

Crail Ranch Board Meeting  
Wed, Oct 13, 2021 11:00 AM - 12:00 PM (MDT)

Meeting Minutes

**Attendance**

Board members in attendance included Josie Erickson, Charlie Callander, and Jerry Mistretta as well as Vince Meng and Jerry Hood virtually via GoToMeeting. Others present included Mike Palmer, Ryan Welch, Scott Hammond, and Seanna Farrow of Hammond Property Management (HPM), and Rich Lindell with Lindell and Associates.

**Call to Order**

Josie called the meeting to order at 11:56 am.

**Property Management Report**

Roof Construction Update

Aside from delays with receiving construction materials, the contractor stayed on schedule through the first phase of construction and there was minimal damage done to the landscaping. Insulation and gutter costs were less than expected and came in under budget; the invoices from Cornerstone were almost an exact match of their estimate. Any fluctuation in future material costs for the second phase of construction will not change the project costs from Cornerstone. HPM recently became aware that some of the masonry and flashing around the chimney areas of several units need to be addressed in the spring. The need for heat tape should be minimal with the new roofs but will be used if needed.

Status of Loan with First Security Bank

The HOA has borrowed \$640k against the loan with First Security so far on funding the roof project. The loan remains in 'draw status' until the completion of construction, up to 18 more months. During this time the HOA will continue to make interest payments on the money borrowed, currently \$2900 per month, until the loan goes to term in 2023. After the loan goes to term, quarterly payments are estimated to be \$43,711, depending on how much money is borrowed. The group initially discussed an amortization period of 14-15 years with First Security; at 10 years the interest rate will be renegotiated. Before 2023, the board will plan regarding the loan and loan payments.

**Financials**

The HOA is operating on budget aside from one unexpected expense. Montana Energy Alliance notified HPM that the propane tank servicing units 125 and 135 needed to be excavated and properly raised, because during original construction the propane tank was installed and backfilled by construction debris that needed removal. The costs associated with the excavation and repositioning of the tank this will put the HOA over budget for the year. HPM is waiting to receive the final invoices related to the work.

**Upcoming Projects for 2022**

Painting Touch-up Work

Painting will take place next summer on the south facing sides of the buildings.

### Status of Irrigation System

Ryan has submitted the permit to Big Sky Sewer and Water for tying the irrigation system into Big Sky's affluent water. This fall Gallatin Waterworks plans to pull the existing pipe and install new pipe in the spring needed to tie into the affluent water system. This system will be metered, and the HOA should see lowered costs after completion and possibly a flat rate in the future.

### Concrete Aprons

This summer HPM reached out to the sixteen remaining units regarding the installation of concrete aprons. Fourteen owners agreed to having the work done; however, the contractor was unable to start the work as planned.

### **Other Business**

A meeting will be scheduled for early November to discuss the proposed budget and prepare for the annual meeting.

### **Adjourn**

Charlie motioned to adjourn the meeting at 11:51 am.

DRAFT