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

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

Minutes of the Regular Quarterly Meeting of the Board of Directors

Property Owners Association of Terlingua Ranch, Inc.
Saturday, Oct. 31, 2026

1. Call to Order, Roll Call, and Quorum

President Brad Anthenat called the Regular Quarterly Meeting of the Board of Directors of the Property Owners Association of Terlingua Ranch, Inc. (POATRI) to order at 10:05 a.m. on Saturday, Oct. 31, 2026, in the Bunkhouse at the Terlingua Ranch Lodge, Brewster County, Texas. POATRI gave notice of the meeting and the agenda in accordance with Article 4.09 of the Bylaws.

The Secretary called the roll. Directors Brad Anthenat, Alan Garcia, Chuck Hinson, Amy Law, Linda Shank, and Vince Slominski answered present. Vice President Larry Drgac arrived at 10:08 a.m., after the roll call. Six of the seven Directors attended at the call to order, and the President declared a quorum under Article 4.10(b) of the Bylaws. All seven Directors attended in person from 10:08 a.m. onward. Property owners attended in person, and 15 participants joined by Zoom. The Board took every vote in these minutes by roll call, and these minutes record each vote by individual Director in accordance with Section I, Item 12 (Polling of Votes by Board) of the Policies and Procedures Manual (PPM).

2. Public Service Announcements

- Anthenat reminded attendees that daylight saving time ends overnight and clocks fall back one hour.
- Treasurer Linda Shank thanked Terlingua Fire and EMS for its quick response and care two weeks earlier.
- An attendee announced that the Bad Rabbit Cafe will host Wayward Gypsies on Friday, Nov. 6, from 5 to 8 p.m., with more music Saturday, Nov. 7. Operations Manager Bill Tallant corrected the Saturday schedule during Public Comment.

3. Board Activity Since the July 25, 2026 Meeting

Since the July 25, 2026 Regular Quarterly Meeting, the Board held the following workshops, meetings, and executive sessions. All were held electronically by Zoom except the Oct. 30 workshop and executive session, which were held in person. The Board took no action at any workshop. Under Bylaws Article 4.01(g), discussions in executive session are confidential, so these minutes record only the date, attendance, general subject, and outcome of any vote. Under Bylaws Article 4.09(h), voting details on litigation matters are withheld to protect POATRI's legal strategy.

Aug. 9, 2026, executive session. The Board met in executive session to confer on the Stevens litigation in preparation for court-ordered mediation on Aug. 10. Present were Anthenat, Drgac, Garcia, Hinson, Law, and Shank. Slominski was absent. The members of the Legal Task Force, Anthenat, Hinson, and Law, represented POATRI at the mediation. No vote was taken.

Aug. 10, 2026, executive session. The Board met in executive session to consider the result of the Aug. 10 mediation in the Stevens litigation. Present were Anthenat, Drgac, Garcia, Hinson, Law, and Shank. Slominski was absent.

The Board voted on a motion to accept the mediated settlement agreement as written. The motion carried.

Aug. 12, 2026, workshop. Present were Anthenat, Drgac, Garcia, Hinson, Law, Shank, and Slominski. The Board discussed the purpose and structure of monthly workshops; committee and task force operations, including the role of the Road Maintenance Committee; staffing, the bathhouse renovation, and other operations; the financial review, the September audit visit, and payment plans for delinquent assessments; preparations for the Director election; and pending resolutions. No action was taken.

Aug. 23, 2026, workshop. Present were Anthenat, Drgac, Garcia, Hinson, Law, and Shank. Slominski was absent. The Board discussed a newsletter article on the Three-Mile Road project and construction activity along Highway 118. The Board then went into executive session.

Aug. 23, 2026, executive session. The Board met in executive session to consider a candidate for Operations Manager. Anthenat moved to hire William "Bill" Tallant as Operations Manager, and Law seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Hinson, yes; Law, yes; Shank, yes; Garcia, abstained. Slominski was absent. The motion carried 5-0, with one abstention.

Sept. 9, 2026, workshop. Present were Anthenat, Drgac, Garcia, Law, Shank, and Slominski. Hinson was absent. The Board discussed the arrival and onboarding of the new Operations Manager; staffing and the employee handbook; the financial review through Aug. 31 and assessment collections; the 2027 CPI adjustment; generator relocation and the electrical system; the bathhouse renovation and roads; Director eligibility and pending resolutions; the Director election; and audiovisual equipment for Board meetings. No action was taken.

Oct. 14, 2026, workshop. Present were Anthenat, Drgac, Garcia, Hinson, Law, Shank, and Slominski. Operations Manager Bill Tallant also attended. The Board discussed operations and maintenance; repair options for the Three-Mile well; generator relocation and electrical upgrades; the Procurement Policy and the bid process; the employee handbook process and the Board's role; Director eligibility; the financial update and collections; the 2027 assessment and CPI adjustment; committee and task force reports; and the event welcoming the Operations Manager. No action was taken.

Oct. 30, 2026, executive session. The Board met in executive session for an update from counsel on the Stevens litigation. Anthenat, Drgac, Hinson, Law, Shank, and Slominski attended in person, and Garcia participated remotely. No vote was taken.

Oct. 30, 2026, workshop. Present were Anthenat, Drgac, Garcia, Hinson, Law, Shank, and Slominski. Operations Manager Bill Tallant also attended. The Board discussed the request for quotes for the generator project; the resolutions on the Oct. 31 agenda; the Document Review Task Force recommendations; and election procedures and the ballot position drawing. No action was taken.

