



SPANISH PEAKS OWNERS ASSOCIATION

Minutes of Board of Directors Meeting May 14, 2012

Notice of the meeting was provided. The meeting was held via telephonic conference.

Board Members present in person or by telephone: Jim Dolan, Karen Roberts, Dean Genge

Advisory Committee members present in person or by telephone: Jon Dudley, Peter Lee

A quorum was established with all board members present and the Chairman called the meeting to Order at 9:05am MST.

Old Business:

1. **Meeting Minutes:** The board approved the minutes of the April 16th, 2012 meeting.

New Business:

1. **Manager's Report:** Markus Kirchmayr of Alpine Management gave the manager's report. Alpine continues to conduct property checks throughout Spanish Peaks four times per week. Alpine sent a letter to owners reminding them of the tree thinning policy, and is nearing completion of a record of properties that have been thinned to maintain for the ARC. Alpine met with K-7, the snow removal contractor, to review winter plowing damage that K-7 is responsible to repair. The K-7 response is expected soon. Alpine has asked Jon Olsen to prepare a road maintenance spec sheet to be sent to vendors to solicit bids for summer work. The weed control vendor is providing service at a discounted rate to accommodate the SPOA budget. The Crown Butte fire fill site was reported to have empty tanks. Repair was conducted resulting in roughly \$600 expense to the SPOA.

Projects currently under ARC review: One final review for a spring new construction start, and four post-compliance projects.

2. **Treasurer's Report:** A motion to transfer accounting services to local Bozeman CPA Doug Shanley, effective May 16 passed unanimously. In discussion, the Treasurer stated the two main benefits would be cost savings and having a CPA as the contact on all matters and confirmed that there would be no change in banking relationships or bank accounts required by the change of accountants.

A motion was passed to remove Bill Collier at R.C. Holsinger from SPOA signing authority and to add Doug Shanley as a signatory for the SPOA.

The Treasurer reported that collections have done well and all efforts are being made to contact and collect accounts that are approaching 90-day delinquency. An


evaluation of the late fee and interest accounting process will be conducted with the new accountant. Currently late fees and interest are being charged to accounts that are likely uncollectable, potentially recording income that will have to be written off. The Treasurer will make a recommendation regarding handling of late fees and charges at a future meeting.

3. **Future SPOA Board Meetings:** June 18, July 16, August 13, are the dates set for the next three meetings.
4. **Additional Business:** The Chairman asked if there was any additional business.


Mr. Dudley asked if there could be a homeowner vote to elect a board member, as approximately one-third of total number of planned units in the development have been sold. The Chairman noted that Ms. Roberts was added to the board prior to the bankruptcy to include a homeowner who was not affiliated with the Declarant, Spanish Peaks Holdings II, LLC, and was elected Treasurer to oversee SPOA funds. It was observed that the SPH II, as Declarant, would have to approve a change in board composition and it doesn't appear that this is likely to happen at the present time. It was also noted that any subsequent Declarant could potentially add or subtract from the current planned total number of units or make other changes. When asked by the Chairman, the advisory members said they would not have voted differently than the board had on any matters. The advisory members confirmed that there are no matters they would like to have considered that have not been addressed by the board. Mr. Lee suggested that the board revisit the question of maintaining the security funding beyond June 30. After extensive discussion of the pros and cons, a motion to terminate security at Spanish Peaks effective June 30, 2012, passed unanimously.

There being no further business, the Chairman adjourned the meeting at 10:55am.

Date and time of next Board Meeting: 9:00 am MDT, June 18, 2012.



W. Dean Genge
Secretary for the Board



Date