

Yellowstone River Ranch Landowners' Corporation
Board of Directors Meeting Minutes
July 21, 2012

Board Members present were Kim Skelton, Renate Nieman, Matt Catlin, Andy Simpson and Harold Riensche.

Kim Skelton called the meeting to order. He updated the new board members on several corporate issues. He reviewed the condition and transfer of the corporate books and records over the last several years. Kim quoted section 7.1 of the bylaws:

Section 7.1: Records To Be Maintained

The Corporation shall maintain at the office of the Developer the following records in a current status.

- a. *Minutes of all meetings of Members of the Corporation and all meetings of the Board of Directors.*
- b. *A record of the status of all Members as to the payment of maintenance assessments, whether the same shall have been required by contract or other undertaking or as a result of the action of the Corporation.*
- c. *Financial data showing all receipts and disbursements of the Corporation and a balance sheet as of the end of each fiscal year showing the assets and liabilities of the Corporation.*

Nothing in this Section shall be construed to limit the records to be maintained only to those mentioned above.

Kim outlined the pathway the records followed: 2001 Diana O'Neil transferred records to Harold and Laura Riensche with the approval of the Developer. August 2010 Laura Riensche resigned as secretary/treasurer. Harold resigned as president, the records were given to Don Youngren (a board member) after several attempts by the president of the board Kristie Skelton to retrieve the records, Don Youngren transferred the records to Kristie Skelton. The developer was notified and agreed. Nancy Felt was appointed secretary/treasurer, records were transferred to her with developer's approval. Nancy felt resigned in March/April 2011 the records were transferred to Frankee Catlin without developer knowledge or approval. Frankee Catlin was appointed secretary/treasurer. July 2011 Frankee Catlin resigned. Records were requested by the new board. They were not given and were transferred to Claudia Schuster (non board member) without approval or authorization. Kim Skelton president/ treasurer retrieved records from Cleve Schuster several days later. The records and files were in poor condition when received by Kim. Kim stated that it took him over two weeks to be able organize the accounting to a point where he was able to continue with business.

Discussion was held on the pathway the books took over the last several years and that it did not follow our bylaws.

Kim stated that he did not receive all of the corporate records. Kim said that there were no minutes of board meetings in the corporate files prior to July 2008. The corporate templates that were on word and excel were also missing.

Discussion was held on the condition of the QuickBooks accounting files. Kim stated that he discovered many problems with the records. Many of the customer files were incorrect they show payments of dues for years that landowners did not own the property. The QuickBooks records have been taken to a CPA for review.

Kim discussed Laura Riensche's request for corporate financial records. Kim expressed concerns that the board had with giving a non board member access to detailed customer payment history and the privacy issues that it involved. He said that we had made available the check register and other financial data. There was also the concern that there had been problems with the accounting records and it had not been determined when that occurred. Discussion was held

The board then discussed how it would organize. Kim Skelton was suggested as Treasurer. All agreed. Andy Simpson was suggested as President. All agreed. Harold Riensche was suggested as Chairman. Mat Catlin was suggested as Secretary he declined. Renate Nieman was suggested as secretary. All agreed.

Renate Nieman discussed the election of the directors and quoted section 3.5 of the bylaws. She stated that as Developer she did not vote for the elected directors.

A discussion was held if all the directors could work together. Matt Catlin and Andy Simpson said that they could work with all the current board members. Harold Riensche said he could work with Renate but did not feel that she could be here as a developer's Director. A discussion was held on the matter. Renate asked Harold if YYR Inc. was treated as the developer during the years he was President and Chairman of the board. He said yes. He said he could work with the current board but things had to be sorted out.

A discussion was held on road work and the road committee.

The board set its next meeting for Thursday July 26 at 7pm at Kim Skelton's home.

The meeting was adjourned.