



SECRETARY'S REPORT
Board of Directors' Meeting – October 26, 2019
Marilynn Anthenat, Secretary

The Saturday, October 26, 2019 meeting of the Board of Directors was convened at 10:00 am.

In attendance were Marilynn Anthenat, Rick Bradbury, Russell Bundy, Phillip Green, Kathy Pothier, Carolyn Small, and Bill Vogl. Chris King was absent.

Public service announcements included a presentation by Destiny Locke with Borderlands Research Institute. Destiny gave a brief description of their mission including conserving and protecting the Big Bend region resources and encouraging responsible energy development. She mentioned a free workshop on surface use agreements would be held November 14, 2019 at Sul Ross from 10:30 am to 2:00 pm.

A roll call was taken and all approved the July 2019 minutes.

The Presidents' Report, Treasurer's Report, Manager's Report, 3-Mile Task Force Report, TCEQ Report and three resolutions are attached to and included in these minutes.

The Budget and Finance Committee reported they were continuing work on a five-year strategic plan and the 2020 budget. Ed Marcato gave a presentation on the five-year strategic plan process. Discussion followed that the 2020 budget would be reviewed again in January 2020 after the final 2019 financial reports were received.

There was no activity by the Audit Committee.

Communications Committee recommended POATRI set up a new business email list, a new Facebook app to be put on the web page, and that SharePoint be implemented to share and track documents. Rick also reminded us there are currently two domains (poatri.org and terlinguaranch.com). The recommendations will be added to the workshop at the January 2020 meeting.

3-Mile Task Force reported approval had been obtained from POATRI's legal counsel to revise any unsigned easement forms to clarify the County's access is limited to the easement property and that the revised form would be sent to remaining owners who have not yet signed.

Kathy announced since there was only one qualified person running for the upcoming election that no drawing for ballot position was necessary.

Anita reminded everyone that the 50th anniversary celebration of the ranch will be over the July 4th weekend next year. She stated room reservations were being offered to property owners at a reduced rate over that weekend. Anita said she was coordinating events with Pam Gordon at Jackass Flats and that Missy Walker was doing interviews with local residents.

POATRI Property Owners' Association of Terlingua Ranch, Inc.
PO Box 638, Terlingua, TX 79852
(432) 371-3146



Phone:
(432) 371-314

Resolutions: Three resolutions were discussed and approved and copies are attached:

1. A motion was made by R. Bundy and seconded by K. Pothier to adopt a resolution regarding a CPI increase of 1.334% for a new assessment of \$180.47 effective 11/26/19.
M Anthenat – Yes
R Bradbury – Yes
R Bundy – Yes
P Green – Yes
C King – Absent
K Pothier – Yes
C Small – Yes
B Vogl – Yes
2. A motion was made by R Bundy and seconded by C Small to adopt a resolution clarifying when the one-year ownership requirement for Director candidacy is met to be by the application due date each year. Effective date of resolution is 10-26-19.
M Anthenat – Yes
R Bradbury - Yes
R Bundy – Yes
P Green – Yes
C King – Absent
K Pothier – Yes
C Small – Yes
B Vogl – Yes
3. A motion was made by P Green and seconded by R Bundy to adopt a resolution clarifying how Director seats will be filled in the event there are more than three seats open. Effective date of resolution is 10-26-19.
M Anthenat – Yes
R Bradbury – Yes
R Bundy – Yes
P Green – Yes
C King – Absent
K Pothier – Yes
C Small – Yes
B Vogl – Yes

Meeting adjourned at 11:09 am.



President's Report
October 26, 2019

This is a very exciting time in the life of POATRI. We are entering our busy season for lodge operations and looking forward to continuing on the path of the lodge operations contributing to the overall health of the association. We are also looking forward to our 50th anniversary celebration next summer. Initial Ideas are starting to take shape so mark your calendars for the July 4th weekend, 2020.

We have initiated the beginnings of our Strategic Plan for POATRI. Ed Marcato is leading us through understanding and developing this necessary plan. We thank Ed for sharing his guidance, experience and expertise through this process. More details will follow in the coming quarter as we solidify the plan.