4. Approval of Minutes

Director Alan Garcia moved to approve the minutes of the July 25, 2026 Regular Quarterly Meeting, and Director Amy Law seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0.

5. President's Report

Anthenat presented his report (Attachment 1). He welcomed William "Bill" Tallant, who started as Operations Manager on Sept. 21, 2026. He thanked POATRI employees for keeping the ranch running while the position sat vacant, and he thanked his fellow Directors for taking on added duties during the transition. He thanked the Bad Rabbit Cafe staff and everyone who attended the Oct. 30 reception welcoming Tallant.

Anthenat reported that the parties in the Stevens litigation reached an agreement to resolve the case and are completing the final documentation. He reported that six candidates applied for the upcoming Director election and that none has served as a Director before. He named responsible financial management, maintenance of roads and facilities, and support for the Operations Manager and employees as the Board's priorities for 2027.

6. Operations Manager's Report

Tallant presented his report (Attachment 2). He reported that the crane truck is back in service, the second road maintainer is in the final stage of repair, and crews now perform pre-shift walkarounds, filter schedules, and fluid inspections across the fleet. Staff completed a full refurbishment of Cabin 32 and returned it to inventory. Bathhouse repairs continue, and staff are reviewing every lodge building to build a preventive maintenance schedule.

The Bad Rabbit Cafe manager is on a temporary leave of absence, and the kitchen crew is covering meal service. Tallant expects a husband-and-wife cook and server team to arrive around Nov. 16 to 18, which will let the cafe reopen on Wednesdays and Thursdays. Priorities for the coming months include winterizing wells and exposed piping, updating operational handbooks and procedures, and a prioritized road grading schedule.

7. Treasurer's Report and Budget and Finance Committee Report

Shank presented a combined Treasurer's and Budget and Finance Committee (BFC) report (Attachment 3). She reported that CPA Ron Kirby filed POATRI's 2025 federal income tax return on Form 1120 on time by Oct. 15, reporting a net loss after depreciation of $255,754. Kirby also submitted a draft of the 2025 audited financial statements, which management and the Board are reviewing. The BFC has seven members: Trey Penny, Dave Johnson, Chuck Hinson, Alan Garcia, Brad Anthenat, Bill Tallant, and Linda Shank. The committee met in August and October to review the financial reports and the status of the tax return and audit.

Shank reported that POATRI continues to have sufficient funds for operations. As of Sept. 30, 2026, liquid funds totaled approximately $972,329. Both certificates of deposit renew in early November, and the Morgan Stanley investment account currently earns about 3.7%. For the nine months ended Sept. 30, 2026, POATRI reported gross revenues of approximately $1,631,370, cost of goods sold and operating expenses of approximately $1,402,806, and net income of approximately $228,564. Shank noted that payroll, insurance, and legal fees, the three major expense areas, continue throughout the year, while POATRI receives most assessment revenue in the first six months. She made copies of the unaudited financial statements available at the meeting, and they appear with her report as Attachment 3. POATRI will post the standard financial reports for the nine months ended Sept. 30 on poatri.org. The BFC calculated the proposed 2027 assessment, which the Board took up under New Business.

8. Road Maintenance Committee Report

Vice President Larry Drgac reported that road crews are doing their best with the equipment available. The dump truck is usable but needs repairs, and parts are on order to finish repairs to the second maintainer. While moving the second maintainer to headquarters, the operator pulled aside for passing traffic and got the maintainer stuck in the mud near Cedar Springs. Anthenat thanked the road crew for its work during an exceptionally wet fall.

9. Water Committee Report

Drgac reported September non-potable water sales of 9,316 gallons. The wells are holding steady, and recent rains have reduced water purchases. The Three-Mile well is offline because a maintainer cut its power line at a washout, though POATRI does not currently need that well. Operations staff have begun winterizing the water system.

10. Communications Committee Report

Garcia, Communications Committee chair, reported that the newsletter following the July meeting went out well, with good participation from committee members and others. He thanked staff member Hayley DeArman for her help getting communications to the membership.

Shank asked whether a printed history of Terlingua Ranch exists. Garcia said he has a copy of an article from the Journal of Big Bend Studies, along with a shorter synopsis. Shank suggested that the Communications Committee compile a history in 2027 to publish and sell at the ranch office.

OLD BUSINESS

11. Three-Mile Road Project Update

Director Vince Slominski reported that he located Ms. Perez and plans to meet her with a notary over the Christmas holidays to sign her easement. She will try to bring her son to the meeting as well.

Slominski also contacted the Local Technical Assistance Program (LTAP), a federal program administered through the University of Texas at Arlington that provides technical assistance on road construction and maintenance, including road base, materials, and possible pilot projects. LTAP must visit the site before advising and expects to come after the first of the year. Garcia noted that a landowner who works as a professional grant writer has offered to help.

Slominski and DeArman will review existing easement records and prepare a map showing which easements POATRI has secured. Anthenat explained that each easement between the end of the pavement on Terlingua Ranch Road and the lodge must be conveyed to the county.

12. Generator Project

Slominski reported that he and Tallant are preparing a request for proposals (RFP) for generator work. As first planned, the RFP had three parts: in-house maintenance staff setting and connecting the headquarters generator, an outside electrical contractor connecting the cafe and bunkhouse, and replacement of the main disconnect switch. At Director Chuck Hinson's suggestion, Slominski agreed to combine the disconnect replacement with the cafe and bunkhouse work. The RFP will now seek two proposals: one covering the cafe, bunkhouse, and disconnect, and an alternate that adds the headquarters work. Slominski expects to have the RFP ready for the January meeting.

