

BIG SKY ASSOCIATION
BOARD OF DIRECTORS MEETING
Thursday, August 23, 2007, 6:00 pm
SIMI VALLEY TOWN CENTER, COMMUNITY ROOM
1555 SIMI TOWN CENTER DRIVE
SIMI VALLEY, CA 93065

REGULAR SESSION MINUTES

DIRECTORS PRESENT

Samantha Alvarez
Scott Blatt
Gary Doctrow
Greg Brower
Lori Symans

DIRECTORS ABSENT

none.

MERIT PROPERTY MANAGEMENT, INC.

Henry Chauncey
Michael Wesner, Area / Unit Manager

I. CALL TO ORDER

The Regular Session of the Board of Directors meeting was called to order by Director Alvarez at 6:14 p.m.

II. CONSENT CALENDAR:

The use of the motion agenda enabled the Board to conduct its business in a more timely and efficient manner. If the Board agrees, it would be appropriate at this time to approve a motion to accept agenda items: A, B, and C.

Motion: Alvarez
Second: Brower

Resolution: That the Board of Directors approve the minutes of the Regular Session Meeting dated April 26, 2007 as presented.

Because of lack of quorum of the Board, there was no Regular Session meeting in the month of June, 2007.

A. MINUTES

Motion: Brower
Second: Blatt

Resolution: That the Board of Directors approve the minutes of the Regular Session Meeting dated April 26, 2007 as presented.

Because of lack of quorum of the Board, there was no Regular Session meeting in the month of June, 2007.

The motion carried unanimously.

B. FINANCIAL STATEMENTS

Motion: Doctrow

Second: Symons

As of March 31, 2007, the financial statements and bank reconciliations reflect \$872,819.06 in the Operating accounts, \$137,014.93 in the Reserve accounts, Owner's Receivable of \$100,671.88, and Utility Deposit of \$9,266.00 for total assets of \$1,119,771.87. It reflects a net income of \$398,511.17 and a year-to-date reserve funding of \$105,369.48 compared to a budget of \$103,296.

As of April 30, 2007, the financial statements and bank reconciliations reflect \$859,540.68 in the Operating accounts, \$149,415.33 in the Reserve accounts, Owner's Receivable of \$73,644.77, and Utility Deposit of \$9,266.00 for total assets of \$1,091,866.78. It reflects a net income of \$357,310.85 and a year-to-date reserve funding of \$117,769.88 compared to a budget of \$115,213.

As of May 31, 2007 (FYE), the financial statements and bank reconciliations reflect \$802,396.69 in the Operating accounts, \$161,935.92 in the Reserve accounts, Owner's Receivable of \$73,828.16, and Utility Deposit of \$9,266.00 for total assets of \$1,047,426.77. It reflects a net income of \$293,724.99 and a year-to-date reserve funding of \$130,290.47 compared to a budget of \$127,130.00.

As of June 30, 2007, the financial statements and bank reconciliations reflect \$836,783.41 in the Operating accounts, \$174,410.75 in the Reserve accounts, Owner's Receivable of \$69,236.48, and Utility Deposit of \$9,266.00 for total assets of \$1,089,696.64. It reflects a net income of \$41,481.70 and a year-to-date reserve funding of \$12,474.83 compared to a budget of \$11,917.00.

Resolution: That the Board of Directors approve the March, April, May, and June 2007 Financial Statement as presented.

The motion carried unanimously.

C. REPORTS

- 1) Management Report
- 2) Activity Summary Report
- 3) Submittal Activity Report
- 4) Violations Activity Report
- 5) Customer Service Report
- 6) Builder Invoices
- 7) AMP report

Resolution: To accept the above noted reports as presented and place on file.

The motion carried unanimously.