Our annual director election is coming up. And I'd like to remind owners to check to ensure their voting eligibility in the upcoming election. You can check with the office to be sure of the following:

- Is your correct address on file at the office?
- If you are a new property owner, have you notified property owner services?
- Are you current on all assessments?
- When you receive your ballot, be sure to complete the ballot and mail it back to the address listed by the deadline.
 - Ballots can only be received at the address printed on the ballot. Receipt at any other address will invalidate your ballot.
 - If you have not received an official ballot from POATRI by the end of December, call or contact the ranch office.

Important Dates for Upcoming Director Election:

Nov 26, 2019	Property Owner Deadline to be a Member in Good Standing to vote in this election.
Nov 26, 2019	Voter List and Ballots Created and Posted on POATRI.org
Dec 2, 2019	Send Ballot to Printer
Dec 6, 2019	Deadline for Voter List Corrections By Property Owners
Dec 9, 2019	Deadline for Ballots to be mailed out
Jan 10, 2020	Cut off for remaining ballots
Jan 25, 2020	Election Results
Jan 28, 2020	Fixed Content Copy of voters list posted on poatri.org
Jan 31, 2020	Cut off for Recount
Feb 1, 2020	Election Results published from office
Jan 25, 2020	New Directors Announced

Respectfully submitted,

Kathy Pothier
President

Q3 2019

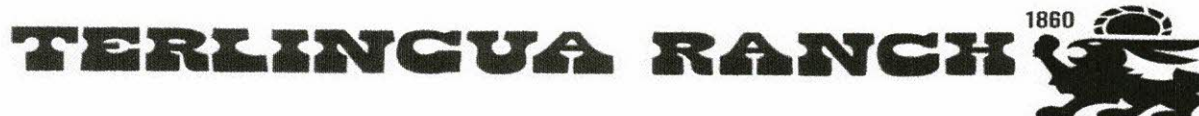
Treasurer's Report – Presented by Manager Anita Goss

Review of financial performance as of Q3, 2019

As of Sept. 30, POATRI's Total Income, or revenue, rose by \$30,472 over 2018, increasing from \$1,133,347 to \$1,163,819. POATRI's Net Income is \$136,689, which is higher than budget by \$28,089, but lower than 2018 actual by \$85,564. The following is a summary of the important items that affect this financial performance.

- Cabin Room Rental Income increased by \$16,872, or 4.2%, from \$399,312 in 2018 to \$416,184, continuing the positive trend for room rentals. However, the Net Income from Cabin Rentals was down by \$8,000 from 2018 due to Cabin Discounts.
- Café Income increased from 2018 by \$33,855, growing 21%, from \$161,382 in 2018 to \$195,237, while Cost of Goods Sold increased by only \$1,391.
- Overall Supplemental Revenue increased by \$33,239, from \$589,567 to \$622,806, while Supplemental produced a Net Income of \$130,814.
- Assessment Revenue for 2019 is lower than 2018 by \$5,897, decreasing from \$538,910 to \$533,013.
- The reduction in 2019 Total Net Income from 2018 of \$85,564 is due to two expense categories, payroll, which is \$39,500 higher than budget, and, Insurance, which is \$66,993 higher than budget.
- Capital Expenditures through Q3 are \$136,440, with the largest item being the \$90,289 overhaul of the 140H.

With a Net Income of \$136,689, and Capital Expenditures of \$136,440, there is no impact on cash flow as of Q3. However, higher Lodge operation revenue for Q4 is expected to result in a 2019-year end POATRI Net Income of \$125,630, which is referenced in the 2020 budget worksheet.



We have been in full swing here at the Lodge. October has been extremely busy on the supplemental side. We have had several weddings this year and a few groups in house. Our staff has been amazing, and we continue to get great reviews on Trip Advisor, Facebook, and Booking.com. A big thank you to our whole staff!

Halloween~ Costume Karaoke hosted by Hat Baily will be from 6:30pm to 9:00pm Thursday, Halloween Night! Trophy for first place. We need some judges, so let me know if you're interested in being a judge!

Thanksgiving is coming up and the Bad Rabbit Café will be serving Thanksgiving Dinner again this year from 11am to 6pm. The Café will be closed for breakfast that day. Guests may enjoy complimentary coffee and continental breakfast in the office.

Hunting Season is also in swing here in South Brewster County. We have already had a few trophies in the deer locker this year from bow hunting property owners. While regular season on Mule deer doesn't start for another 30 days or so, please remember, that your deer must be tagged and intact. Deer Locker usage is \$25.00 per day. We are looking for volunteers to help Dean and staff at the lodge to keep track of deer locker and to help property owners with their catch.