13. Director Eligibility Following Resignation (Bylaws Article 4.07)

Anthenat noted that the Board discussed this matter at the July meeting and that the consensus since then favored not proceeding. Hinson moved to postpone the matter indefinitely, which under Robert's Rules of Order

ends its consideration, and Law seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0.

14. Director Eligibility for Ownership Groups (Bylaws Article 4.04(e))

Anthenat read a resolution adding new subsection (e) to Article 4.04 of the Bylaws. Under the amendment, each POATRI membership account may qualify one individual for Director eligibility, regardless of the number or type of owners on the account. An LLC, corporation, partnership, trust, estate, or other entity owner may designate one natural person associated with it or authorized to represent it, and no membership account may qualify more than one Director serving at the same time. Under Article 7.02(c), the amendment takes effect five days after adoption.

Garcia moved to adopt the resolution, and Slominski seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 4.

15. Stevens Litigation Update

Anthenat had nothing to add beyond his President's Report.

NEW BUSINESS

16. Safe Deposit Box

Garcia read a resolution amending PPM Section 2, Item 4, Paragraph C to require one sealed backup copy of records stored in the office safe, in place of two backup copies with one held in a bank safe deposit box. The resolution authorizes the President and Treasurer to remove the contents of any existing safe deposit box, deliver them to the Operations Manager for the official records, and close the box.

Shank moved to adopt the resolution, and Anthenat seconded the motion. Roll call: Anthenat, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. Drgac had stepped out and did not vote. The motion carried 6-0. The resolution appears as Attachment 5.

17. CPI Increase to the 2027 Annual Assessment

Shank read a resolution adopting the consumer price index (CPI) increase to the annual assessment, as Bylaws Article 4.01(f) requires. Based on the CPI for All Urban Consumers (South Urban) from September 2025 through August 2026, the increase is 3.1%, or $7.13 on the 2026 assessment of $229.90, which sets the 2027 annual assessment at $237.03. The resolution takes effect Nov. 5, 2026.

Drgac moved to adopt the resolution, and Law seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 6.

18. Banking Resolution and Authorized Signatories

Shank read a resolution naming the four officers, President Anthenat, Vice President Drgac, Treasurer Shank, and Secretary Garcia, as authorized signers on POATRI's five West Texas National Bank accounts, and authorizing Operations Manager William "Bill" Tallant to sign on the operating, deposit, and payroll accounts,

and it removes all other names from those accounts. During the reading, the Board changed the effective date to Nov. 5, 2026, five days after adoption. Because the Board had already adopted Resolution No. 2026-1026-2 to close the safe deposit box, the signed resolution omits the reference to the officers' access to the WTNB safe deposit box.

Garcia moved to adopt the resolution as amended, and Slominski seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 7.

19. Dissolution of the Road Maintenance Committee

Anthenat explained that roads remain one of POATRI's most important responsibilities, but that a standing committee is no longer necessary now that the Operations Manager oversees day-to-day road maintenance. He suggested that Directors and the Operations Manager bring future road issues to the President, who may appoint a task force.

Anthenat read a resolution dissolving the Road Maintenance Committee and amending the definition of standing committees in the Bylaws to read: Audit, Budget and Finance, Director Application, Communication, and Water. Under the resolution, the Operations Manager oversees day-to-day road maintenance, road personnel scheduling, equipment use, and ordinary service requests and provides regular road maintenance updates to the Board. The Board retains responsibility for road maintenance policy, funding, capital expenditures, required approvals, and oversight of the Operations Manager. The resolution does not change POATRI's road maintenance responsibilities, the Terlingua Ranch Maintenance Agreement, or the road policies in PPM Section 2, Items 1 through 3. Law noted that the resolution should cite PPM Section 2 rather than Section 3, and the Board accepted the correction. The resolution takes effect five days after adoption.

Shank moved to adopt the resolution as corrected, and Drgac seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 8.

20. Procurement Policy Thresholds

Garcia read a resolution amending the POATRI Procurement Policy, adopted effective Dec. 23, 2009. The resolution raises the single-quote threshold from $2,000 to $4,000 and raises the small purchase limit, sealed bid threshold, and Board approval threshold from $10,000 to $20,000. It conforms the policy to the title of Operations Manager. It does not change the petty cash ceiling, the $50,000 threshold for bonding and contractor qualifications, the prohibition on splitting purchases to avoid the requirements for larger purchases, or any other provision of the policy.

Drgac moved to adopt the resolution, and Law seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 9.

21. Eligibility of POATRI Employees and Members of Their Households (Bylaws Article 4.04(a))

Garcia read a resolution amending Article 4.04(a) of the Bylaws. Under the amendment, a person may not be a candidate for election to, accept appointment to, or serve on the Board if the person cohabits at the same primary residence with another Director, is a POATRI employee, or is the spouse, an immediate family member, or another person who shares the same primary residence as a POATRI employee. "Employee" includes every classification in the Employee Handbook, including full-time, part-time, seasonal, and occasional workers.

Immediate family members who live elsewhere remain eligible. A Director who becomes ineligible during a term must resign from the Board immediately. The amendment applies to candidates for elections held on or after Jan. 30, 2027, and to appointments made after its effective date. The resolution directs the Secretary to add a certification of eligibility under Article 4.04(a) to the Application for Director.

During discussion, a Director asked whether the employee could leave POATRI employment instead of the Director resigning. The Board agreed that the employee's resignation would also resolve the conflict and that the resolution needs no added language. A Director noted the difference between applying and becoming a candidate for election.

