

Meadow Lake Country Club Estates Homeowners Association, Inc.
P. O. Box 2323
Columbia Falls, Montana 59912
(406) 892-8702

Bruce Beecher, President
Marvin Galts, Vice President
Peter Mueller, Secretary
JoAnn Cate Treasurer

Gabriel Hagg, Director
Patrick Malone, Director
Diane Dubay, Director
Pete Glee, Manager

Board Meeting Minutes

Date: Saturday, January 23, 2016

Time: 10:00 AM

Place: Meadow Lake Resort Conference Room

Members in attendance were: Marvin Galts, JoAnn Cate, Gabriel Hagg, Peter Mueller, Diane Dubay, and Bruce Beecher by video. Also in attendance were Barb Riley, Doug Cook, Ann Stephens, and Manager Pete Glee.

Meeting was called to order at 10:10 a.m., by Marvin Galts at the request of Bruce Beecher.

Information:

1. **Approval of Minutes of Previous Meeting (September 19, 2015).** Bruce Beecher made a motion to approve the minutes. Peter Mueller seconded. All in favor, motion passed.
2. **Manager's Report:** Pete Glee gave the following report:
 - a. Strategic Plan has been updated for 2016.
 - b. Security – We pay MLDC \$1,000.00 per month for this service, discussion was held regarding their responsibilities, when to call Sheriff, response time, notifying HOA of violations, continued use of fireworks in the Meadow Lake community.
 - c. Disaster Preparedness Plan – Working on document
 - d. Building Standard Plan – Bruce Beecher, Gabe Hagg and Pete Glee are working on the document to merge the building standards from Mountain Watch (Tamarack Heights) into the MLHOA standards document. We hope to have this done for review at the next board meeting.
 - e. Community Standards – Document approved by Board on September 19, 2015
 - f. Charters – All charters have been updated with the exception of the Beatification Improvements and Maintenance (BIM) Charter which will be discussed today.

Additional Comments:

The HOA is moving to a paperless office, storing/scanning documents, checks, payables and receivables on the cloud and drop box.

The HOA is currently using the on-line version of Quick Books but will be going back to the local version due to inability to do batch invoicing. For security, our Quick Books data will be backed up to the cloud automatically.

3. Financial Report – Pete Glee presented the financials:

Comments on report:

No new income from the ARB new construction application fees.

An increasing number of owners are now using credit cards to pay their HOA dues. It was explained that we paid approximately 3% for this service but the service is a contributing factor to our extremely low accounts receivable. Discussion was held regarding charges for this service. Pete will look into alternative methods of payment.

Diane Dubay asked about the Grizzly contract – Pete said we do not use Grizzly at this time. We used to use

Grizzly twice a year for firework control. There was a lengthy discussion on fireworks, as to what works, and what doesn't. The discussion was deferred to the COPS program committee, for a recommendation to the board.

Pete Mueller asked about the charge for street lights.

4. Standing Committee Reports:

ARB – Diane Dubay reported:

- a. New Construction Update – LaChance MW54, house completed but landscaping has not been done. Pete reported that he received a letter requesting final review be deferred until 1 May 2016.
- b. Westcraft townhouse in Whisper Village, work continues and expected to be completed in February or March of 2016.
- c. MW-144 – Schardt's house completed and approved, landscaping to be finished in the spring of 2016.
- d. No new construction requests for 2016 as of yet.
- e. Major remodel at 1038 St. Andrews in progress
- f. ARB Fee Disposition. ARB suggested Pete Glee be reimbursed for additional research hours not funded by contract fee. Discussion was held.

g. Review Building Standards for noise abatement policy regarding generator installed at 1038 St. Andrews.

BIM – JoAnn Cate reported:

- a. **Replaced missing and or damaged signs**, a crosswalk was installed at the rec center, the sidewalk along spyglass has been changed and a cross walk added and the speed bump was removed.
- b. **A lending library** has been initially approved by MLDC, it was suggested the Rec Center would get more exposure.
- c. **St. Andrews entrance to Meadow Lake** will be studied by the BIM committee. Board members suggested that a meeting be held with other parties to put together what the other entities would like to see, brainstorm ideas, etc. Other interested parties would include MLDC, Golf Course and BIM members.
- d. **Street light upgrade** continues to be looked at with the hopes of replacing the older styled globe lights with a more modern LED light.
- e. **The Weed Management Plan** is being reviewed and will be updated in the spring.
- f. **The committee is looking at upgrading Armstrong Park.**
- g. **The emergency generator for water and sewer** has been installed. BIM has received one design proposal for landscaping.
- h. **The BIM is looking into extending sidewalk** along St. Andrews Drive to Hucklebear park.

