



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

---

## **BOARD OF DIRECTORS' QUARTERLY MEETING**

**SATURDAY, APRIL 24, 2021**

Call to Order by President Chris King at 10:03 am

Roll Call and Certification of Board Members by Secretary Kelly Dayton (P-Present; A- Absent)

Rick Bradbury-P\_\_, Russell Bundy -P\_\_, Kelly Dayton-P\_\_, Phillip Green-P\_\_, Chris  
King-P\_\_, Ed Mercato-P\_\_, Jim Spofford-P\_\_, Larry Sunderland-P\_\_, Bill Vogl-P\_\_

We have a full board, and a quorum.

**Invitation for Public Service Announcements:** Summer Webb from the Water Conservation Groundwater District spoke about conservation efforts, well monitoring and metering in our area in order to gather data regarding Terlingua Ranch water usage and water quality. Well drilling, permits, commercial and household use was discussed. Water well testing kits were provided by AgriLife Extension to property owners with wells, free of charge at the Terlingua Ranch Lodge office. Members of the public and the board engaged Summer with questions on how to obtain a meter and what can we do on our own to help conserve our water.

**Acceptance of Minutes:** The minutes for the January 2021 1<sup>st</sup> Quarter meeting were e-mailed to all directors and posted on POATRI.org. Russell Bundy moved the minutes be accepted as emailed. Second by Phillip King. The minutes were accepted by unanimously.

### **PRESIDENT'S REPORT** by Chris King

I want to start by thanking the employees of Terlingua Ranch. The last year has not been easy. The success of this ranch falls square on your shoulders, and you rose to the occasion through manager changes, pandemic closures and CDC guidelines, and the wave of tourists that continue to visit daily. Change and challenge are never easy to overcome, but you faced it head-on; because of that, the POATRI Board of Directors thanks you. Keep up the excellent work.

Eight months ago, we started a journey. In uncertainty with all that was happening during the pandemic, the BOD had to find the next leader of this organization. In the end, we found Keven Brinneman looking for the next challenge in his career and life. Keven impressed the hiring committee with his experience in hospitality and genuine affinity for the Terlingua area. But what impressed us the most was Keven's forward things ideas on what Terlingua Ranch could be. Keven believes in community. He believes in supporting property owners and guiding the transition of Terlingua Ranch Lodge into being the hub of the community. Nobody shares Keven's vision better than Keven. I encourage property owners, the

community to take the time to get to know him. Have a conversation. You will understand what I am talking about.

With that being said, the POATRI BOD has decided unanimously to retain Keven's vision as Ranch Manager. Congratulations, Keven, and we look forward to many years of success under your leadership.

I want to take a moment to recognize the tireless contribution of the Board of Directors, committee members, and task forces. So much of your work is behind the scenes and not often as visible to the community.

#### **Water Committee:**

Larry Sunderland has spent countless hours/days researching ranch water issues, State and Federal law and studied best practices used in desert communities to conserve water. Larry's energy supporting Keven and educating the board will lead us down the path of enhancing our water services and building a solid foundation for water conservation here at the ranch. We all know water is gold here in the desert. If you have any interest in helping preserve this precious resource, please reach out to Larry to volunteer. He has a shortlist of like-minded individuals who can't wait to join the Water Committee and begin leading forward.

#### **Communications Committee:**

The Communication committee held its 2021 kickoff meeting. The committee will meet monthly, with the initial focus increasing property owner communication via the newsletter and social media. Rick Bradbury chairs the committee with leadership from Bill Vogl and volunteers Dale Weis and Hallie from Property Services. They could always use volunteers. If interested, please reach out to one of them to get involved!

#### **3-Mile Task Force:**

This task force has worked tirelessly talking to property owners, sending letters, making phone calls, and sharing the vision of completing pavement on the last 3-miles of Terlingua Ranch Rd. It is a tough job that involves having complicated conversations at times, but through the leadership of Nancy Reyes, Dale Weiss, and few other volunteers, the momentum continues. To date:

22 easements and petitions have been sent out

11 easements have been signed and returned to the Ranch Office, recorded in actual property records of Brewster County

5 owners - Task Force has received no response or has no way of reaching

4 owners so far have declined to sign

2 owners – have committed to sign; working on getting signed docs

If you are interested in helping support this Task Force, please reach out to Nancy, Dale, or myself.

