



TERLINGUA RANCH

POATRI BOARD OF DIRECTORS

NOVEMBER, 2008 NEWS BULLETIN

Important Information about the January, 2009 POATRI ballot

RESORT REOPENING DELAYED – NEW IDEA RE FUTURE OF LODGE PRESENTED

Not surprisingly, the results of the recent resort survey show that there are as many owners who wish to see the resort reopen as there are those who prefer that the resort be sold. Because there is not yet a conclusive result, the Board of Directors has decided to delay reopening the facility in order to further study available options.

One of the interesting “out of the box” ideas suggested during this survey is that POATRI lease the resort to a separate group of owners, with the covenants in place, and withdraw from the operation completely. This group would consist of Terlingua Ranch owners and POATRI members who would form a non-profit corporation to lease and operate the resort business.

The advantage of this concept is, of course, that the support burden of the resort operation could be removed from the TRMA assessment budget while keeping the resort available to those owners to whom the facility is important. Also, POATRI would retain possession of the physical asset of the property and infrastructure, and would avoid the expense of attempting to terminate the Covenants which restrict the disposition of the property.

Owners to whom this idea appeals should contact General Manager Alida Lorio to assist us in formulating a business plan to provide for this option. We would also be happy to hear from any owners who might be willing to purchase the resort and leave the Covenants in place. [Contact the GM at 432-371-3146, ext. 12; or opsmgr@terlinguaranch.com.]

BOARD OF DIRECTORS TO REQUEST ASSESSMENT INCREASE ON 2009 BALLOT

The Board of Directors, on the recommendation of the Budget & Finance Committee, will present to the membership an amendment to Section I of the Terlingua Ranch Maintenance Association. If approved, this amendment will increase annual assessments to \$248 for the 2009 assessment year. This ballot will be mailed to all members in good standing as of December 2, 2009. The results of the election will be announced at the January, 2009 quarterly meeting.

The 2009 budget proposed by the Board will fund continued improvements to road maintenance and repair as well as continued pursuit of delinquent assessment accounts and resolution of gating and easement issues. Additionally, the increase will provide for funds to undertake a few necessary improvements to the physical assets of POATRI’s real property.

The current assessment for 2009 authorized under the TRMA is \$155.32. Management has submitted a budget based on projected collections of this CPI-adjusted assessment. However, the Board feels this budget will too greatly restrict POATRI if we are to continue to provide the road maintenance service and other property owner services, particularly those of a legal nature.

With the resort operation issue not yet resolved there will continue to be costs associated with maintaining the property until such time as it can be reopened or sold. With the prospect of continued, unfortunate litigation where POATRI is the defendant, it is vital that we replenish and even increase the Contingency Fund created in 2007.

Many of the most important issues that face POATRI and its membership require both legal counsel and court costs. Without an assessment increase those costs will necessarily reduce other services that POATRI is able to provide, particularly long term repair to the road system.

The proposed increase of \$92.68 will provide the base budget needed for POATRI in 2009 until the issue of the resort operation can be fully resolved by owner consensus.

REPORTS FROM THE OCTOBER 25, 2008 QUARTERLY MEETING

MESSAGE FROM THE PRESIDENT – Liz Demetri, October 25, 2008

The October meeting was the first since the closing of the Lodge on September 1, 2008. In an attempt to obtain the owners opinions about the lodge, a survey was sent out last month. The results so far have been a tie between those who want the lodge reopened and those who do not. Whatever the final decision, it must be something the owners are willing to support.

I hope everyone read the bulletins explaining the Protective Covenants and the steps and expenses that would have to be taken to terminate them. In my opinion, disposing of the Lodge does not seem to be a viable option. It must also be remembered that the Lodge property is the primary asset of POATRI. These are all issues that are making the decision difficult.

The announcement was made at the Board meeting that POATRI would sign the lease with the GLO for the Christmas Mountains. I know there are people who feel this should not have been done, but in my opinion having POATRI take control of the lease is preferable to leaving it open to an outsider.

I would like to thank everyone who has taken the time to respond to the survey or to send us emails or letters. Everyone's input is being given consideration. I know we all want what we feel is best for Terlingua Ranch. Help us to reach the best solution.

MESSAGE FROM THE TREASURER – Don Backer

The financial realities over the past three years have proven without question that the Ranch cannot be operated on the basic assessment with a CPI increase if we are to properly maintain roads and manage property owner services. In each of the past two years we have been forced to assess a painful special assessment; and with the lack of needed funding this year we had no choice but to close the lodge and severely limit other operations.

This four month restricted budget has already caused an unacceptable decline in the road improvements that had been accomplished. If we do not approve the necessary increase on the upcoming ballot the road maintenance operations will continue to be reduced. Additionally, very important administrative functions will not be funded.

Great progress has been made in communications, gating issues, and delinquent collections. These are important functions that we cannot afford to curtail. You will be seeing the budget figures and you will understand that it is unreasonable and not realistic to expect the services you need on an assessment of \$155.32. The budget and assessment on the upcoming ballot will continue the improvements to the Ranch and give you the services that protect the value of your Terlingua Ranch investment.

Revenue – Cash Collections & Expenditures – January 1 thru September 30, 2008

- Assessment Collections: \$ 632,293 All sources, excluding resort income
- Road & Collections Expenses \$(451,924) Includes debt service
- Net Resort Loss for period \$ (74,108)
- Total Net Revenues for period \$106,263

Reminder: Full financial reports are available on www.poatri.org or contact the Ranch office.

2009 DIRECTORS ELECTION:

The Board received only three qualified applications for the three upcoming vacancies in January, 2009. Owners Tanya Phillips, Allan Kimball and Merrill Jordan have presented themselves as candidates to fill the upcoming vacancies. Their resumes & applications will be on www.poatri.org by December 1st and will be mailed to owners shortly thereafter.

