

**Revised Minutes of Board of Directors Meeting August 19, 2011
Yellowstone River Ranch Landowners' Corp.**

The Board received requests from various Lot owners to delete certain comments from the minutes for this meeting. Solely in a spirit of community, and as a gesture of good will, the Board will comply with the request. It is hoped all Lot owners will put aside personal issues and join the Board in efforts to improve our neighborhood and the Landowners' Corporation.

Thank you,

Board of Directors of the Yellowstone River Ranch Landowners' Corp.

Board members present: Dan O'Neil, Jim Gebel, Kim Skelton, Renate Nieman

David Chaudoir attended as a prospective Board member, Mike Fatchett to discuss website & fire update, and Diane O'Neil acted as temporary Secretary to take the minutes.

Local attorney Gordon Williams was present initially, to be interviewed in the interest of finding an attorney to assist with current and future legal matters for the association.

Meeting agenda:

- Meet and interview attorney
- Fill vacant board position
- Update of Financials
- Corporate update
- Covenant issues/liens
- Weeds/Parks
- Fire update
- Webpage update
- Road update
- Roberta issues
- BLM right of way

After a question and answer period, David Chaudoir was unanimously voted in to fill the vacant board seat until the 2012 Annual Meeting.

A decision was made to continue researching possible attorneys. Dan, David and Renate will come up with more names.

Financials Update

Kim Skelton presented a proposed budget for 2011-2012. That budget had not been approved at the annual meeting, due to then Sec/Treas. Frankee Catlin stating she needed more time to come up with an accurate financial statement.

Discussion of the proposed budget followed. Suggestions were made as to possibly moving the annual meeting date/ fiscal year start date, so roadwork from previous budget would be completed/paid. It was noted that currently the annual meeting and next fiscal year's budget proposal occur in the middle of the previously approved roadwork, causing some confusion. Kim will further analyze the financial data to come up with suggestions as to best time to begin fiscal year.

Kim presented figures detailing how much less money will be available for the budget due to the dues decrease (from \$300 to \$250 per lot) the previous board had put in place for this fiscal year. Expenses that had already been approved will leave the association in the red for this year. (10k?)

It was noted that there is nothing in the By Laws requiring the budget be approved at the annual meeting, just presented.

Discussion followed about making the budget consist of the association's fixed expenses and money in the bank. Whatever is left of the dues money collected after fixed expenses are paid, would be used for road maintenance.

Kim reported that there are currently no outstanding bills.

Kim was asked if he would consider being Treasurer and handling the books without compensation for just this fiscal year, to help the association get back to a balanced budget situation. Kim accepted.

Kim noted that the current listing of lot owners/lots makes it difficult to determine who is in arrears on dues and by how much, and is in the process of changing it to be noted by lot number. Kim has also created a separate file for each lot, that will contain all pertinent information. He stated that he has received calls/emails from several lot owners who claim to have been double billed on the most recent dues billing, and that there are accounts with billings and balances in amounts that so far appear to make no sense.

The board discussed the necessity of raising the dues back to \$300 per lot per year. Dan O'Neil will write a letter to the members explaining the "pros" of raising the dues, and David Chaudoir was asked to write a rebuttal letter containing the "cons". Both will be sent to lot owners, who will then be asked their thoughts on the matter before the board makes a decision.

Corporate Update

Kim Skelton was agreed on to be the registered agent for the corporation.
Kristi Skelton will continue to act as temporary Secretary until a replacement is found.

Covenant Issues & Liens

Kristi Skelton, representing the Architectural Committee, will meet with the Seivers on September 2nd or 3rd to discuss their accessory building, which in its' current state, is not in compliance with the covenants. The board will await her report and recommendations.

The owners of lot 223 are working with Kristi to make changes to bring their building into compliance with the Covenants.

The Callisons have submitted plans for an addition to their home. As mentioned in a previous meeting, they may have overhead power lines that need to be buried, as well as foundation work to be completed in order to be brought up to code. Kristi will also meet with them before making recommendations to the board.

Kim will find the name/address for the lot owner who built an accessory building on a lot above Coyote Pass without submitting plans, and which does not appear to meet the Covenants. Letters sent to the address on file have been returned.