A Director asked whether the Bylaws previously contained a similar rule. Property owner Anthony DeArman read the Director qualifications published in the first quarter 2017 newsletter: continuous ownership on the ranch for at least one year, membership in good standing, not being a POATRI employee, and not being related to another Director or a POATRI employee. A Director stated that former Article 4.04(b) provided that a Director shall not be a POATRI employee and that the Board removed it by resolution, possibly in October 2020. A Director expressed support for a one-year ownership requirement, and Anthenat noted that it would require a separate resolution, possibly in January. A property owner asked whether legal counsel had reviewed the resolution, and Anthenat confirmed that the Board had received legal advice.

Drgac moved to adopt the resolution, and Slominski seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 10.

22. Document Review Task Force: Bylaws Technical Corrections (Exhibit A)

Garcia, chair of the Document Review Task Force, presented the task force's recommendations as six separate resolutions. He read the first, which corrects spelling, punctuation, hyphenation, spacing, and cross-reference errors in the Bylaws and conforms references to "manager" and "general manager" to the title of Operations Manager, as listed in Exhibit A. The resolution amends only the provisions in Exhibit A, does not readopt or restate the Bylaws, and does not affect Article 4.09(i), adopted July 25, 2026. It takes effect five days after adoption.

Slominski moved to adopt the resolution, and Shank seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 11.

Garcia thanked the task force members and suggested that the task force continue to review future Board actions for consistency with the Bylaws and PPM.

23. Document Review Task Force: PPM Technical Corrections (Exhibit B)

Garcia read a resolution correcting spelling, grammar, punctuation, capitalization, and hyphenation errors in the PPM, as listed in Exhibit B. The resolution provides that references to manager, general manager, ranch manager, or the association's manager in any Board resolution, policy, handbook, job description, or other Board document mean the Operations Manager. It amends only the provisions in Exhibit B, does not readopt or restate the PPM, and takes effect upon adoption.

A Director asked whether POATRI will post the revised documents on its website. Garcia said that after the effective date he will incorporate the adopted changes and post the updated documents on poatri.org.

Law moved to adopt the resolution, and Hinson seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 12.

24. Document Review Task Force: PPM Amendments (Exhibit C)

Garcia presented a resolution amending the PPM where provisions say the same thing in different ways, as listed in Exhibit C. For example, the director vacancy provisions refer both to the Board falling below seven Directors and to more than two vacancies, and the amendment makes them consistent. The amendments also add the website to the election ballot package information and clarify when the one-year period in the collection procedures ends, without changing the delinquency period. The amendments also conform the Social Media Policy's definitions to the Bylaws and complete the final sentence of its limitation of liability. The resolution provides that the Bylaws control over any conflicting PPM provision, and it takes effect upon adoption.

During discussion, the Board reviewed the location references in Exhibit C and corrected them to cite the proper page and item numbers, replacing "section" with "item" where the reference is to an item within a PPM section.

Law moved to adopt the resolution with Exhibit C as amended, and Slominski seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 13.

25. Document Review Task Force: Incorporation of the Board Procedure Manual into the PPM (Exhibit D)

Anthenat read the resolution. Garcia explained that it settles a long-running question about whether the Board of Directors Procedure Manual is a governing document by moving its relevant provisions into the PPM. Exhibit D shows the Board Procedure Manual, with the text moving to the PPM marked in red.

The resolution adds a new Item 2, "POATRI Board of Directors," to PPM Section I, setting out the duties of Directors and officers as supplements to Bylaws Articles 4 and 5, and a new Item 3, "POATRI Standing Committees," containing the charters of the standing committees. Conforming changes provide that newly elected Directors attend orientation following the Annual Members Meeting, that the President may serve no more than two consecutive one-year terms as the Bylaws provide, that the President appoints committee and task force chairs other than the BFC chair, and that the Treasurer serves as an advisory, nonvoting member of all standing committees and task forces. The resolution conforms titles to Operations Manager, provides that the Bylaws control over any conflicting PPM provision, and authorizes the Secretary to renumber and reformat without changing meaning. It takes effect five days after adoption.

Anthenat moved to amend the resolution to remove the references to the Road Maintenance Committee, consistent with the Board's earlier dissolution of that committee, and Slominski seconded the motion. Anthenat also moved to amend Exhibit D to strike Page 18, Item 3, the Vice President's duty to create notebooks of governing documents for new Directors, since Directors can download those documents from poatri.org, and Drgac seconded the motion. The Board did not vote on the amendments separately and incorporated both into the motion to adopt.

Drgac moved to adopt the resolution as amended, and Hinson seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 14.

26. Document Review Task Force: Rescission of the Board Procedure Manual

Garcia read a resolution rescinding the Board of Directors Procedural Manual (Updated as of 10/28/23) so that the PPM is the only document setting out the duties of officers, committee charters, and Director duties. Under PPM Section III, Item 6(B), the Secretary will retain the rescinded manual separately for historical purposes. The resolution replaces references to that manual in PPM Section I, Item 8 (Communications Policy), Paragraph E and in Topics Guideline Paragraph B.2 with references to the PPM. A Director asked for the manual's exact title, and the Board confirmed it as the Board of Directors Procedural Manual. The resolution takes effect five days after adoption.

Law moved to adopt the resolution, and Shank seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0. The resolution appears as Attachment 15.

27. Ballot Position Drawing

Tallant drew candidate names to set the order of names on the ballot for the January 2027 Director election, with six seats open and six candidates:

1. Billy Chrzan
2. Valerie Simon
3. Kyle Daniel
4. Andrew Guenther
5. Shawn Walton
6. Alex Sherman

Garcia stated for the record that he confirmed all six candidates are members in good standing.

