

THESE ARE THE DRAFT MINUTES, THEY WILL NOT BE APPROVED BY THE HOA UNTIL THE NEXT ANNUAL MEETING

YELLOWSTONE CONDOMINIUM OWNERS ASSOCIATION

2016 Annual Owners Meeting
10:00 am Saturday, July 30, 2016

MINUTES

Call to Order

Chairman Craig Chananie called the meeting to order at 10:05 am.

Officers in attendance were Craig Chananie (80D), Buddy Baker (79A), Peter Barber (30B), and Michael Henning (74D).

Other Owners in attendance were Dianne Doss (75B), Gary and Leoetta Mayer (28A), Susan Barber (30B), Curley and Nancy Hardyman (60A), Tom Marino (75D), and George Rodriguez (44D).

Also in attendance were Ryan Welch and Michelle Everett of Hammond Property Management (HPM) and Rich Lindell of Lindell and Associates.

Determination of a Quorum

Fifty one percent of the membership votes are required to conduct the meeting; 66.7% of the membership votes were present by proxy or those present.

Approval of the 2015 Minutes

Baker made a motion to approve the minutes from the August 1, 2015 Annual Owners Meeting as written. Henning seconded the motion. All were in favor. None opposed. The motion carried.

Old Business

No Old Business was discussed

Board of Directors Report

Chananie presented the Board of Directors Report. He noted that the board held two conference calls where they discussed the results of the surveys and some maintenance improvements. He will work with Ryan Welch on some minor items that came up during the conference calls and subsequent campus walk-arounds. Chananie explained that some owners asked about having the electric boxes painted. Chananie looked into the project, but found it to be cost prohibitive. Gary Mayer asked if there were other suggestions made in the survey responses. Chananie stated that adding solar panels on the pool house, installing a bike rack, adding recycling, addressing parking issues, and upgrading the washers and dryers were requested. The board discussed changing the bylaws to alter the quorum requirements, but decided that it would be difficult to acquire the required 75% of votes. Peter Barber stated that most of the comments received were positive, specifically the appearance of the complex and the management team. Henning stated that he is interested in replacing the windows at his unit, and that if other owners are interested, they can contact him to try to get a larger order, and thus a better price

Manager's Report

Welch presented the Manager's Report. He stated that Northwestern Energy broke a power line that provided power to some parking lot lights, and repaired the damage. Big Sky Water and Sewer conducted some storm drain work on campus as well. He also noted that the parking issues have increased over the past year. He looked into striping the parking spaces, which would be expensive, and would actually

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reduce the number of spaces. Mayer asked if the Association could limit the number of vehicles per unit, and it was suggested that owners include limits in their leases with long-term rentals. Welch then noted that he wrapped all of the pipes in the pool house to insulate them, and they did not freeze over the winter. The laundry room income has been steady, and the firewood service was consistent over the winter. Welch then noted that the swallows have been a problem, and that the only real solution is to add netting to prevent them from nesting on campus, at a cost of approximately \$2,000.

Financial Report

Lindell presented the financial report. He stated that the Association was doing well financially. As of June 30th, the Association had \$163,000 in the reserve account, and no one was behind on dues. Lindell then noted that the renovation loan would be paid off by the end of the year. He added that the Association was very well structured financially, and in the top 10% of similar associations as far as reserve planning goes. Lindell then explained that the operating budget was carrying a surplus of approximately \$23,000. He then discussed the budget to actual. The budget was performing very well, and the only item that was over budget was water.

Owner Correspondence

No owner correspondence was discussed.

Nominations for Board of Directors

The following Owners were nominated: Craig Chananie, Buddy Baker, Peter Barber, Mark Wehrman, Mike Henning, Joel White, and Curly Hardyman.

Ballot for Board Election

After tallying the votes, it was determined that the board consists of the following members:

<u>Craig Chananie</u>	<u>64.675%</u>
<u>James "Buddy" Baker</u>	<u>55.845%</u>
<u>Peter Barber</u>	<u>64.675%</u>
<u>Mike Henning</u>	<u>61.946%</u>
<u>Mark Wehrman</u>	<u>62.942%</u>

New Business

Chananie discussed the installation of water meters for each unit. The cost per unit would be \$400 per unit for the meters to be installed, as well as \$200-\$300 per unit for plumbing costs. Additionally, the costs per unit would likely increase for water and sewer service. Chananie added that the irrigation should be separated and metered separately as soon as possible as well. Baker added that as water usage becomes more of a concern, it might become mandatory for each unit to be metered separately in the future. Henning volunteered to look into the possibility of obtaining a grant to help with the costs of metering each unit. G. Mayer asked about the condition of the roofs. Welch explained that the roofs were in great shape and not a concern at this time. He believes that they have at least 10 more years left. The group discussed the importance of maintaining the reserve accounts as the campus ages, and several big ticket items will need to be addressed in the coming years.

