

Yellowstone Condominium Owners Association

P.O. Box 160296
Big Sky, Montana 59716

2020 Annual Meeting

The Yellowstone Condominium Owners Association annual meeting will be held on:

Saturday, July 25th, 2020 at 9:00 a.m. MDT

<https://global.gotomeeting.com/join/528271165>

Please plan to participate and send your proxy.

We encourage you to participate in the meeting via computer/tablet/smartphone. Returning the enclosed proxy (even if you plan to attend) as soon as possible, will enable the business of the Association to be conducted without rescheduling the meeting. Returning the proxy before the meeting does assist in establishing that at least 50% of the Ownership interests are represented for determination of the quorum.

Considering current social distancing best practices and limited meeting space in Big Sky, only board members, the property management team, and the accounting team will meet in person. All owners are encouraged to participate remotely:

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/528271165>

You can also dial in using your phone.

United States: [+1 \(224\) 501-3412](tel:+12245013412)

Access Code: 528-271-165

PLEASE NOTE: All five Board positions are open annually. Terms are for one year.

Please return the enclosed ballot no later than July 15th, 2020 to cast your vote.

Please review the enclosed documents: Agenda, 2019 Meeting Minutes, Ballot, and Proxy and return envelope. Financial statements will be provided prior to the meeting to those with an email address on file.

Please return your ballot & proxy
even if you are planning to participate in the meeting

Thank you,

YCOA Board of Directors

New to GoToMeeting? Get the app now and be ready when your first meeting starts:

<https://global.gotomeeting.com/install/528271165>

REMOTE MEETING INFO

- Mute personal cell phones/computers
- During the meeting email questions/comments to: kcoleman@hpmmontana.com
Your questions/comments will be relayed to the Board

Please join my meeting from your computer, tablet or smartphone.

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If you have any questions or concerns prior to the meeting,
please contact Katie at Hammond Property Management

(406) 995-7220

kcoleman@hpmmontana.com

Yellowstone Condominium Owners Association

2020 Annual Owners Meeting

JULY 25th, 2020

9:00 a.m. (MDT)

<https://global.gotomeeting.com/join/528271165>

AGENDA

1. Call to Order
 - a. Establish Quorum
 - b. E-Meeting Etiquette
 - c. Introductions
2. Review 2019 Minutes
3. Old Business
4. Financial Report – Lindell & Associates, PC
5. Manager's Report – Ryan Welch, Hammond Property Management
6. Board of Directors' Report – Craig Chananie, Chairman
7. Review of Owner Correspondence and Presentation of Other Owner Issues
8. New Business
9. Board of Directors election results - Lindell & Associates, PC
10. Discuss 2021 Meeting Date(s)
11. Adjournment

Yellowstone Condominium Owners Association

2019 Annual Owners Meeting
9:00 am Friday, July 26, 2019

MINUTES

Call to Order

Chairman Craig Chananie called the meeting to order at 9:01 am.

Introductions & Attendance

Officers in attendance included Craig Chananie (80D), Mark Wehrman (30A), Mike Henning (74D), and via phone Carly Hardyman (60A). Other Owners in attendance included Charon and John Warwick-Canning (14B), Jean White (22C), David Baer (44C), Katie Scherfig (74B), Janet Henning (74D), Alexis Stopka (75C), Sherri and Buddy Baker (79A), and Gary Carlson (80C).

Others in attendance included Scott Hammond, Ryan Welch and Katie Coleman of Hammond Property Management (HPM), Rich Lindell of Lindell and Associates, Laura Seyfang with the Big Sky Housing Trust, Cathy Gorman with Big Sky Sotheby's, and Samantha Smith of The Agency Insurance Division.

Determination of Quorum

51% of the membership must be present to conduct the meeting; 69% of the membership was present either in person or by proxy and quorum was established.

GUEST SPEAKERS

Laura Seyfang – Big Sky Housing Trust (BSHT)

Laura Seyfang of the Big Sky Housing Trust was present to share updates with the group surrounding current Big Sky housing conditions. She shared that their main focus is to work on improving the availability of affordable housing for local workers. She made note of the ongoing construction of the Meadow View properties currently being built behind the Big Sky Park. This is a subsidized project that is considered affordable housing with rental and re-sell restrictions.

Additionally, BSHT is currently working on establishing a program that encourages property owners interested in renting their property to rent to local workers versus vacation rentals. The program works with property owners and offers incentives to promote this idea, including alternative lodging vouchers when they visit, ski passes and more, depending on the owner's personal situation. BSHT also helps find and vet potential responsible renters, checks each unit quarterly, and creates a positive experience for participating owners.

