



P.O.A.T.R.I.

BOARD OF DIRECTORS' QUARTERLY MEETING AGENDA

Saturday, July 25, 2020

The Board of Directors July 25, 2020 Quarterly Meeting was called to order by President Russell Bundy at 10:10 AM due to technical issues.

The meeting was held on site in the meeting room at Terlingua Ranch lodge pursuant to the current order by Governor Greg Abbott restricting gatherings of more than 10 persons. Property owners were invited to attend via Zoom Webinar Conferencing.

Roll Call and Certification of Board Members by Secretary, Kathy Pothier (P = Present; A= Absent)

R Bradbury A ; R Bundy P ; P Green A ; C King P ; K Pothier P ;
C Small P ; B Vogl P

Acceptance of Minutes as Presented by Secretary Kathy Pothier – The minutes from the April 2020 quarterly meeting were emailed to all directors and posted on poatri.org. Kathy Pothier moved that the minutes be accepted as presented. The motion was seconded by Bill Vogl. The minutes were accepted unanimously.

The board has met via Zoom conferencing every other Tuesday since the April board meeting to review the financial picture of the ranch, review the cash flow and projected lodge operation revenue as well as monitor the PPP loan received on April 23rd.

At the June 2nd executive session meeting, the board voted 5 to 1 with one absent to part ways with the manager. Bill V, Carolyn S, Kathy P, Chris K, Rick B and Russell B were present. Phillip G was absent.

At the July 16th meeting the board voted 4 to 0 with 3 absent to apply for the SBA EIDL small business loan. Rick B, Russell B, Kathy P and Carolyn S were present. Chris K, Phillip G and Bill V were absent.

An executive session was held on Friday, July 24th. Russell B, Chris K, Kathy P, and Carolyn S were present. Phillip G and Rick B were absent. No votes or resolutions were passed.

The President's report by Russell Bundy is attached at the end of these minutes.

Treasurer's Report was presented by Ed Marcato and is attached at the end of these minutes.

Manager's Report by Interim Manager Denese Jones is attached at the end of these minutes.



Committee/Task Force Reports

Budget and Finance Committee – Rick Bradbury - Chair. Members Bill Vogl, Ed Marcato, and Russell Bundy. There were no questions from the directors or comments from property owners.

NEW BUSINESS:

Property Owner Communication – Each speaker Limited to 3 minutes. There were questions from the property owners as follows:

Roger Foltz – The bylaws state that an annual meeting must be held. The Bylaws should be amended to include quarterly meetings. Our Bylaws state that an Annual Meeting must be held. It also states that we have quarterly meetings. The Bylaws reference the months the board must meet but does not reference that they are quarterly meetings. The members may meet at the January meeting. For the past several years there has been no interest on the part of the members to have a members meeting so it has not been held. The January meeting is considered our Annual Meeting, but the Bylaws do not specifically state the Annual Meeting is held the last Saturday in January. The distinction is that the Board of Directors have quarterly meetings and the Members have an Annual Members Meeting the last Saturday in January each year. This is something we will investigate.

Roger Foltz – do we have a “rainy day fund”? Not like the State but we do have funds set aside in case of emergencies. We call these funds a contingency fund and a capital improvement fund. For example, we could have used the contingency fund for this COVID-19 pandemic, but we have not.

Mary Boggess – What are the hours for selling water. The hours are posted on POATRI.org They are 9 AM to 3 PM 7 days a week. The reasoning is due to the hours that maintenance is available. There was a maintenance issue and the entire 10,000-gallon tank was drained. It is helpful to have maintenance available in the event there are maintenance issues in order to have water available.

Mary Boggess – Is there anything that can be done to Cedar Springs Road, the first 2 or 3 miles. There’s rocks and humps and bad dips. Please call the office and put in a road request. The road crew will go out and check it.

Jennifer Woolvin - Need to address the chlorine loop issue and water quality. These issues are being addressed by the water task force.

Dan Patchin – thanks for the Zoom option.



Other New Business

5-year Strategic Plan vs Operation Plan discussion – we had started the 5-year strategic plan and tabled it to include the manager. We agreed that we will continue this plan and include the manager when he/she comes on board. We had included water issues and IT upgrades. This starts in 2021 to 2026. Did we talk about changing this from Strategic Plan to Operational Plan? No, we have not but we will talk about it to make sure the operational issues are addressed. One director thinks we need to jump back on the strategic plan whether or not we have a manager. There are daily decisions that need to be made and without a Strategic Plan for guidance, it makes it difficult to make those decisions. The reasoning for waiting until we have a manager is that the premise is that everyone understands the business and can buy in to the process and the plan. The Board can establish fundamental principles of operation which then become the guidelines for the business. We are challenged with the decisions we must make now without knowing the higher-level priorities. The Strategic Plan is a living document that gets tweaked as the board and manager changes but is the guideline for where the business is going. Ed Marcato agreed to restart us on the Strategic Plan. Much of this can be done via email over the next quarter and possibly use the October quarterly workshop to finalize the process. Russell will call Ed to work out how to begin working on the strategic plan as there are many things going on with the board currently, by-weekly budget meetings, searching for a manager, COVID-19, etc.