Social – Ann Stephens reported on behalf of Sandi Beecher

- a. **The Fall Appetizer Festival** was well attended
- b. **A Welcome Committee** has been initiated beginning January 2016
- c. **Upcoming events** will be 2nd Annual Valentines Dessert Party and 4th Annual St. Patrick's Day Party. Both are scheduled Social Committee Events
- d. **Activities planned**, game night was cancelled, MLDC approached committee to help with combined game night on Monday nights, Pub night at the Meadow Lake Bar and Grill was well attended, Gab Fest is well attended and Book Club has new chair – Theresa Carpenter.

5. MLDC rejection of proposal to use amenities - MLDC formally rejected the discussion document for Use-Lease Agreement for amenities of Meadow Lake homeowners. MLDC said that utilization capacity seemed to be a major factor. Discussion was held: this does not close the door forever and there is still some daylight for a different proposal and more dialogue.

6. MLDC Charge for Collecting HOA Fees – MLDC proposed implementing and

charging the HOA for fees associated with the billing and collection of owner dues. MLDC has notified the HOA that this plan would not be implemented until 2017. Discussion will continue.

- 7. Drainage Issue for Mountain Watch** - Gabe Hagg reported that Tom Cowen of Carver Engineering has suggested that the additional of large fractured rock will fix the problem. No drainage study or plan was in place at the start of this project. Estimates will be asked for the rock placement. Diane Dubay made a motion to allow Gabe Hagg to pursue, inquire and ask for estimates to fix this problem, JoAnn Cate seconded and all voted in favor.

Discussion and Action:

8. Discussion was held on what to do with the current bank accounts over the maximum for FIDC insurance coverage. Bruce Beecher made a motion to move \$250,000.00 to a new account at Parkside Credit Union and JoAnn Cate seconded. All voted in favor. New account details were discussed and new signature cards were passed around. Pete was assigned the task of exploring and researching other safe investment proposals. Pete will report his finding back to the Board at the next meeting.

9. BIM Charter Revision – A proposal was presented to change the membership of the BIM committee to 5 homeowners rather than 4 homeowners and 1 member from the Golf Course. This was proposed because many of the BIM issues are of no interest to the Golf Course. The proposal allowed for invitations to any commercial member for meetings that have agenda items that might be of interest to them. Peter Mueller made a motion to accept the new charter as written and Bruce Beecher seconded. All voted in favor.

10. Update HOA Website – Discussion was held regarding the closure of the old HOA web site and inclusion of links to the sub-associations into the current site. The content of the old site has not been update since the new site came on-line (4 years ago). Barb Riley said that the old site was intended as a Community Landing Page for Meadow Lake. Bruce Beecher explained that all information from the old site would be available on our current site and that people going to the old site would be automatically redirected to the current site. The board ask that they see a draft of the proposed layout for the current site before approving. Bruce Beecher made a motion to defer this decision till the next meeting. Joann Cate seconded the motion. All members voted in favor.

11. ARB application for a standardized fee for all of the Meadow Lake Community. A motion was made by Gabe Hagg to drop the \$250.00 fee added for Mountain Watch to \$500.00. Bruce Beecher seconded the motion. All voted in favor.

12. Election Policy, HOA Policy 16.01 – Discussion was held regarding why we needed this policy. Pete explained that this policy was intended to clarify our election process and address concerns in past election regarding receiving ballots. He said Ann Stevens and Carol McElwain (who have both worked on county elections) were instrumental in

preparing this policy. Bruce Beecher thanked Ann and Carol for their contribution and made a motion to adopt the Election Policy, HOA Policy 16.01 as written. Peter Mueller seconded the motion. All members voted in favor.

Other Items:

13. **Review of Meeting Schedule**, Peter Mueller indicated he would not be available at the April 30, 2016 meeting.

