



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes - August 31st, 2018

Big Sky Owners Association Board of Directors met on Friday, August 31st at 11:00 am at the Big Sky Owners Association office in Big Sky, Montana. Directors in attendance included: Gary Walton, Gail Young, Sharon Douglas, Grant Hilton, Michelle Frederick, Maggie Good, John Loomis, Eric Ossorio. Absent: Kevin Scott and Steve Anderson represented staff. Paula Alexander was present to record minutes until 12:40, Suzan Scott recorded minutes from 12:40 until adjournment.

1. Membership Forum - Members in attendance: Lake Condo Owners Association Board Chair Mark Jobson was on the phone, Board Secretary Carl Jahr and Barb Canode, Lake Condo Owners Association Property Manager, were both present. Brian Wheeler was also present as an owner of a Lake Condo unit. Mr. Jobson spoke informing the BSOA Board that he received 10 days prior to the Annual Meeting, a letter informing him that Lake Condos Owners Association (LCOA) was "disqualified from vote". He stated on behalf of LCOA Board that they felt there were procedural and substantive errors made in this decision, including inadequate notice of a change to Bylaws to not allow proxy votes, lack of communication from BSOA, that other corporate members were permitted to vote by proxy, that the LCOA does not vote by proxy, rather the Board represents its shareholders and that the Board casts their vote on behalf of its shareholders and LCOA should be allowed approximately 2,000 votes in BSOA elections, one for each shareholder. He suggested that BSOA reconsider the LCOA vote, provide proper notice and give LCOA the opportunity to vote in this election. Carl Jahr noted that LCOA being disqualified from voting was not on their agenda earlier in August as they had not received notice of this. Barb agreed that they did not know that LCOA was being disqualified from voting. Brian Wheeler spoke stating that he felt that there was a need for improvement in communication. A letter was sent out and he was not copied on the letter. He was present at the July 20 BSOA Board of Directors Meeting, heard about the issue, shared this with Boyne, but didn't feel that he was expected to represent the BSOA Board on this issue. Barb noted that LCOA usually receives one month's notice via the Ballot Packet, of the Annual Meeting and information about the election, but that this was not the case this year. Ms. Canode explained that LCOA and Boyne share the same PO Box numbers and BSOA has always hand delivered the Resorts' and LCOA's Ballot Packets, as opposed to mailing them. This procedure has never been an issue in the past. Chair Walton asked what procedure was followed this year for the delivery of ballots to LCOA. Staff stated that LCOA's ballots and Boyne's ballots were hand delivered to Brian Wheeler as had been the practice for many years. Brian Wheeler stated that the ballots were not received until August 16th or 17th when he returned to Big Sky from Michigan. Staff reported that Brian Wheeler instructed them to place the LCOA and Boyne ballots in his pickup truck which was parked in the Mountain Village. Staff complied with his request. Brian Wheeler reported that the

ballots were in his truck until he hand-delivered the ballots to LCOA on approximately August 20th or 21st. With that understanding, the Board agreed that next year, all ballots must be mailed. Gary Walton stated that LCOA's understanding that proxy voting was changed this year in the bylaws, is incorrect. Proxy voting is and has been against Bylaw policy for years. He also stated that after BSOA legal consultation it was concluded that LCOA's voting was a proxy vote and as such is prohibited by the BSOA bylaws. Mr. Jobson was invited to speak. He expressed the LCOA's objection to the ballots not being counted and expressed reasons for including them in the election count. (See Mr. Jobson's email included as an attachment with these Minutes.) Discussion ensued about the fact that each unit has a deed which indicates that they are property owners within the BSOA and are not corporate ownerships and that the property manager casting the votes on behalf of the owners is proxy voting and not allowed in the BSOA Bylaws. BSOA Board requested a statement from the LCOA Board by noon on September 20th, 2018 describing the exact procedure of how their votes are cast so that BSOA can make an informed decision. Chair Walton stated that LCOA should cast its ballots as it normally would, which would be accepted provisionally. Thereafter, a determination would be made by the BSOA Board on whether the procedure results in proxy vote. If they are a proxy vote the ballots will not be counted.

