

South T-Bar Ranch Property Owners Association, Inc.
Minutes for February 12, 2011
Regular Meeting of the Board of Directors

I. CALL TO ORDER – 8:05am

The February 12, 2011, regular meeting of the Board of Directors of the South T-Bar Ranch Property Owners Association was held via teleconference. President Kim Wolfe called the meeting to order at 8:05 a.m. A quorum was present with the following directors attending:

- Betty Sue Cornella
- Dean Cornella
- Kim Wolfe
- Julie Hawley
- Becky Renck
- Kitsi Atkinson
- Anelladee Spencer

Not Attending:

- Joe Price
- Lucy Thurston

Others Attending:

- None

II. APPROVAL OF PREVIOUS BOARD MINUTES

Previous Budget Meeting minutes from December 11, 2010 were approved by those present at that meeting. January 2011 meeting cancelled.

It was noted that there have been no board meeting minutes posted on the website since September.

Action: Notify Curtis with minutes to be posted.

III. RATIFICATION OF ACTIONS

None

IV. FINANCIAL REPORT

The January Financial statement was reviewed. A little over half of the member annual dues for 2011 has been received. All expenses were within budget. There were no payables to be approved. Betty Sue is waiting on the tax liability amount due to pay out of the Money Market Minerals account.

V. OLD BUSINESS

a. Committee Reports

Infrastructure: Co-Chairs: Dean Cornella and Anelladee Spencer

To include: Roads, Security, Trash, Mail, and Fire Subcommittees.

Mailboxes:

Nothing new to report due to wintertime and inability to work on this.

Trash Area burned last fall:

Materials have been bought. It was noted that this should be completed by Spring so as to be able to deter the wildlife.

Roads:

This has been a mild winter so snow removal has been at a minimum. It was requested that Dean would ask about getting the washboard section of roads graded with the next wet snow.

Legal: Chair Kim Wolfe

To include: Compliance, Grazing Lease, BLM and other Easements, Covenant Enforcement

None

BLM Committee: Chair: Anelladee Spencer

A meeting has been scheduled with Vera at the BLM to discuss what action, if any, needs to be done by STBar within the next few months. Scheduled for Feb 18 at 4:00pm at the Canon City Field Office. Kitsi and Becky will also attend and an invitation will be extended to Rick Aversa also since he has been involved in the past.

Communication Chair: Julie Hawley

To include: Website and Newsletter Subcommittees

None

VI. NEW BUSINESS

STB Minerals

LLC Manager: Due to the untimely passing of LLC Manager Bill Wendt, the LLC managers requested that the POA board approve the re-appointment of Julie Hawley to complete the Wendt term as manager. Motion by Kitsi, Anelladee 2nd, Julie abstained, Motion passed.

Black Range Definitive Agreement: The signing of a Definitive Agreement between the LLC and Black Range Minerals (BRM) is imminent, and this agreement is likely to contain conditions that will require the involvement of, and/or consent of, the POA, especially issues related to road use and de-annexation of parcels that will be directly affected by mining. Kim asked that we present our concerns up front so that we create a working relationship with the LLC and BRM. Discussion of the POA concerns to present to Black Range included:

- 1- Access to ranch and the continued maintenance of roads to our current standards.

- 2- Any movement of the Gate Entrance that would also require our trash and mail locations moved would be at their expense.
- 3- Keep agricultural status and Grazing Lease.
- 4- Any established fencing needs to be maintained or replaced.
- 5- Any noise abatement issues need addressed.
- 6- The POA would want to hold an option open to reclaim or re-annex any properties bought by Black Range back into the POA.

LEC Subcommittee-Chair: *Kitsi Atkinson*

Kitsi would like to have a committee established “group in progress” for the purpose of reviewing the LEC documents by the Annual meeting in June. She will draft an email blast for the board to review directed toward the membership asking for any members willing to be on committee.

Secretary Position:

Lucy Thurston has asked to resign from the board due to medical issues for the foreseeable future. Becky Renck accepted position for the remainder of the term until the June Annual meeting.

VIII. ADJOURNMENT – 9:08am

K Wolfe moved to adjourn the meeting. B Renck seconded. The motion passed and the meeting was adjourned.

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

These minutes were prepared by Rebecca Renck, Secretary,
and were submitted to the Board of Directors for approval.