Laura encourages the group to reach out to her if they are interested in working with the Big Sky Housing Trust on the program.

Samantha Smith – Agency Insurance Division

Samantha Smith of Agency Insurance Division was present to answer any insurance related questions the group might have. The policy is a "walls-out" coverage meaning the external complex, including decks, is covered in its entirety. Individual unit owners should assess their property interior and make sure that everything "drywall-in" is adequately covered. Owners should be certain that their interior policy has a loss assessment of \$5,000. If the HOA were to assess an individual owner, this would ensure their coverage up to that amount. If owners choose to alter their unit exterior from the original specs, i.e. decks, they must share these details with the association so insurance can be adjusted accordingly.

On a separate note, Craig stressed once again the importance of owners replacing the gate valves in their unit with a ball valve, which is an owner's responsibility to do. If something were to happen involving the valve, the HOA is not responsible for damages or costs related.

Buddy Baker asked Samantha and Ty to shop insurance frequently to be sure they are getting the best premium each year.

Cathy Gorman – Big Sky Sotheby's International Realty

Cathy Gorman, a realtor for Big Sky Sotheby's, was present to discuss the upcoming closing on a Yellowstone Condo – the only unit at the Yellowstone Condos complex that was put on the market and sold in 2019 so far. The unit was listed at \$415k and received two offers within 48 hours, though the selling price was not disclosed at the meeting. Cathy shared some other stats about the Big Sky real-estate market before departing.

Approval of 2018 Annual Meeting Minutes

The group noted two small corrections to be made. Mike Henning motioned to accept the changes and otherwise approve the meeting minutes as presented; Buddy seconded. The motion was carried.

Old Business

Deck Replacement/Maintenance

Scott started by sharing that historically, and in accordance with the bylaws, Owners have paid for replacement of their back elevated decks, and the HOA has maintained them with regard to painting/staining. It should be noted that entrance decks/stairways are an HOA responsibility to replace/maintain as they are considered a general common element, where back decks are considered a limited common element.

Mark stated that the letter shared with owners regarding deck replacement was not requiring anything from unit owners, but simply informing the membership that those with decks may consider replacing them due to their age (about 40 yrs.). Owners may extend their deck with board approval, and are fully responsible for the replacement cost and upkeep.

Painting Rotation

Management has arranged for two buildings a year to be painted, more if possible. Each year painting will be scheduled based on the budget and in order of buildings needing the most attention.

Financial Report

Financials were presented at the meeting by Rich Lindell. Fifteen percent of the operating budget is set aside into reserves and the account continues to grow in line with the board's strategy. All owners are current on their dues. Staining this year will put the association over budget – the amount is coming out of the operating surplus.

Manager's Report - HPM

Ryan presented the Manager's Report. Main points included:

- Tied into affluent water with the golf course
- Touch-up painting on SW part of campus (trim, fascia, etc.)
- Winterized irrigation
- Replaced two entryway decks. Two more are scheduled this year (20A, 22B), possibly a third.
- Ball-valve – BSWs is now requiring a backflow preventer be added to the unit when replacing valves to ensure water does not back up into the water and sewer lines. This allows for the isolation of water in case of an emergency.
- Replaced old pool filter with a sand filter. Some spa trouble and replacement of wires in the area caused the association to be over-budget for pool maintenance.

- Spring cleanup was performed
- Some windows were replaced due to golf balls
- Dropped a lodge pole pine near the entrance to campus that was dead
- Began paint rotation

The group thanked HPM for their management services.

Chairman Report

Craig Chananie delivered his Chairman's report. There have been conversations among owners and board members regarding deck replacement.

The expense to tie into the golf course's affluent water was funded by the HOA, but kept the membership dues from increasing. This expense eliminated the need for fresh water and takes advantage of gray water for the campus irrigation needs.

Owner Correspondence

- Charon asked for board input and approval to add minimal landscaping around her unit. Craig gave her an application to submit for board approval.
- Craig shared concerns from owners regarding the pool room floors and the need for cleaning. Ryan will communicate the concerns to the cleaning crew.
- An owner inquired about the possibility of voting via phone at future meetings. This requires legal involvement to change the bylaws. Craig stated that the owner turnout via proxy is typically pretty strong and the money required to address this consideration could be applied to campus projects.
- An owner commented on the lack of communication from management regarding the balcony replacement process. Craig shared that the board is available to guide owners with the process if they have questions.

Nominations for Board of Directors

The following Owners were nominated for election: Craig Chananie, Peter Barber, Mark Wehrman, Curly Hardyman, and Charon Warwick-Canning.

