

**City of Shelby**  
**Cash Flow Report**  
**2015-2016 2016-2017**

<b>2015-2016</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>
Beginning Cash	2,376,965	2,190,108	1,921,043	2,111,104	2,090,099	2,096,232	2,309,138	2,342,556	2,318,112	2,461,099	2,376,065	2,471,746
Receipts	465,918	355,557	426,989	271,094	287,231	956,077	429,050	239,424	381,020	251,683	352,471	928,123
Disbursements	(582,482)	(624,622)	(236,927)	(292,099)	(281,097)	(743,171)	(395,632)	(263,868)	(238,033)	(336,717)	(256,790)	(597,445)
Cash Balance	2,260,400	1,921,043	2,111,104	2,090,099	2,096,232	2,309,138	2,342,556	2,318,112	2,461,099	2,376,065	2,471,746	2,802,424
Outstanding Warrants	(358,267)	(200,240)	(244,467)	(251,553)	(587,264)	(285,882)	(182,075)	(225,481)	(248,415)	(197,536)	(388,989)	(317,738)
<b>Balance</b>	<b>1,902,133.01</b>	<b>1,720,803.27</b>	<b>1,866,637.53</b>	<b>1,838,545.71</b>	<b>1,508,968.11</b>	<b>2,023,256.41</b>	<b>2,160,481.31</b>	<b>2,092,631.50</b>	<b>2,212,684.26</b>	<b>2,178,528.94</b>	<b>2,082,756.50</b>	<b>2,484,685.66</b>
General Fund Balance	231,813	185,489	233,591	159,245	407,095	79,867	371,809	334,681	375,001	310,396	243,559	452,868
Claims on hold											890,048	894,609
<b>2016-2017</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>
Beginning Cash	2,802,424	2,210,796	2,170,717	2,326,192	2,335,030	2,316,016	2,760,855	2,757,557	2,767,191	2,862,857	0	0
Receipts	295,313	290,836	397,263	249,679	302,484	984,703	270,318	246,878	384,437	312,295	0	0
Disbursements	(886,941)	(330,914)	(241,788)	(240,841)	(321,498)	(540,445)	(273,616)	(237,244)	(288,771)	(230,535)	0	0
Cash Balance	2,210,796	2,170,717	2,326,192	2,335,030	2,316,016	2,760,274	2,757,557	2,767,191	2,862,857	2,944,617	0	0
Outstanding Warrants	(239,796)	(178,321)	(163,611)	(194,196)	(424,904)	(145,421)	(123,740)	(144,406)	(144,978)	(173,801)	0	0
<b>Balance</b>	<b>1,970,999.59</b>	<b>1,992,396.67</b>	<b>2,162,581.09</b>	<b>2,140,834.85</b>	<b>1,891,112.69</b>	<b>2,614,853.18</b>	<b>2,633,816.96</b>	<b>2,622,784.66</b>	<b>2,717,879.45</b>	<b>2,770,816.24</b>	<b>0.00</b>	<b>0.00</b>
General Fund Balance	432,899	394,257	470,887	418,752	389,942	756,888	674,672	620,507	697,540	609,476	0	0
Total Cash Diff from prev y	(49,605)	249,674	215,088	244,932	219,784	451,136	415,000	449,079	401,758	568,552	#REF!	#REF!
Claims on hold	894,609	894,609	894,609	927,610	927,610	927,610	959,508	959,508	959,508		0	0
Reserved for Debt Service Ent Funds					811,307	811,307	811,307	811,307	811,307			
Reserved for Closure/post closure					370,703	370,703	370,703	370,703	386,315			
Energy Relief Restricted					93,364	93,364	93,364	93,364	93,364			
Disaster Relief Restricted					93,364	93,364	93,364	93,364	93,364			

**CITY OF SHELBY  
INVESTMENT REPORT  
Apr-17**

BANK	PURCHASE		PRINCIPAL	PAR VALUE	TIME	MATURITY DATE
	DATE	INVESTMENT				
Montana Board of Investments FSB	varies	Short Term Investment Pool	\$ 668,473.21		NA	NA
Montana Board of Investments WF	varies	Short Term Investment Pool	\$ 7.11			
Security State Bank & Trust, Polson*	varies	CD's & MM savings	\$ 386,314.73		various	various
BPCU - CD		CD	\$ 400,000.00			
BPCU		Savings	\$ 5,208.16			
First State Bank		CD Shelby Energy Share	\$ 93,364.06			
First State Bank		CD Shelby Disaster Relief	\$ 93,364.06			
<b>Subtotal</b>			\$ 1,646,731.33			
					next business day	
<b>TOTAL</b>			\$ 1,646,731.33			
* Landfill Trust. Investment Report submitted by trustee quarterly.						