14. **Motion to adjourn the meeting** was made by Marvin Galts and seconded by Diane Dubay. All agreed.

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Board Meeting Minute

Date: Saturday, April 30, 2016

Time: 10:00 AM

Place: Meadow Lake Resort Conference Room

Members in attendance were: Marvin Galts, JoAnn Cate, Gabriel Hagg, Diane Dubay
Also in attendance were Barb Riley, Ann Stephens, and Manager Pete Glee.

Meeting was called to order at 10:09 a.m., by Marvin Galts.

Information:

- 1. Approval of Minutes of Previous Meeting (January 23, 2016).** Gabe Hagg made a motion to approve the minutes. Diane Dubay seconded. All in favor, motion passed.
- 2. Manager's Report:** Pete Glee updated the board on the election process. The mailing of "Call for Nominations and Notice of Annual Meeting" and the mailing of ballots was completed according to the established timeline. Unfortunately the HOA was not able to utilize MLDC's mailing as planned. The policy on elections will be reviewed and updated to be more cost effective next year.

Discussion was held regarding time share representatives, election process at the annual meeting, and meeting proxies.

3. Financial Report – Pete Glee presented the financials:

Pete Glee presented the financial report and discussion was held regarding the road reserves, street lights, the Holt property, Lence property and McElroy property. Gabe Hagg made a motion to accept the financials, Diane Dubay seconded and approval by the board was unanimous.

4. Standing Committee Reports:

ARB – Diane Dubay reported:

Diane Dubay reported no new construction at this time, currently there are two building projects underway and should be completed in the next couple of months. BIM – JoAnn Cate reported the committee has met with two landscape designers regarding the front entrance redesign incorporating the emergency generator into the proposed plan. JoAnn Cate reported that three new pet stations have been ordered for Pine Valley Park and Phase I of Mt. Watch. The Memorial Bench for Ms. Kennedy has been tabled due to lack of communication with the family. The street light project is ongoing. The Board approved the recommendation of connecting the sidewalk from the west side of St. Andrews Drive between 610 St. Andrews and 640 St. Andrews. Pete Glee will inventory speed bumps that need repainted this year. Street signs that were approved by the Board have been received and MLDC will replace/add the new signs. The BIM Committee determined that no additional permanent structures will be added to the parks that the HOA maintains.

BIM – JoAnn Cate reported:

JoAnn Cate reported the committee has met with two landscape designers regarding the front entrance redesign incorporating the emergency generator into the proposed plan. JoAnn Cate reported that three new pet stations have been ordered for Pine Valley Park and Phase I of Mt. Watch. The Memorial Bench for Ms. Kennedy has been tabled due to lack of communication with the family. The street light project is ongoing. The Board approved the recommendation of connecting the sidewalk from the west side of St. Andrews Drive between 610 St. Andrews and 640 St. Andrews. Pete Glee will inventory speed bumps that need repainted this year. Street signs that were approved by the Board have been received and MLDC will replace/add the new signs. The BIM Committee determined that no additional permanent structures will be added to the parks that the HOA maintains.

Social – Ann Stephens reported on behalf of Sandi Beecher

Ann Stephens reported that two events sponsored by the committee were well attended and within budget. The next event will be the Mexican Fiesta Party on 13 May 2016.

- 5. Nominations for Board Positions** - Pete Glee presented the nominations for the Board positions. Diane Dubay is running for “At-Large” position and Paul Jasper, Eric Bjorkman and Karen Smith are running for one position on the “Time Share” ballot.

