



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes - September 1, 2017

Big Sky Owners Association Board of Directors met on Friday, September 1st, 2017 at 11:00 am at the Big Sky Owners Association office in Big Sky, Montana. Directors in attendance included: Gary Walton, Gail Young, Barb Rooney, Sharon Douglas, Kevin Frederick and Grant Hilton. Suzan Scott represented staff. Paula Alexander was present to record minutes.

1. Membership Forum: None
2. Call to Order: Vice Chair Gary Walton led the meeting which was called to order at 11:01 am.
3. June 1, July 21st and August 9, 2017 Minutes: June 1st and August 9th Meeting minutes were approved. July 21st Meeting Minutes to be amended as follows:

Motion made by Grant Hilton to approve June 1 Meeting Minutes and August 9 Meeting Minutes and to defer approval of July 21 Minutes until amendment is made (Motion on Page 1 of July 21 Minutes: "Motion made by Maggie Good to allow individual members to speak for three minutes maximum; seconded by Barb Rooney." Is amended to: "Motion initially made by Sharon Douglas to allow members to speak for 3-4 minutes, amended by Maggie Good to allow individual members to speak for three minutes maximum; seconded by Barb Rooney); seconded by Sharon Douglas. Motion carried unanimously.

4. Finance and Audit Committee
 - A. July Financials - Looking at the Statement of Condition, Kevin noticed some performance deposit numbers need to be adjusted; 1) numbers don't match with income statement, 2) numbers for Performance Deposit CDs that are not under BSOA's name. Also, Gail noticed that the formula may not be working on line 1010, the \$53,000 was changed but the percentage amount does not correspond. Under liabilities in payroll taxes payable, Barb noticed the numbers were too high. Suzan believed that payroll taxes were somehow not automatically paid as they should have been, the issue was discovered and corrected, which is why this number looks high for July. Steve should be able to explain this at our next meeting. Gail questioned the depreciation value on fixed assets and the value not depreciated was not restricted funds. Again, with Steve not in attendance, staff would clarify this issue at the next Board meeting. Kevin noted that on the Budget versus Actual spreadsheet, no income came in for the month of July and bank statements for the new CD's have not been received from Stockman's and Opportunity Bank. All looked in order for the checkbook and the credit card.

- B. Receivables/ Assessment Correspondence - Accounts Receivable: There are 13 outstanding assessment fees from this past year. These will go to collections after the start of the new fiscal year. Sending past due assessments have been an effective process in the past. It was noted that one member had not paid dues and was also out of compliance, for which he could be fined. For this particular case, the Legal Committee recommends that instead of staff handling, the approach should be through the Legal Committee and attorney as the Board may need legal opinion on this issue. Kevin suggested Steve to bill the new owner of this property.
- C. Reallocate Funds to Restricted/ Reserve Accts.: Kevin pointed out on Page 2 at the bottom of the Statement of Condition, under designated restricted reserves, with the unrestricted cash that was recently allocated to restricted reserves, the \$1,080,337 now matches the total for Other Restricted Funds on the front page of the SOC.
- D. Lien request: None
- E. Collection Request: None
- F. New Members List: None

Motion made by Sharon Douglas to accept July Financials; seconded by John Loomis. Motion to accept passed unanimously.

- 5. August Staff Reports - None
- 6. Chairman's Report
 - A. Old Business
 - i. BSOA Ponds Subcommittee Report
 - a. DNRC has sent out the preliminary approval letter for the water right change of application and now it goes out for public comment. It was determined that Karl Uhlig and Ron Edwards would participate to this process rather than BSOA as it is not our water rights but rather WSD's. It was also reported that BSCO did not receive the \$500,000+ federal grant they were hoping for and the Joint Corridor Committee now needs to meet to discuss how we move forward on the LC Bridge replacement. BSCO funding will not affect BSOA's Ponds Project and timeline, which has been set for Fall of 2018. It was noted that more pressure may be needed for Resort Tax funding for a bridge replacement. Also, the \$50,000 grant funding that BSOA received for the Ponds Project is only good for 3 years. Suzan will double check on that timeline and report back.
 - ii. Project update.
 - a. Open Space Clean Up - Suzan reported that Mac McRae has been working to get additional bids for the cleanup as the few that have been received are estimated at around \$20,000 and only \$5,000 was budgeted for this project in FY 2018. This budgeted expenditure was based on receiving matching funds initially approved from MSU Extension Office

but now is unavailable for the next several months due to their lack of staff oversight for this program. Therefore, due to the importance of reducing wildfire and fire danger on BSOA lands, it was mentioned that additional funding may need to be drawn from the contingency fund to complete this project. BSOA Staff has also been talking with Montana Conservation Corp, who should be able to slash and burn debris in Spring 2018 for a lot less than a contractor for hire. Following this project delay, Gary is also exploring fire wood contractors for an initial cleanup this Fall. This may be a good option as it would reduce BSOA's cost due to the value of the firewood/fuels that currently exist on BSOA open space.