CITY OF SHELBY, FY 2016-17  
PROJECT BUDGETS  
APRIL 2017

5/4/2017

PROJECT NUMBER	NAME & ACCOUNTING	Committed Current Month	Committed YTD	ORIGINAL BUDGET	CURRENT BUDGET	AVAILABLE BUDGET	% Committed
<u>2209</u>	<u>Walking Trail</u> 2920-460443-950-2209	\$ -	\$ -	\$ -	\$ 90,000.00	\$ 90,000.00	0%
<u>2242</u>	<u>Champions Park</u> 1000-460441-950-2242	\$ -	\$ 3,651.55	\$ -	\$ 18,000.00	\$ 14,348.45	20%
<u>2279</u>	<u>Splash Park (Grant app)</u> 2600-460400-950-2279	\$ 14,914.00	\$ 14,914.00	\$ -	\$ 75,000.00	\$ 60,086.00	20%
<u>2281</u>	<u>Multi-Modal Rail Infrastructure Project</u> 5210-430550-950-2281	\$ -	\$ 37,285.76	\$ -	\$ 38,000.00	\$ 714.24	98%
	5310-430650-950-2281	\$ -	\$ 20,973.24	\$ -	\$ 21,000.00	\$ 26.76	100%
<u>2282</u>	<u>4th Cell Sewer Lagoon Project 2014</u> 5310-430601-950-2282	\$ 403.61	\$ 403.61	\$ -	\$ 4,200,000.00	\$ 4,199,596.39	0%
<u>2283</u>	<u>Storm Drainage Project</u> 5720-430246-950-2283	\$ 5,678.78	\$ 64,085.13	\$ -	\$ 7,700,000.00	\$ 7,635,914.87	1%
<u>2284</u>	<u>Water Booster Station (Devon/Humic)</u> 5210-430501-950-2284 (previously 5210-430500-950-2284)	\$ -	\$ 3,616.49	\$ -	\$ 1,100,000.00	\$ 1,096,383.51	0%
		\$ 20,996.39	\$ 144,929.78	\$ -	\$ 13,242,000.00	\$ 13,097,070.22	2%

**CITY OF SHELBY  
DELINQUENT TAXES  
As of 4/30/2017**

5/3/2017

<b>City Fund</b>	<b>TC District</b>	<b>TC Fund</b>	<b>FUND NAME</b>	<b># of Taxpayers</b>	<b>UNCOLLECTED AMOUNT</b>
CITY	0910	7850	City of Shelby	142	167,893.31
1000	9981	7854	Junk Vehicle	7	51,684.02
1000	9970	7852	Noxious Weeds	20	18,374.33
1000	9971	7883	Noxious Weeds	4	803.00
2400	9840	7851	Lighting District	108	25,363.91
2500	9983	7855	Street Maintenance	105	68,182.40
2550	9986	7856	Curb, Gutter & Sidewalk-2012	5	5,493.31
2600	9860	7881	Park Maintenance	120	3,233.07
3410	9980	7853	Curb, Gutter & Sidewalk-1992	16	83,135.10
5210	9984	7857	Curb Stop	1	656.15
					\$ 424,818.60

## Mary Ann Harwood

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**From:** Jim Yeagley <bicyclinginmt@yahoo.com>  
**Sent:** Monday, April 10, 2017 10:51 AM  
**To:** Commissioner Office  
**Cc:** Ron Andersen  
**Subject:** Agrcultural Covenant

To:: Board of Toole County Commissioners

From: Jim Yeagley

RE: Kennedy Property

After reviewing the many surveys that eventually created the Kennedy Property (SE1/4 NE1/4 Section 21, Township 32 North, Range 2 West) as it exists currently, it is my opinion the agricultural covenant that was placed on the property can be revoked. As we discussed on Thursday, April 6 this does not remove the Department of Environmental Quality restriction on installation of a septic system.

If I can be of further assistance, please feel free to contact me.