6. **MLDC Charge for Collecting HOA Fees** – This was discussed and a letter was shared from Mr. Beecher to MLDC stating “if MLDC feels additional fees are needed to provide this function, they would negotiate this with the owners of the units. We would also expect that the Master HOA would continue to receive the full amount of the dues billed to the Timeshare Owners”. MLDC responded and said that they agreed with our position and would not be charging us with the collection fees.
7. **Parkside Credit Union Account** – A new account has been established transferring \$250,005.00 into the account for road reserves. Discussion was held regarding the account, was insured up to \$250,000.00.
8. **Building Standards** – Pete Glee will email to the Board the new ARB standards once the ARB, Gabe Hagg and Bruce Beecher have reviewed the merged document.
9. **Road Reserve** – Pete Glee shared a spreadsheet projecting the funds needed in the future for road repair. The HOA has contributed \$40,000.00 to the road reserve fund for the last two years. Pete will review the worksheet to make sure the figures are correct.
10. **Investment of long term funds** – Pete Glee provided handouts from Parkside Credit Union on options for investing HOA funds, how aggressive should the fund be, should it be a treasury note or bonds, how much can the HOA risk? Pete Glee will check to see what the HOA can do and what the opportunities are and the responsibility of the HOA.
11. **Drainage Issue for Mountain Watch Phase I** – A bid for \$14,023.00 was received from Finmark Construction LLC addressing the drainage problem in Mountain Watch Phase I. A discussion was held regarding where does the responsibility lie, what does the HOA inherit when they accept the roadways, whose responsibilities is it, who is going to pay for it? Another bid will be solicited and a field trip scheduled to the site on 3 June 2016. It was recommended that new construction on Glen Eagles should have a culvert under the driveway installed.

Discussion and Action:

1. **Election Judges Committee Approval** – JoAnn Cate made a motion and Diane Dubay seconded the motion to approve Peter Mueller, Carol McElwain and Ann Stephens as Election Judges. The motion passed unanimously by the Board.
2. **BIM Committee Member** – Gabe Hagg made a motion and JoAnn Cate seconded the motion to approve Ms. Jamie Duff as a new member of the BIM Committee. The board unanimously voted approval. JoAnn Cate asked why the Board must approve committee members.

3. BIM Project to connect sidewalks along St. Andrews – Diane Dubay made a motion to approve and JoAnn Cate seconded and board unanimously approved the project for \$2100.00. The Board discussed a slight increase might be needed to redesign the walkway to not connect to the road in one spot.

4. BIM Project to extend existing sidewalk along St. Andrews to Hucklebear Park –

This project concept was tabled.

Other Items:

1. **Barb Riley informed the Board** that the web site used by the commercial interests at Meadow Lake, meadowlakemontana.com, has been updated and should be available early next week.
2. **Adjournment** – Diane Dubay made a motion to adjourn and JoAnne Cate seconded. All voted in favor.

The meeting was adjourned at 12:42.

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Pete Glee, Manager

Board of Directors Meeting on June 4, 2016

Members in attendance: Bruce Beecher, Diane Dubay, Peter Mueller, JoAnn Cate, Pete Glee and Miranda Harrah. Also in attendance were Ann Stephens and Barb Riley.

1. Meeting was called to order at 3:10 p.m. by Bruce Beecher.
2. Approval of Minutes of the April 30th Board Meeting. Peter Mueller made a motion to approve. Seconded by Diane Dubay. Minutes are approved unanimously.
3. Installation of new Board Members: Bruce welcomed Diane officially to the board as the At Large Director. Paul Jaspar was also added to the board as the Timeshare Director, but was not present.
4. Election of new officers: Bruce nominated Diane Dubay to be President. Peter Mueller Seconded. Diane Dubay is the new President. Peter nominated Bruce to be Vice President. Seconded by JoAnn. Bruce is Vice President. Bruce nominated Peter for Treasurer. Diane seconded. Peter is Treasurer. Bruce nominated JoAnn for Secretary. Seconded by Diane. JoAnn is Secretary.
5. Appointment of new committee chairs: Diane is willing to continue with the ARB, JoAnn is willing to continue with the BIM, and Sandi is willing to continue With the Social Committee. Barb Riley said she would like to be a part of the COPS Committee if any meetings are scheduled. Bruce said it would be great to have her join. Bruce mentioned that a Disaster Plan meeting might need to be scheduled.
6. Security for 4th of July: They are hoping to mitigate the fireworks with the additional signage. The reality of catching people is very unrealistic, so it's hard to justify spending extra money on security.
7. Other: Bruce discussed the MLDC Amenities. It is a growing concern for the neighborhood and hopefully they will reconsider. Bruce and Barb discussed the conversations Barb had with Ken Calvig regarding the legalities of it. Bruce asked Barb to provide documentation.
8. Peter would like to see the Timeshare/Unit Rep list updated and accurate and would like it to be added to the strategic plan for 2016/2017 as an important item.
9. Diane asked Pete to get the information for an Audit.
10. Bruce discussed the drainage issues that came up during the heavy rains. He said an engineer will have to look at the road systems to see where they can improve drainage.
11. 2016-2017 Meeting schedule will be determined by email.
12. Meeting Adjourned at 4:07 pm.