The board decided a letter should be sent to the owners of Lot 139 reiterating the agreement that their building will only be used as an accessory building, and requiring the lot owners sign and return the letter.

Parks & Weeds

Dan reported that he had spoken by phone to Cleve, and that he has the unused weed spray and the picnic tables & BBQ's from the park (removed when water levels were getting high). Kim reported that David Belvin has volunteered to pick up everything, and to mow the park area.

Kim reported that the owner of lot 44 contacted him after visiting his property recently. He stated that there were tall dry weeds growing in the middle of the road leading to his property, and he was concerned about the possibility of a vehicle inadvertently starting a fire.

Renate suggested that rarely used roads be sprayed/mowed early in the season to prevent weeds from becoming a danger later in the summer. This will be further researched to determine the most cost effective way to handle it.

Fire

Mike Fatchett reported that parts for the buried tank have arrived, and that he & volunteers will install them, making the tank ready for use by firefighters in the event of a fire. PVC pipe/parts are ready to install in the water access point at the park as well.

Webpage

Mike reported he had fixed a link, making access to meeting minutes easier.

Board members discussed and agreed to posting expenditures on the website, possibly quarterly.

Mike will research the feasibility of using PayPal as an option for paying dues.

Road Update

It was noted that Dean is once again present and in the process of completing the roadwork agreed on last year. He thinks he will be here for about a month.

Roberta Moche issues

Renate wanted to open for discussion several matters regarding Roberta Moche. She stated that Roberta had allowed landowners to take gravel from lot 169 at the cost of \$2 per load for many years prior to it being closed and the pit reclaimed. The \$2 fee went toward the eventual cost of reclaiming the pit. Gravel from the pit was also used for maintenance of subdivision roads. The cost to have outside gravel hauled in for both private and association use would have been much higher. Gravel from Roberta's lot 103 was also used when the portion of Elkhorn Rd. that is on the subdivision was upgraded several years ago. In addition, Roberta granted the association an easement on lot 103 for the park.

Renate suggested that the board consider Roberta be forgiven past dues on lot 169 up to the time it was reclaimed, and to consider forgiven some part of past dues on lot 103.

Discussion followed, but a decision was tabled pending further discussion.

Renate also mentioned that lots 52-55 and 147, formerly being purchased by Marcia Malchuski, were returned to Roberta for nonpayment. Marcia owed dues on the properties, and liens were filed. Since the properties had not been paid off, they were shown at county offices in Roberta's name. Therefore the landowners' association had filed liens in Roberta's name, encumbering her with Marcia's past due dues. Renate suggested that Roberta should have voting rights on those, as the dues owed were not hers to pay at the time they became past due. The matter was discussed, but was set aside pending further investigation.

BLM

Mike showed the board the agreement Roberta made in 1997 (?) with the BLM granting her a "Right of Use" permit. It enables landowners to have access through BLM land on Cougar Trail & Northern Harrier Rd. Roberta has been paying the lease. The Right of Use permit is good until 2026, as long as the lease is renewed every 5 years.

This agreement is in her name only, and the board discussed the possibility of asking her to assign it to someone else (???)

It was suggested that she be asked if she would do that in return for the association paying the \$150 lease, therefore insuring it would be paid and not possibly lapse.

The board requested that Mike Fatchett be the liaison in handling communication with Roberta and the BLM, as BLM Right of Way Committee.

It was also noted that easements exist, in the developers' name, through private land for the subdivision entrances at Winding River Road and Elkhorn Rd.

Covenant Committee

Dan O'Neil and David Chaudoir will meet with Renate in early October to go over the updates recommended by the Committee.

New Business

Newsletter

Renate set an October 1st deadline for articles/photos to be received from those she'd requested write short articles. She mentioned that having a paragraph or two from several people would give variety and make it easier to compile.

Prior to adjourning the meeting, Dan wanted to open for discussion/research the possibility of finding a way to bring the owners of private "in holdings" within the subdivision into our association. Discussion followed on whether it could be legally done, and it was decided that more research would be needed prior to further discussion.

The meeting was then adjourned.