3 Mile Road Task Force by Nancy Reyes. Progress has been slow, but we have gained momentum over the last few months. We have located 22 owners, 7 easements have been recorded, 2 have changed ownership and the new owners are signing. 5 owners have been contacted and we are working with them for signatures. So far, we have not been able to contact 4 owners. There are 4 owners who have declined to sign the documents. We would like to continue working on this project. Task force is asking for approval to send documents by priority mail and enclose an extra set of documents and a self-addressed stamped envelope and to reimburse owners for notarizing the documents. Kathy Pothier made a motion to reimburse notary fees, upon submission of a receipt, not to exceed \$30.00 as it relates to the 3 Mile Road Project. Chris King second. All those in favor 5 yes, 2 absent, 0 abstentions.

Resolutions and Voting - Two resolutions - Employee Manual and Election Procedures and are attached at the end of these minutes.

Special thanks to Ed, Denese and staff.

Kathy Pothier moved to adjourn, seconded by Carolyn Small, unanimous approval. The meeting adjourned at 11:25 AM.



PRESIDENT'S REPORT

We are seeking candidates for Board of Directors: We are looking forward to the next Board of Director election and are actively seeking qualified candidates to run for the available seats which will be open in January 2021. To be eligible, a property owner must

- (1) have continuously owned property on Terlingua Ranch for at least one year;
- (2) be a member in good standing;
- (3) not be a POATRI employee; and
- (4) not be related to another Director or to a POATRI employee.

Directors have a responsibility to always act with the best interests of POATRI in mind and a legal duty to not take any action that places the interests of others above the interest of POATRI. Directors are required to attend at least three of the four quarterly meetings each year. Up to five nights complimentary lodging, subject to availability, is offered to Directors during the quarterly meetings. If you are interested in participating, but do not want to serve as a Director, there are openings on the various committees. Applications for Director will be available beginning September 1st and a link to the application will be available on the poatri.org website. In addition, applications will also be available at the office.

Applications are due at the ranch office no later than 5:00 pm on Friday, October 31, 2020. If you are interested in becoming a candidate and would like more information about the duties and responsibilities of being a Director, please call any of the current Directors whose names are listed on the poatri.org website. Information is also available on the poatri.org website under the Library tab.

Voting: Property owners may want to check to ensure their voting eligibility in the upcoming election:

- 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:

Sept 1, 2020	Director Application available online and in office
Oct 30, 2020	Deadline for Director Application at 5pm
Oct 31, 2020	Drawings for Ballot Positions



Dec 1, 2020	Property Owner Deadline to be a Member in Good Standing to vote in this election.
Dec 1, 2020	Voter List and Ballots Created and Posted on POATRI.org
Dec 2, 2020	Deadline for Voter List Corrections by Property Owners
Dec 7, 2020	Send Ballot to Printer
Dec 11, 2020	Deadline for Ballots to be mailed out
Jan 15, 2021	Cut off for remaining ballots
Jan 30, 2021	Election results & new directors seated
Feb 1, 2020	Election Results published on poatri.org
Feb 3, 2021	Cut off for Recount



POATRI Board Meeting
July 25, 2020
Treasurer's Report

The coronavirus pandemic continues to impact operations and revenue in the second quarter; however, we were able to open the Lodge operation in June. Here is an overview of our financial performance year to date (all numbers are rounded to the nearest \$1,000):

- POATRI's Net Income for all operations was \$76,000. For comparison, our Net Income in 2019 was \$180,000, so, the impact of the pandemic is reduction in Net Income of \$104,000.
- Assessment collections are down from last year by \$44,000, down from \$483,000 in 2019 to \$439,000 in 2020. It is likely that this is the result of the pandemic, as the assessment collections in April, May and June were all significantly less than last year.
- We were able to reopen the Lodge operation in June, which enabled us to make a profit of \$16,000 year to date, however this is down from Net Income of \$109,000 last year.
- Expenses are running just about on budget, and, we have made no significant capital expenditures.
- At the end of June our Cash Balance for Operations was \$331,000, and, we have not touched our Contingency or Capital Reserve Funds.
- We have not laid off any of our staff, but several staff have decided to leave on their own. With the Lodge operations open we are hiring to replace needed staff for the Restaurant and Lodge operations.
- The Board and Operations continue to meet every two weeks to monitor the recovery of the Lodge operation, our financial condition, and, our Cash Flow projections for the rest of this year. Further decisions regarding operations, use of Contingency funds, or other sources of cash for operations will be made in the September and October timeframe.