b. Little Coyote Traffic Calming Study Update: Traffic counters are still in place on Little Coyote road but staff was told Morrison Maierle has enough data to do the analysis and results are anticipated soon. Features that the study will track: speed, time of day, numbers of vehicles, track detours, identifying commuters. It was noted by some Directors that the new traffic light at Spur Road and Ousel Falls Road doesn't seem to have increased traffic on Little Coyote road.

- iii. Annual Meeting Update: It was noted that Quorum for the Annual Meeting had been achieved with 572 votes needed. Meeting presentations were discussed, along with the Q & A preparation and anticipated questions from the membership. Staff also relayed concerns from a member regarding light pollution coming from Town Center and noise, speed and safety issues on the Spur Road by the hospital and Roxy's. Barb Rooney also requested that staff look into the cost of hiring a third party to provide election services next year for the BSOA's annual elections.

B. New Business

- i. Call to Service Forms Deadline – Sept. 7th: Suzan announced the Sept. 7th deadline saying most Directors have already sent in their forms requesting their choices for Committee assignments and Officer positions. It was also mentioned that this deadline allows newly elected Directors the opportunity to submit their requests as well.

7. Committee Reports

- A. Executive Committee –*ED's Summer Schedule*: It was noted that the Executive Director's request for a modified summer schedule was submitted and approved by the Executive Committee.
- B. Legal Committee - *Tort Claim; Bylaws Interpretation regarding Voting Procedures*: Gary Walton gave a summary on a tort claim that has been filed regarding a pedestrian and auto accident that occurred in 2015. Also, it was reported that clarification was

sought and received from the contract attorney regarding detailed interpretation on membership voting procedures.

- C. Nominations Committee – Grant Hilton reported that an Aug. 22nd NC meeting was called to begin the process of recommending additional appointed members onto the NC to comply with the Bylaws, which state a “minimum of two and not more than five members [shall be] appointed to the committee”. At the Aug. meeting, members of the existing NC discussed Board approved criteria that should be considered for all candidates (i.e. people who live for the majority of time in Big Sky, have experience on Boards, owners from all BSOA areas as opposed to one specific area) and then came up with several names. A list was then drafted so the Committee could confirm candidate interests and since then, inquiries were made. Barb mentioned that a member in particular was in good standing and would be interested in serving on the Nominating Committee. It was stated that inquiries to several NC recommended candidates have already been made and the Committee should first move forward with the formal process that was initiated. Although an announcement for the Aug. 22nd NC meeting was made to the Board regarding the start of this formal process, it was suggested that in the future the Board may want to put notice out for members interested in participating the NC and the BSOA Subcommittees. The next Nominating Committee meeting is September 8 at 9 am where the Committee will proceed with the process to recommend a minimum of two membership positions onto the NC. Additionally, at an Aug. 22nd Board meeting, Anne Marie Mistretta was appointed to fill Stacy Ossorio’s vacated BSAC seat for the remainder of Stacy’s term, from Aug. 22nd to Oct. 1, 2017.
- D. BSCO – Barb Rooney reported a Director from their Board resigned and a number of projects are being worked on including the Master Park Plan, an easement at Ousel Falls and the Tree Fort at Kircher Park. 15,000 visitors were tracked using the Ousel Falls trail and the offer BSCO made on the Beehive Basin trailhead property was accepted, which was precipitated by a generous donor. Lastly, a Subcommittee has been created to take a preliminary look at a Community Center for Big Sky.
- E. BSAC – Gail reported that a lot of projects continue to come through the Committee for review, both major and minor construction projects. Fire pit regulations are in the process of being reviewed and will be approved after a review from the Fire Chief. Multiple real estate signs for each property being sold have been an unsightly issue but efforts to resolve this by staff have made a big difference.

Suzan announced that historically Gallatin County has not provided funding for Skyline bus services to and from Big Sky, regardless of Madison County’s annual contributions. However, after several years of trying, David Kack has managed to convince County Commissioners to contribute. A total of \$68,500 has been approved as a contribution to Skyline in next year’s GalCo budget

With no further business the meeting was adjourned at 12:56 pm.


Eric Ossorio, Secretary