2017 Meeting Date

The 2017 YCOA Annual Owners meeting was scheduled for July 29, 2017.

Adjournment

Henning made a motion to adjourn the meeting at 11:57 am. Baker seconded the motion. All were in favor. The motion carried. The meeting adjourned.



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**Yellowstone Condominium Owners Association
2016 Annual Owners Meeting
Manager's Report**

Year Round

- Replaced the exterior and common area lights throughout campus.
- Deposited laundry coins at Big Sky Western Bank.
- Cleaned the dumpster areas and picked up trash around the complex.

August – October 2015

- Buddy and Craig power washed pool area and bathrooms
- Installed new plexi glass at unit 44D that was broken by golf ball
- BSWS fixed light pole around 80A
- Lone Peak Electric identified a wire break for light pole at 60A damaged by NWE
- Painted utility panel and post in front of building 30
- Buddy replaced trim around living room window of 44D
- Buddy replaced rotten railing top at 30B
- BSWS finished up work in front of building 18
- Left a violation notice at 60B regarding dog issues
- K and M Paving paved parking lot areas after BSWS dig
- Replaced failed GFI pool breaker
- Swept and blew parking areas
- Met with BSWS about adding topsoil at 80A
- Ordered window for 30A glass broken by golf ball, replaced by All City Glass
- Replaced failed pool pump GFI in panel
- Winterized irrigation system
- Swept and cleaned parking lot areas
- Managed parking concerns around building 75
- Addressed renters broken down truck at 44B
- Replaced 44D broken plexi glass again
- Replaced bulb at 63A parking light post
- Investigated and assessed water penetration through foundation of 74D
- Mitigated negative grade drainage at 74D with topsoil, water barrier, and erosion mat
- Ordered and installed 'Do Not Block Walkway' signs
- Performed light check, changed bulbs where needed in parking areas
- Met with Gallatin Valley Health Department for pool license
- Moved planter barrels to front of pool house
- Cleaned gutters and roof valley at pool entry
- Installed snow delineators for parking lot plug in posts

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November 2015 – January 2016

- Installed new 'Do Not Block Walkway' sign in front of 22A walk
- Investigated and identified a leak in the irrigation system
- Buddy negotiated a discount on excessive water bill with BSWs that was due to the fall irrigation leak
- Removed broken tree branches from snow load around campus
- Wrapped pipes in attic of pool bathrooms and laundry with foam to prevent freezing
- Applied spray foam to fill holes in cinder blocks in pool building
- Researched the replacement of one washer and dryer for complex
- Removed plexi glass from applicable units
- Ordered and installed new washer and dryer
- Replaced burnt parking bulb at 28B
- Shoveled snow around fire hydrants around campus
- Added additional garbage pickup for holidays
- Regular fire wood delivery
- Shoveled snow from entry roof of 74A
- Communicated with owners/renters regarding moving vehicles for snow removal
- Shoveled snow around fire hydrants around campus
- Remove overhanging snow at entry of 74A
- Remove Christmas trees around campus
- 20A caulk and foam gap in deck railing per inspection report
- Communicated with renters in 44C about dogs visiting
- Remove overhanging snow at entry of 80A
- Chip ice, clean up snow from walkways around campus
- Communicated with renters in 75C regarding late night partying in the pool area

February – April 2016

- Shoveled snow around fire hydrants around campus
- Snow removal from small entry roofs throughout campus
- Replace bad eye panel outside of 30B for parking lot lights
- Pick up cigarette butts around pool exterior
- Changed florescent light ballast in pool area
- Ice mitigation around campus (ie. Chipping, snowmelt and sand)
- Met with Sheriff's department to find owner of green pathfinder on campus with no plates (Renter's car in 145)
- Talk with owners of 22C about fireplace insert issues that came from inspection report
- Re-attach fire lane sign at entry
- Consolidated trash at dumpsters
- Picked up dog waste and trash around campus
- Install protective window coverings for golf balls

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- Remove parking lot delineators
- Communicated with owner of green Pathfinder
- Communicated with renters about parking on the lawn
- Investigate west vault due to high water usage
- Communicated with BSWs about high water usage
- Swept parking areas