#### Budget & Finance Committee:

The BFC, under the leadership of Ed Marcato, is our most active committee, and for a good reason. Everything that happens here at the ranch touches the budget in one way or another. The committee is a collaboration conduit between the board and the operations of the ranch. I want to thank the BFC for your continued hard work delivering consistent support to both the BOD and Terlingua Ranch. If you like numbers or are just interested in learning more about where the money goes, contact Ed Marcato to volunteer! Here is a summary for the Budget & Finance Committee for Q1 2021

- The BFC includes 3 board members, 2 property owners, our Manager, and by liaison, our Bookkeeper.
- The BFC has reviewed our statements and accounting processes each month. After reviewing at the end of our first quarter, we released the financial statements to our Board of Directors and Property Owners and posted the reports on the POATRI website for the meetings.
- In Q1 of 2021, the BFC, led by Bookkeeper, Dave Binion, performed an in-depth financial review, making several adjustments for the current and prior years, and completing several accounting processes.
- BFC member Christine Schlaudraff performed a preliminary review of TRIPOD to determine how we can use our property owner information to improve our annual assessment collections. Further analysis and action plans will be done in the next quarter.
- A new CPA firm, Pace and Associates, with offices in Alpine, has been hired to do POATRI's 2020 tax return. We are still looking for a CPA firm to perform annual audits.

**TRESURER'S REPORT** by Ed Mercato is attached at the end of these minutes.

**MANAGER'S REPORT** by Keven Brinneman is attached at the end of these minutes.

Bill Vogl: Thank you to Keven and his team for taking on all these responsibilities and balancing the work within your team to help our property owners, which is why we are here.

#### **COMMITTEE/TASK FORCE REPORTS:**

**BUDGET AND FINANCE COMMITTEE** The Budget & Finance Committee has reviewed and approved the release of the 2021 Q1 Financial Statements. Attached at the end of these minutes, for your review are –

2021 Q1 P&L Budget vs Actual

2021 Q1 P&L by Class

2021 Q1 Balance Sheet with Prior Year Comparison

**COMMUNICATIONS COMMITTEE** The communication committee held its kickoff meeting last week. We plan to meet monthly with initial focus being increasing property owner communication via the newsletter and social media and getting information out to our Property Owners via POATRI.org and the POATRI page on Facebook. Please like and follow our social media pages.

**3-MILE ROAD COMMITTEE** was discussed in the Presidents Report.

**WATER TASK FORCE:** report is attached at the end of these minutes.

**OLD BUSINESS:**

Resolution to revise Policy & Procedure manual, Section II, Articles 4 A&B passed by unanimous vote.

Resolution to retain Keven Brinneman as Manager of POATRI passed by unanimous vote.

Resolution to add Manager Keven Brinneman to signature cards at West Texas National Bank passed by unanimous vote.

Resolution to revise the Employee Handbook passed by unanimous vote.

Resolutions are attached at the end of these minutes.

**NEW BUSINESS:**

**PROPERTY OWNER COMMUNICATION:**

Casey Colando: Petitioned the Board of Directors and members of Terlingua Ranch to support House Bill 4305 and 2133 currently being presented in Austin. The following was submitted by Sara Colando:

I was very happy to hear how receptive the POATRI Board was to the idea of supporting the Dark Sky legislation currently in the House and Senate. The companion bills (House Bill 4305 and Senate Bill 2133) would give us all a new option to spend Hotel Occupancy Tax funds, and would benefit everyone in the tri-county area. It would also help the McDonald Observatory with their planned Greater Big Bend Dark Sky Reserve. Dark Sky initiatives are very widely supported and astrotourism is really taking off in our area, as I'm sure you know. We're very lucky to have the darkest skies in the contiguous United States, and we want to protect them from encroaching light pollution. These bills would give us another tool in the toolkit for protecting our skies AND promoting our area.