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Peter Mueller, Treasurer

Marvin Galts, Director
Gabriel Hagg, Director
Paul Jaspar, Director
Pete Glee, Manager

Board Meeting Minutes

Date: Saturday, August 27, 2016

Time: 10:00 AM

Place: Meadow Lake Resort Conference Room

Members in attendance: Diane Dubay, Bruce Beecher, Peter Muller, JoAnn Cate, Paul Jaspar, Pete Glee and Ann Stephens.

Also in attendance were Mark Johnson, Doug Cook, Sandi Beecher, Karen Grossheider and RC Grossheider.

Meeting was called to order at 10:00 a.m., by Diane Dubay.

Information:

- 1. Introduction of Guest Speaker:** Mr. Mark Johnson/Investments, Vice President of Stifel Nicolaus & Company.

Mr. Johnson presented several options for the Board to consider regarding investment of the money held in reserves. Mr. Johnson asked the Board how much was in reserves and how much of a risk factor were they willing to take. Mr. Johnson suggested the Board review how much money is needed and when does the Board need the money. Several options were discussed but without the Board having a Policy, Mr. Johnson was hesitant to offer advice.

A Policy will be discussed in the Strategic Planning meeting following the Board meeting. Mr. Jaspar, Mr. Galts and Mr. Beecher voiced their concerns. Mr. Johnson was asked his opinion regarding the HOA contracting for a full audit versus a limited audit.

Mr. Johnson recommends a procedural audit be contracted every two-three years to check for procedures, internal controls and separation of duties. Mr. Jaspar made a motion to contract JCCS to perform a limited procedure audit dependent upon cost. Mr. Beecher seconded, motion carried.

2. **Approval of Minutes of Previous Meeting (June 4, 2016).** Bruce Beecher made a motion to approve Minutes of 4 June 2016 and Peter Muller seconded. Motion carried.

3. **Manager's Report:** Pete Glee announced that Miranda Harrah had resigned as bookkeeper, effective August 5, 2016.

An advertisement for her position has been posted and Mr. Glee expects to have several applicant resumes by the 6th of September for review. The position available is part time position with no benefits included.

The election process was greatly improved this year. There were extra expenses due to additional postage. MLDC had already mailed their quarterly billing before the election documents were ready.

Pete Glee briefly discussed the weed/targeted weed policy.

Mr. Glee advised the board that beginning with next billing cycle statements will be sent with invoices to HOA residents.

4. **Financial Report.** Pete Glee presented the financials for period ending 23 August 2016. Discussion was held regarding the filing of tax returns, which form would be the better way to file? Can we amend last year's filing? Mr. Glee will discuss this with JCCS. A discussion was held regarding the current dues and should they be raised. Should the board transfer more money into the road reserves or beautification program? Mr. Galt and Mr. Jaspar requested that the format of the financials be changed and Mr. Glee agreed. Mr. Beecher made a motion to accept the financial and Mr. Galt seconded. The motion carried.

5. **Brief Recess** - Diane Dubay called the meeting back to order after recess.

6. **Standing Committee Reports:**

ARB – Diane Dubay reported:

There were three completed projects, one current project underway in Mountain Watch and a new home being built on lot B26 on Seminole. The remodel of Lot R36 has been completed and deposit refunded.

BIM – JoAnn Cate reported:

The BIM Committee is still looking at the design of the front entrance, lighting for the front entrance and are working on obtaining conceptual drawings of the front entrance. Street lights continue to be looked at for future replacement of the 51 outdated globe lights. The BIM committee discussed the Water and Sewer wall landscaping and decided that the wall could be separated from the design of the front entrance. Yard of the Month Program will be continued. JoAnn Cate shared that the committee will recommend the contract for weed control be modified next year. Weed management would best be served by one entity to ensure tracking and accountability of the targeted weeds.

Social – Sandi Beecher:

Sandi Beecher shared the Social Committee has been busy since the last Board meeting. The Garage Sale and Pot Luck was a huge success this year, we had over 225 cars come through the front entrance in search of bargains. The Annual Rib Fest was enjoyed by all who attended. Sandi Beecher shared the next Social Committee event will be the Ice Cream Social on 11 September. Several events will continue through the fall, Pub night, Gab Fest, Book Club and Game Night.