For Christmas this year we will be open at the Café from 11am to 6pm this year, with a plate special and regular menu. New Years Eve' we will be rockin' with the Scott Walker Band at the Bunkhouse from 9pm to Midnight. It's going to be great, join us! The Café will be open New Year's Eve until 7pm.

On another note, the road crew has also been busy with road requests and helping with the fiber optic cables that BBT has been laying. So far, the affected areas have been Gate2, Lake Ament Road, and Church Road. They are working towards the Ranch Lodge.

We are still looking for front desk help 4 days a week, otherwise we have been able to fully staff all areas for the season.

POATRI is above projected net revenue by \$28,000+ in Q3. We were also able to purchase several capital items with our operating revenue, including a road crew truck, the overhaul on the 140H that we did in Jan of 2019, and a maintenance/ road crew back up truck. Looking forward, we expect to have a strong finish in the 4th quarter of this year.

Member account statistics are as follows.... Total 5054 Member Accounts, 626 Exempt Members and 4428 Members in Good Standing with 2351 of those being paying members, and 2077 Members Not in Good Standing.

Reminder, 2020 Billing for POATRI will go out December 1st, 2019. Assessments are due no later than March 31st, 2020. Please make sure to include your name address and account number with your payment.

Also be on the look out for the 2020 POATRI BoD Ballot so you can vote! Ballots mail out Dec 14th and are due in the Alpine Post Office Box 1046, Alpine Tx 79830 no later than Jan 24th at 5pm. You must be in good standing to vote, so make sure you have paid your 2019 assessment dues. You can call Calvin Glover at 432-371-3146 to make a payment.

Sincerely,
Anita Goss
Ranch manager

3 Mile Task Force
Report to POATRI Board
For Board Meeting October 25-26, 2019

After January Board meeting, Task Force prepared and sent letters to all tract owners, enclosing petitions and form easements for them to sign and return to Ranch Office.

- 22 easements and petitions have been sent out (26 tracts total but some owners have multiple tracts).
- As of this Board meeting, 7 easements and petitions have been signed and returned to the Ranch Office, and have been recorded in the Brewster County real property records.
- 9 owners - Task Force has received no response, or has been unable to contact (due to bad mailing addresses, no or bad email addresses, no phone numbers, or owner is deceased). We received contact information for 4 of those individuals and we are resuming efforts to contact them. For owners with delinquent property taxes or POATRI road maintenance fees, we will look into possibilities for those tracts.
- 4 owners so far have declined to sign for various reasons (people drive too fast already so don't want road paved; paving road will destroy charm of Terlingua Ranch; language of easement is too broad and allows County access to all of their property, not just the existing roadway defined as easement property in the document). We obtained approval from the POATRI Board attorney and from the County's civil attorney to revise the easement form to clarify that the County's access is limited to the easement property and this form will be sent to the remaining owners who have not yet signed.
- 2 owners we're waiting to hear from: in the process of transferring ownership; had additional questions but indicated would sign.

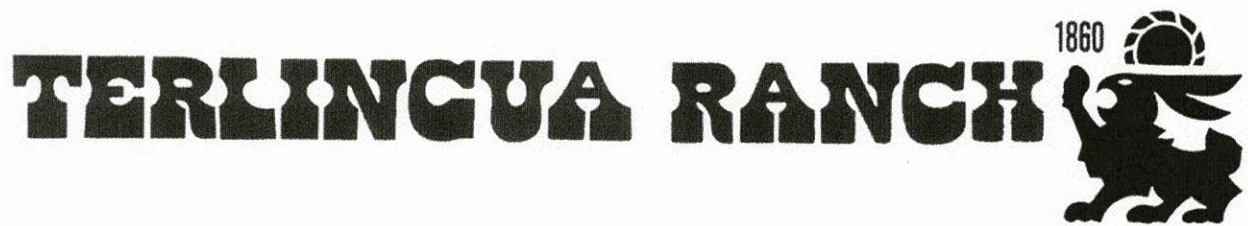
The biggest obstacle we face (assuming the 4 hold-out owners will change their minds) is being able to contact the 9 owners we have not been able to reach.