Ballot for Board Election

Buddy motioned to reelect the slate; David Baer seconded. All were in favor and the slate was reelected. The board consists of the following members: Craig Chananie, Mike Henning, Peter Barber, Mark Wehrman, and Curley Hardyman.

New Business

Gary Carlson asked if management could update the website information for Yellowstone Condos, including: budget to actual information, meeting minutes, updated insurance information, updated owner contact information, rules and regulations, etc. Management approved draft minutes to be posted, as well as financials as they are provided from the accountant.

Annual Meeting Date

The board will discuss next year's annual meeting date, and whether the meeting will be held on a Friday or Saturday in late July.

Adjournment

Craig Chananie made a motion to adjourn the meeting at 11:08 am. Gary seconded the motion and the meeting adjourned.



Think renting your Big Sky Vacation Property short-term is your only option?

RENT LOCAL!

and help the Big Sky working community with it's housing needs.

LIST YOUR CONDO
MATCH WITH TENANTS
SUPPORT BIG SKY



Big Sky Community Housing Trust can help you find an excellent LONG-TERM renter

Downsides of Short-Term Rentals:

- Owners must pay 3% Resort Tax and 7% Montana Lodging Tax
- Units must be licensed with the State of Montana
- Units should carry additional insurance to protect property from damage (approx. \$350/year) and traditional home policies may not cover short-term rentals.
- Unit require frequent cleaning/turnover/check-in fees

NONE of these fees and requirements apply to long-term rentals.

**www.LandingLocals.com will list your unit
and match you with vetted local residents who are currently seeking housing.**

We perform renter background and reference checks, can show your unit, and help you find a great tenant. We can also provide limited Property Management services, like inspecting your unit quarterly, on a fee for use structure.

Still want to use your property several weeks during the year?

We have options for you which include having your tenant briefly vacate or we can help you with an alternative place to stay while you visit Big Sky.



**LANDING
LOCALS**

Let us list your condo!
All homeowner services are
FREE until July 1st.

LEARN MORE

Give us a call at **406-995-3696** or email us at info@bigskyhousingtrust.com



Laura Seyfang
Executive Director BSCHT
office: 406-995-3696
cell: 937-430-6688

laura@bigskyhousingtrust.com

www.bigskyhousingtrust.com

YELLOWSTONE CONDOMINIUM OWNERS ASSOCIATION

Statement of Assets, Liabilities & Fund Balances

As of July 23, 2020 and December 31, 2019

	July 23, 2020			12/31/2019
	<u>Operating Fund</u>	<u>Reserve Funds</u>	<u>Total Funds</u>	<u>Total Funds</u>
ASSETS				
Cash	\$ 61,427	\$ 219,251	\$ 280,678	\$ 241,486
Due (to) from other funds	(22,069)	22,069	-	-
Assessments receivable	12,597	-	12,597	0
Prepaid expenses	933	-	933	1,898
Total Assets	<u>\$ 52,888</u>	<u>\$ 241,320</u>	<u>\$ 294,208</u>	<u>\$ 243,384</u>
LIABILITIES				
Accounts payable		\$ -	\$ -	\$ 3,994
Prepaid Assessments	3	-	3	-
Total Liabilities	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3,994</u>
FUND BALANCE	<u>52,885</u>	<u>241,320</u>	<u>294,205</u>	<u>239,390</u>
Total Liabilities & Fund Balance	<u>\$ 52,888</u>	<u>\$ 241,320</u>	<u>\$ 294,208</u>	<u>\$ 243,384</u>

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

YELLOWSTONE CONDOMINIUM ASSOCIATION
Statement of Revenues, Expenses and Changes in Fund Balance
January 1, 2020 through July 23, 2020

	<u>Operating</u>	<u>Deferred Maintenance</u>	<u>Total</u>
Revenues			
Assessments	120,024	17,129	137,153
Laundry Income (net)	1,179		1,179
Penalties	150		150
Investment Interest		109	109
Total Revenues	<u>121,353</u>	<u>17,238</u>	<u>138,591</u>
 Operating Expenses			
Administrative:	16,544		16,544
Maintenance:	38,683		38,683
Recreation Area:	15,272		15,272
Services:	13,112		13,112
Total Operating Expenses	<u>83,611</u>		<u>83,611</u>
Reserve Expenses		0	0
Total Expenses	<u>83,611</u>	<u>0</u>	<u>83,611</u>
 Excess Revenues Over Expenses	<u>37,742</u>	<u>17,238</u>	<u>54,980</u>
 Fund Balance Beginning	<u>15,143</u>	<u>224,082</u>	<u>239,225</u>
Fund Balance Ending	<u><u>52,885</u></u>	<u><u>241,320</u></u>	<u><u>294,205</u></u>