2. Call to Order – Gary Walton called meeting to order at 11:49 am.

3. Minutes: August 17th Board Meeting -

Motion made by John Loomis to approve August 17th, 2018 Meeting Minutes as amended; seconded by Maggie Good. Motion carried unanimously.

4. Finance and Audit Committee

- A. July Financials – The Balance Sheet was reviewed and looks good. Actual versus Budget shows that we have reached 83% of our budget for the year. Cross country ski pass income is less than anticipated this year. After additional discussion, the July Financials were accepted.
- B. Receivables – It was requested that names of delinquent members be added each year they are delinquent.

Motion made by Gail Young that if delinquent assessments are not paid by October 1, a lien should be filed; seconded by Maggie Good. Motion carried unanimously.

- C. Lien Request: None
- D. Collection Request: The Board requested that staff provide the documented collection process to the Board for review and the issue of "Foreclosure versus Collections" be discussed at the September 21st, 2018 meeting.
- E. New Members List: The Board reviewed the list.

5. Chairman's Report

A. Old Business

- i. Proxy Vote, Lake Condos Update - See above.
- ii. Project Update:
 - a. LC Traffic Calming Measure Update - It was noted that the request for speed table specifications for bidding purposes were given in Note 1 of the General Notes of the Plan Sheets, although this information was not made obvious.
- iii. Annual Meeting Update
 - a. Q & A - In preparation of the Annual Meeting Q & A, the Board discussed issues where questions may be anticipated.
 - b. Quorum - As of the time of the meeting, quorum for the Annual Meeting was established. The Board Secretary will announce this at the meeting later today.
- iv. Architectural Review Fees: Financial Analysis - As presented in the Board Packet, discussion was held on where review fees may be appropriately added to encourage more efficient project applications and discourage members from bringing projects through multiple times for BSAC review. This not only creates a great amount of work and time spent for the Architectural Review Coordinator but also for the Committee volunteers. Additional modifications were recommended and noted by staff, to be presented to the BSAC for their input, then returned to the Board for additional review or approval.

B. New Business

- i. BSAC Recommendation: Design Reg. Revision to Require Architect/Engineer Ins. - Discussion was held regarding the language as presented in the Board Packet.

Amend Paragraph 2.1: Motion made by Grant Hilton to approve 2.1 as written; seconded by Maggie Good. Motion carried unanimously.

Amend Paragraph 2.3: Motion made by Gail Young to approve 2.3 as written; seconded by Maggie Good. Motion carried with Gail Young, Maggie Good, Sharon Douglas, Eric Ossorio and Gary Walton in favor; Michelle Frederick, Grant Hilton and John Loomis opposed.

- Discussion was then held on requiring geo techs. No decision was made on the topic.
- ii. Personnel Policy Manual: Revisions - It was reported that the Executive Committee is working on this.
- iii. ED's New Contract - It was reported that the Executive Committee is currently working on a revised contract to incorporate the ED working

remotely, which was approved earlier in the year.

6. Committee Reports

- A. Executive Committee - *Personnel Policy Manual Revision, ED's New Contract*: See above.
 - B. Legal Committee - *Rainham Letter*: Before the letter is sent out as presented, the Board requested our Attorney provide a written legal opinion for the record, as opposed to the verbal opinion that was given. The legal opinion is to be sent to Suzan and then distributed appropriately.
 - C. Nominations Committee - *September 7th Meeting*
 - D. MLB ODP Update: *Egress/Ingress* - An update was provided by Maggie Good, the issue will hopefully be brought up during the Q&A period at the Annual Meeting and referred to the Madison County Commissioners.
 - E. BSCO - No report.
 - F. BSAC - The Committee continues to be very busy reviewing a great many projects, as well as construction related compliance issues.
7. Other - No report.
8. Adjourn.

With no further business, the meeting was adjourned at 2:10pm.

Attendance Summary: Paula Alexander left at 12:40 pm, at which time Suzan Scott took over recording minutes. Steve Anderson was present for membership forum and Financials and then left the meeting.


John Loomis, Secretary