28. Public Comment

- Property owner Marilynn Anthenat announced a potluck in the bunkhouse at 6 p.m. Monday, Nov. 2, followed by a card trick by Georganne and a star party on the patio hosted by property owners Joy and Travis, who are starting a new business.
- Slominski announced that the Sons of the American Legion will host a turkey shoot with prizes on Saturday, Dec. 5, at the Legion Hall.
- Tallant corrected the Bad Rabbit Cafe schedule for Saturday, Nov. 7: Moses will perform from 2 to 5 p.m., and Heidi Holden will follow from 5:30 to 8 p.m. He thanked the online participant who pointed out the correction.

29. Adjournment

Hinson moved to adjourn, and Slominski seconded the motion. Roll call: Anthenat, yes; Drgac, yes; Shank, yes; Slominski, yes; Hinson, yes; Law, yes; Garcia, yes. The motion carried 7-0, and Anthenat adjourned the meeting at 11:58 a.m.

Attachments

1. President's Report
2. Operations Manager's Report
3. Treasurer's Report, including the Budget and Finance Committee report, with the unaudited financial statements and assessment collection reports for the nine months ended Sept. 30, 2026
4. Resolution No. 2026-1026-1: Director Eligibility for Ownership Groups (Bylaws Article 4.04(e))
5. Resolution No. 2026-1026-2: Safe Deposit Box
6. Resolution No. 2026-1026-3: CPI Increase to the 2027 Annual Assessment
7. Resolution No. 2026-1026-4: Banking and Authorized Signatories
8. Resolution No. 2026-1026-5: Dissolution of the Road Maintenance Committee
9. Resolution No. 2026-1026-6: Procurement Policy Thresholds
10. Resolution No. 2026-1026-7: Eligibility of POATRI Employees and Members of Their Households (Bylaws Article 4.04(a))
11. Resolution No. 2026-1026-8: Bylaws Technical Corrections, with Exhibit A
12. Resolution No. 2026-1026-9: PPM Technical Corrections, with Exhibit B
13. Resolution No. 2026-1026-10: PPM Amendments, with Exhibit C as amended
14. Resolution No. 2026-1026-11: Incorporation of the Board Procedure Manual into the PPM, with Exhibit D as amended
15. Resolution No. 2026-1026-12: Rescission of the Board Procedure Manual

Certification

I certify that these minutes accurately record the proceedings of the Regular Quarterly Meeting of the Board of Directors held Oct. 31, 2026.

_____

Alan Garcia, Secretary

Date approved by the Board: _____

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-1

ENTITY-HELD PROPERTY AND DIRECTOR ELIGIBILITY

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, property within POATRI may be owned by individuals, limited liability companies (LLCs), corporations, partnerships, trusts, estates, or other legal entities; and

WHEREAS, the Board desires to apply Director eligibility consistently regardless of the form in which property is held; and

WHEREAS, Article 4.04 of the POATRI Bylaws addresses qualifications for Directors;

NOW, THEREFORE, BE IT RESOLVED, that the POATRI Bylaws are amended by adding the following new subsection to Article 4.04, Director Qualifications, to be designated Article 4.04(e), subject to confirmation that this subsection number remains available:

1. Each POATRI membership account may qualify one individual for Director eligibility, regardless of the number or type of owners associated with that account.
2. When property is held by an LLC, corporation, partnership, trust, estate, or other legal entity, that entity may designate one natural person associated with or authorized to represent the entity as the individual eligible through that membership account.
3. No membership account may be used to qualify more than one Director serving at the same time.
4. All other Director qualifications contained in the POATRI Articles of Incorporation, Bylaws, and other governing documents remain unchanged.

BE IT FURTHER RESOLVED, that the Secretary shall incorporate the adopted language into Article 4.04 of the official POATRI Bylaws, update the published governing documents, and retain this signed resolution with the Association’s permanent records.

BE IT FURTHER RESOLVED, that pursuant to Article 7.02(c) of the POATRI Bylaws, this amendment shall become effective five (5) days after the Board vote adopting this resolution.

ADOPTED by the Board of Directors on October 31, 2026.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-2

AMENDMENT TO THE POLICIES & PROCEDURES MANUAL, STORAGE OF YEAR-END BACKUP FILES

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, Bylaws Article 4.03 gives the Board of Directors the power and responsibility to make Policies and Procedures for its own governance and for the governance of POATRI, and the Introduction to the Policies & Procedures Manual (PPM) provides that corrections may be made when necessary by action of the Board; and

WHEREAS, PPM Section II, Item 4(C) requires two backup copies of the QuickBooks and TRIPOD database files after the close of each fiscal year and upon a change of Manager, with one copy stored in the office safe and the other kept by the President in a bank safety deposit box, to which the Treasurer holds the second key; and

WHEREAS, the Board has determined that a second physical backup copy and a bank safety deposit box are no longer necessary; and

WHEREAS, the Board desires to require a single sealed backup copy, stored in the office safe, and to remove the safety deposit box requirement;

NOW, THEREFORE, BE IT RESOLVED, that:

1. **Amendment.** In Section II, Item 4 (Financial Audits & Audit Committee), paragraph C, page 23, change “Two backup copies” to “A backup copy,” and replace “One copy shall be sealed and stored in the office safe and one copy shall be sealed and retained in a bank safety deposit box by the President of the Board (the Treasurer shall have the second key to the safety deposit box).” with “The backup copy shall be sealed and stored in the office safe.”
2. **Existing safety deposit box.** If POATRI maintains a bank safety deposit box under the former requirement, the Board authorizes the President and the Treasurer to remove its contents, deliver them to the Operations Manager for the official records, and close the box.
3. **No other changes.** This Resolution does not change the timing of the backup or any other provision of the PPM.
4. **Conforming changes.** The Board authorizes the Secretary to update the revision date and formatting of Section II, Item 4 to conform to this amendment, provided those updates do not change the meaning of any provision.
5. **Effective date.** This amendment takes effect upon adoption. The Secretary will update the office copy of the PPM and post it to the POATRI website.