- 7. Building Standards:** Pete Glee reported that the Building Standards document revision to merge the two documents is almost complete. Bruce Beecher and Gabe Hagg will review the document and have it ready for the Board to review by mid-November.
- 8. Bookkeeping Administrative position:** Miranda's position has been advertised and 2 resumes have already been received.

Discussion and Action:

- 9. Road Reserves:** The amount of the Road Reserves was discussed and a motion was made by JoAnn Cate to move \$40,000.00 into the road reserves, seconded by Bruce Beecher. The motion passed.
- 10. Policy Recommendation on Road Drainage.** After discussion among the Board, guest Doug Cook disagreed with the policy stating "less is best" when writing a policy. Peter Mueller made a motion to remove "problems" from the title and the motion was seconded by Diane Dubay.

Bruce Beecher made a motion to remove “recommendation” from the title. Diane Dubay seconded the motion. Motion carried.

Other Items:

- 11. Public comments** – Several members from the audience spoke regarding the Hodges embezzlement, parks and common areas, lack of amenities for all Meadow Lake residents and dog leash policy.
- 12. Review of the Meeting Schedule** was discussed. Pete Glee will accept proposed changes by email, and present to rest of the Board for approval. The Meadow Lake Country Club Estates HOA meeting will be held on June 6, 2017. It will be at the Rocky Mountain Lodge in Whitefish again this year.
- 13. Adjournment** : Bruce Beecher moved to adjourn the meeting, Marvin Galts seconded the motion. Motion passed.

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Proposed Board Meeting Minutes
Date: Saturday, December 3, 2016
Time: 10:00 AM
Place: Meadow Lake Conference Room

Members in attendance: Diane Dubay, Peter Mueller, Marvin Galts, JoAnn Cate, Gabriel Hagg, and Pete Glee. By teleconference: Bruce Beecher and Paul Jaspar.

Also in attendance were Diane Craft and Ann Stephens.

Meeting was called to order at 10:22 a.m. by Diane Dubay.

Introduction of Diane Craft – New bookkeeper/administrative assistant was introduced to the board.

Information:

1. **Approval of Minutes of Previous Meeting (8/27/2016)** Paul Jaspar requested to have his name corrected from "Jasper" to "Jaspar". Meeting minutes to be approved as corrected. Bruce Beecher made a motion to approve Minutes of August 27, 2016 and JoAnn Cate seconded. Motion carried.
2. **Brief Recess:** Diane Dubay resumes the meeting at 10:38 a.m. following a short recess.
3. **Manager's Report:** Pete Glee briefly discussed the hiring of the new administrative assistant. Due to issues with MT State worker's compensation, the new assistant has been hired through LC Staffing. Pete Glee reviewed the items on the agenda, and Paul Jaspar mentioned that he would like to see a more detailed report of items to be discussed before the subsequent board meetings. Mr. Glee will send information accordingly.
4. **Financial Report:** Pete Glee presented financials for period ending 30th of November, 2016. Review of line items. Mr. Glee mentioned that the 1-year contract for office expenses will expire at the end of the year, but he has not yet received a response from Chris Walters regarding any possible increases for the security and office rent. Question from Diane Dubay regarding the liability insurance and its payment structure. Also clarification on legal fees pertaining to Karl Rudbach and work performed for LaChance & Lence lien filings. MLDC payments reflect a difference in postings of payments; contract with MLDC is current. Pete Glee noted that the \$40,000 check to the Road Reserve fund will be deposited on Monday, December 5th, 2016. Pete Glee is planning to have a lien filed on Carol Kennedy account due to non-payment of dues. Paul Jaspar questioned why the "Other Assets" and "Debt Reduction Fees" have a negative balance, and he offered to send entries to correct the accounts. Peter Mueller made a motion to accept the financials and Gabriel Hagg seconded. The motion carried.

5. Standing Committee Reports:

ARB – Diane Dubay Reported:

There were two completed maintenance projects, no remodels, and two current building projects underway on Lot B26 & MW-147. ARB will review new construction packet for Westcraft townhomes to be built on Lots D-25 & D-26.