The bills can be seen in detail by clicking the links below:

<https://capitol.texas.gov/BillLookup/History.aspx?LegSess=87R&Bill=HB4305>

<https://capitol.texas.gov/BillLookup/History.aspx?LegSess=87R&Bill=SB2133>

Bill Brown: Mentioned that even before we get involved in Dark Sky programs, we focus on the Terlingua Lodge area and our own backyards first, and offer residents and guests Star Walks, Star Parties, telescope viewings, astrophotography classes to get people engaged and passionate about the cause. Cabin, RV, office, cafe lights and should be turned off at 10:00pm to minimize light pollution in the Lodge area.

Bill Brown: Asked that committee member volunteer requests be posted on the bulletin boards around the Lodge area and in Study Butte public locations since not many members of the public engage with the BOD meeting in person, Zoom or social media at this time.

**OTHER BUSINESS:** Non-Board of Director committee members should have Non-Disclosure Acts signed and kept on file in the Terlingua Ranch Office.

**COMMITTEE ASSIGNMENTS:**

Hayley DeArman has been assigned to Communications Committee

**ADJOURNMENT:**

Bill Vogl moved to adjourn. Second by Rick Bradbury

Meeting adjourned by unanimous vote at 11:30am

Respectfully submitted,

Kelly Dayton

Secretary

## POATRI Board Meeting 2021 Q1

### Treasurer's Report – First Quarter Financial Statements

Ed Marcato

Treasurer

I first want to let everyone know that our 2021 Q1 financial statements have been posted to the POATRI web site available to all property owners. They include the P&L Budget vs Actual, P&L by Class, and Balance Sheet.

Our recovery from last year, which will be known as the COVID year, is very strong, both on the Assessment Collections side and the Lodge side of our business.

Here is a summary of our financial condition for our first quarter:

- Assessment collections were \$417K versus \$340K in Q1 last year.
- Cabin Income was \$165K versus \$141K for Q1 2020. And, the actual increase in occupancy for the first quarter was approximately \$13.5K higher, but we recognized the revenue for first night of each reservation when the reservation was made last year. We have changed our policy and now we don't record the revenue until the month in which the reservation occurs. Going forward Occupancy numbers and QB revenue number will agree.
- Restaurant Income was \$106K versus \$69K for last year first quarter.
- RV and Campground Income was down from \$19K to \$15K, but Retail Sales increased from \$5K to \$13K.
- The P&L Budget vs Actual shows expenses were under budget by \$40K. However, we did not receive our latest Insurance estimate, which should be around \$55K. Therefore, expenses are actually \$15K over budget, and this is caused by payroll expense being over budget due to the increased occupancy in the cabins and restaurant.
- The bottom line is Net Income for Q1 increased from \$215K last year to \$357 for 2021.
- One other point that should be mentioned about the P&L statement. Our PPP Forgiven loan of \$144K is listed under Other Income account 7004 PPP Forgiven Loan. It is listed in 2021 because the "forgiveness" came through this January, and that converted it from a loan to income. But we actually received the cash last April, so there is no actual benefit for this year.
- On the P&L by Class you see that Net Income from the Non-Supplemental side was \$270K, and the Supplemental side was \$87K. The Non-Supplemental side was that high, because we collect 60-70% of the year's assessment collections by March 31<sup>st</sup> each year. In 2020 the year end Net Loss for the Non-Supplemental side was \$175K, and for the Supplemental side it was a profit of \$115K. And for 2019, the Non Supplemental Net loss was \$144K, and the Supplemental side was a profit of \$225K.

Overall the financial statements indicate a strong recovery from last year, and this also means a very positive cash flow.

We would also like to report that have hired the CPA firm of Pace and Associates, with an office in Alpine, to do our 2020 tax return. Our previous outside CPA firm, which is in El Paso and who did our 2019 tax return, resigned a month ago. That same firm also did our annual audit, and we have not found a firm as yet to perform our annual independent audit.

That completes the Treasurer's report for 2021 Q1.

Ed Marcato



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

BOARD OF DIRECTORS  
OF  
PROPERTY OWNERS ASSOCIATION OF TERLINGUA RANCH, INC.