ADOPTED by the Board of Directors on October 31, 2026.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-3

CPI INCREASE TO THE 2027 ANNUAL ASSESSMENT

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, as required by the POATRI Bylaws, Article 4.01(f), the Treasurer has reviewed the average of the monthly United States Department of Labor, Bureau of Labor 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; and

WHEREAS, based on the reference of CPI-All Urban Consumers for September 2025 and August 2026, as published by the U.S. Bureau of Labor Statistics and extracted on October 15, 2026, the Annual Average Consumer Price Index (CPI) shows a ratio increase of 3.1% since September 2025 (https://www.bls.gov/regions/southeast/news-release/consumerpriceindex_south.htm);

NOW, THEREFORE, BE IT RESOLVED, that:

1. **CPI increase.** The Board approves and adopts the average CPI increase of 3.1%, which equates to an increase of $7.13, for a new assessment of $237.03 for calendar year 2027.
2. **Supporting calculation.** The Treasurer's calculation is attached to this Resolution.
3. **Effective date.** This Resolution takes effect November 5, 2026.

ADOPTED by the Board of Directors on October 31, 2026.

ATTACHMENT: TREASURER'S CPI CALCULATION

Bylaws Article 4.01(f):

Direct the Treasurer in October of each year to review the CPI change **from September of the previous year through August of the current year**, of the United States Department of Labor, Bureau of Labor 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. Upon this annual review, the Board shall adjust the assessment for the coming year by adding to that assessment an amount equal to the preceding 12-month average. Only upon certification from the Treasurer of the Board of Directors that a budgetary surplus has been forecast for the upcoming year, the Board of Directors may waive the annual CPI increase or adjust the assessment by some amount less than the annual CPI increase;

October 21, 2026

Consumer Price Index, South Region, August 2026

Regional prices rose 0.2 percent in August, up 3.1 percent over the year.

https://www.bls.gov/regions/southeast/news-release/2026/consumerpriceindex_south_20260911.htm

Calculate 2027 Assessment:

2026 Assessment: $229.90 multiplied by 3.1% = $7.13

2027 Assessment: $229.90 plus $7.13 = $237.03

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-4

BANKING AND AUTHORIZED SIGNATORIES

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

BE IT HEREBY RESOLVED, that:

1. **Officers.** The following Board Members, who are also Board Officers, are authorized as signers on the following POATRI West Texas National Bank (WTNB) accounts at WTNB in Alpine, Texas:

   Brad Anthenat, President
   Larry Drgac, Vice President
   Linda Shank, Treasurer
   Alan Garcia, Secretary

   Operating Account #..9239
   Deposit Account #..0618
   Payroll Account #..2161
   Cont. Fund Account #..0290
   Cert. of Deposit #8070129

2. **Manager.** The POATRI Manager, William (Bill) Tallant, is authorized as signer on the following West Texas National Bank accounts:

   Operating Account #..9239
   Deposit Account #..0618
   Payroll Account #..2161

3. **Other names removed.** All other names are to be removed from all these accounts.

4. **Effective date.** November 5, 2026.

ADOPTED by the Board of Directors on October 31, 2026.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-5

DISSOLUTION OF THE ROAD MAINTENANCE COMMITTEE

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, maintaining the roads of Terlingua Ranch remains a core responsibility and priority of the Property Owners Association of Terlingua Ranch, Inc. (POATRI); and

WHEREAS, POATRI now has an Operations Manager responsible for overseeing daily operations, including road crew supervision, road maintenance scheduling, equipment, and routine road concerns; and

WHEREAS, the Board of Directors is responsible for governance, policy, budgets, oversight, and matters requiring Board approval, rather than managing day-to-day road operations; and

WHEREAS, the Road Maintenance Committee is currently identified as a Standing Committee in the Definitions section of the POATRI Bylaws; and

WHEREAS, the Board desires to clarify this division of responsibility without reducing POATRI's commitment to road maintenance or changing existing road-maintenance policies;

NOW, THEREFORE, BE IT RESOLVED, that:

1. The POATRI Road Maintenance Committee is hereby dissolved, effective upon the effective date of the Bylaws amendment stated below.
2. The definition of "STANDING COMMITTEES" in the Definitions section of the POATRI Bylaws is amended by deleting "Road Maintenance" from its list. The revised definition shall read: "STANDING COMMITTEES - the following Committees: Audit, Budget and Finance, Director Application, Communication, and Water."
3. The Operations Manager shall oversee day-to-day road-maintenance activities, road personnel, scheduling, equipment use, and ordinary service requests, consistent with Board-approved budgets, policies, and delegated authority.
4. The Board retains responsibility for road-maintenance policy, funding, capital expenditures and other approvals required by governing documents or Board policy, and oversight of the Operations Manager. The Operations Manager shall provide regular road-maintenance updates to the Board.
5. Nothing in this resolution reduces, eliminates, or modifies POATRI's road-maintenance responsibilities, the Terlingua Ranch Maintenance Agreement, or the road policies set forth in Section II, items 1-3 of the POATRI Policies & Procedures Manual.
6. The Secretary shall incorporate the approved amendment in the official Bylaws and maintain this resolution with the Board's records.
7. Pursuant to Article 7.02(c) of the Bylaws, the Bylaws amendment and committee dissolution shall become effective five (5) days after the Board vote adopting this resolution.