May-July 2016

- Coordinated and oversaw chimney inspections/cleans throughout campus
- Toilet check conducted during chimney cleans. Two found running.
- Clean up broken branches
- Big Sky Chimney fixed cap at 80B
- Meet with BSWs about adding individual water meters
- Installed bird deterrent on pool building
- Landscape/annual flower maintenance meeting
- Campus landscape irrigation leak test and start up
- Swallow nest removal
- Obtained meter reads from BSWs for the past 3 years for vault
- Planters and flower beds planted around campus
- Obtained various bids from plumbers for installation of meters
- Communicated with renters about speeding through parking lot
- Water planters and flower beds
- Met with various plumbers regarding meter install
- Adjusted irrigation along the roadway
- Communicated with owners about Migratory Bird Act and removal of nesting birds
- Adjusted irrigation clocks for water restrictions
- Consolidated trash at dumpster areas
- Replace failed photo eye at lamp post 75A
- Received estimate from Tobin plumbing for meter installs
- Remove dead tree and corrected grade for proper water drainage at 75D
- Performed walk around with Association President
- Measured and ordered glass for broken window at 44C
- Communicated with various owners about cleaning up entry areas
- Trimmed and cut trees which were growing into units around campus
- Communicated with renters about filling water tank from rental unit
- Replaced broken stairs at 22B entry
- Obtained estimate for parking lot stripping and bird netting
- Move stone path 74B for stairs moved by Craig
- Remove old satellite dish 80D
- Replace storm door window, 30B damaged by golf ball

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YELLOWSTONE CONDOMINIUM OWNERS ASSOCIATION

Statement of Assets, Liabilities & Fund Balances

As of December 5, 2016 and December 31, 2015

	December 5, 2016			12/31/2015
	<u>Operating Fund</u>	<u>Reserve Funds</u>	<u>Total Funds</u>	<u>Total Funds</u>
ASSETS				
Cash	\$ 31,704	\$ 163,557	\$ 195,261	\$ 169,386
Due (to) from other funds	1,164	(1,164)	-	-
Assessments receivable	6,433	-	6,433	25
Prepaid expenses	-	-	-	4,402
Renovation Loan-Owners	-	-	-	21,260
Total Assets	<u>\$ 39,301</u>	<u>\$ 162,393</u>	<u>\$ 201,694</u>	<u>\$ 195,073</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 8,195
Prepaid Assessments	1,153	-	1,153	1,627
Renovation Loan - BSWB	-	5,675	5,675	21,530
Total Liabilities	<u>\$ 1,153</u>	<u>\$ 5,675</u>	<u>\$ 6,828</u>	<u>\$ 31,352</u>
FUND BALANCE	<u>38,148</u>	<u>156,718</u>	<u>194,866</u>	<u>163,721</u>
Total Liabilities & Fund Balance	<u>\$ 39,301</u>	<u>\$ 162,393</u>	<u>\$ 201,694</u>	<u>\$ 195,073</u>

NOTE: Reserve funds are designated to be used for future expenditures as approved by ownership majority and/or catastrophic insurance loss.

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YELLOWSTONE CONDOMINIUM ASSOCIATION
Statement of Revenues, Expenses and Changes in Fund Balance
January 1, 2016 through December 5, 2016

	<u>Operating</u>	<u>Deferred Maintenance</u>	<u>Total</u>
Revenues			
Assessments	135,028	20,254	155,282
Laundry Income (net)	(179)		(179)
Key Replacement	0		0
Penalties	150		150
Investment Interest	0	159	159
Total Revenues	<u>134,999</u>	<u>20,413</u>	<u>155,412</u>
Operating Expenses			
Administrative:	22,506		22,506
Maintenance:	52,214		52,214
Recreation Area:	23,964		23,964
Services:	25,584		25,584
Total Operating Expenses	<u>124,268</u>	0	<u>124,268</u>
Reserve Expenses		0	0
Total Expenses	<u>124,268</u>	<u>0</u>	<u>124,268</u>
Excess Revenues Over Expenses	<u>10,731</u>	<u>20,413</u>	<u>31,144</u>
Fund Balance Beginning	27,416	136,305	163,721
Fund Balance Ending	<u><u>38,147</u></u>	<u><u>156,718</u></u>	<u><u>194,865</u></u>

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Schedule I - Budget to Actual Expense Comparison

