



Hidden Village Owners Association
PO Box 160111
Big Sky, MT 59716

August 21, 2017

NOTICE OF ANNUAL HIDDEN VILLAGE OWNERS' MEETING TO BE HELD:
September 1, 2017

Dear Hidden Village Owner:

The Thirty-Fifth Annual Owners' Meeting for the Big Sky Hidden Village Owners' Association will be held on September 1, 2017. **The meeting will be held at the Big Sky Water & Sewer Conference Room, starting at 4:00pm.** The meeting room will be open at 3:15pm for sign-in.

It has been another great year! Your Board of Directors and Manager look forward to sharing with you the activities and plans for the Association. At the Annual Meeting, members will receive reports on the operational and financial status of the Association, establish and approve a budget for the upcoming fiscal year of October 1, 2017-September 30, 2018, conduct any other business brought before the meeting, and hold elections to fill two positions on the Board of Directors.

We hope you will be able to be in Big Sky and attend the Annual Meeting on September 1st. We believe that the meeting will be of interest and value to all who are able to attend. If you have questions or comments you would like addressed during the meeting, contact the Management Office at (406) 995-7220 or kcoleman@hpmmontana.com. Your input is instrumental in providing direction and priority to the Association's activities.

If you are unable to attend the meeting in person, it is important that your interests be represented by proxy. **Representation of more than 50% of the membership interests is necessary to conduct the meeting, so please return your proxy in advance REGARDLESS IF YOU ARE ATTENDING IN PERSON, BY PHONE OR NOT.** An electronic or pdf signed copy may be returned via email to knaubco@3rivers.net or **a signed fax copy may be sent to 406-993-2772.** Please let HPM know if you would like a hard copy of the packet sent via USPS or if you would like to pick one up at the office.

This year the Board has again arranged a conference call for owners who cannot attend but would like to listen in on the Annual Meeting. **If you plan to dial into the conference call, please sign and return your proxy so we may mark your interests accordingly.**

Conference Number: 1-406-467-1555

Participation Code: 346875

Sincerely,

The Board of Directors of HVOA



BIG SKY HIDDEN VILLAGE OWNERS ASSOCIATION, INC.
ANNUAL OWNERS MEETING
Big Sky Water and Sewer Department
September 1, 2017, 4:00 p.m.

AGENDA

- I. Introductions of Members & Guests**
- II. Quorum Determination & Call to order**
- III. Approval of 2016 Annual Meeting Minutes**
- IV. Presentation by Membership's Attorney**
- V. Treasurer's Report: Financial Status**
- VI. Reports to the Membership**
 - A. Chairman's Report: Overview of Activities**
 - B. Manager's Report: Maintenance & Operations**
- VII. Roofing Update**
 - A. Issues Discovered**
 - B. Gutters**
 - C. Project Schedule**
- VIII. Old Business**
 - A. Propane**
 - B. Fire danger**
- IX. New Business**
 - A. Proposed 2017-18 Budget Vote**
 - B. Future Projects**
 - C. Other**
- IX. Elections**

(2) Directors (2 year terms)
Doyle Ranstrom- Seat is up for reelection and willing to serve another term
Brian Scott- Seat is being vacated and needs to be filled
- XI. Adjournment**



Hidden Village Owners' Association

PO Box 160111 Big Sky, Montana 59716

2016 Annual Meeting Minutes

September 2, 2016

Call to Order

Meeting was called to order at 3:12p.m. in the Big Sky Water and Sewer Department Conference Room by chairman D. Ranstrom.

Introductions

Board members present: S. Leach, M. Grundman, M. Glore, B. Scott and D. Ranstrom.

Others present: K. Ranstrom, D. Glore, K. Scott, D. Sumner, D. Simpfenderfer, I. Gilmore, B. Blesch, D. Jude, K. and C. Gump, R. and K. McLaughlin, J and A. Thompson, B. Van Erp, S. Lucas, M. Carlson, P. Chumbly, K. Chartier, M and B. Blanchard, L. Knor, M. and D. Stannard, L. and A. Morningstar, L. Grimm, T. Boscoe, M. Coppola, R. and S. Hartzel, G. Peterson, D and C. Seailscott, J. Trute, A and J Lockwood, B and S Stackus, R. Tobaczka, C and S. Hunter, J. Weigan, S. Sniscack, S. Jackson, J. Allen, K. Hill, M. Good, B. Rondeau, P and L. Bedell, K. Dige, T. Velasco, B. and M. Rust, N. Wellenstein, S. Honatke, K. Brown, S. Hammond, M. Palmer, and K. Coleman.

Quorum was determined of 63.8%.

Approval of 2015 Annual Meeting Minutes

A motion was made to approve the 2015 Annual Meeting Minutes. The motion was seconded and carried.

A motion was made to remove the fan project vote from the agenda. The motion was seconded and the motion was tabled until the roofing discussion.

