requires that the Board of Directors (the “Board”) maintain or cause to maintain the books and records of the Association; and

NOW, THEREFORE BE IT RESOLVED THAT: the Board desires to establish the time for when and how Association books, records, and other documents are retained in accord with the following policy:

Document Type	Years to Retain “P” indicates permanent retention
Governing Documents	
Most Recent Corporate Annual Report as filed with the MT SOS	CURRENT
Articles of Incorporation and Bylaws	P
IRS examinations, rulings, comments, correspondence	P
Tax-exemption application and approval letter	P
Rules and Regulations	P
Deeds	P
Easements	P
Administration and Operations	
General Correspondence	10
Member Lists	P
List of Current Directors or Officers incl. home or business address	CURRENT
Election Records (undisputed)	10
Annual Meeting Minutes	P
FLM Board Meeting Minutes Regular and Special (inclusive of Executive Session)	P



The Association of Unit Owners of Firelight Meadows Condominiums, Inc.

Document Type	Years to Retain “P” indicates permanent retention
Committee's of the Board Meeting Minutes (only those committees that are delegated authority)	P
Newsletters	P
Resolutions and Policies	P
Committee Charters	P
Conflict of Interest Disclosure Statements	P
Assessment Collection Records	5
Expired Contracts and Leases	10
Contracts and Leases in Force	CURRENT
Financial and Accounting	
Accounts Payable Ledger	10
Accounts Receivable Ledger	10
Bank Signature Cards	10
Bank Deposit Slips	10
Bank Reconciliations	10
Bank Statements and Cancelled Checks	10
Brokerage Statements	10
Budgets	10
Check Register (Cash Disbursements Journal)	10
Interim Financial Statements	10
Annual Financial Statements	P
General Ledgers	P
Tax and Informational Returns (State and Federal)	P
Reserves	
Reserve Estimates and Calculations	P
Legal Records	
General Legal Advice and Opinions	P
Disputes or Litigation with Homeowners	P
Litigation with Third Parties	P
Enforcement of Assessment Liens	P
Insurance Documents	
Insurance Policies, Declaration pages	P
Claims Information and Reports	P
Accident and Fire Inspection Reports	P
Additional Insured Endorsements (both from FLM and naming FLM)	P
Loss/Accident reports and claims made to insurance (after settlement)	10



The Association of Unit Owners of Firelight Meadows Condominiums, Inc.

DATED this _____ day of _____, 2015

BOARD OF DIRECTORS
The Association of Unit Owners of Firelight Meadows Condominiums, Inc.

Karen Roberts, President

Date

Catherine Gilb, Secretary

Date

Curt Wilson, Treasurer

Date

DRAFT