

26<sup>th</sup> ANNUAL MEETING MINUTES  
MISSOURI RIVER AND EAGLE CANYON RANCHES LANDOWNERS  
SEPTEMBER 21, 2019 – 10 am  
CRAIG FIRE HALL

1. Call meeting to order @ 10:10 am

- a. Report of financial condition of the Corporation (2019) – presented by Marie Crittenden, acting Secretary/Treasurer
- One of the primary questions continuing to plague the LOC was whether or not the Developer had kept good records, maintained transparency in their bookkeeping, and maintained their integrity over the course of their years handling the funds and functions for the MRR/ECR LOC. In hopes of clearing up any doubts, Mr. Pieloch graciously asked his group to hire an independent CPA to do a review of the LOC books on behalf of, and in conjunction with, the LOC Board. Michele Bazzanella (CPA with WIPFLi ) compiled her findings and they were presented and available for view. (She uses HOA, but is referring to the LOC.)
    - In summary: *"Over the past several months Wipfli has received copies of documents and a copy of the Quickbooks database for MRR/ECR. The information we received relates to the tracking of HOA dues and the payment of expenditures related to the MRR/ECR HOA. The financial activity of the HOA was informally reviewed and some high-level testing was performed. This was neither an audit nor an attest engagement, and no formal review procedures were conducted. The dues collected over the years and deposited to pay the expenses of the HOA appear complete and the expenses of the HOA were consistent year to year."*
    - Marie Crittenden went on to detail her suggestions regarding organization of the LOC functions while ensuring transparency and efficiency. Michele closed her letter with a confidence building statement: *"MRR/ECR HOA is on the right track to develop the processes that will create confidence and possibly increase engagement among the membership."*

2019 Budget -

**Checking Account @ First Interstate Bank:**

Balance of Account received from Developer MRR	
LOC account closure	10,824.63
Deposits- Assessments Received since date of	
Developer account closure	9,930.00
Banking Fees - checks & deposit stamp	-34.00
Current checking account balance	20,720.63

	Paid	Estimated
Expenses:	Expenses	Expenses
Road Grading	0.00	(- 12000.00)
Culvert Installations/Improvements	0.00	
Craig Volunteer Fire Services Donation	0.00	(-500.00)
2018 LO Corporation Taxes, etc	-475.00	
Dept of Revenue – State	-50.00	
Secretary of State – Corporation License	-20.00	
Fees & Miscellaneous (Postage/Photocopies)	-162.64	(-144.96)
Legal Retainer (filing liens)	0.00	
	<hr/>	<hr/>
<b>Actual/Paid Expenses</b>	-1,415.28	
<b>Estimated Expenses for 2019</b>		12644.96
<b>Estimated Net Income &lt;Loss&gt; for 2019 =</b>		8075.67

b. Budget for forthcoming year, including identification of proposed expenditures for the forthcoming year and anticipated revenues – presented by Marie Crittenden, acting Secretary/Treasurer

2020 Proposed Budget Includes:

276 lots @ 100.00 ea =	27,600.00
Road Grading	-10,000.00
Culvert Installations/Improvements	-10,000.00
Craig Volunteer Fire Services Donation	-500.00
2020 LO Corporation Taxes, etc	-500.00
Dept of Revenue – State	-50.00
Secretary of State – Corporation License	-20.00
Fees & Miscellaneous (Postage/Photocopies)	-150.00
Legal Retainer (filing liens, other needs)	-2,500.00
Estimated Net Income <Loss> for 2020 =	3,880.00

c. Report of activities of the Corporation for the preceding year

- Road work – Dave VanMeter commented that Cinnamon Bear Rd had not been graded & Wade advised that roadwork for 2019 has not been completed yet.
  - Road work was delayed by Valley's water trucks being utilized until late in the fire season by the DNRC
  - Valley Excavating will be working for appx 2 weeks at \$110/hr for the grader
    - Bladehand owns property on ranch and has a vested interest in making sure roads are improved and maintained
    - Currently have appx 38 hours on the blade
- Grading is in progress with numerous areas yet to be addressed, as well as other areas designated for further touch-up before wrapping up.
- Board assignment of interim Secretary/Treasurer –

As noted in the landowner letter dated March 15 > At the January 17, Board meeting - Marie Crittenden was assigned as interim Secretary & Laura Park as interim Treasurer. Approximately 2 weeks later, Laura had to resign and the Board, via phone conversation, agreed that Marie would handle both positions until the positions are otherwise filled.