V/R

Jim Yeagley

## Mary Ann Harwood

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**From:** Brian D. Lee <brian.leelaw@gmail.com>  
**Sent:** Monday, May 08, 2017 9:40 AM  
**To:** Mary Ann Harwood  
**Cc:** Gregory Kennedy; gordon@tiberagency.com; Jeanne McDonough; Jim Yeagley  
**Subject:** Kennedy Land North of the Shelby High School  
**Attachments:** SKMBT\_C65417050809470.pdf

Mary Ann;

Per our discussion this morning I, as the attorney for Greg Kennedy, Trustee of the Jerry D. Kennedy and Esther A. Kennedy Revocable Trust dated April 4, 2013, hereby request removal of the agriculture covenant that burdens the lands described on the title commitment attached hereto. It is my understanding from discussing this matter with you and City of Shelby Building Inspector Jim Yeagley that Toole County is not opposed to granting the foregoing request. Assuming I am correct, and Toole County does grant this request, please provide me with written evidence that the covenant has been removed so that I may provide it First American Title Company to ensure the Covenant is removed from the attached title policy. Thank you.

Brian

--

Brian D. Lee  
Lee Law Office PC  
158 Main St.  
PO Box 790  
Shelby, Montana 59474  
(406) 434-5244

This e-mail message and any attachment thereto is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the recipient or reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this e-mail communication in error, please notify us immediately by sending a reply e-mail message to the sender. Thank you.

WD 89-668 (eye)

668

INDEXED

234416

STATE OF MONTANA.

County of Toole  
Filed for record this 13 day of August 19 22 at 11:10 clock P. M. and  
Recorded in Book 34 of Deeds on Page 42 of the Records of County of Toole  
State of Montana, Elizabeth M. Mendenhall, Clerk and Recorder By

NO. 1 - WARRANT DEED - SECRET FORM - PHOTO

This indenture, Made the 12th day of August  
A. D. one thousand nine hundred and eighty two  
BETWEEN YELLOSTONE PETROLEUMS, INC./LTD, a corporation

Shelby, Montana part.ies of the FIRST PART  
and JERRY KENNEDY and ESTHER KENNEDY, husband and wife; and Mary Jane  
Westermarck, a woman.

of Shelby, Montana the part.ies of the SECOND PART;

WITNESSETH, that the said part.ies of the FIRST PART, for and in consideration of the  
sum of One Dollars (\$ 1.00 )  
lawful money of the United States of America to. . . in hand paid by said part.ies of the  
SECOND PART, the receipt whereof is hereby acknowledged; do. . . by these presents grant,  
bargain, sell, convey, warrant and confirm unto the said part.ies of the SECOND PART, and to  
heirs and assigns forever, the hereinafter described real estate situated in the  
County of Toole and State of  
Montana, to-wit: A parcel of land situated in NE1/4 of Section 21, Twp. 32 North,  
Range 2 West, more particularly described on the reverse side  
hereof.

SUBJECT to reservations and exceptions in patents and deeds of record.

TOGETHER with all and singular the herebefore described premises together with all tenements, hereditaments,  
and appurtenances thereto belonging or in anywise appertaining, and the reversion and reversions, remainder  
and remainders, rents, issues, and profits thereof, and also all the estate, right, title, interest, right of  
dower and right of homestead, possession, claim and demand whatsoever, as well in law as in equity, of the said  
part.ies of the FIRST PART, of in or to the said premises, and every part and parcel thereof, with the appurtenances  
thereto belonging, TO HAVE AND TO HOLD, all and singular the above mentioned and described premises  
unto the said part.ies of the SECOND PART, and to. . . heirs and assigns forever  
And the said part.ies of the FIRST PART, and successors. . . do hereby covenant that  
they will forever WARRANT and DEFEND all right, title and interest in and to the said premises and the quiet  
and peaceable possession thereof, unto the said part.ies of the SECOND PART. . . heirs and assigns, against  
all acts and deeds of the said part.ies of the FIRST PART, and all and every person and persons whatsoever  
lawfully claiming or to claim the same.

IN WITNESS WHEREOF, the said part.ies of the FIRST PART have. . . this  
day and year first hereinbefore written.

