

South T-Bar Ranch Property Owners Association, Inc.

Minutes for August 11, 2012

Regular Meeting of the Board of Directors

I. CALL TO 8:07 am

The August meeting of the Board of Directors of the South T-Bar Ranch Property Owners Association was held via teleconference on August 11, 2012. President Joe Price called the meeting to order. A quorum was present with the following directors attending:

- Betty Sue Cornella
- Anelladee Spencer
- Becky Renck
- Curtis Eulert
- Steve Moreau
- Mike Wolfe

Excused absences' by Tim Anderson and Pat Blankenship who were traveling.

Member present: Ann Eulert.

II. APPROVAL OF PREVIOUS BOARD MINUTES

The minutes of the June 9, 2012 meeting were reviewed. C Eulert made a motion to pass as presented, A Spencer 2nd and the motion passed.

The June 30, 2012 minutes were reviewed and amended to remove the attached financials. J Price motioned for approval as amended, A Spencer 2nd and the motion passed as amended.

III. RATIFICATION OF ACTIONS TAKEN SINCE THE LAST MEETING

None

IV. FINANCIAL REPORT

The Financial reports were reviewed for July and included transactions from both June and July due to there being no board meeting in July. B Cornella gave an overview explanation of the Balance Sheet and of the Minerals Summary sheet for the new board members benefit. C Eulert motioned for approval, S Moreau 2nd and the motion passed.

- Action item for next board meeting is to review the By-Laws pertaining to the dues, fees and grace period.

V. OLD BUSINESS

Infrastructure:

Roads: Road contractor Dan Ainsworth submitted a new proposal from the requests the board made in June listing the primary attention needs. It also included a bid to do some extensive preemptive rebuild of the "Miracle Mile stretch". J Price made a motion to accept the discussed bid proposed as a working bid to be managed as the work goes along. C Eulert 2nd and the

motion passed. It is agreed that the board expects that regular maintenance be continued and that we ask for a timeline for completion of noted areas.

Trash: Bear signs posted. Thank you to Dean Cornella.

Mailboxes: No report.

Emergency Exits: C Eulert has driven and verified all emergency ranch exits are accessible. The route is clearly self-evident when there even though there is no signage. Tony Revack is responsible to open any locked gates in an emergency situation.

Communications:

Newsletter: No action

Website: C Eulert is working on the email issue of the "board@southtbar" email address not getting to all members.

Legal & Finance:

BLM: No report.

- **Action:** M Wolfe would like a copy of the Power of Attorney that was signed by the POA members pertaining to the BLM issue. B Renck to provide that.

By-Laws & Document Review Committee:

- **Action:** The Document Review Committee needs to present a complete recommendation on any changes they would like to the board, including LLC / CCIOA clarifications, COI and board procedures.
- **Action: Governing Documents:**
B Renck will work on adding the new amendments to the governing documents that are posted on the website.
- **Action:** B Renck to email all board members a Conflict of Interest document for signature for this board term.

VI. NEW BUSINESS

Committee Membership: J Price would like to organize the board members at large into 3 major committees; those being:

- 1- Infrastructure to include roads, mailboxes, trash, emergency route,
- 2- Communications includes newsletter and website
- 3- Legal and Finance will include the Document Review, By-laws, BLM and any legal or financial issues to address.

It is noted that the POA Board is reserving the right to decide who is best suited of the POA and Board members to be on those committees in the interest of moving the Board agendas forward.

- **Action:** J Price will email a request to the board members to fill the committees included with his vision of the agenda for the upcoming year.

VII. MEMBER COMMENTS

None

VIII. CLOSED SESSION

A closed session was called related to dues payments. It is standard practice to protect specific property owners names to discuss these matters in closed session. It is noted that the POA member A Eulert did not attend the closed session but was asked and declined a report on the session.

All present board members reconvened for the closed session. After discussion of the issue brought to the table, the board agreed to have J Price confer with legal (Trish) for advice on specific details that the board was unsure of. J Price will work with B Cornella on documents and dates needed.

IX. ADJOURNMENT – 10:04 am

Closed session was adjourned by J Price as president. Regular meeting was adjourned with no further discussion. Motion made by A Spencer, 2nd by B Cornella, The motion carried unanimously and the meeting was adjourned.