	Current Year - as of 12/05/16				Prior Year		
	12 Month Budget	Actual YTD	(Over) Under		12 Month Budget	Actual 12 Month	(Over) Under
Operating Expenses							
Administrative:							
Accounting	6,500	5,417	1,083		6,500	6,500	0
Annual Meeting	50	0	50		50	0	50
Corporation Fee	15	0	15		15	15	0
Insurance	17,000	16,786	214		15,500	15,662	(162)
Legal	500	0	500		500	0	500
Office Expenses/Postage	500	303	197		500	266	234
	<u>24,565</u>	<u>22,506</u>	<u>2,059</u>	92%	<u>23,065</u>	<u>22,443</u>	<u>622</u>
Maintenance:							
General Maintenance	5,000	3,128	1,872		5,000	5,575	(575)
Building Stain/Decks	0	0	0		0	0	0
Chimney Cleaning/Repair	2,500	2,407	93		2,500	2,325	175
Landscape	1,500	535	965		1,500	1,356	144
Manager Contract	46,144	46,144	0		46,144	46,144	0
	<u>55,144</u>	<u>52,214</u>	<u>2,930</u>	95%	<u>55,144</u>	<u>55,400</u>	<u>(256)</u>
Pool Area:							
Health License	275	275	0		275	275	0
Pool Electricity	23,000	20,302	2,698		20,000	23,899	(3,899)
Pool Building Repair	1,000	893	107		1,500	750	750
Pool Water/Sewer	1,500	1,126	374		1,500	1,732	(232)
Pool Supplies	2,000	1,368	632		2,000	1,289	711
	<u>27,775</u>	<u>23,964</u>	<u>3,811</u>	86%	<u>25,275</u>	<u>27,945</u>	<u>(2,670)</u>
Services:							
Electricity-Outside Lights	600	403	197		600	469	131
Firewood	5,500	3,600	1,900		5,000	4,875	125
Garbage	8,500	7,294	1,206		8,500	8,609	(109)
Snowplowing	5,115	3,409	1,706		5,115	5,114	1
Telephone	525	539	(14)		525	550	(25)
Water and Irrig/Variable	7,300	10,339	(3,039)		6,800	8,928	(2,128)
	<u>27,540</u>	<u>25,584</u>	<u>1,956</u>	93%	<u>26,540</u>	<u>28,545</u>	<u>(2,005)</u>
Total Operating Expenses	135,024	124,268	10,756	92%	130,024	134,333	(4,309)
Reserves							
Deferred Maint. Reserve	20,254	0	20,254		19,504	0	19,504
Total Budget	<u>155,278</u>	<u>124,268</u>	<u>31,010</u>	80%	<u>149,528</u>	<u>134,333</u>	<u>15,195</u>

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Budget Comparison

	<u>2016</u> <u>12 Month</u> <u>Budget</u>	<u>2017</u> <u>Proposed</u> <u>2017</u>		<u>% Increase</u> <u>Decrease</u>
Operating Expenses				
Administrative:				
Accounting	6,500	6,700	1	3.1%
Annual Meeting	50	50		0.0%
Corporation Fee	15	20		33.3%
Insurance	17,000	17,150	2	0.9%
Legal	500	500		0.0%
Office Expenses/Postage	500	500		0.0%
	<u>24,565</u>	<u>24,920</u>		<u>1.4%</u>
Maintenance:				
General Building Maintenance	5,000	5,000	3	0.0%
Chimney Cleaning/Repair/Chimney	2,500	2,500		0.0%
Landscape	1,500	1,500		0.0%
Manager Contract	46,144	46,144		0.0%
	<u>55,144</u>	<u>55,144</u>		<u>0.0%</u>
Pool Area:				
Health License	275	275		0.0%
Pool Electricity	23,000	23,000		0.0%
Pool Building Repair	1,000	1,000		0.0%
Pool Water/Sewer	1,500	1,500	4	0.0%
Pool Supplies	2,000	2,000		0.0%
	<u>27,775</u>	<u>27,775</u>		<u>0.0%</u>
Services:				
Electricity-Outside Lights	600	600		0.0%
Firewood	5,500	5,500		0.0%
Garbage	8,500	8,500		0.0%
Snowplowing	5,115	5,115	5	0.0%
Telephone	525	525		0.0%
Water and Irrig/Variable	7,300	11,000	4	50.7%
	<u>27,540</u>	<u>31,240</u>		<u>13.4%</u>
Total Operating Expenses	135,024	139,079		3.0%
Reserves				
Deferred Maintenance Reserve	20,254	20,862		3.0%
Total Budget	<u>155,278</u>	<u>159,941</u>		<u>3.0%</u>

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