Signatures and Seal of YELLOSTONE PETROLEUMS, INC./LTD  
ATTEST: BY SECRETARY  
YELLOSTONE PETROLEUMS, INC./LTD  
PRESIDENT  
Secretary

STATE OF MONTANA,  
County of TOOLE

On this 12th day of August 1922 in the year nineteen hundred and  
eighty two before me the undersigned, a Notary Public  
for the State of Montana, personally appeared ROBERT G. FITCHER, known to me to be the  
president of the corporation that executed the within instrument,

known to me  
(executed by me personally)  
and he acknowledged to me that such corporation  
exercised the authority

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial  
Seal the day and year first above written.

Notary Public for the State of Montana.

Residing at Shelby, Montana My Commission expires 1-1-23, 19 23



**WARRANTY DEED**  
(S.F.)

TO

Dated \_\_\_\_\_, 19\_\_

STATE OF MONTANA,

County of \_\_\_\_\_

Filed for Record this \_\_\_\_\_ day of \_\_\_\_\_, A. D. 19\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and

Recorded in Book \_\_\_\_\_ of Deeds

on Page \_\_\_\_\_ of the Records of

County of \_\_\_\_\_

State of \_\_\_\_\_

County Clerk and Recorder.

Deputy

Fees \$ \_\_\_\_\_

Return to \_\_\_\_\_

Commencing at the quarter corner common to Sections 21 and 22, 30 N89°59'00"W 340.50ft. to the point of beginning, then N89°59'00"W 544.50ft., then S0°01'00"E 150.00ft., then N89°59'00"W 240.00ft., then S0°01'00"W 150.00ft., then N89°59'00"W 195.00ft., then N0°01'00"E 131.00ft., then S89°59'00"E 979.50ft., then S0°01'00"W 1315.00ft to the point of beginning, containing 26.74 acres, total, more or less.



DECLARATION OF COVENANT

This declaration made this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by Yellowstone Petroleum, Inc. hereinafter referred to as the "Declarants";

That whereas, Declarant is the owner of certain property described on certificate of survey number 289011 on file and of record in the office of the Clerk and Recorder of Toole County, Montana.

Now, therefore, Declarant hereby declares that the parcel described above which contain less than twenty acres shall be held, sold, and conveyed in any matter subject to the following covenant, which shall run with the real property and be binding on all parties having any right, title or interest in the described property or any part thereof, their heirs, executors, successors, administrators and assignees, and shall bind each owner thereof. This covenant may be revoked by mutual consent of the owners of the parcel in question and the governing body of Toole County and/or the City of Shelby, Montana. The governing body is deemed to be a party to and may enforce this covenant. TO WIT.

The parcel shown on the certificate of survey number \_\_\_\_\_ as containing less than twenty acres, shall be used exclusively for agricultural purposes and that no building or structure requiring water or sewage facilities will be erected or utilized.

IN WITNESS WHEREOF, the undersigned, being the Declarant, herein, has hereunto set his hand this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.



*Mary Powell Westerman*  
YELLOWSTONE PETROLEUMS, INC.

STATE OF MONTANA )  
COUNTY OF TOOLE ) S. S.

Subscribed and sworn before me a notary public in and for the State of Montana this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.



Commission expires: \_\_\_\_\_  
*Adrian Hill*  
NOTARY PUBLIC  
TOOLE COUNTY, MONTANA

NOTE: ANY CHANGE IN USE OF THE LAND FOR ANYTHING OTHER THAN AGRICULTURAL PURPOSES SUBJECTS THE PARCEL TO REVIEW AND APPROVAL FOLLOWING THE PROCEDURES FOR A SUBDIVISION PURSUANT TO SECTION 76-3-207(2)(b) M.C.A.

 <p><i>First American Title</i></p> <p><b>Schedule BI</b></p>	<p>Title Insurance Commitment</p> <p>BY</p> <p><b>First American Title Insurance Company</b></p>
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File No.: 627984CO

**REQUIREMENTS**

File No.: 627984CO

The following requirements must be met:

- (a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (b) Pay us the premiums, fees and charges for the policy.
- (c) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.
- (d) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
- (e) Release(s) or Reconveyance(s) of items(s) **as required by buyer and/or lender** .
- (f) If any document in the completion of this transaction is to be executed by an attorney-in-fact, the Power of Attorney must be submitted for review prior to closing.
- (g) You must give us the following information:
  - 1. Any off record leases, surveys, etc.
  - 2. Statement(s) of identity, all parties.
  - 3. Other.
- (h) Subject to determining the powers of the successor trustee of the Trust referred to in Paragraph 3 of Schedule A herein.

