

# South T-Bar Ranch Property Owners Association, Inc.

## Minutes for October 11, 2014

### Regular Meeting of the Board of Directors

#### I. CALL TO ORDER 8:00 am

The September meeting of the Board of Directors of the South T-Bar Ranch Property Owners Association was held via conference call and in person at B Cornella's home on the ranch on October 11, 2014. M Wolfe, President, called the meeting to order. A quorum was present with the following directors attending:

- Curtis Eulert
- Michael Omohundro
- Will Hoskins
- Betty Sue Cornella
- Martha Parkey
- Margaret Scott – via conference call
- Jack Davis – via conference call
- Mike Wolfe
- Joe Price – via conference call

Anelladee Spencer was absent

#### II. APPROVAL OF BOARD MINUTES

The September 13<sup>th</sup> POA Board meeting minutes were presented for approval. A motion to approve the minutes as presented was made by M Wolfe, 2<sup>nd</sup> by M Omohundro. Joe Price abstained. Minutes were approved.

#### III. RATIFICATION OF ACTIONS TAKEN SINCE THE LAST MEETING

None.

#### IV. FINANCIAL REPORT

The September Financial report was presented by B Cornella (attached).

There is still 1 assessment not collected to date and rebill with the fees due via Certified Mail have been returned.

#### V. OLD BUSINESS

**Committee reports:**

**Infrastructure:**

C Eulert led discussion on:

Curtis Stone spraying along roadway for weeds; grating of washboards on South T Bar Trail; there is a trash increase of 50 cents per dumpster; unauthorized dumpster use: leave dumpster

code the same as gate code for now; there is a technical issue on using [board@southtbar.com](mailto:board@southtbar.com) email address.

Reflective Markers: M Omohundro presented his findings on roadside markers (attached). Once the Omohundro's have their markers installed, board will evaluate which option is best for the ranch roads. Discussion on 72" markers being better for the ranch roads and necessity to check with D Ainsworth to see how far off the side of the road the markers need to be. Board hopes to have the markers installed by December.

**Communications:** Roster update with new POA members to be done by board secretary.

**Newsletter:** B Renck working on for publishing in November. Articles have been submitted to B Renck.

## **VI. NEW BUSINESS**

A petition (attached) has been presented to the board to conduct a vote by ballot of STB members to set the annual assessment to \$216 per year; with said vote being completed prior to the 2015 budget meeting. This item will be put on the agenda for November's board meeting. M Wolfe will reply to Mr. Averno that the petition has been received and will be discussed at November's board meeting. The bylaws will be reviewed and the attorney will be consulted.

**2015 Budget:** J Price and M Wolfe will work on the Reserve Budget. J Price will look into separate language of capital reserve/contingency as presented by member Darrell Johnson at the June POA annual meeting.

B Cornella presented the 2015 Draft Budget. Discussion re: road maintenance budget may not be sufficient. The budget is up for approval at next board meeting.

**VII. POA MEMBER COMMENTS:** A. Eulert asked that the old ranch middle gate post that was removed be donated to the NWF EMS scrap metal drive. B Cornella motioned to approve. M Wolfe 2<sup>nd</sup>. Motion approved. C. Eulert abstained.

**VIII. CLOSED SESSION:** None

**IX. ADJOURNMENT: 9:53 am**

Motion was made by M Wolfe to adjourn meeting. M Omohundro 2<sup>nd</sup>. Motion passed and the meeting was adjourned.

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Respectfully submitted by  
M Parkey, Secretary  
South T-Bar Ranch

Prepared by M Parkey

# SOUTH T- BAR RANCH POA

Balance Sheet  
September 30, 2014

## ASSETS:

Operating Funds			
Legacy Bank /Checking	\$	1,886.83	
Legacy Bank / Money Market - General Fund	\$	5,882.31	
Total Operating Funds			<u>\$ 7,769.14</u>
Reserve Funds			
Legacy Bank / Money Market - Reserve Fund	\$	117,767.00	
Legacy Bank / Money Market - Reserve Fund	\$	76,654.90	
Total Reserve Funds			<u>\$ 194,421.90</u>
<b>TOTAL ASSETS</b>			<u><u>\$ 202,191.04</u></u>

## LIABILITIES

Accounts Payable - Prepaid Assessment	\$	395.00	
<b>TOTAL LIABILITIES</b>			<u>\$ 395.00</u>

## EQUITY

POA General Fund 2014	\$	7,374.14	
POA Reserve Fund Balance	\$	194,421.90	
<b>TOTAL EQUITY</b>			<u>\$ 201,796.04</u>
<b>TOTAL NET WORTH &amp; EQUITY</b>			<u><u>\$ 202,191.04</u></u>

