



SPANISH PEAKS OWNERS ASSOCIATION

Spanish Peaks Owners Association Board of Directors met February 14, 2014 at the CrossHarbor offices located at 123 Snowy Mountain Circle 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 9:42 AM.
3. **Minutes of January 13, 2014:** Motion made by Bayard Dominick and seconded by Karen Roberts to approve the January 13, 2014 minutes as presented. Motion unanimously carried.
4. **Treasurer's Report Q1 FY204**—Ms. Roberts presented to the Board her treasurer's report for the period ending January 31, 2014. She noted that actual income and expenses were on track with budget except for:
 - a. Transfer fee income is over budget by about \$6,200 due to the sale of SC031 and WR025.
 - b. Security expense is under budget by \$45,000 as a result of the SPOA not yet receiving a security invoice from CrossHarbor.
 - c. Expense for contingency for uncollected assessments is over budget by \$3,744 due to several more accounts falling into the over 90 days past due category. Ms. Roberts presented a detailed list of all accounts over 90 days past due and assured the board that liens have been placed on all of the related properties. She reported that new liens have been placed on Elkridge 38 and Ranch 141 and liens were released from Elkridge 29 and Elkridge 30.
 - d. Depreciation expense is over budget by \$7,165 simply because depreciation is not a budgeted item. The maintenance and repair of the trails is included in the reserve and as such should not be depreciated. The Board needs to address this issue at a future meeting.

Motion made by Bayard Dominick and seconded by Karen Roberts that the treasurer's report be accepted as presented. Motion unanimously carried.

5. **Accounting Review**—Ms. Roberts presented her accounting review to the Board. She met with Doug Shanley, the SPOA accountant, on February 7, 2014, in order to review the SPOA records that Mr. Shanley keeps. Ms. Roberts reviewed the paper copies and QuickBooks records and found that all was in order. Ms. Roberts explained that in addition to the documentation that Mr. Shanley keeps in his office, all permanent SPOA records are maintained in a document management system hosted in conjunction with the SPOA Website. All electronic records are backed up regularly and Mr. Shanley keeps at least one electronic backup off-site from his office.

Ms. Nowakowski asked whether Mr. Shanley keeps detailed records of correspondence between himself and SPOA members with delinquent accounts. Ms. Roberts said that she had neglected to ask that question and that she will follow up with Mr. Shanley and let the Board know at its next meeting in March.

Motion made by Bayard Dominick and seconded by Karen Roberts that the accounting review be accepted as presented. Motion unanimously carried.

6. Committee Reports

- a. Manager's Report—Mr. Leudtke's report included a number of items that needs the Boards input:
- i. "No Outlet" sign needed at the intersection of Goshawk Trail and Eagle View Trail to help prevent construction traffic from ending up in the cul-de-sac at the end of Eagle View Trail. In addition, other "No Outlet" signs may also be needed. A motion was made by Bayard Dominick and seconded by Karen Roberts that Ms. Roberts work with Jon Olsen to determine signage needs. Motion unanimously carried.
 - ii. Mr. Leudtke wants to know whether the SPOA is responsible for the maintenance of the gatehouse located on the main entrance road to the Club. Ms. Nowakowski said that the building is located on non-platted land and is therefore owned by the Club, which is responsible for its maintenance.
 - iii. Mr. Leudtke wants to know what Open Space the SPOA is responsible for maintaining. Ms. Nowakowski said that she would show Ms. Roberts how to find the Open Space areas using the Montana Cadastral system. In addition, Ms. Nowakowski sent electronic copies of the maps that show individual properties as well as Open Space. Ms. Roberts will share this information with Mr. Leudtke. Jon Olsen is also another resource to help the SPOA and Mr. Leudtke understand the boundaries of the Open Space.
 - iv. Mr. Leudtke also wants to understand the role of security in relation to the SPOA. Mr. Kidd said that since he will be in Big Sky next week, he and Mr. Greg Villeneuve will meet with Ms. Roberts to work out the details of the role of the Spanish Peaks security function as it relates to the SPOA and its members.

Motion made by Bayard Dominick and seconded by Karen Roberts that the manager's report be accepted as presented. Motion unanimously carried.

b. ARC Report

- i. General Report—Motion made by Bayard Dominick and seconded by Karen Roberts that the ARC report be accepted as presented. Motion unanimously carried.
- ii. Inspection of the Exterior of Homestead Cabins—Because of a complaint received by Ms. Roberts from one of the Homestead Cabin owners, she asked Norm Plaistowe, chairman of the ARC, if he would conduct a review of the condition of the exterior of the individual Homestead Cabins. Mr. Plaistowe presented his findings that were included in the Board Package for today's meeting. According to Mr. Plaistowe, the exteriors of cabins number 2 and 4 were not up to the same standard as the other cabins in the complex.

Ms. Nowakowski said she would review the governing documents of both the Cabin Condominium Owners Association (CCOA) and the SPOA in order to determine which organization should issue a letter of non-compliance to the owners of these two cabins. If the SPOA is responsible to send the letters, Ms. Roberts said that she would revise her

draft included in the Board Package and let Ms. Nowakowski review the letters before being sent to the respective property owners.

7. **Discuss Investment Plan/Policy and Next Steps**—Ms. Roberts agreed to meet with William K. Shockley at Wells Fargo to determine
- a. Whether Wells Fargo can offer the SPOA a greater cost credit than the current .35% towards the bank fees and
 - b. At what transaction volume-point will the lockbox fees increase.

Ms. Roberts will report to the Board on these points at the next board meeting scheduled in March.

8. **Late Payment Policy**—Ms. Roberts will work with Ms. Nowakowski to draft a new SPOA late payment policy based on the new CC&Rs.


9. **Other Business**

- a. Ms. Roberts told the Board that at the request of the Spanish Peaks Mountain Club Advisory Committee, she had added a webpage to the SPOA Website with committee and email contact information for the various Club committees. Both Mr. Kidd and Mr. Dominick said that they felt this information should reside on the Club Website that is currently in development. Ms. Roberts said that she is happy to work with whoever is in charge of the Club Website in order to transfer the spmembers.org domain.
- b. Ms. Roberts reported that she had contacted 3 Rivers Communication and determined the pricing that 3 Rivers will be charging Spanish Peaks homeowners for Internet and basic phone service once 3 Rivers completes their acquisition of the Montana Opticom Spanish Peaks assets. Mr. Dominick said that he would try to obtain 3 Rivers pricing throughout Big Sky to determine whether the pricing for Spanish Peaks residences is competitive.

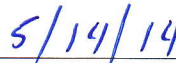
10. **Adjournment**—Motion made by Bayard Dominick and seconded by Karen Roberts for the Board to adjourn the meeting. Motion unanimously carried.

The next board meeting of the SPOA will be held on Thursday, March 20, 2014 at 9:30 AM MST.

Meeting adjourned at 10:30 AM MST.



Bayard Dominick, Secretary for the Board



Date