**Parcel 1:**

**A parcel of real property situated in the SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub> of Section 21, Township 32 North, Range 2 West, 150 feet by 240 feet, more particularly described as follows: Beginning at the southwest corner of said SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>, aforesaid, thence 195 feet east along the south boundary of said SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub> a distance of 195 feet to the true point of beginning of the tract to be described, thence continuing east along the said south boundary of said SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub> a distance of 240 feet, thence north at right angles a distance of 150 feet, thence west at right angles a distance of 240 feet, thence south at right angles a distance of 150 feet to the true point of beginning**

**Prior Reference: Warranty Deed recorded on July 24, 1980 in Book 88 of Deeds, Page 881**

**Parcel 2:**

**A tract of land in SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub> in Section 21 of Township 32 North, Range 2 West, M.P.M., as shown and described on Certificate of Survey filed August 24, 1983 at Document Number 298240, File Number 83-11.**

**EXCEPTING THEREFROM that certain tract of land in said SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub> described in Warranty Deed recorded October 24, 1989 in Book 92 of Deeds, Page 424.**

Commonly known as: Rural Tracts, Shelby, MT 59474

 <p><i>First American Title</i></p> <p><b>Schedule BII</b></p>	<p>Title Insurance Commitment</p> <p>BY</p> <p><b>First American Title Insurance Company</b></p>
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### EXCEPTIONS

File No.: 627984CO

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the land, and that are not shown in the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.
6. Any liens, or rights to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
7. Any right, title or interest in any minerals, mineral rights or related matters, including but not limited to oil, gas, coal and other hydrocarbons, sand, gravel or other common variety materials, whether or not shown by the public records.
8. County road rights-of-way not recorded and indexed as a conveyance of record in the office of the Clerk and Recorder pursuant to Title 70, Chapter 21, M.C.A., including, but not limited to any right of the Public and the County of Toole to use and occupy those certain roads and trails as depicted on County Surveyor's maps on file in the office of the County Surveyor of Toole County.



*First American Title*

# Commitment

## Title Insurance Commitment

BY

**First American Title Insurance Company**

### INFORMATION

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

This Policy contains an arbitration clause. All arbitrable matters when the Matter of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or you as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.alta.org/>.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

**THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT. YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.**

If you have any questions about the Commitment, contact:  
**FIRST AMERICAN TITLE INSURANCE COMPANY**  
 1 First American Way; Santa Ana, CA 92707.

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AGREEMENT TO ISSUE POLICY	1
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SCHEDULE A	Insert
1. Commitment Date	
2. Policies to be Issued, Amounts and Proposed Insureds	
3. Interest in the Land and Owner	
4. Description of the Land	
SCHEDULE B-I – REQUIREMENTS	Insert
SCHEDULE B-II – EXCEPTIONS	Insert

## AGREEMENT TO ISSUE POLICY

We agree to issue policy to you according to the terms of the Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

- The Provisions in Schedule A.
- The Requirements in Schedule B-I.
- The Exceptions in Schedule B-II.
- The Conditions on Page 2.

This Commitment is not valid without SCHEDULE A and Sections I and II of SCHEDULE B.

*First American Title Insurance Company*

Dennis J. Gilmore  
President

Jeffrey S. Robinson  
Secretary

(This Commitment is valid only when Schedules A and B are attached) **This jacket was created electronically and constitutes an original document**

 <p style="font-size: 1.2em; font-weight: bold; margin-top: 10px;">Schedule A</p>	<p style="text-align: center;">Title Insurance Commitment</p> <p style="text-align: center;">BY</p> <p style="text-align: center; font-weight: bold; font-size: 1.1em;">First American Title Insurance Company</p>
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**FIRST COMMITMENT**

File No.: 627984CO

1. Commitment Date : **March 20, 2017 at 7:30 A.M.**
2. Policy or Policies to be issued:

**Policy Amount    Premium Amount**

- X ALTA **Standard** Owner's Policy of Title Insurance (6-17-06)  
ALTA Homeowner's Policy of Title Insurance (rev.1-1-08)

(Premium amount reflects \$no available credit)    **\$ 69,000.00    \$ 442.00**

Proposed Insured:  
**Jade Goroski**

- X ALTA **Standard** Loan Policy of Title Insurance (6-17-06)  
ALTA Expanded Coverage Residential Loan Policy (rev. 1-1-08)