**SOUTH T-BAR RANCH POA**  
INCOME STATEMENT

as of September 30, 2014

	Year To Date September 2014	Annual Budget 2014	Variance
<b>Income</b>			
<i>Annual Expense Assessment</i>	45,030.00	45,030.00	-
<i>Annual Road Use Fee</i>	7,110.00	7,505.00	(395.00)
<i>Grazing Lease</i>	1,800.00	3,600.00	(1,800.00)
<i>Interest</i>	125.00	125.00	-
<i>Late fee</i>	167.53	100.00	67.53
<i>Ownership Change Assessment</i>	50.00	100.00	(50.00)
<i>Gate Remotes</i>	0.00	45.00	(45.00)
<i>Other Income</i>	0.00	0.00	-
<b>Total Income</b>	<u>54,282.53</u>	<u>56,505.00</u>	<u>(2,222.47)</u>
<b>Expenses</b>			
<i>Road Maintenance</i>			
<i>Road Maint. Contract</i>	14,607.50	19,000.00	4,392.50
<i>Insurance</i>			
<i>General Liability</i>	1,916.00	2,100.00	184.00
<i>Officers Liability</i>	984.00	1,000.00	16.00
<i>Gate Electric/Maint</i>	281.92	560.00	278.08
<i>Trash Service</i>	4,549.50	8,000.00	3,450.50
<i>Newsletter &amp; Communication</i>	0.00	200.00	200.00
<i>Post Office Box</i>	0.00	60.00	60.00
<i>Accounting Fees</i>	900.00	1,400.00	500.00
<i>Legal Fees</i>	610.00	500.00	(110.00)
<i>Corporate Taxes</i>	906.00	750.00	(156.00)
<i>Dues Collection Expenses</i>	0.00	125.00	125.00
<i>Annual Meeting Expense</i>	237.84	1,000.00	762.16
<i>Repairs &amp; Maintenance</i>	313.99	200.00	(113.99)
<i>Misc Expense</i>	548.63	590.00	43.37
<i>Reserves</i>	21,020.00	21,020.00	-
<b>Total operating Expenses</b>	<u>46,873.38</u>	<u>56,505.00</u>	<u>9,631.62</u>
<i>Income (Loss) from Operations</i>	<u>7,409.15</u>	<u>\$ -</u>	<u>7,409.15</u>

<b>South T Bar Ranch POA - Reserve Fund Statement 2014</b>		
	Year To Date September 2014	Annual Budget 2014
2014 Reserve Income	21,020.00	\$ 21,020.00
2014 Reserve Interest Income	167.67	
<b>Total Reserve Income</b>	<u>21,187.67</u>	<u>\$ 21,020.00</u>
2014 Reserve Expenditures		
Road Upkeep Costs	40,452.22	
Road Signs	1,548.86	
<b>Total Reserve Expenses</b>	<u>42,001.08</u>	
<b>Income/Loss from Reserves</b>	<u>-20,813.41</u>	

**South T Bar Ranch POA  
Reserve Funds  
as of September 30, 2014**

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<b>Beginning Reserve Fund Balance</b>	184,403.31
Annual Reserve Contributions 2013	8,360.00
Interest Earnings 2013	215.89
Additional funds from 2013 budget overage	22,256.11
<b>Reserve Balance 01/01/14</b>	<u>215,235.31</u>
Annual Reserve Contributions 2014	21,020.00
Interest Earnings 2014	167.67
Reserve Expenses 2014	42,001.08
<b>Ending Reserve Fund Balance</b>	<u>194,421.90</u>



Mike Omohundro

I've looked into roadside markers, and present two possible suppliers for the Board's consideration:

1. 3T Company of Dalmatia, PA <https://www.3tproducts.com/shop/pc/gwofp.asp>

These markers are metal-capped for easier pounding, orange in color, with 360 degree white reflective tape, 5/16" in diameter, 60" high (they should stand about 4' 4" high after installation). They are of fiberglass composition; manufacturer states that they bend and return to original position, unlike metal posts, which we've all seen bent on roadways. Installation is by hammer/mallet; each post has a metal cap to facilitate installation.

Joyce and I have ordered 50 of these to mark our driveway. When they arrive, I invite Board members to look at them installed. Unit cost is \$1.35, with shipping adding an additional \$.67 each. We could do better with a volume discount. We can also send pics of them, installed, online to the Board.

2. Ben Meadows Outdoor Outfitters <http://www.benmeadows.com/search/road%2Bsign%2Bposts/>

58" high, of polymer composition, with orange on both sides, about 1 1/2' wide, these can be installed with a mallet (sledge hammer). Mfr states that they are more resilient than metal posts, and return to original shape after most impacts.

Unit cost is \$10.50, or \$1,050 per hundred, with shipping estimated at \$1/unit.

