

Eagle Canyon and Missouri River Ranches

LOC Board Meeting Minutes

February 08, 2023

Call to Order: Richard Kollars called the meeting to order at 6:01 p.m. MT. Mark Pieloch, Sharon LaFaver, Salina Hunter and Randy Trefry also in attendance. Kim Trefry, Secretary, taking minutes.

Approve Minutes from January Meeting Move to accept the minutes by Richard, seconded by Mark, all in favor. Passed

Delinquent Dues

Final notices were sent to all delinquent A & B owners, as well as to Deanne Lane and her attorney.

Copies of all the delinquent notices have been provided to the LOC attorney. No further action taken until the deadline passes. Extensive discussion on the ability of the LOC to collect attorney and legal fees in the event a lien is filed on a property. It is believed that Montana common law allows for a party that prevails in court to request compensation for their costs as a part of their award when collecting their debts from a debtor. Existing CC&Rs allow for collecting costs and reasonable attorney fees if a lien is placed on a property – but this appears to only apply to enforcement of covenant violations and not LOC fees. This issue will be brought before the LOC attorney. The Board intends to seek compensation for these additional costs when necessary. A collection agency could be a secondary alternative.

Once the deadline has passed, the Board will initiate the lien process, beginning with debts over \$600.

Other matters – we are still getting returned mail from some addresses and will need to research the true legal owners before proceeding. Additionally, our P.O. Box in Cascade may not be checked frequently enough during times of bad weather, causing certified letters to be returned to sender. We will be researching moving our mailbox to the bottom of Rocky Road to improve response times and avoid mail being returned.

Covenant Enforcement

The Developer has provided notice to the owner of the loose goats and provided a deadline to resolve the issue. Another notice regarding the loose horses will be drafted and sent to the horse owner.

As a reminder, our CC&Rs state the following under Use Restrictions: *“No person affected by this Declaration shall permit any...livestock, to escape from his lot so as to cause any public or private nuisance.”*

The matter is further addressed in the Easements and Right-of-Way: *“Any Grantee desiring to maintain livestock on his lot shall at his own expense contain the same with fencing and/or cattle guards...”*

Covenants and Bylaws

Sharon LaFaver has been reviewing the historical record of our Annual Meeting minutes and noted there may have been some discrepancies between different documents addressing the 10-year term of our covenants. After discussion, it was determined that the merging of the two LOCs into one LOC in 2019 resolved this question. The current covenant term will expire in 2031.

If there are any changes needed to the CC&Rs, the Board will need to seek volunteers to head a committee to develop proposed language to update the existing covenants before this next cycle.

State of Montana Annual Report

Each year the LOC is required to file an annual report with the State of Montana listing its officers and its registered agent. Due in part to the remoteness of our directors and the constant changing of board members, the Board discussed hiring a registered agent to be consistently listed (and to accept legal documents on our behalf). Anticipated costs are approximately \$250 - \$200/year.

Sharon made a motion, and Randy seconded to hire a registered agent on the Board's behalf. Vote – all were in favor. Richard will set this up.

Finances

The Corporation is responsible for filing taxes annually (\$50). Sharon noted that our Fiscal Year (FY) in the Bylaws runs from January 1 – December 31. Salina stated the FY for our corporate taxes ended 8/31. Discussion about the corporation fiscal year ensued – should these two FYs run the same?

Richard has completed paperwork to sync the LOC's fiscal year with the tax year for a Montana corporation.

Hardship Application Policy/Process

Discussion about the Board's duty to address requests equitably, while protecting landowners' privacy. The accounting firm maintains a list of the currently approved waivers. The Board will consider whether these applicants need to be re-reviewed on an annual basis to ensure they still qualify.

Road Committee: A special meeting with Wade Crittendon of the Road Committee was held on January 26. At that meeting, a bid proposal was evaluated and discussed for the LOC's road maintenance for 2023. (See separate meeting minutes for detail).

During this meeting, the Board confirmed they have not received any new info from the road committee members to move forward on a contract. The Board is requesting a more detail on the areas and type of work that the contractor will be performing. The Board will be working with Sharon to identify the work planned by the Developer so this can be shared with additional contract bidders to avoid overlap.

Board's Email Address: It was discovered that the Board's email address was written incorrectly on the delinquent notices that were recently sent out. A correction will be issued. Discussion about possibly changing the Board's email to a gmail account which is more secure, and something that doesn't require either a dash or underscore to avoid confusion in the future. A new email will be decided after the most current invoices are sent out, so there aren't two emails at the same time.

Website Status:

The landing page has been updated – "Incident" has been removed. Road summary added. Meeting minutes page updated, now includes Annual Meeting announcement.

Meeting Adjourned: Meeting was adjourned at 8:01 p.m. MT