*******(END OF CONSENT CALENDAR)*******

III. NEW BUSINESS

A. Delinquency Report – Lien Approval

Motion: Alvarez
Second: Doctrow

Delinquency Report- May 31, 2007

Account No.	Amount Due
0190-01	\$ 790.64
0203-01	\$ 1,610.85
0226-01	\$ 778.18
0255-01	\$ 460.01
0312-01	\$ 885.18
0393-01	\$ 498.18
0395-01	\$ 2,079.79
0438-01	\$ 1,506.24
0443-01	\$ 790.64
0452-01	\$ 608.18
0489-01	\$ 990.64
0504-01	\$ 641.26
0525-01	\$ 510.55
5287-01	\$ 460.46
0441-01	\$ 463.18

Resolution: That the Board of Directors directs Management to lien the accounts listed on the “Instructions to Management – Exhibit A” contained in the Board packet should the delinquent assessments not be paid within the time period established in the intent to lien letter.

The motion carried unanimously.

B. Delinquency Resolution

Motion: Alvarez
Second: Blatt

Request for the Board of Directors to write off the following account as listed on the “Delinquency Resolution – Exhibit C” as Bad Debt:

Account 0305-01 - \$592.50

Resolution: The Board of Directors directs Management to write off the account listed above and on the “Delinquency Resolution – Exhibit C” as a bad debt.

The motion carried unanimously.

C. Bond Release

Motion: Blatt
Second: Doctrow

Shea Homes requests the release of Assessment bonds as follows:

Bond # SU5016892, Tr # 5182-C1, Phase 4, lots 141-147, 150-154 be released as 100% or more of the units/lots have closed and are current in assessments.

Bond # SU5016891, Tr # 5182-C1, Phase 5, lots 129-133, be released as 100% or more of the units/lots have closed and are current in assessments.

Motion: Doctrow
Second: Blatt

Standard Pacific Homes requests the release of Assessment bonds as follows:

Bond # SU5014587, Tr # 5182-C6, Phase 5, lots 744-752 be released as 100% or more of the units/lots have closed and are current in assessments.

Resolution: That the Board of Directors release Assessment Bond #'s SU5016892, SU5016891, & SU5014587 for Tr # 5182-C1 & C6, Phases 4-5 respectively, as all assessments have been paid and all bond requirements have been met.

The motion carried unanimously.

D. Insurance Reimbursement

Motion: Doctrow
Second: Brower

Master builder Shea Homes forwarded funds in the amount of \$3,477.00 for binding of insurance for Big Sky Association, June-July 2005. To date, it appears that this loan has not been repaid to the Builder. Shea Homes is requesting reimbursement of these funds at this time.

Resolution: That the Board of Directors approve repayment of the funds which were forwarded on behalf of the HOA for insurance, in the amount of \$3,477.00.

The motion carried unanimously.

E. Oak Tree Preservation & Fertilization Schedule

Motion: Doctrow
Second: Symons

Per the recommendation of landscape contractor, and because of possible deteriorating health of several trees, quarterly landscape site observations for the preservation of the transplanted specimen oak trees in the community is highly recommended. Per previous discussion and approval, health of several trees necessitated the need to introduce fertilization and watering schedule immediately as a precaution.

Resolution: That the Board of Directors acknowledge acceptance of the proposed fertilization and watering schedule, previously approved via Action without Meeting, and direct Management to proceed as necessary and as advised by landscape contractor.

The motion carried unanimously.

SIGN

F. Tax and Financial Audit – Fiscal Year End 2006-2007

Motion: Alvarez

Second: Symons

Per regulations of the Corporation, and as Big Sky has concluded Fiscal Year End 2006-2007, Management has directed Robert Owens CPA to prepare the initial review and draft of Big Sky financials and tax records.

Resolution: That the Board of Directors accepts the 2006-2007 Tax Audit draft as presented, and direct Management to proceed with completion of the audit through Robert Owens, CPA.

The motion carried unanimously.

IV. UNFINISHED BUSINESS

A. Resignation of Director Davis

Motion: Brower

Second: Blatt

Because of the previous resignation of Director Davis, there was discussion of nominating a board member from a list of probable candidates and / or previous election candidacy statements, which was tabled. The Board has unanimously chosen homeowner Scott Blatt as a probable candidate. As Scott Blatt is interested in holding a seat on the Board, the Board accepts Director Scott Blatt for the position on the Board of Directors vacated by Director Davis.

Resolution: That the Board of Directors acknowledge the resignation of Director Davis, and accept the nomination of Director Blatt to fill the vacated position on the Board.