BIM – JoAnn Cate Reported:

Update on the entrance of Meadow Lake upgrade – the bushes along the west side of entrance have been removed, the light poles & fixtures are scheduled to be installed soon, and the lights at the west sign on Meadow Lake Blvd will be completed by the electrician when the contractor wires the new entrance lights. The median was removed and filled-in, but repaving of entrance will not be done until the spring. Regarding the street light replacement project, the BIM committee is working with a local electrical distributor to aid in qualifying for grants available through Flathead Electric. 60W bulbs planned to be installed. Discussion as to whether 60W will provide enough light. Pete Glee mentioned that the wattage should be sufficient with the style of fixture, but will be determined upon installation. The project to extend the sidewalk to Hucklebear Park has been tabled, and the landscaping for the water & sewer wall has been withdrawn due to restrictions from the DEQ and Water & Sewer District. The sign at Gleneagles Trail & Oakmont Lane is in place. Pete Glee is contacting property owners regarding dead tree removal. They have the option to organize the removal of dead trees on their property, or the MLHOA will execute the removal of dead trees and bill them. Paul Jaspar asked if there is a time limit for homeowners to remove the trees; Pete Glee will give homeowners 30 days to take out the dead trees. It was clarified that there is no obligation for homeowners to replace any trees.

SOCIAL – Ann Stephens Reported:

There has been one Fall Fest social function since the last board meeting, with 38 persons attending and \$21 in expenses. The social committee decided to alter how the events will be chaired for the next year and plans to re-evaluate in the summer of 2017. The new structure will be for people to chair and co-chair their own events. Diane Dubay asked if this change was in conflict with the charter of the social committee. Ann Stephens replied yes, but she suggested a change in the charter due to concerns that the same people are burdened with organizing every event. Diane Dubay suggested suspending any action on changing the charter for the upcoming year to see how the new structure works. Discussion ensued regarding non-members chairing events. Diane Dubay stated that this practice is not in compliance with the charter; Pete Glee agreed since the Social Committee is a standing committee (not ad-hoc) and represents the Association. Bruce Beecher suggested that social memberships could be considered for Mountain Watch Phase II and Meadow Lake West to pay fees to the MLHOA to support events and give them sanctioned access to such events. Marvin Galts questioned the goal of the proposal – to foster a community spirit or not? Paul Jaspar proposed that the President of each association meet to discuss the issue and devise a plan for membership. Diane Dubay made a motion to accept the proposal and Bruce Beecher seconded. The motion carried.

6. Status of exploring community center options

Pete Glee related that Bruce Beecher, Peter Mueller, Sandi Beecher, and Pete Glee visited the Lakes, the Canoe Club, and Silverbrook to view community center options. Marvin Galts presented a loose estimate of \$1.5 million to construct the community

center, and he will have a draftsman working on design. The proposed site of the MLHOA community center would be in Hucklebear Park at the north end near the volleyball court. Discussion ensued regarding adequate parking, size of building, what the space will include, and the pool area. Rather than concentrating on the details, Gabriel Hagg stated that the framework needs to be done first – what is the budget and how will it be financed? Marvin also suggested the establishment of another legal entity for the community center which would be separate from the MLHOA. Paul Jaspar asked to have a copy of the concept and task list; Pete Glee will send the information out to all the board members for their review. Finance Committee that is to be established will devise a legal structure, as well as both a construction budget and operational budget. Bruce Beecher suggested that the center could be rented for additional income. Gabriel Hagg and Diane Dubay both agreed that the first step is to discuss the project with Gil Lynch. Marvin Galts requested that Pete Glee contact Chris Walters to see when Gil Lynch is in town; Marvin Galts will plan to meet with Gil Lynch to discuss the proposed project. Diane Dubay stated that no motion is necessary.