SOUTH T- BAR RANCH POA

Balance Sheet
January 31, 2011

ASSETS:

Legacy Bank /Checking		\$	27,251.35
Legacy Bank / Money Market - General Funds		\$	5,157.58
Legacy Bank / Money Market - Minerals	(see summary below)	\$	54,630.49
Aug 2010 LLC Note payment received	180,000.00		
less - Legacy Bank prin reduction	(50,000.00)		
less - Legacy Bank payments	(13,727.62)		
less - Dufford & Brown note payoff	(61,000.00)		
less - Tax payment	(1,000.00)		
Note Receivable / STB Minerals		\$	<u>585,000.00</u>
TOTAL ASSETS		\$	<u><u>672,039.42</u></u>

LIABILITIES

Notes Payable - Legacy Bank	\$	203,034.25
Notes Payable - Member Loans	\$	95,602.60
Est. Deferred Gain on Sale	\$	<u>143,635.30</u>
TOTAL LIABILITIES	\$	<u><u>442,272.15</u></u>

EQUITY

Capital Gain on Minerals Sales	\$	29,345.28
POA General Fund Balance	\$	8,063.93
POA General Fund 2011	\$	25,711.37
POA Additional Assessment Fund	\$	<u>166,646.69</u>
TOTAL EQUITY	\$	<u><u>229,767.27</u></u>
 TOTAL NET WORTH & EQUITY	 \$	 <u><u>672,039.42</u></u>

SOUTH T-BAR RANCH POA
INCOME STATEMENT

as of January 31, 2011

	Year To Date January 2011	Annual Budget 2011	Variance
Income			
<i>Annual Expense Assessment</i>	24,290.00	45,030.00	(20,740.00)
<i>Annual Road Use Fee</i>	3,455.00	7,110.00	(3,655.00)
<i>Grazing Lease</i>	0.00	3,600.00	(3,600.00)
<i>Interest</i>	2.84	200.00	(197.16)
<i>Late fee</i>	0.00	100.00	(100.00)
<i>Other Income</i>	0.00		
<i>Ownership Change Assessment</i>	0.00	100.00	(100.00)
<i>Gate Remotes</i>	0.00	45.00	(45.00)
<i>Newsletter Advertising</i>	0.00	200.00	(200.00)
<i>Misc Income</i>	0.00	100.00	(100.00)
Total Income	<u>27,747.84</u>	<u>56,485.00</u>	<u>(28,737.16)</u>
Expenses			
<i>Road Maintenance</i>			
<i>Road Contract</i>	1,000.00	9,000.00	8,000.00
<i>Other Road Maint.</i>	0.00	10,000.00	10,000.00
<i>Insurance</i>			
<i>General Liability</i>	0.00	2,400.00	2,400.00
<i>Officers Liability</i>	0.00	2,500.00	2,500.00
<i>Gate Electric/Maint</i>	25.47	275.00	249.53
<i>Trash Service</i>	1,011.00	6,500.00	5,489.00
<i>Newsletter & Communication</i>	0.00	275.00	275.00
<i>Post Office Box</i>	0.00	45.00	45.00
<i>Accounting Fees</i>	0.00	1,300.00	1,300.00
<i>Legal Fees</i>	0.00	5,000.00	5,000.00
<i>Corporate Taxes</i>	0.00	750.00	750.00
<i>Dues Collection Expenses</i>	0.00	200.00	200.00
<i>Annual Meeting Expense</i>	0.00	400.00	400.00
<i>Repairs & Maintenance</i>	0.00	200.00	200.00
<i>Board Meeting Expense</i>	0.00	0.00	-
<i>Misc Expense</i>	0.00	480.00	480.00
Total Expenses	<u>2,036.47</u>	<u>39,325.00</u>	<u>37,288.53</u>
 <i>Income (Loss) from Operations</i>	 <u>25,711.37</u>	 <u>\$ 17,160.00</u>	 <u>8,551.37</u>

SOUTH T-BAR RANCH POA

Summary of Minerals Income & Costs as of January 31, 2011

<i>Summary of Mining Income & Expenses</i>	Thru Dec 2010	Jan-11	Total 2007-2011
Income			
Income from LLC	235,000.00		235,000.00
Interest Income	445.64	26.84	472.48
Title Review Reimb	4,123.46		4,123.46
Special Assessments	16,707.25		16,707.25
Other	110.74		110.74
Total Income from mining activities	256,387.09	26.84	256,413.93
Legal Fees	\$ 467,670.95	-	\$ 467,670.95
Appraisal Cost	\$ 27,500.00	-	\$ 27,500.00
Other mining related costs	\$ 3,063.73		\$ 3,063.73
Interest & Loan Expense	68,688.65	2,463.98	\$ 71,152.63
Tax Estimate	1,000.00		\$ 1,000.00
Total Expenses related to mining activity	\$ 567,923.33	2,463.98	\$ 570,387.31
Add back estimated legal costs for POA	\$ 37,221.50	-	\$ 37,221.50
Net Mining Related Expenditures	\$ (274,314.74)	\$ (2,437.14)	\$ (276,751.88)