

MISSION BAY PRESERVE HOMEOWNERS ASSOCIATION

P.O. BOX 1775  
POLSON, MT 59860  
(406) 883-1730

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Mission Bay Preserve Homeowners Association  
General Meeting  
December 3<sup>rd</sup>, 2009  
**Minutes**

Present: Dennis Duty, Board Member  
Tim Hinderman, Board Member  
Gordon Zimmerman, Board Member  
Cindy Dunshee, Steering Committee Member  
Jill Southerland, Steering Committee Member  
Brandy Casey, Association Member  
John Deluca, Association Member  
Rod & Meg Fair, Association Members  
Steve Gillette, Association Member  
Laura Hone, Association Member  
Hans Lund, Association Member  
George Mahoney, Association Member  
Harry Medland, Association Member  
Glenn Gordon, Association Manager  
Kari Mausshardt, Accountant

Attendance by Proxy:  
Kathy Beckley, Steering Committee Member  
Bar Beth S. Orphan, Association Member  
James & Barb Sohm, Association Members

The meeting was called to order on December 3<sup>rd</sup>, 2009 at 2:00 p.m.

Dennis opened the meeting with introductions and proof of due notice. The Board of Directors, acting as nominating committee nominated Dennis Duty for another term as Director of the Mission Bay Preserve Homeowners Association. Tim Hinderman asked for other nominations from the floor. None were offered. Dennis Duty was elected to another term as Director by unanimous approval by all members present.

Dennis provided the members present with a proposal from the Preserve Steering Committee for changes to the Steering Committee's structure including procedures for election of members and terms. Dennis explained that the Steering Committee is an advisory committee to the Board of Directors. It was established to ease the transition of the management of the association once the developer is no longer actively involved in its operations. The existing members are Kathy Beckley, Cindy Dunshee, and Jill Southerland. The proposal for the Steering Committee's structure was approved by all members present. Jill Southerland provided a summary of what the Steering Committee has been involved with during the past year. She noted that the committee

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meets on a quarterly basis. The 2010 meetings will occur in February, May, August and November. Minutes will be posted on the association's website. Jill also noted that a sub-committee has been formed to present options regarding the future of the center common area (should it be farmed or managed as a natural preserve, etc.).

Tim Hinderman presented the proposed budget. He noted that three meetings would be taking place today, one for the Preserve master association, one for the Community Center and one for the Mission Bay master association. The budget presented during this meeting is specific to the Preserve master association.

Tim noted that the dues for 2010 for the Preserve master association are proposed to remain the same as 2009. There is currently an issue with delinquent accounts, including past due amounts from some private owners as well as the developer. The budget was prepared to conservatively account for those past due accounts to ensure that cash flow needs are addressed.

Rod Fair asked for a review of the budgeted lots vs. lots on the most recent map of Preserve lots. Dennis agreed to review the map and follow up with Rod to answer his question (see notes following minutes). Rod asked for an explanation of the arrangements for dues and assessments on the developer owned lots. The CC&R's provide the basis for dues and assessments for master association dues. Dennis agreed to provide documentation regarding the arrangements for the Community Center dues and assessments, including the number of lots.

The following expense line items were noted by Tim during the budget presentation:

- Accounting has been decreased assuming hours required will be decreased due to streamlined procedures and the involvement of the Steering Committee.
- Legal fees were added to allow for changes that will be made during 2010 to the CC&R's and Bylaws.
- Lien filing fees are charged to property owners however an expense for them is budgeted for cash flow purposes.
- Directors & Officers insurance is being added during 2010.
- Maintenance, Landscaping & Grounds expenses were reduced quite significantly during 2009 primarily due to fewer mowing services. The 2010 budget is based on the reduced service schedule from 2009.
- Snow removal was based on 2009 actual costs.

The proposed budget includes \$3,600 per quarter allocated to the reserve. The projected reserve balance at 12/31/2010 is \$46,739. Jill Southerland noted that plans for a reserve study are one of the outcomes from the Mission Bay Steering Committee's strategic planning that took place during the fall of 2009. A reserve study will also be performed for the Preserve master association.

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Steve Gillette asked if procedures were in place to ensure expenses are authorized and billed in a timely manner. Dennis and Tim noted that these procedures are in place and have been working well over the past year.

John Deluca asked whether the Board of Directors has considered having the City of Polson assume ownership and maintenance over some common areas, including roads. Dennis replied that the City was adamant when the development was approved that the streets be maintained privately. However, he noted that the association could petition the City to seek a different outcome. Some concerns were noted regarding the likely changes the City may require and the services that would be provided.

Dennis provided additional information regarding the sub-committee that was formed to propose a long term plan for the management of the center common area within the Preserve. Rick Dunshee, Gordon Zimmerman and Dennis Duty are participants on that sub-committee. Irrigation, hay production, wildlife preservation, weed control, and fire danger are some of the issues that will be considered. Once the initial proposal is completed, it will be submitted to all members for review and a special meeting will be scheduled to discuss the plan.

The meeting was adjourned at 2:54 p.m.

Notes subsequent to meeting

Number of lots:

The Preserve master association budget for 2010 includes dues income from 77 lots for the Preserve master association. The most recent realty map includes 78 developed lots within the Preserve. Lots 307 and 308 were combined into one lot. The realty map will be corrected to reflect that change.