ADOPTED by the Board of Directors on October 31, 2026.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-6

AMENDMENTS TO THE PROCUREMENT POLICY PURCHASE THRESHOLDS AND TITLE OF THE OPERATIONS MANAGER

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, Bylaws Article 4.03 gives the Board of Directors the power and responsibility to make Policies and Procedures for its own governance and for the governance of POATRI; and

WHEREAS, the Board adopted the POATRI Procurement Policy effective December 23, 2009, and the dollar thresholds in that Policy have not changed since its adoption; and

WHEREAS, price increases since 2009 have reduced the practical value of those thresholds, so that routine purchases now trigger quote, sealed bid, and Board approval requirements the Board intended only for larger purchases; and

WHEREAS, the Procurement Policy defines management as the General Manager, and the Board desires to conform the Policy to the title of Operations Manager for that position; and

WHEREAS, the Board desires to raise the single quote threshold from $2,000 to $4,000 and the small purchase limit, sealed bid threshold, and Board approval threshold from $10,000 to $20,000, and to conform the Policy to the title of Operations Manager, while keeping all other requirements of the Policy in place;

NOW, THEREFORE, BE IT RESOLVED, that the Board amends the Procurement Policy as follows:

1. **Purchase Procedures.** In the first sentence, change “not exceeding $10,000” to “not exceeding $20,000.” In the second sentence, change “For purchases of less than $2,000” to “For purchases of less than $4,000.”
2. **Sealed Bids.** In the first sentence, change “the small purchase limit of $10,000” to “the small purchase limit of $20,000.” In the third sentence, change “expected to exceed $10,000” to “expected to exceed $20,000.”
3. **Board Approval of Procurement Actions.** In the first sentence, change “exceed $10,000” to “exceed $20,000.”
4. **Title of the Operations Manager.** In the Definitions, change “the General Manager” to “the Operations Manager.” References to “management” throughout the Policy remain unchanged and, under the amended definition, refer to the Operations Manager.
5. **No other changes.** This Resolution does not change the Petty Cash ceiling, the $50,000 thresholds for bonding requirements and contractor qualifications, the prohibition on breaking down purchases to avoid the requirements placed on larger purchases, or any other provision of the Procurement Policy.
6. **Conforming changes.** The Board authorizes the Secretary to add a revision date to the Procurement Policy, to update its references to sections of the Policies & Procedures Manual to match any renumbering the Board adopts, and to correct formatting, provided those updates do not change the meaning of any provision.
7. **Effective date.** These amendments take effect upon adoption. The Secretary will file the amended Procurement Policy with the official records and post it to the POATRI website.

ADOPTED by the Board of Directors on October 31, 2026.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-7

AMENDMENT TO BYLAWS ARTICLE 4.04(a), DIRECTOR ELIGIBILITY

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, Bylaws Article 7.02(a) authorizes the Board of Directors to amend the Bylaws, other than Article 3, by majority vote at any Regular or Special Meeting; and

WHEREAS, POATRI works to avoid conflicts of interest and to adopt policies that benefit the membership; and

WHEREAS, Bylaws Article 4.04(a) already bars a person from serving as a Director if the person cohabits at the same primary residence with another Director; and

WHEREAS, the Board desires to make POATRI employees, and their spouses, immediate family members, and others who share the same primary residence, ineligible to run for or hold a position on the Board of Directors;

NOW, THEREFORE, BE IT RESOLVED, that the Board amends the Bylaws as follows:

1. **Article 4.04(a).** Replace Article 4.04(a) with the following:

   "a. A person may not be a candidate for election to, accept appointment to, or serve on the Board of Directors if the person:

   1. cohabits at the same primary residence with another Director; or
   2. is an employee of POATRI, or is the spouse, an immediate family member, or another person who shares the same primary residence as an employee of POATRI.

   For purposes of this subsection, "employee" includes every classification the Employee Handbook defines, including full-time, part-time, seasonal, and occasional workers, at Terlingua Ranch Lodge and every other POATRI operation, and "immediate family member" means a member of the employee's immediate family who shares the employee's primary residence. A family member who lives elsewhere does not fall within this subsection.

   A Director who becomes ineligible under this subsection during a term shall resign from the Board immediately."

2. **No other changes.** This Resolution does not change Articles 4.04(b) through 4.04(d) or any other provision of the Bylaws.
3. **Application.** The amendment applies to candidates for elections held on or after Jan. 30, 2027, and to appointments made after the effective date.
4. **Conforming changes.** The Board directs the Secretary to add a certification of eligibility under Article 4.04(a) to the Application for Director.
5. **Effective date.** Under Bylaws Article 7.02(c), the amendment takes effect five (5) days after the Board's vote. The Secretary will incorporate the amendment into the official Bylaws and post the revised Bylaws to the POATRI website.