Date: April 24, 2021

BE IT HEREBY RESOLVED: That Keven Brinneman be retained as the Manager of the Property Owners Association of Terlingua Ranch

Approved by the Board of Directors on April 24, 2021

Motion By: Bill Vogl  
Second By: Rick Bradbury

Ayes: 9 Nays: 0 Abstain: 0 Absent: 0

Attest:

[Signature], President

[Signature], Secretary

**Record of Voting :**

Chris King Y; Rick Bradbury Y; Ed Mercato Y; Kelly Dayton Y; Russell  
Bundy Y; Phillip Green Y; Jim Spofford Y; Larry Sunderland Y; Bill  
Vogl Y;





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

BOARD OF DIRECTORS  
OF  
PROPERTY OWNERS ASSOCIATION OF TERLINGUA RANCH, INC.

Date: April 24, 2021

BE IT HEREBY RESOLVED: The revision of the Employee Handbook for the employees of the Property Owner Association of Terlingua Ranch, INC be adopted.

Approved by the Board of Directors on April 24, 2021

Motion By: Philip Green  
Second By: Jim Spofford

Ayes: 9 Nays: 0 Abstain: 0 Absent: 0

Attest:

[Signature], President  
[Signature], Secretary

**Record of Voting :**

Chris King Y; Rick Bradbury Y; Ed Mercato Y; Kelly Dayton Y; Russell  
Bundy Y; Phillip Green Y; Jim Spofford Y; Larry Sunderland Y; Bill  
Vogl Y;



RESOLUTION BY THE BOARD OF DIRECTORS

**Discussion: WHEREAS,**

Pace and Associates, POATRI's Certified Public Accountant (CPA) who has been engaged to do POATRI's 2020 tax return stated that their CPA firm, and most CPA firms, no longer do audits for customers, and, in place thereof, perform a shorter version of an audit called a Financial Review. This makes it difficult to find a CPA firm that will do annual audits for POATRI.

**Therefore;**

**BE IT HEREBY RESOLVED:**

The POATRI Board of Directors will replace articles 4 A and B in Section II with the following:

- A. Every year the Board shall engage a Certified Public Accountant licensed by the State of Texas and qualified to perform audits or Financial Reviews, to examine the financial records of the Corporation. The person or firm hired to do such an annual audit or Financial Review shall be reviewed by the Board of Directors on a five (5) year schedule.
- B. The CPA will be required to report audit or Financial Review findings and recommendations to the Board no later than six (6) months after the closing date of the period being audited or reviewed.

This resolution ☐ amends ☒ replaces ☐ revokes ☐ adds

☐ Article \_\_\_\_\_ ☐ Section \_\_\_\_\_ of the ☐ By-laws

☒ Policy and Procedures Manual ☒ Section II, Articles 4 A and B

Effective Date: 04/24/2021

Motion By: Ed Mercato

Second: Rick Bradbury

Ayes: 9 Nays: 0 Abstain: 0 Absent: 0

**Record of Voting:**

R Bradbury - Y; R Bundy - Y; K Dayton - Y; P Green - Y; C King - Y; E Mercato - Y;  
J Spofford - Y; L Sunderland - Y; B Vogl - Y





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

BOARD OF DIRECTORS  
OF  
PROPERTY OWNERS ASSOCIATION OF TERLINGUA RANCH, INC.  
Date: April 23, 2021

BE IT HEREBY RESOLVED: That Keven Brinneman, Manager, be authorized to sign and make transfers on the Operating Account and Payroll account at West Texas National Bank and is authorized to make transfers on the Deposit Account.

Approved by the Board of Directors on April 24, 2021

Motion By: Ed Mercato  
Second By: Larry Sunderland

Ayes: 9 Nays: 0 Abstain: 0 Absent: 0

Attest:

[Signature], President

[Signature], Secretary

**Record of Voting :**

Chris King Y; Rick Bradbury Y; Ed Mercato Y; Kelly Dayton Y; Russell Bundy Y;  
Phillip Green Y; Jim Spofford Y; Larry Sunderland Y; Bill Vogl Y;