Presentation by Membership's Attorney

Kristen Brown presented information about Montana Open Meetings Law and the governing documents of the HVOA. She spoke to general common elements, limited common elements, and tools to govern.

Chairman's Report

D. Ranstrom reported that the BOD has worked extremely hard for the HOA over the last year. Two new contractors were hired, HPM for HOA management and Alpine Reflections for landscape maintenance. The BOD has been working more closely with Knaub and Co., the CPA firm that manages the accounting for the HOA, to create a more transparent budget process. There have been a number of town hall meetings organized, providing a place to talk about issues. The BOD has also worked closely with HPM in preparation for an annual meeting with an extensive agenda.

Manager's Report

S. Hammond presented a brief report after working with HVOA for a little over two months. He spoke to the increased involvement with the CPA and the increased transparency of the budget. Hammond stated that HPM has been getting to know the pool, landscaping, roofs, and BOD and will continue to do so as the team spends more time on campus and working with the BOD and homeowners.

Roofing Discussion- D. Ranstrom reported to the group that the current shingles are 16-22 years old and that the HOA is looking at a broad replacement cost of one million dollars. He also stated that this discussion is two different issues, shingles and leaks.

- A. Roof Committee Update- D. Simpferfer presented a background of the origin of the fan and the roofing committee. He reported that there has been little to no data collection on roof leaks, so there is not enough information to determine the extent of the problems. The committee decided to determine if the fans should be kept or done away with and performed a survey of every fan in the association and documented that data. They discovered that there are 143 fans and approximately 70 do not work. It would cost approximately \$50,000 to repair the existing fans. Due to a lack of time, the group has requested to postpone the vote on the fan repairs in order to use this winter to evaluate the efficacy of the fans that are working, collect data, evaluate data and determine how the fans relate to our problems. There is also very little money in the roof reserves in order to do anything with replacing the roofs, so the group has requested that the BOD bring the reserve from \$30,000 per year to \$300,000 per year in order to prepare. D. Ranstrom thanked the roofing committee for their hard work on this project and the entire room applauded the committee.
- B. Group Roof Discussion with Outside Advisor- S. Hammond addressed the group about his extensive experience with roofing issues in Big Sky. He stated that he supports funding the roof reserve in order to prepare for replacement in some manner. He would like to see each roof walked by a professional in order to initiate a roof replacement project. There are a number of different options.
Andy Dreisbach from Cornerstone Management Services in Big Sky presented a powerpoint on cold roofs, how they work, provided before and after examples, and answered questions from the group.
Jeff Weigen, an HVOA owner and large claim insurance adjuster, shared some knowledge on the various options.
- C. Fan Repair Vote- A motion was made and seconded to remove the fan repair vote from the agenda. The vote carried and this item will be revisited in the spring of 2017.

Treasurer’s Report: Financial Status

S. Leach presented the following Treasurer’s Report

CASH BALANCES

The association has cash and CD’s totaling \$843,716 as of August 30, 2016. The operating cash balance is \$90,509 and the savings and reserves balance is \$753,207.

ACCOUNTS RECEIVABLE

As of August 30, 2016, the accounts receivable balance from owners was \$5,435. The receivable is comprised of 1 account aged more than 90 days and 2 accounts aged between 61-90 days.

RESERVE BALANCES

The reserve balances as of July 31, 2016 are as follows

Fire Protection	\$ 8,830
Landscape	63,000
Rec Building	120,342
Road Reserve	223,398
Roof Reserve	219,525
Siding	<u>119,000</u>
Total	<u>\$754,095</u>

ASSESSMENTS AND OTHER INCOME

All regular assessments totaling \$554,123 have been billed for the year ending September 30, 2016.

Reserve assessments of \$30,000 were billed for the roof; \$10,000 for road reserves; \$10,000 for siding reserves; \$10,000 for recreation building; and \$7,500 for landscape reserve for a total of \$67,500.

Year-to-date penalty and interest income totals \$1,992.

Year-to-date investment interest income totals \$808

Year-to-date other revenue (fines, rental fees, etc.) totals \$625

BUDGET COMPARISON

Total expenses for the year ended 9-30-16 are projected to be approximately \$40,220 under budget. Significant budget variances are:

Accounting is projected to be \$6,743 under budget

Other professional fees is projected to be \$4,175 under budget

Management fees are projected to be \$7,550 over budget

Painting expenditures are projected to be \$16,743 under budget

Total lawn maintenance is projected to be \$7,107 over budget

Window washing is expected to be \$4,385 over budget

Total pool complex repairs and maintenance (including the maint. contract is expected to be \$6,561 under budget

The water service expense is expected to be \$4,887 under budget

Total snow removal will be \$7,523 over budget (more preventative maint on roof shoveling)

New Business:

- A. Long Term Renter Background Checks and Recommendations Discussion- There will be no changes to legal documents or rules and regulations due to liability of the HOA, however, the BOD is suggesting that an owner renting out their unit long term hire an outside vendor to conduct background checks.
- B. Restated Rules and Regulations Vote-A motion to approve the restated rules and regulations was made. The motion was seconded and carried.
- C. Proposed 2016-17 Budget Vote- A motion was made to approve the 2016-17 Budget. A second was made and a discussion was held. A motion was made to amend the budget to include a \$100,000 assessment for roof reserves instead of a \$300,000 reserve. A second was made and discussion ensued. It was determined that raising the roofing reserve by \$100,000 would take 10 years to reach the goal of one million dollars and \$300,000 is preparing for the worst. This assessment will be voted on every year. It was noted that a roof replacement project would take up to six years to complete. The roof committee does not feel that the current roofs have much life left in them. The motion did not carry. A vote was taken on the original motion to approve the 2016-17 budget as stated. The motion carried almost unanimously.

Consider Other New Business-

- A. BOD Elections- A motion was made to reelect all three officers (M. Grundman, S. Leach, M. Glore) in one vote. A second was made and the motion carried.
- B. Announcements- B. Blesch requested that owners use the compactor correctly when breaking down cardboard boxes.
- C. LED Lights- R. Hartzel followed up on his request for the use of LED lights around campus.
- D. Year-round Hot Tub Availability- M. Coppola requested year-round hot tub availability. The BOD spoke that this has not been pursued because of the additional cost to operate.
- E. Security Cameras- HPM is acquiring bids for security cameras for the pool building.
- F. Auto pay- S. Honatke reported that she will send out a form for autopay with October assessments.

Adjourn

A motion was made to adjourn the meeting at 5:50p.m. A second was made and was carried.



HIDDEN VILLAGE OWNERS' ASSOCIATION

2017 ANNUAL MEETING

FRIDAY, SEPTEMBER 1, 2017

BIG SKY COUNTY WATER AND SEWER DISTRICT BUILDING

4:00 P.M.

PROXY

PLEASE RETURN BY AUGUST 29, 2017

I/We, _____, the recorded owner(s) of the Hidden Village Condominium listed below hereby appoint as my/our true and lawful attorney, agent and proxy holder:

_____ Hidden Village Board of Directors

_____ Other (name) _____

to represent my/our interest at the 2016 Hidden Village Owners' Association Annual Meeting or any continuation or adjournment thereof with full power to vote and act for me and in my name, place, stead in the same manner, to the same extent and in the same manner and effect as if I/we were personally present at the meeting.

I/We own the following Hidden Village unit:

Unit number: _____

Signature(s): _____

Date: _____

Instructions to proxy holder: _____

Please return this proxy by email to knaubco@3rivers.net or by fax to (406)993-2772. Any signed proxies returned without an indicated choice will be assumed to be assigned to the Hidden Village Board of Directors. **Please return this proxy if you attend the meeting in person, by phone, or not, by August 29, 2017.** For a hard copy sent via USPS please call Katie at (406)995-7220.

Hidden Village Condominium Owners' Association
Budget Worksheet
For the year ending 9/30/2018

	9/30/2017 Budget	Thru 6/30/17 Actual	2018 Proposed
Income			
305 · Operating Assessments	605,645.00	454,233.00	586,295.00
306 · Reserve Assessments	337,500.00	253,126.00	337,500.00
342 · Investment Interest Income	-	1,092.00	-
344 · Finance Charges	-	2,218.00	-
345 · Association Fines	-	0.00	-
370 · Rental Revenue	-	0.00	-
380 · Other Revenues	-	100.00	-
Total Income	943,145.00	710,769.00	923,795.00
Expense			
900 · OPERATING EXPENSE			
400 · Administrative Expense			
405 · Accounting Expenditure	13,000.00	5,467.00	10,000.00
410 · Legal Expenditure	3,000.00	1,975.00	3,000.00
420 · Telephone	2,700.00	1,980.00	2,700.00
430 · Office & Postage Expenditure			
432 · Postage	650.00	260.00	450.00
434 · Reproduction	100.00	0.00	100.00
436 · Supplies	200.00	4.00	100.00
437 · Website	700.00	550.00	550.00
438 · Miscellaneous	1,000.00	213.00	700.00
Total 430 · Office & Postage Expenditure	1,000.00	1,027.00	1,900.00
440 · Professional Fees	1,000.00	0.00	1,000.00
450 · Insurance Expenditure	88,000.00	88,034.00	88,000.00
470 · Meeting Expense	500.00	0.00	500.00
850 · Income Tax Expense	-	0.00	50.00
488 · State Annual Report	20.00	20.00	20.00
Total 400 · Administrative Expense	110,870.00	98,503.00	107,170.00
500 · Maintenance & Operations			
505 · Management Expense	78,000.00	58,500.00	78,000.00
510 · Painting Expenditure	65,000.00	18,375.00	65,000.00
520 · Building Repair			
523 · Windows/Doors	1,100.00	0.00	1,100.00
524 · Roof Failure Repairs	10,000.00	9,664.00	10,000.00
526 · Plumbing & Electrical	4,000.00	0.00	4,000.00
528 · Other Repairs	25,000.00	14,406.00	25,000.00
Total 520 · Building Repair	40,100.00	24,070.00	40,100.00
530 · Lawns & Grounds			
531 · Mowing/Trimming	36,000.00	13,650.00	36,000.00
535 · Chemicals/Supplies	1,200.00	0.00	500.00

