



SPANISH PEAKS OWNERS ASSOCIATION

Spanish Peaks Owners Association Board of Directors met January 13, 2014 at the law office of Mindy Nowakowski in Big Sky, Montana. Directors in attendance included: Matthew Kidd, via teleconference, and in person, Bayard Dominick, and Karen Roberts. Mindy Nowakowski represented staff.

1. **Establishment of Quorum:** Mr. Kidd determined that a quorum had been established.
2. **Call to Order:** Mr. Kidd called the meeting to order at 9:38 AM.
3. **Minutes of December 5, 2013:** Motion made by Bayard Dominick and seconded by Karen Roberts to approve the December 5, 2013 minutes as presented. Motion unanimously carried.
4. **Disposition of Transfer Fee fund**—Ms. Roberts presented to the board a number of options for the disposition of the transfer fee fund. After an in-depth discussion, the board decided to continue exploring over the next few month options for how to use the transfer fee income with the goal of making a decision prior to the completion of the FY2015 budget next August. In the meantime, the transfer fee funds will be invested per the investment policy once it is adopted.
5. **Draft Investment Policy**—The board made no change to the current draft of the investment policy. Any further changes will be deferred until an investment manager has been selected.
6. **Determination of Investment Manager**—Ms. Roberts presented to the board the names of the four investment companies from which she received investment proposals:

Morgan Stanley

D.A. Davidson

Wells Fargo Advisors

Edward Jones

The board members confirmed that even if the SPOA funds were invested solely in fixed income securities such as CDs and treasury bills, the investment and management of such funds should not be the responsibility of the SPOA Treasurer. With that determined, the board continued its discussion and review of the potential annual interest earnings based on the investment proposals received. After this review, the board decided to arrange a meeting with Bratton DuBose of Wells Fargo Advisors, LLC before making a final decision. The board wishes to discuss other investment options and/or cost reductions that Wells Fargo might offer the SPOA prior to selecting an investment manager.

Ms. Roberts is to contact Mr. DuBose and schedule a face-to-face meeting for Monday afternoon, January 20th, here in Big Sky. If Mr. DuBose is not available on that date, then a teleconference meeting will be arranged.

7. **Adoption of Resolution for Containment of Trash and Foodstuffs**—Ms. Roberts noted the change that she made to the current draft resolution for the containment of trash and foodstuffs. The previous draft had omitted a requirement that the bear-proof trashcans be closed and locked whenever they are placed on the roadside for trash pickup. Ms. Roberts moved that the Resolution for the Containment of Trash and Foodstuffs be

adopted as amended. Mr. Dominick seconded the motion, and the motion was unanimously carried.

8. Other Business:

Ms. Roberts asked the board to authorize a review of the accountant's records. Ms. Nowakowski pointed out the importance of ensuring that the accountant keeps all records pertaining to the levying and removal of liens, particularly proof of delivery, returned liens, and any correspondence between the accountant and the property owners. Ms. Roberts moved that the board authorize her to conduct a physical review of the accountant's SPOA records. Mr. Dominick seconded the motion, and the motion was unanimously carried.

The board discussed the email from Sam Leudtke of Alpine Property Management regarding the operation of the surface lifts and the grooming of the related trails. A number of members have approached Mr. Leudtke asking if he could intervene and perhaps get these lift areas groomed at least once prior to President's Day Weekend, Martin Luther King Day Weekend, and the various March and spring break weekends. The board agreed that the operation of the lifts and grooming of the related trails are not currently the responsibility of the SPOA and that these issues will be referred directly to CrossHarbor.

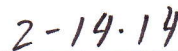
9. **Adjournment**— Motion made by Bayard Dominick and seconded by Karen Roberts for the Board to adjourn the meeting. Motion unanimously carried.

The next meeting of the SPOA will be held on Friday, February 14, 2014 at 9:30 AM MST.

Meeting adjourned at 11:44 AM MST.



Bayard Dominick, Secretary for the Board



Date