Please refer to the election reminders in News Bulletin #2, dated September 8, 2008, and posted on www.poatri.org under the Newsletter link, for further information regarding this election.

SYNOPSIS OF RESOLUTIONS FROM OCTOBER 25, 2008 QUARTERLY MEETING

The following resolutions were presented and voted upon or tabled:

- That there shall be put to a vote of the membership a proposed amendment to Section 1 of the Terlingua Ranch Maintenance Association Agreement to increase the annual assessment from \$142.00, as was originally effective November 1, 2005, to an amount to be determined and approved by the Board, which shall be determined after the Budget & Finance Committee concludes its analysis and submits its report. Motion by Backer, second by Miller, passed with 7 ayes, 0 nays, 2 absent
- That the definition of Terlingua Ranch in the POATRI Bylaws be amended to more accurately reflect the definition in the original POATRI Articles of Incorporation (see revised Bylaws on www.poatri.org). Motion by Miller, second by Backer, passed with 7 ayes, 0 nays, 2 absent.
- That a definition of Terlingua Ranch and clarification of the affects of the Terlingua Ranch Maintenance Association regarding property and exemption from assessments be included in the Association Assessment Procedure section of the policies & Procedures Manual (see revised Policies & Procedures Manual on www.poatri.org). Motion by Miller, second by Wysocki, passed with 7 ayes, 0 nays, 2 absent.
- That the POATRI General Manager is authorized to execute the draft lease with the General Land Office of Texas for the property designated as the Christmas Mountains with an effective date of November 1, 2008. Motion by Miller, second by Wysocki, passed with 6 ayes, 1 nay, 2 absent.
- That the Board Policies & Procedures Manual, Availability of Records section be revised so that number 11 reads: "Members in good Standing may obtain a copy of the POATRI Members list in an edit protected, fixed content format, or in hard copy, upon the submission of a written request to the General Manager. The General Manager is authorized to charge a reasonable fee for providing the Member's list." Motion by Wysocki, second by Ramey, passed with 7 ayes, 0 nays, 2 absent.
- That the Article 4.03 of the POATRI Bylaws, Qualifications and Liability of Directors, be amended as per attached (see revised Bylaws on www.poatri.org). Motion by Wysocki, second by Oxsheer, passed with 7 ayes, 0 nays, 2 absent.
- That the attached proposed amended POATRI Article 3.04, Membership Voting Rights, be submitted to the Membership on the January, 2009, ballot. Motion made to table this resolution made by Demetri, second by Oxsheer, passed to table with 7 ayes, 0 nays, 2 absent.
- That the attached revised POATRI Road Policies replace all of the current Road policies as published in the Board Policies & Procedures Manual (see revised Policies & Procedures Manual on www.poatri.org). Motion made by Oxsheer, second by Backer, passed with 7 ayes, 0 nays, 2 absent.
- That Article 4.04 of the POATRI Bylaws, Annoucement for Candidacy of Directors, be amended as per attached (see revised Bylaws on www.poatri.org). Motion made by Ramey, second by Oxsheer, passed with 7 ayes, 0 nays, 2 absent

2008 HUNT SEASON ANNOUCEMENT – Jim Miller, Hunt Chair

We, the Board of Directors, reviewed a request to open the meat locker and bath house during General Season for 2008 and determined that the locker, bath house, and skinning rack must remain closed during the hunting season to stay on a level playing field with all property owners due to the closure of the resort facility. We appreciate the flexibility and understanding of our hunting property owners who have expressed their willingness to adapt to what we envision as a temporary inconvenience. We will be registering hunters at the POATRI office this year as an aid to safety, law enforcement, and search & rescue.



Terlingua Ranch News Bulletin
POATRI Board of Directors
P. O. Box 638
Terlingua, TX 79852

Address Correction Requested

IMPORTANT NEWS FROM THE TERLINGUA RANCH BOARD OF DIRECTORS

IMPORTANT JANUARY, 2009 ELECTION REMINDER



GOOD STANDING STATUS FOR THE PURPOSE OF THE 2009 ELECTION WILL BE AFFECTED BY THE NON-PAYMENT OF ALL ASSESSMENTS, INTEREST AND SPECIAL ASSESSMENTS CHARGED BY POATRI.

THE BOARD RESOLUTION GRANTING AN EXCEPTION FOR NON-PAYMENT OF THE 2005 SIA AND THE 2007 NRC EXPIRES NOVEMBER 30, 2008. NON-PAYMENT OF THESE CHARGES WILL CAUSE ACCOUNTS TO BE MEMBERS NOT IN GOOD STANDING FOR THE PURPOSE OF THE 2009 ELECTION.

THE VOTERS LIST FOR THE JANUARY, 2009 ELECTION WILL BE RUN DECEMBER 2, 2008. PAYMENT OF ALL CHARGES MUST BE RECEIVED IN THE POATRI OFFICE NO LATER THAN 5:00 P.M., DECEMBER 1, 2008, TO PRESERVE GOOD STANDING STATUS.

IF YOU ARE UNSURE ABOUT YOUR ACCOUNT STATUS, PLEASE CONTACT THE POATRI OFFICE AT 432-371-3146, TUESDAYS-SATURDAYS, 9 AM TO 5 PM.

IT IS IMPORTANT THAT MEMBERS PARTICIPATE IN THE UPCOMING ELECTION TO DETERMINE FUTURE TRMA ASSESSMENTS AND BUDGETS AND TO FILL VACANCIES ON THE BOARD OF DIRECTORS.