7. **Update on Welcome letter to new Fractional Owners:** Pete Glee discussed that Chris Walters will be creating Welcome letters for the new owners. Pete Glee will follow-up with Chris Walters as to the status of the letter and the update to the HOA of new fractional owners.
8. **Audit of HOA Books – Update:** Pete Glee discussed that JCCS can perform a full audit for an estimate of \$8,000 - \$10,000 or a procedural audit for approximately \$3500. JCCS suggested that someone in the association could perform a procedural audit; Paul Jaspar was approached but stated that he no longer has insurance and has an anti-compete clause which precludes his involvement in an audit. Bruce Beecher proposed that the Financial Committee deal with the audit. Diane Dubay suggested a procedural audit rather than the full audit. With the start of a new year and the hiring of a new bookkeeper, Marvin Galts agreed that a transactional audit would be advisable. Marvin Galts made a motion to perform a transactional audit based on a decision by the Finance Committee and Diane Dubay seconded. Motion passed.

Discussion and Action:

9. **Status of exploring establishment of financial committee – Terms of Reference – Paul Jaspar**

Paul Jaspar submitted and reviewed a draft of the Terms of Reference for the Finance Committee. Proposed changes: (1) "B. Core Elements, point 3" should state that at least one member of the Board should be on the Finance Committee, but that the Finance Committee could be chaired by any HOA member. (2) "B. Core Elements, point 7" should be amended to read: The Finance Committee will receive support from the General Manager. (3) The section "C. Composition" was deleted except for the last line which reads: The Finance Committee must be ratified by the Board of Directors. Paul Jaspar will revise the Terms of Reference as discussed and will send an amended copy to Pete Glee. Bruce Beecher made a motion to adopt the Terms of Reference with changes and Diane Dubay seconded. Motion passed. The Board also discussed the composition of the Finance Committee. Paul Jaspar and Marvin Galts volunteered to join the Committee. Board Members agreed that Pete Glee will contact Mark Johnson, Russ Gregory, or Dallas Claypool (only one, and in order of preference) to determine if one of them would join the Finance Committee.

10. Draft Investment Policy Statement – Review by Paul Jaspar

Paul Jaspar stated that the intent of the Investment Policy Statement is to optimize returns with minimal risk to the MLHOA. After a brief review, Peter Mueller proposed to accept the Investment Policy Statement and Marvin Galts seconded. Motion passed. Diane Dubay suggested that the Finance Committee review the Policy Statement and request an investment proposal from three (3) separate investment companies. The Financial Committee will review the submitted investment proposals and will recommend an option.

11. Proposal Regarding Surplus Allocations – Review by Paul Jaspar

Paul Jaspar motioned to refer the Proposal for Surplus Allocations to the Finance Committee. Gabriel Hagg seconded. Motion passed.

12. Paul Jaspar exited the meeting at 1 p.m.

13. Building Standards merge with Mountain Watch – Review by Diane Dubay

Bruce Beecher would like to see the requirement for a topographical survey deleted due to excessive cost, and he requested a “change order” box added to the current ARB forms. Gabriel Hagg wants to review Mountain Watch revisions with Diane Dubay before discussing them in detail. Marvin Galts was concerned about non-compliance issues. He would prefer the language to read “may” rather than “will” to allow for reasonableness. Pete Glee asked how to maintain HOA standards but still encourage building in Meadow Lake. Marvin Galts pointed out that the goal is to have a good quality project, and Gabriel Hagg stated the need to err on the side of discretion rather than being rigid. Review of building standards continued and the issue was tabled until further evaluation.

14. Yard Light Replacement Proposal

Pete Glee reviewed the replacement proposal costs and related that the MLHOA is applying for grant money from Flathead Electric/Bonneville for light replacement. According to preliminary estimates, the MLHOA should receive close to an 80% credit to change out the yard lights. JoAnn Cate voiced concern over possible light pollution with a proposed 60W bulb. Pete Glee will check to see which bulb would be better, dependent upon the bulbs required for credit by Flathead Electric. Regarding the funding of the light replacements, Diane Dubay stated that she does not want to fund the project with road reserve monies. Bruce Beecher remarked that, with the credit from Flathead Electric, the budget will likely be less than presented and will not need to use road reserve funds. Peter Mueller mentioned the possibility of selling the current globes or donating them to Habit for Humanity in Kalispell. Bruce Beecher made a motion to approve the yard light replacement proposal and Peter Mueller seconded. Motion passed.

15. Public Comments

There were no public comments.

16. Review of Meeting Schedule through 06/03/2017

Board meeting schedule was approved.

17. Adjournment

Diane Dubay moved to adjourn the meeting at 2:17 p.m. and JoAnn Cate seconded. Motion passed.