Task Force recommendation:

The Task Force would like more time to continue to try to contact owners.

Nancy Reyes, Task Force Chair
Dale Weiss

Russell Bundy, Board Liaison



TCEQ Report for Property Owners Association 3q 2019

On Sept 16th we received a signed copy from TCEQ for the agreement that was approved by the board back in January of 2019. This has been an ongoing submission process to bring the smith well and the water system up to date. As of now we have no other actions to be taken. Everything has been submitted to TCEQ. We are awaiting TCEQ As built department to give us our next steps.



RESOLUTION BY THE BOARD OF DIRECTORS

Discussion: WHEREAS, POATRI's Bylaws do not clearly specify the start date for the one-year time frame for continuously owning property to be eligible to run for a Director seat on the Board of Directors;

Therefore; to clearly state the one-year time frame a director candidate must continuously own property to meet this required qualification;

BE IT HEREBY RESOLVED: to amend the Bylaws Article 4.04a Qualifications and Liability of Directors to read as follows:

4.04a Any Member in Good Standing who has continuously owned property on Terlingua Ranch for a period of at least one (1) year by the director application due date and who otherwise meets the qualifications to serve as a Director is eligible to seek election to a seat on the Board of Directors.

This resolution ☒ amends ☐ replaces ☐ revokes ☐ adds
☐ Article 4.04a ☐ Section _____ of the
☒ By-laws ☐ Policy and Procedures Manual ☐ __2016 Employee
Handbook _____
☐ Article _____ ☐ Section _____

Effective Date: _____

Motion By: _____

Second: _____

Ayes: _____ Nays: _____ Abstain: _____ Absent: _____

Record of Voting:

____ M. Anthenat
____ R. Bradbury
____ R. Bundy
____ P. Green
____ C. King
____ K. Pothier
____ C. Small
____ B. Vogl



RESOLUTION BY THE BOARD OF DIRECTORS

Discussion: WHEREAS, it is unclear in the Policies and Procedures manual how Board of Director seats will be filled in the event there are more than three open seats;

Therefore;

BE IT HEREBY RESOLVED: to amend the last paragraph of Section I, Item 6 of the Policies & Procedures Manual to read

"In the event there are more than three (3) vacancies for Directors on the ballot and there is a member election to fill the vacated seat(s), the vacated seat(s) will be filled by the candidate with the with the next highest number of votes AFTER the regular three (3) directors are elected. Vacancies will be filled by the longest remaining term first. At no time will more than 3 directors be seated for a 3 year term."

This resolution ☒ amends ☐ replaces ☐ revokes ☐ adds
☐ Article _____ ☒ Section 1 Item 6 of the
☐ By-laws ☒ Policy and Procedures Manual ☐ Article _____ ☐ Section _____

Effective Date: _____

Motion By: _____

Second: _____

Ayes: _____ Nays: _____ Abstain: _____ Absent: _____

Record of Voting:

_____ M. Anthenat
_____ R. Bradbury
_____ R. Bundy
_____ P. Green
_____ C. King
_____ K. Pothier
_____ C. Small
_____ B. Vogl



RESOLUTION BY THE BOARD OF DIRECTORS

DISCUSSION: As Required by the POATRI By-Laws, Article 4.01.f, the Treasurer has reviewed the average of the monthly United States Department of Labor, Bureau of Statistics, All Urban Consumers (South Urban) Consumer Price Index (CPI) on which the CPI in Section I of the Maintenance Agreement (approved July 23, 2005) is based.

WHEREAS: Based on the reference of CPI-All Urban Consumers Sept 2018 and Sept 2019, as of the US Bureau of Labor Statistics, extracted on October 16, 2019 the calculation of Annual Average Consumer Price Index (CPI) yields a ratio increase of 1.334% since September 2018.

BE IT HEREBY RESOLVED: to approve and adopt the average CPI increase of 1.334% which equates to an increase of \$2.38, for a new assessment of \$180.47 for calendar year 2020.

Effective Date: _____

Motion By: _____

Second: _____

Ayes: ____ Nays: ____ Abstain: ____ Absent: ____

Record of Voting:

____ M. Anthenat
____ R. Bradbury
____ R. Bundy
____ P. Green
____ C. King
____ K. Pothier
____ C. Small
____ B. Vogl