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them

YELLOWSTONE CONDOMINIUM OWNERS ASSOCIATION

2020 Annual Owners Meeting
Saturday, July 25th, 2020 at 9:00 a.m. MDT
<https://global.gotomeeting.com/join/528271165>

PROXY

I/We _____, the recorded owner(s) of the below listed Yellowstone Condominium unit hereby appoint as my/our proxy holder:

_____ Yellowstone Condominium Board of Directors

_____ Other _____

to represent my/our interest at the 2020 annual Yellowstone Condominium Owners Association meeting or any continuation or adjournment thereof with the full power to vote and act for me/us in my/our name(s), place, stead, in the same manner and to the same extent and effect as if I/we were personally present at the meeting.

NAME: _____

SIGNATURE: _____

UNIT NUMBER(s): _____ DATE: _____

I/We plan to participate ____ I/We will not be participating ____

Return by **July 15th, 2020** by mail in the enclosed, self-addressed, stamped envelope, by email to info@bigskycpas.com, or fax to 406-995-2307. Any signed proxies returned without an indicated choice will be assumed to be assigned to the Yellowstone Condominium Board of Directors. Please return this proxy, even if you intend on attend the meeting.

OWNER COMMENTS:

Please provide the following updates so we can maintain current records for the HOA:

Email address(es): _____

Phone number(s): _____

Address: _____

YELLOWSTONE CONDOMINIUM OWNERS ASSOCIATION
Schedule I - Budget to Actual Expense Comparison

	Current Year - as of 07/23/2020				Prior Year		
	12 Month Budget	Actual YTD	(Over) Under		12 Month Budget	Actual 12 Month	(Over) Under
Operating Expenses							
Administrative:							
Accounting	7,200	3,720	3,480		6,900	6,900	0
Annual Meeting	50	0	50		50	0	50
Corporation Fee	20	20	0		20	20	0
Insurance	21,312	12,432	8,880		19,200	19,126	74
Legal	500	0	500		500	0	500
Office Expenses/Postage	500	372	128		500	695	(195)
	<u>29,582</u>	<u>16,544</u>	<u>13,038</u>	56%	<u>27,170</u>	<u>26,741</u>	<u>429</u>
Maintenance:							
General Maintenance	10,000	5,221	4,779		10,000	9,964	36
Building Paint/Stain	10,000	0	10,000		10,000	24,553	(14,553)
Chimney Cleaning/Repair	3,200	3,100	100		2,500	3,150	(650)
Landscape	2,000	83	1,917		1,000	2,521	(1,521)
Manager Contract	53,975	30,279	23,696		51,900	51,906	(6)
	<u>79,175</u>	<u>38,683</u>	<u>40,492</u>	49%	<u>79,175</u>	<u>92,094</u>	<u>(16,694)</u>
Pool Area:							
Health License	275	0	275		275	281	(6)
Pool Electricity	23,000	11,116	11,884		23,000	21,642	1,358
Pool Building Repair	2,000	1,055	945		2,000	7,542	(5,542)
Pool Water/Sewer	1,500	1,309	191		1,500	1,972	(472)
Pool Supplies	3,500	1,792	1,708		2,000	4,112	(2,112)
	<u>30,275</u>	<u>15,272</u>	<u>15,003</u>	50%	<u>30,275</u>	<u>35,549</u>	<u>(6,774)</u>
Services:							
Electricity-Outside Lights	300	162	138		300	255	45
Firewood	4,500	2,550	1,950		5,000	4,350	650
Garbage	5,600	3,497	2,103		6,000	6,516	(516)
Storage	0	0	0		0	0	0
Snowplowing	6,500	4,250	2,250		5,900	5,933	(33)
Telephone	600	346	254		600	597	3
Water and Irrig/Variable	3,500	2,307	1,193		5,000	3,796	1,204
	<u>21,000</u>	<u>13,112</u>	<u>7,888</u>	62%	<u>21,000</u>	<u>21,447</u>	<u>1,353</u>
Total Operating Expenses	160,032	83,611	76,421	52%	160,032	175,831	(21,686)
Reserves							
Deferred Maint. Reserve	22,838	0	22,838		22,970	0	22,970
Exterior Renovation**	0	0	0		0	0	0
Total Budget	182,870	83,611	99,259	46%	182,870	175,831	1,284

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them