- It was also at this meeting that the Board voted, unanimously, to start the increase of the annual landowner's assessment fees in \$10 increments, beginning with the June installment. Thus, making the second fee installment \$50 per lot - allowing collection of \$90 per lot annually for 2019.
  - This is the first increase since the LOC inception back in 1991
- Assessment fees will remain at \$50 per installment for the year 2020 (totaling \$100 per lot annually.)
- Reminded landowners that the LOC "has it all" now – the Developers have removed themselves from the LOC regular activities, except where, and how, as stated in the By-laws and covenants.
- Board activity regarding re-incorporation of ECR –

As mentioned in the July 5 landowner letter > Mr. Pieloch's legal team, Cherche Prezeau and Kate Ellis (introduced to landowners), reached out to us in hopes of assisting us in correcting the past concerns regarding the MRR/ECR merger without conflict or legal issues.

We have been working in conjunction with his team on the proposed By-law amendments and covenant name change that will be presented soon.

Both the Board and lawyers are content with the current proposals and plan to continue working together, as needed.

2. Proposed road work (Reminder: no unauthorized road maintenance will be paid from LOC assessments) -

- 2020 – Culverts on Charbonneau Dr – budgeted at \$10000, but actual cost cannot be determined until time of replacement, depending on material and labor costs.
  - Need to remove the 3' and 4' culverts and replace them with (2) 5' culverts
- The usual grading & repair of roads
- Resident, Bill Gleason, suggested that a roller should be used. It was stated that they have been used in the past and work best with material to be packed, which we were not able to utilize this season.
- Randy Kryzsko stated that a family gathering was cancelled this summer due to “fear for their safety” at the end of Arrow Dr.
  - Grader has been doing Arrow regularly for years and will go as far as he can, but cannot grade the old creek bed or areas with no materials to work. Had already graded part of Arrow, but will be revisiting after boundary clarification.
- Arrow Drive and Beaver Slide are both yet to be fully addressed
- Allen Gaskell commented that roads are improved, but would like to see more, as many seniors with issues need insurance they can get off the ranch & believes gravel would be helpful
  - It has been the Board's intentions all along to continue improving the roads and adding materials to better the quality of the roads. With the LOC taking over all responsibilities this year, the Board chose a cautious approach to road work since we were starting late, as well as the possibility of unexpected expenses. They chose to maintain and repair the roads for the upcoming winter season and reserve some funds to put toward the cost of future improvements already identified.
  - The cost of materials for gravel delivered in a quantity to cover both front entrances, without labor, ran in the \$23000 range – already near the top of our possible budget (which has yet to be collected in full.)
- A big and sincere THANK YOU to each and every one who helped out with snow plowing this past season! Everyone's generosity in clearing the roadways has helped further maintain the integrity of our roads and is greatly appreciated by all having to travel in inclement conditions.

3. Covenants –

a. Violations, questions and other concerns must be submitted in writing to LOC –

- At new address: PO Box 162, Cascade, MT 59421

b. Covenants need to be reviewed for future updates –

- Only change to covenants, currently submitted, is to update the name so that it includes ECR
- Covenants are up for vote in 2021. We have 2 years to decide if we (LOC) want to keep or add to the covenants.
- Suggested updates or changes should be submitted to LOC in writing for consideration.

4. Hunting rights – windshield decals should be on vehicles & written permission slips indicating the approved dates *must* be on authorized hunter's person

- Let's all be stewards of our community and be on alert for interlopers. Lots of “good ole' boys” used to hunt out this way and don't realize they no longer can. Contact the game warden with the license plate number and description of persons and vehicle of suspected trespassers.

5. Miscellaneous matters – issues need to be submitted in writing to LOC to:

- MRR/ECR LOC, PO Box 162, Cascade, MT 59421

## 6. Volunteer Fire Services –

- a. Donations for Craig – \$500 donation to be made to Craig Volunteer Fire Service for their continued fire support for our ranches, as well as the annual use of the Fire Hall for meeting purposes.
  - Dearborn Fire is taken care of via taxes now by the properties within their coverage area (\$75-200 per property.)
- b. Recent fire activity on ECR – Wade Crittenden reported on the fire on Eagle Canyon Rd. Touched on fact that landowner had ground cover (fuel) trimmed down all around area where fire started, which helped reduce the speed at which it spread. Firefighters were quick to respond. House, dog and most everything else in the area, with the exception of trees, were saved or spared.
  - Fire prevention and mitigation paperwork from previous Fire Service Chief visit was available to those who wanted it.