I welcome comments and suggestions from the Board.

Respectfully, Michael Omohundro 719.275.2507

PETITION

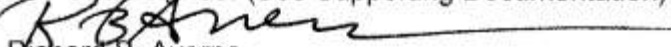
28 September 2014

South T-Bar Ranch Board of Directors  
Attn: President  
P. O. 1431  
Cañon City, CO 81215

Mr. President

The property owners as defined in the South T Bar Ranch Covenants, April 17 2007, petition its board to conduct a vote by ballot to all legal South T Bar Ranch owners/association members as defined by our covenants on the following action- ***Beginning with the FY 15 budget set the annual STB association assessment to \$216.00 yearly per South T Bar Ranch Owner as defined in our covenant*** -and to be completed with results published prior to the FY15 budget meeting.

The Undersigned: (See Supporting Documentation)

  
Richard B. Avena  
STB Parcel #92

Roy Bebee  
STB Parcel #14

Elizabeth Conner  
STB Parcel #74

Eric & Harold Fahrebrook  
STB Parcel #61

Ted Groome  
STB Parcel #110

Gary Lack  
STB Parcel #77

Ralph Lavedure  
STB Parcel #94 & 95

Steve Perez  
STB Parcel #91

Trudie Rose  
STB Parcel #29

Erick & Mary Snellman  
STB Parcel #46

Mark & Tracy Sobczak  
STB Parcel #15 & 65

Incl;

- Ballot & Accompanying Discussion
- Supporting Documents

BALLOT

Beginning with the FY 15 budget set the annual STB association assessment to \$216.00 yearly per South T Bar Ranch Owner as defined in our covenant.

YES

NO

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

STB Parcel # (s): \_\_\_\_\_



10 August 2014

**Petition**

**Discussion**

Each year we pay \$395.00 which equates to the association taking in \$56,505.00. However, our operating budget has been \$34,248.98 for the past several years with a surplus each year of 20K or better. For example 2013 we had a surplus of \$22,256.11 and this year 2014 the board anticipates a 21,020.00 for the same.

In addition, the profits from the sale of our mineral interest were 190K (+). The board has unilaterally made the decision to place all of our mining profits in a "reserve fund". The owners were never asked nor did we have an opportunity to vote on any aspect of this "reserve fund". As a limited expense community (LEC) we have no legal requirement to have a reserve but a reasonable one makes sense. However 236K (+) and growing with an annual assessment surplus of 20K (+) is not reasonable. The amount the board has in this fund is a significant amount for an LEC to have on hand, especially when there are no collectively owned assets that must be maintained. The "privately owned" road system is the only real maintenance requirement while all other monetary aspects of the reserve study have never been voted on to resource or maintain. An amount of 75k, in a reserve fund which is twice the operating costs we fund right now seems more than sufficient to maintain the LEC.

A good portion of the profit from selling our collectively owned minerals rights must be distributed back to the members as was discussed and understood, in some form as far back as 2008 Special Meeting of the Members. While the POA, a non-profit, cannot distribute back money to its members, what we can do is to vote to reduce our annual assessments and receive a benefit from the sale of our mineral interests.

The bottom-line is we are in great financial shape. The reserve fund is 236K (+), and there is no need to continue to pay out a \$395.00 yearly assessment. Further, we should get some benefit back from selling our mining interest. Voting to set our annual assessment at \$216.00 will provide that benefit and still fund the operating costs plus a little extra. See the tables below.

<b>Current Board Budget</b>	<b>2014 Budget</b>
Mining Benefit	Not Considered
STB Owner Assessments (395*114)	\$ 45,030.00
Non-Owner (Fremont) fee for private STB road usage (395*7)	\$ 2,765.00
Non-Owner (Elk View & Hull Gulch) fee for private STB road usage (395*12)	\$ 4,740.00
Grazing Lease	\$ 3,600.00
<b>Revenue</b>	<b>\$ 56,135.00</b>
<b>Operating Expenses</b>	<b>\$ 35,485.00</b>
<b>Surplus</b>	<b>\$ 20,650.00</b>

<b>Proposed Budget I Recommend this Starting in 2015</b>	<b>2014 Budget</b>
Mining Benefit	Considered
STB Owner Assessments (216*114)	\$ 24,624.00
Non-Owner (Fremont) fee for private STB road usage (395*7)	\$ 2,765.00
Non-Owner (Elk View & Hull Gulch) fee for private STB road usage (395*12)	\$ 4,740.00
Grazing Lease	\$ 3,600.00
<b>Revenue</b>	<b>\$ 35,729.00</b>
<b>Operating Expenses</b>	<b>\$ 35,485.00</b>
<b>Surplus</b>	<b>\$ 244.00</b>

FENVAAL