(Premium amount reflects \$no available credit)    **\$ 51,600.00    \$ 40.00**

Proposed Insured:  
**Bear Paw Credit Union, its successors and/or assigns as their interests may appear as defined in the Conditions of this policy.**

3. A fee simple interest in the land described in this Commitment is owned, at the Commitment Date, by:

**Gregory D. Kennedy, Successor Trustee of the Jerry D. Kennedy and Esther A. Kennedy Revocable Trust dated April 4, 2013**

**COPY**



***First American Title Company***

116 2nd Avenue, P O Box 589, Shelby, MT 59474  
Phone (406)434-5156 - Fax (406)434-5157

Escrow Officer: Brooke Holden - bholden@gofirstam.com  
Title Officer: Shelly Hunt - shunt@gofirstam.com

**COMMITMENT FOR TITLE INSURANCE**

---

To: **Bear Paw Credit Union  
P.O. Box 906  
Shelby, MT 59474**

Order No.: **627984CO**

Attention: **Locke Mellott**

Your Reference:

Re: Property Address: **Rural Tracts, Shelby, MT 59474**

## **CONDITIONS**

### **1. DEFINITIONS**

(a) "Mortgage" means mortgage, deed of trust or other security instrument. (b) "Public Records" means title records that give constructive notice of matters affecting your title according to the state statutes where your land is located.

### **2. LATER DEFECTS**

The Exceptions in Schedule B - Section II may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attached between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B - Section I are met. We shall have no liability to you because of this amendment.

### **3. EXISTING DEFECTS**

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

### **4. LIMITATION OF OUR LIABILITY**

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

Comply with the Requirements shown in Schedule B - Section I

or

Eliminate with our written consent any Exceptions shown in Schedule B - Section II.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

### **5. CLAIMS MUST BE BASED ON THIS COMMITMENT**

Any claim, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this Commitment and is subject to its terms.

**INFORMATIONAL NOTES**

- A. **In addition to standard County recording fees, an electronic filing fee of \$5.00 per document may be charged.**



First American

## Privacy Information

### We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

### Applicability

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

### Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

### Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

### Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

### Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

### Information Obtained Through Our Web Site

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet. In general, you can visit First American or its affiliates Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site.

There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

### Business Relationships

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

### Cookies

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive.

FirstAm.com uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

### Fair Information Values

**Fairness** We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer privacy.

**Public Record** We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

**Use** We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

**Accuracy** We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.

**Education** We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy.

We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

**Security** We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.

STATE OF MONTANA

County of Toole  
Filed for record the 20th day of July 1932 at Shelby, Montana  
Recorded in Book 20 of Deeds of Toole County of Montana  
State of Montana at Shelby, Montana this 20th day of July 1932

WD 88-831  
\*Prior Ref  
\*Provisions

Eye

This instrument, made the 20th day of July 1932  
A. D. was lawfully and lawfully and WITNESSED BY  
CHARLES A. DALBY and DOROTHY A. DALBY, husband and wife  
of Brookings, South Dakota  
and WILSON E. RUSSELL and JOYCE E. RUSSELL, husband and wife

of Shelby, Montana the PARTIES of the SECOND PART,  
WITNESSETH, that the said PARTIES of the FIRST PART, for and in consideration of  
the sum of 100 and 00/100 Dollars (\$100.00) in  
lawful money of the United States of America to them lawfully paid by said PARTIES of the SEC-  
OND PART, the receipt whereof is hereby acknowledged, do hereby grant, sell, convey, warrant and confirm unto the said PARTIES of the SECOND PART, as JOINT  
TENANTS AND TO THE SURVIVOR OF SAID NAMED JOINT TENANTS  
(and not as tenants in common) and to heirs and assigns of each of them forever, the hereunto  
described real estate situated in the above-mentioned  
County of Toole and State of Montana, to-wit:  
Described on the Exhibit hereto appended.

IN WITNESS WHEREOF, the said PARTIES of the FIRST PART have hereunto set their hands and seals the day and year first hereinbefore written.

A special clause pertaining to a water line appears on the reverse side hereof.

IN WITNESS WHEREOF, the said PARTIES of the FIRST PART have hereunto set their hands and seals the day and year first hereinbefore written.

