

Board of Directors Meeting 7/26/12

Board members in attendance: Harold Riensche, Matt Catlin, Andy Simpson, Kim Skelton, and Renate Nieman.

Members in attendance: Dan and Sandy Youngren, Kim Feldt, Steve Hopsiter, Doug Kidd, Bill Reiter, Dave Chaudoir, Jim Kaelberer, Tom Robbins, David and Irene Belvin, Paul Payne, Bob and Luana Moss, Richard Zimmerman.

Harold Riensche called the meeting to order. The first item on agenda was to update the new board on old board activities. Kim Skelton as treasurer discussed the budget, how it was approved, and how the board works off the previous year's board budget. He explained how all road work that was approved and contracted by previous boards was then completed by the new board. Discussion was held on the road work that was done last year. Discussion was held on the road work that was contracted and scheduled for this year. Kim told the board that Central Excavating had been contracted for the work and had been given a \$10,000 deposit. This deposit locked in the bids. He told the board that the roadwork has been delayed due to fire restriction but is scheduled to begin next week. Kim stated that there was a bit more work on East Granite Peak that we were waiting for a bid on. Also the old board had discussed doing work on Granite Peak Place.

Kim discussed our current financial status and review amounts in the checking accounts. Discussion was held. Kim stated that all bills were paid. Harold Riensche had questions concerning the fire fund. Discussion was held. Kim went over fund with Harold. Board discussed legal/saving fund.

Kim, as old president, updated the new board on their responsibilities. As per the bylaws every board member needs to receive a job description. Kim passed out the job description sheet that outlines the responsibilities of all the board members. He told the new board members that it was their responsibility to read and understand the bylaws and covenants. Kim went over the objectives of the corporation: Roads, common areas, covenant violations and weeds. Kim reminded the new board that we had responsibilities as board members to do our duties.

Kim said that he could not find any board meeting minutes prior to July 2008. Kim asked Harold if while Laura Riensche was secretary she kept board meeting minutes prior to 7/2008. The CPA told Kim that by law the landowner's corporation is required to keep board meeting minutes for 10 years, not doing so could jeopardize the Landowners Corporation tax status. Harold said he would check with Laura but did not think that Laura ever took minutes prior to 2008. Kim asked if those meeting were recorded. Harold said no they were not. Andy Simpson suggested that we set a policy to keep a back up of all corporate records off site. Discussion was held. It was decided we would ask the CPA if he had any suggestions for methods of keeping backups of corporate records off site.

Kim updated the board on covenant issues: Kim updated the board on the Seiver case. He said that at this time we are waiting on a response from the Seiver's attorney. He discussed the situation with Delahoussaye/Rapp. He said that Delahoussaye started a building last year. The old board had been in discussions with Delahoussaye. Late last year Delahoussaye defaulted on his contract with Rapp. The property is now back in the name of Curt Rapp. The board is in contact with Mr. Rapp concerning the building. Mr. Rapp said the building will not be used. Once he resolves the issue with Delahoussaye he will work with the board on the building. Kim discussed an issue that was recently brought to the board concerning commercial activity. He reviewed the covenants on guest homes, commercial use and use restrictions. Kim said that a home owner recently contacted the board with the concern that the Schuster's were renting their guest house. Kim said that he had no direct knowledge of this but since it

was reported to the board we needed to investigate it. Andy asked what procedures the board followed with covenant issues. Renate Nieman said that the first step is to send a letter to the member. Depending on the response the board acts accordingly. Kim said that this generally was the job of the president. Andy said he would handle it.

The board discussed roadwork Kim said he would get copies of the roadwork bids to new board members. Kim said we had “extra” funds available in our account and that the old board had discussed doing more roadwork if time permitted. Board discussed that Kim was able to collect over \$15,000 in delinquent accounts last year. This gives the Board approximately 15k to work with on new road projects this year. Board discussed doing work on Granite Peak Place. Harold made a motion to move forward on road work. Motion was seconded all approved. Board determined that Matt Catlin would be contact person with Dean.

Renate asked Harold for the letters he sent out while “Campaigning” so that all the board would be on the same page with issues and everyone would have the same facts. Harold passed the letters out. Harold then passed out a letter that the board had received from its old attorney, Chris Nelson, in 2009 concerning covenant issues. Renate mentioned that the corporate legal file was missing documents and the letter that Harold had passed out was one that was missing from the file. Andy stated that he wanted to make sure we had transparency on the board. Kim stated that we are missing a lot by lot history on our customers. We would do our best to try and recreate the history. The missing minutes are the most crucial documents that the corporation is missing.

Andy made a statement that he wanted to establish an environment where we are all working together. He said the board should set a tone that is courteous and respectful to all members. As President Andy wants to represent the board to the landowners and the landowners to the board. He said he will stay objective and speak with common sense. He will work to pull the community together and rebuild the relationship with trust and respect to one another.

Kim said that to move forward we need to determine the developer’s status. Most of the negative finger pointing resolves around the same issues. We all have to get past that. Andy said that he had not heard any issue with weight or gravity behind them. Andy said that if anyone had a legitimate concern then talk about it and talk directly to the people involved. If they don’t then we need not talk about it. Harold was asked if he felt Renate Nieman was the developer he said that he personal would work the issue out with Renate and it would not be part of the board business. Kim said that at this time Renate is a board member and the secretary. Harold agreed.

Board discussed window stickers on cars. Board said if members would like a sticker to contact the board.

Harold made a motion to adjourn it was seconded Meeting adjourned