



SPANISH PEAKS OWNERS ASSOCIATION

Spanish Peaks Owners Association Board of Directors met August 11, 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 12:13 p.m.
- 3) **Minutes of July 15, 2014:** Motion made by Bayard Dominick and seconded by Karen Roberts to approve the July 15, 2014 minutes as presented. Motion unanimously carried.
- 4) **Treasurer's Report Q3 FY204**—Ms. Roberts presented to the Board her treasurer's report for the period ending July 31, 2014. She noted that the following balance sheet items:
 - a. As previously determined at the June board meeting, \$1,000,000 has been transferred from the Wells Fargo reserve account to an investment account held by Edward Jones Investments. All of the money has been invested in CDs ranging from 90 days to three years.
 - b. Only one additional account has slipped into the delinquency category and a letter will be sent to the owner informing them that a lien will be placed on their property in accordance with the SPOA collection policy.

Ms. Roberts also noted that actual income and expenses were either on track with budget or better than budget except for the following:

- c. Road maintenance expense currently is over budget by \$14,000 as a result of the stone chip cleanup work required earlier this summer. There was an excessive amount of chips left from the chip seal work done during the summer of 2013. Since there were too many chips to sweep into the ditches, the chips needed to be picked up resulting in a much higher cleanup cost than expected.
- d. Security expense is under budget by almost \$78,000. The SPOA has received one invoice for the period December 2013 through May 2014. The final invoice will be accrued for year-end reporting.
- e. Ditch maintenance expense is over budget by \$6,252. The over budget situation is simply a timing issue since the budget is spread over three months (July, August, and September) and two invoices were received by the end of July.

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

5) Committee Reports

- a) The Management Report as prepared by Mr. Sam Luedtke was reviewed by the Board resulting in the following actions:
 - i) The bridge on Settlement Trail is to be added to the reserve. Ms. Roberts will notify Reserve Advisors to include the bridge in this year's update.



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- ii) Ms. Roberts will contact the insurance company to investigate increasing the deductible that will be included in a reserve and to determine whether the bridge is included in the coverage.

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

- b) The Board reviewed the ARC report as prepared by Mr. Norm Plaistowe, chair of the ARC. Mr. Kidd asked that future ARC reports include owner names along with the lot numbers.

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

- 6) **Snowplow Contract:** The Board was unable to reach a final decision regarding selection of either the three-year or five-year snowplow contract. Ms. Roberts reiterated her position that the five-year contract was good for the SPOA membership since the pricing was below the competing two 2011 bids and because K7 Snow Works has done such an excellent job over the past three winters. Mr. Kidd said that he would speak with Mr. Dominick and have a final decision within 24 hours.

- 7) **FY2015 Budget**—Ms. Roberts presented an update of the FY2015 budget. The Board approved the budget as presented with the provision that the number of developer lots be adjusted to reflect the two recent lot sales and an estimate of the number of lots to be sold by October 31, 2014. Mr. Dominick will review the lot sales information and provide the number of developer lots to Ms. Roberts to be included in the volunteer Developer subsidy calculation.

Motion made by Bayard Dominick and seconded by Karen Roberts that the FY2015 Budget be accepted as amended. Motion unanimously carried.

8) Other Business

- a. Mr. Bayard showed the board a map of eight future trails to be constructed within the development at an estimated cost of between \$150,000 and \$170,000. He then asked the Board to allocate \$100,000 of the transfer fee account to the construction of trails through the end of the summer.

Motion made by Karen Roberts and seconded by Bayard Dominick that \$100,000 from the transfer fee account be allocated to the construction of new trails this summer. Motion unanimously carried.

- b. Ms. Roberts asked for the Board's approval to involve the SP Security in helping to enforce SPOA and ARC rules and regulations. The Board agreed that summaries of the rules be provided to Security and Mr. Dominick would then speak with Mr. Greg Villeneuve about involving SP Security in this type of enforcement.



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- 9) **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, September 12, 2014 at 9:30 AM MST.

Meeting adjourned at 1:15 PM MST.

Bayard Dominick, Secretary for the Board

Date