If you have questions, we will address them during the Budget & Finance Committee discussion.

Financials will be posted on the web site early next week.

Respectfully submitted

Rick Bradbury



MANAGER'S REPORT
Q2 July 25, 2020

We are weathering the effects of the coronavirus pandemic to Lodge operations and Assessment revenue. The Lodge and Bad Rabbit Café have been at ~50% capacity since June 1st. There have been challenges determining the best course of action and compliance with the changing requirements by Governor Abbot and Judge Cano, but we have met them.

Several staff left due to COVID-19 and some new ones have joined us. We thank Evan, Maeve, Brittany, Gary, Julie, and Missy for their hard work and hope they will rejoin us in the future.

Shane Wade and Matt Tullar have joined the Bad Rabbit crew. Chef Mike continues to delight with his menu.

Jerry Schaffer has joined us managing Maintenance and we are benefitting from his wealth of experience and knowledge. He and the maintenance crew have done a great job on projects large and small. There is a new ramp into the laundry and a resurfaced floor there as well. The water tanks have been drained, cleaned, and disinfected. And as always, ongoing repairs in the cabins.

The pool is proving popular as always and we ask that everyone observe and maintain their distance from other people/groups.

The Bad Rabbit needs servers. Also, we need housekeepers. If you know of anyone interested, please send them our way.

Thank you,

Denese Jones
Interim Manager



RESOLUTION BY THE BOARD OF DIRECTORS

Discussion: WHEREAS,

Section 1 Board Policies & Procedures, Item 5 Election Process, Other Ballot Information reads

Ballots MAY NOT be hand delivered or emailed or faxed to the Ranch office. The official ballot posting is the address printed on the ballot. A ballot is not considered to be cast unless it is received at the address printed on the ballot. (*revised January 2014*)

And **WHEREAS** there is an inconsistency with **Final Election Day process** which reads

On the final day of the election, the IVC (independent vote counter) will bring all election materials delivered to her/him to the ranch office, and arrive at the appropriate time for the following duties to be exercised:

1. Prior to the beginning of the annual BOD meeting, the IVC will collect any ballots provided by property owners in person and enter the ballot information following the same procedures as previously described
2. The Secretary for POATRI, or board designee, will be available on the date and time to witness the finalization of the election by the IVC and to receive the official results.
3. When all valid ballots have been entered, and under the supervision of the secretary of the Board of Directors, or board designee, the IVC will tabulate the ballots using the automated program provided in the database package and the results of the election will be turned over to the Secretary or board designee.

Therefore;

BE IT HEREBY RESOLVED: To remove numbers 1, 2 and 3 of the Final Election Day process and renumber beginning with the current #4, which would become #1, to read

On the final day of the election, being the last Friday prior to the last Saturday in January, the IVC will bring all election materials delivered to him/her to the ranch office and arrive at the appropriate time to turn over the final election results to the POATRI Secretary or board designee.

1. The POATRI Secretary or Board designee will deliver the final election results to the seated Board for a resolution ratifying the election. The ratification of the election will be automatic once the seventy-two (72) hour deadline for a recount has passed.

#2 would become the former #5 and so on.



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

Article _____ Section 5

Effective Date: July 25, 2020

Motion By: Chris King
Second: Carolyn Small

Ayes: 5 Nays: 0 Abstain: 0 Absent: 2

Record of Voting:

R Bundy - Y; Rick B - A; Phillip G - A; C King- Y; K Pothier - Y; C Small - Y; B Vogl - Y



RESOLUTION BY THE BOARD OF DIRECTORS

Discussion: WHEREAS,

The 2016 employee handbook was outdated and not reviewed by POATRI's labor attorney,

Therefore;

BE IT HEREBY RESOLVED: to approve in its entirety, the July 24, 2020 employee handbook as reviewed by the board and our labor attorney.

This resolution amends replaces revokes adds

Article _____ Section _____ of the

By-laws Policy and Procedures Manual __2016 Employee Handbook_____

Article_____ Section_____

Effective Date: August 2, 2020

Motion By: Kathy Pothier

Second: Bill Vogl

Motion By: Chris King

Second: Carolyn Small

Ayes: 5 Nays: 0 Abstain: 0 Absent: 2

Record of Voting:

R Bundy - Y; Rick B - A; Phillip G - A; C King- Y; K Pothier - Y; C Small - Y; B Vogl - Y