## 7. Past due Landowner Assessment list – This list has been manually maintained by the Developer. Previous copies included outdated or incorrect information, so the list was not presented. Question of legality, or rightness, of including this list to all landowners, so the Board will determine if this list is necessary and/or needed in its current format.

## 8. New Business –

- a. Proposed By-law Amendments review
  - Board has been working with Mr. Pieloch's legal team and recommends the following amendments be approved
  - Mr. Pieloch's legal team: Cherche Prezeau & Kate Ellis reviewed amendments and were ready to answer questions (none presented.)
  - Vote on proposed by-law changes and name change in covenant by written ballot presented one per landowner/lot(s)
    - Votes collected, tallied and confirmed by Cherche Prezeau, Kate Ellis and Marie Crittenden – all proposed amendments passed
    - Next step of filing changes will be coordinated between the Board and the legal team.

## 9. Elections - Article IV, Section 4.1 –

- Explain restructure of Board of Director nominations more closely following the guidelines as set forth in the By-laws (as noted below)
  - Give nominated landowners opportunity to introduce themselves and say a few words
- a. Developer's Director appointee (term 1 year) - Don Woody (per letter on file)
  - b. Class A & B Residents' elect Director (term 1 year) – Beka Panitzke
    - Nomination – Beka Panitzke (by Ron Vandevender, 2<sup>nd</sup> by Jim Panitzke)
      - Vote (19) including proxies
    - Nomination – Richard Kollar (by Kathy Reiter, 2<sup>nd</sup> by Kim Kollar)
      - Vote (18) including proxies
    - Nomination – Ron Vandevender (by Beka Panitzke, 2<sup>nd</sup> by Renea Vandevender)
      - Vote (4)
    - Nomination – Barry Hunter (by Tina Hunter, 2<sup>nd</sup> by Wade Crittenden)
      - Declined position with thanks

- c. Class A & Developer elect three (3) Directors-at-large (term 3 years) – Mark Pieloch, Dennis Greany and David Brandt
- Nomination – Richard Kollar (by Marie Crittenden, 2<sup>nd</sup> by Linda Wenzel)
    - Vote (83) including proxies
  - Nomination – Mark Pieloch (by Wade Crittenden, 2<sup>nd</sup> by David Brandt)
    - Vote (150) including proxies
  - Nomination – David Brandt (by Mark Pieloch, 2<sup>nd</sup> by Wade Crittenden)
    - Vote (104) including proxies
  - Nomination – Dennis Greany (by Wade Crittenden, 2<sup>nd</sup> by Don Woody)
    - Vote (149) including proxies
  - Nomination – Beka Panitzke (by Ron Vandevender, 2<sup>nd</sup> by Renea Vandevender)
    - Vote (10) including proxies
- d. Explain President & Secretary appointments (per By-laws)
- The President and Secretary positions are to be appointed by BOD, along with Treasurer and/or any other positions deemed necessary for the functioning of the LOC. (ie; Road committee)
    - Can be, but doesn't have to be an officer of the Board
  - Anyone wanting to be considered for Secretary and/or Treasurer positions should submit contact information to the Board. (No volunteers at meeting, so Marie Crittenden will continue in position until such time as the Board determines a different course or bookkeeper.)

## 10. Adjourn Meeting

In attendance: Ron & Renea Vandevender, Beka & Jim Panitzke, Rex Thompson, Barry Hunter, Jim Berry, Bill Gleason, Mark Pieloch, Sharon LaFever (Pieloch Rep), Randy & Kim Trefry, Dave & Teresa VanMeter, Don Woody, Kathy Reiter, James Maher, David & Angela Brandt, Eric Brandt, Jordan & Linda Wenzel, Richard & Kim Kollar, Carl & Susie Halcro, David Allen, Michael Burcusa, Tom Peterson, Dan & Kathy Suter, Steven & Karon Robinson, David Jones, Thom Casterline, Jonathon Thomas, Dennis & Lori Greany, David McKenzie, Joel Lindenmuth, Dean Pertile, Jay Gode, Roy & Shannon McFarlane, Ed Albertini, Tyson & Salina Hunter, Randy & Tammy Kryzsko, Brian Clarkson, Allen & Wendy Gaskell, Ralph & Roberta Diaz, Mike & Jacquie Andrews, Carl Henn, Dick Knoch, Wade & Marie Crittenden