Respectfully submitted by
Becky Renck, Secretary
South T-Bar Ranch POA

SOUTH T- BAR RANCH POA

Balance Sheet
July 31, 2012

ASSETS:

Legacy Bank /Checking	\$	3,918.85
Legacy Bank / Money Market - General Funds	\$	47,704.06
Legacy Bank / Money Market - Gen Reserve Funds	\$	87,842.96
Legacy Bank / Money Market - Minerals	\$	118,314.58
Note Receivable / STB Minerals	\$	-
TOTAL ASSETS	\$	<u>257,780.45</u>

LIABILITIES

Est. Deferred Gain on Sale	\$	13,278.21
TOTAL LIABILITIES	\$	<u>13,278.21</u>

EQUITY

Capital Gain on Minerals Sales	\$	49,207.73
POA General Fund Balance	\$	87,825.45
POA General Fund 2012	\$	33,629.01
POA Minerals Fund	\$	73,840.05
TOTAL EQUITY	\$	<u>244,502.24</u>

TOTAL NET WORTH & EQUITY	\$	<u>257,780.45</u>
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SOUTH T-BAR RANCH POA

Summary of Minerals Income & Costs as of July 31, 2012

<i>Summary of Mining Income & Expenses</i>				
	Thru Dec 2011	Thru 07/31/12	Total 2007-2012	
Income				
Income from LLC	550,000.00	85,000.00	635,000.00	
Interest Income	161,924.84	2,936.20	164,861.04	
Title Review Reimb	4,123.46		4,123.46	
Special Assessments	10,814.26		10,814.26	
Other	110.74		110.74	
Total income from mining activities	726,973.30	87,936.20	814,909.50	
Legal Fees	\$ 467,670.95		\$ 467,670.95	
Appraisal Cost	\$ 27,500.00		\$ 27,500.00	
Other mining related costs	\$ 3,393.73		\$ 3,393.73	
Interest & Loan Expense	117,513.19		\$ 117,513.19	
Corporate Taxes/ Tax Estimates	13,233.00	62,632.95	\$ 75,865.95	
Special Assessment Refunds	5,943.08		\$ 5,943.08	
Total Expenses related to mining activity	\$ 635,253.95	62,632.95	\$ 697,886.90	
Add back estimated legal costs for POA	\$ 37,221.50	-	\$ 37,221.50	
Net Mining Related Expenditures	\$ 128,940.85	\$ 25,303.25	\$ 154,244.10	

SOUTH T-BAR RANCH POA INCOME STATEMENT

As of July 21, 2012

	Year To Date July 2012	Annual Budget 2012	Variance
Income			
<i>Annual Expense Assessment</i>	44,240.00	45,030.00	(790.00)
<i>Annual Road Use Fee</i>	6,715.00	7,110.00	(395.00)
<i>Grazing Lease</i>	1,800.00	3,600.00	(1,800.00)
<i>Interest</i>	174.70	200.00	(25.30)
<i>Late fee</i>	79.00	100.00	(21.00)
<i>Other Income</i>	0.00		
<i>Ownership Change Assessment</i>	0.00	100.00	(100.00)
<i>Gate Remotes</i>	30.00	45.00	(15.00)
<i>Newsletter Advertising</i>	0.00	0.00	-
<i>Minerals Road Maint.Fee</i>	0.00	1185.00	(1,185.00)
<i>Misc Income</i>	0.00	100.00	(100.00)
Total Income	<u>53,038.70</u>	<u>57,470.00</u>	<u>(4,431.30)</u>
Expenses			
<i>Road Maintenance</i>			
<i>Road Contract*</i>	5,000.00	9,000.00	4,000.00
<i>Other Road Maint.</i>	4,676.67	25,000.00	20,323.33
<i>X Snow Removal</i>	1442.50		
<i>Maint. per proposal</i>	3234.17		
<i>Insurance</i>			
<i>General Liability</i>	2,092.00	2,200.00	108.00
<i>Officers Liability</i>	984.00	1,000.00	16.00
<i>Gate Electric/Maint</i>	181.39	300.00	118.61
<i>Trash Service</i>	3,999.00	6,000.00	2,001.00
<i>Newsletter & Communication</i>	138.65	275.00	136.35
<i>Post Office Box</i>	0.00	46.00	46.00
<i>Accounting Fees</i>	1,200.00	2,000.00	800.00
<i>Legal Fees</i>	0.00	5,000.00	5,000.00
<i>Corporate Taxes</i>	0.00	1,000.00	1,000.00
<i>Dues Collection Expenses</i>	81.23	200.00	118.77
<i>Annual Meeting Expense</i>	587.95	1,000.00	412.05
<i>Repairs & Maintenance</i>	0.00	200.00	200.00
<i>Board Meeting Expense</i>	0.00	0.00	-
<i>Misc Expense</i>	473.80	610.00	136.20
Total Expenses	<u>19,414.69</u>	<u>53,831.00</u>	<u>34,416.31</u>
 <i>Income (Loss) from Operations</i>	 <u>33,624.01</u>	 <u>\$ 3,639.00</u>	 <u>29,985.01</u>

* Carry over into July \$2475.00