Hidden Village Condominium Owners' Association

Budget Worksheet

For the year ending 9/30/2018

	9/30/2017 Budget	Thru 6/30/17 Actual	2018 Proposed
538 · Other Lawn Maintenance	20,000.00	3,222.00	20,000.00
Total 530 · Lawns & Grounds	57,200.00	16,872.00	56,500.00
540 · Road Repair	1,800.00	0.00	1,800.00
550 · Window Wash	9,800.00	0.00	9,800.00
560 · Pool Complex			
562 · Cleaning Service	-	566.00	550.00
564 · Chemicals and Supplies	2,200.00	4,444.00	2,200.00
566 · Materials/Repair Parts	10,000.00	8,356.00	9,000.00
568 · Pool Maintenance Contract	23,500.00	16,750.00	23,500.00
Total 560 · Pool Complex	35,700.00	30,116.00	35,250.00
570 · Recreation Building			
572 · Janitorial Services	3,300.00	1,949.00	3,300.00
574 · Janitor Supplies	75.00	0.00	75.00
576 · Repairs/Maint	1,000.00	507.00	1,000.00
578 · Security System	9,000.00	0.00	-
Total 570 · Recreation Building	13,375.00	2,456.00	4,375.00
580 · Furniture/Fixtures	300.00	0.00	-
590 · Utility Repairs	300.00	0.00	300.00
Total 500 · Maintenance & Operations	300,975.00	150,389.00	290,825.00
600 · Service Expenditures			
605 · Water Service	3,300.00	995.00	3,500.00
610 · Sewer Service	2,900.00	460.00	2,900.00
615 · Garbage Services	14,500.00	12,237.00	14,000.00
620 · Snow Removal			
622 · Annual Contract	92,500.00	92,415.00	91,400.00
626 · Roof Shoveling	35,000.00	35,370.00	35,000.00
628 · Sidewalks	13,000.00	14,400.00	13,000.00
Total 620 · Snow Removal	140,500.00	142,185.00	139,400.00
630 · Power			
634 · Electricity	12,000.00	8,792.00	11,500.00
636 · Pool Complex Propane	20,000.00	10,877.00	17,000.00
Total 630 · Power	32,000.00	19,669.00	28,500.00
Total 600 · Service Expenditures	193,200.00	175,546.00	188,300.00
Total 900 · OPERATING EXPENSE	605,045.00	424,438.00	586,295.00
Total Expense	605,045.00	424,438.00	586,295.00
Transfers to Reserves			
800 · Reserves			
805 · Roof Reserves	300,000.00	225,000.00	300,000.00
810 · Road Reserve	10,000.00	7,500.00	10,000.00
811 · Siding Reserve	10,000.00	7,500.00	10,000.00

Hidden Village Condominium Owners' Association
Budget Worksheet

For the year ending 9/30/2018

	9/30/2017 Budget	Thru 6/30/17 Actual	2018 Proposed
817 · Recreation Building Reserve	10,000.00	7,500.00	10,000.00
825 · Landscape Reserve	7,500.00	5,625.00	7,500.00
Total 800 · Reserves	337,500.00	253,125.00	337,500.00
Net Income	600.00	33,206.00	0.00



Hidden Village Owner Contact Information

Please take a moment to fill out the below information for the Homeowners Association Records.
Please email the completed form to kcoleman@hpmontana.com fax to 406-995-3030, or mail to HPM,
PO Box 161242, Big Sky, MT 59716-1242.

About You and Your Unit (Please enter contact information for both owners if applicable)

Unit Number _____

Name _____ E-mail _____ Phone _____

Name _____ E-mail _____ Phone _____

Mailing Address _____

City, State, ZIP Code _____

Which is the best way to contact you?

- Phone
- Email
- USPS

Do you or your renters have pets in your unit?

- Yes
- No

If Yes What Kind: _____

Please place an "X" on one of the following:

- Owner lives in unit and is full time resident
- Owner uses for private use part time
- Owner rents short term (30 days or less)
- Owner rents long term (31 days or more)

Do you have a property management company?

- No
- Yes

If yes, who: _____

Thank you for your participation!