The motion carried unanimously.

B. Resignation of Director Bing

Motion: Brower

Second: Blatt

Because of the resignation of Director Bing, and in accordance with Section 2.6 of the Big Sky Association CC&R's and adjoining By-Laws, Declarant Class C appointment of Director Samantha Alvarez to the seat vacated by Director Bing.

Resolution: The Board of Directors acknowledge the resignation of Director Bing, and accept the Class C appointment of Director Alvarez to the vacant Class C position.

The motion carried unanimously.

C. Reorganization of Board of Director positions

Motion: Brower

Second: Blatt

Reorganization of the positions of the Board of Directors.

Resolution: The Board of Directors direct Management to document the reorganization of seats as a result of nomination of new Board Member Blatt, and appointment of new Board Member Alvarez, as such:

P- Alvarez

VP- Blatt

S- Brower

T- Doctrow

MAL- Symons

The motion carried unanimously.

D. Security Alert

For documentary purposes, it should be known that on June 8, 2007, Management for the Association received verbal threats from a Big Sky homeowner (520401) as a result of his anger towards requirements of the community guidelines and CC&R's. Threats escalated to the level of physical and extreme violence, including murder. Homeowner threatened to attend the Board meeting scheduled for June 28, 2007 (current meeting) in order to carry out his threats of murder against all Board Members and Management personnel. As a precautionary measure, the Sheriff was summoned. Notes were taken but no report was filed. Security has been made aware of. To date, homeowner has acknowledged and apologized for irrational behavior.

Resolution: The Board of Directors direct Management to note the situation in the file, as well as document in the minutes of the Association.

Action Required: None.

E. Glenmeadow Security Gate Maintenance of Database

Motion: Brower

Second: Blatt

As the Glenmeadow security gate has been turned over to the Association for maintenance and control, management has been requested to oversee all future updates to gate / homeowner database via an in-house (management) dedicated computer which would communicate and upload to gate via telephone or satellite. Preliminary discussions indicate Board should approve Management purchase a dedicated computer to house vendor (gate) software, and Management to monitor and maintain gate database for homeowners within the community.

Resolution: That the Board direct Management to purchase an in-house dedicated computer for communication and updating of database for Glenmeadow gate. Cost of this computer shall not exceed \$700.00. Management to inform Board of cost per transaction update, presumed to be at \$25.00 per update.

The motion carried unanimously.

SIGN H

19

F. Review of Community Rules and Guidelines

Board of Directors has requested a review of the following documentation for Big Sky:

- i. Architectural Guidelines
- ii. Rules and Regulations
- iii. Enforcement Policy
- iv. Fine Schedule

Resolution: That the Board of Directors review and discuss the above guidelines of the community. Director Alvarez to bring suggestions and discussion to the rest of the Board at a later date.

V. ITEMS FOR DISCUSSION

Motion: Blatt
Second: Symons

Because of the recent renewal and change in the insurance policy, Management requests permission to contact the insurance carrier LaBarre Oksne regarding adequate coverage for workers comp.

The motion carried unanimously.

VI. HOMEOWNER FORUM (6:30)

Each homeowner will be given 3-5 minutes to speak in accordance with California Civil Code § 1363.05 (the Open Meeting Act), or a total of 20 minutes will be granted for all to address the Board regarding items of interest or concern.

Topics discussed were:

Barking dogs
Landscape issues
Glenmeadow gate
Algae in streets and curbs
Speed bumps

VII. EXECUTIVE SESSION

In accordance with California Civil Code § 1363.05(b), the Board of Directors held an Executive Session before the Regular Session to discuss matters related to third party contracts, as specified in Section 1367 or 1367.1

VIII. NEXT MEETING

Date: Thursday, October 25, 2007 at 6:00 pm.
Location: SIMI VALLEY TOWN CENTER, COMMUNITY ROOM
Simi Valley, CA 1555 Simi Town Center Drive, Simi Valley, Ca 93065

IX. ADJOURNMENT

There being no further business to come before the Board of Directors in Regular Session, the meeting was adjourned by Director Bing at 7:40 P.M.

APPROVED: _____

[Handwritten Signature]

DATE: _____

10/25/07

20