Signed, Sealed and Delivered in the presence of  
Charles A. Dalby (SEAL)  
Dorothy A. Dalby (SEAL)  
(SEAL)  
(SEAL)

STATE OF MONTANA,  
County of TOOLE  
On this 20th day of July 1932 in the year one thousand and  
seventy two before me the undersigned Notary Public  
for the State of Montana, personally appeared CHARLES A. DALBY and DOROTHY A. DALBY, husband and wife

known to me  
for proved to me on oath of  
to be the person whose name is subscribed to the within instrument and acknowledged to me  
that he is the same.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this day and year first above written.  
Notary Public for the State of Montana,  
Residing at Shelby, Montana  
My Commission expires May 1, 1933



**EXHIBIT**

**DESCRIPTION OF PROPERTY**

A parcel of real property situated in the SE<sup>1/4</sup> of Section 21, Township 22 North, Range 2 West, 120 East x 120 feet, more particularly described as follows:

Beginning at the southeast corner of said Section 21, thence 120 feet east along the south boundary of said Section 21 a distance of 120 feet to the true point of beginning of the tract to be described, thence continuing east along the said south boundary of said Section 21 a distance of 240 feet, thence north at right angles a distance of 120 feet, thence west at right angles a distance of 240 feet, thence south at right angles a distance of 120 feet to the true point of beginning, and containing .23 acres, more or less.

TOGETHER with the tenements, hereditaments and appurtenances thereto belonging.

Parties of the First Part hereby grant unto Parties of the Second Part as joint tenants with rights of survivorship the ownership & use of a certain water line connecting the parcel herein with the municipal water system of the City of Shelby, Montana, across lands presently owned or controlled by Parties of the First Part, subject to the following terms and provisions:

- a) That the right to connect to said water line for water service to one trailer space now located on the line of the waterline shall continue for as long as said waterline shall remain in use.
- b) That Parties of the First Part and their heirs and assigns shall be entitled to make any connection to said water line for service within the capabilities of said water line to any point selected by them on lands adjacent to the above described parcel, and access to said water line across the parcel hereby conveyed, for installation, maintenance & removal, the same to be at the expense of Parties of the First Part.
- c) It shall be the responsibility of the party to whom the water is furnished to pay the charges therefor; and the upkeep and maintenance of the water line shall be apportioned among the parties ratably according to consumption unless the parties affected agree upon a different basis; and the water user failing to pay his respective share of the upkeep and maintenance to suffer the loss of service.
- d) It being understood that the present right of way of the water line may interfere with future use and development of the nearby lands owned by Parties of the First Part through which said water line passes, it is agreed that Parties of the First Part may at their option cause such water line to be relocated, through public alleys or streets, when practicable, the reasonable cost of which relocation, if public or other financing is not available, Parties of the First Part shall ...

9. 2017 taxes and special assessments are a lien; amounts not yet determined or payable. The first one-half becomes delinquent after November 30th of 2016, the second one-half becomes delinquent after May 31st of 2017.

General taxes as set forth below. Any amounts not paid when due will accrue penalties and interest in addition to the amount stated herein:

Year	1st Half	2nd Half	Parcel Number
2016	\$72.38 PAID	\$46.54 PAID	610730 RE: Parcel 1

10. 2017 taxes and special assessments are a lien; amounts not yet determined or payable. The first one-half becomes delinquent after November 30th of 2016, the second one-half becomes delinquent after May 31st of 2017.

General taxes as set forth below. Any amounts not paid when due will accrue penalties and interest in addition to the amount stated herein:

Year	1st Half	2nd Half	Parcel Number
2016	\$179.85 PAID	\$176.71 PAID	609650 RE: Parcel 2

11. Provisions in deed to Ralph K. Russell and Joyce E. Russell, recorded July 24, 1980 in Book 88 of Deeds, page 881.

Affects Parcel 1.

12. Easement for Right of Way granted to Great Northern Utilities Company, recorded December 22, 1928 in Book 14 of Miscellaneous, Page 196.

13. Declaration of Creation and Establishment of Herd District dated April 19, 1951 as Document Number 196454.

14. Covenants, Conditions and Restrictions recorded in Book 89 of Deeds, page 668, but omitting any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status, or national origin to the extent that such covenants, conditions or restrictions violate 42 USC 3604(c).

Affects Parcel 2.

15. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by Record of Survey recorded March 11, 1981, 289011, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).

Affects Parcel 2.

16. Right, title and interest of City of Shelby created by the Terms and Provisions contained in Certificate of Survey, 7th Street North and North Teton Avenue Street and Utility Right of Way filed July 13, 2004 at Document Number 351382.