ADOPTED by the Board of Directors on October 31, 2026.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-8

TECHNICAL CORRECTIONS TO THE BYLAWS

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, Bylaws Article 7.02(a) authorizes the Board of Directors to amend the Bylaws, except Article 3, by majority vote at any Regular or Special Meeting of the Board; and

WHEREAS, a review of the Bylaws identified spelling, punctuation, hyphenation, spacing, and cross-reference errors that do not reflect the intent of the Board; and

WHEREAS, the Board uses the title Operations Manager for the position the Bylaws refer to as the Manager; and

WHEREAS, the Board desires to correct those errors and conform the Bylaws to the title of Operations Manager without changing the meaning of any provision;

NOW, THEREFORE, BE IT RESOLVED, that:

1. **Corrections.** The Board amends the Bylaws as listed in Exhibit A.
2. **No other changes.** This Resolution amends only the provisions listed in Exhibit A. It does not readopt or restate the Bylaws, and it does not affect Article 4.09(i), adopted July 25, 2026, and effective July 30, 2026.
3. **Conforming changes.** The Board authorizes the Secretary to update the table of contents, page numbers, revision dates, and formatting to conform to these amendments, provided those updates do not change the meaning of any provision.
4. **Effective date.** Under Bylaws Article 7.02(c), these amendments take effect five (5) days after adoption. The Secretary will file the amended Bylaws with the official records and post them to the POATRI website.

ADOPTED by the Board of Directors on October 31, 2026.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

EXHIBIT A

Bylaws: Technical Corrections

Attached to Resolution No. 2026-1026-8 (Technical Corrections to the Bylaws). Page numbers refer to the Bylaws dated October 28, 2023.

1. Page 2, Definitions, COMMUNICATION BY THE BOARD OF DIRECTORS: change “cost effective” to “cost-effective.”
2. Page 2, Definitions, MANAGER: retitle the defined term “MANAGER” as “OPERATIONS MANAGER.”
3. Page 2, Definitions, MANAGER: change “day to day operations” to “day-to-day operations.”
4. Page 2, Definitions, MANAGER: add at the end of the definition: “References in these Bylaws to the Manager mean the Operations Manager.”
5. Page 3, Definitions, QUORUM: change “Board of Directors Meeting at 4.09(a), 4.09(b) and 4.09(c)” to “Board of Directors Meeting at 4.10.”
6. Page 3, Section 1.01: change “off of Highway 118” to “off Highway 118.”
7. Page 3, Section 1.01: change “POATRI’s Registered Agent is its Manager” to “POATRI’s Registered Agent is its Operations Manager.”
8. Page 3, Section 1.01: change “In the absence of a Manager” to “In the absence of an Operations Manager.”
9. Page 9, Section 4.01 heading: change “4.01DUTIES OF DIRECTORS” to “4.01 DUTIES OF DIRECTORS.”
10. Page 10, Section 4.01(d): change “hardcopy file” to “hard-copy file.”
11. Page 10, Section 4.01(e): change “employ a Manager” to “employ an Operations Manager.”
12. Page 11, Section 4.02 heading: change “4.02NUMBER AND LENGTH OF TERM OF DIRECTORS” to “4.02 NUMBER AND LENGTH OF TERM OF DIRECTORS.”
13. Page 11, Section 4.02(d): change “deposited by the Petitioners with the Manager” to “deposited by the Petitioners with the Operations Manager.”
14. Page 11, Section 4.02(d): change “as determined by the Manager” to “as determined by the Operations Manager.”
15. Page 11, Section 4.03 heading: change “4.03AUTHORITY OF DIRECTORS” to “4.03 AUTHORITY OF DIRECTORS.”
16. Page 11, Section 4.04 heading: change “4.04QUALIFICATIONS AND LIABILITY OF DIRECTORS” to “4.04 QUALIFICATIONS AND LIABILITY OF DIRECTORS.”
17. Page 12, Section 4.05 heading: change “4.05REMOVAL OF DIRECTORS FROM THE BOARD” to “4.05 REMOVAL OF DIRECTORS FROM THE BOARD.”
18. Page 12, Section 4.06 heading: change “4.06ANNOUNCEMENT FOR CANDIDACY OF DIRECTORS” to “4.06 ANNOUNCEMENT FOR CANDIDACY OF DIRECTORS.”
19. Page 13, Section 4.07 heading: change “4.07RESIGNATION OF DIRECTORS FROM THE BOARD” to “4.07 RESIGNATION OF DIRECTORS FROM THE BOARD.”

20. Page 13, Section 4.08 heading: change “4.08DIRECTOR VACANCY” to “4.08 DIRECTOR VACANCY.”
21. Page 13, Section 4.08(c): change “the Manager shall arrange an election” to “the Operations Manager shall arrange an election.”
22. Page 13, Section 4.09 heading: change “4.09MEETINGS OF DIRECTORS” to “4.09 MEETINGS OF DIRECTORS.”

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-9

TECHNICAL CORRECTIONS TO THE POLICIES & PROCEDURES MANUAL

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, Bylaws Article 4.03 gives the Board of Directors the power and responsibility to make Policies and Procedures for its own governance and for the governance of POATRI, and the Introduction to the Policies & Procedures Manual (PPM) provides that corrections may be made when necessary by action of the Board; and

WHEREAS, a review of the PPM identified spelling, grammar, punctuation, capitalization, hyphenation, and lettering errors that do not reflect the intent of the Board; and

WHEREAS, the Board uses the title Operations Manager for the position the PPM refers to as the Manager, the Ranch Manager, or the Association's manager; and

WHEREAS, the Board desires to correct those errors and conform the PPM to the title of Operations Manager without changing the meaning of any provision;

NOW, THEREFORE, BE IT RESOLVED, that:

1. **Corrections.** The Board amends the PPM as listed in Exhibit B.
2. **References in other documents.** References to the Manager, General Manager, Ranch Manager, or the Association's manager in any resolution, policy, handbook, job description, or other document adopted or issued by the Board or POATRI mean the Operations Manager.
3. **No other changes.** This Resolution amends only the provisions listed in Exhibit B. It does not readopt or restate the PPM.
4. **Conforming changes.** The Board authorizes the Secretary to update the table of contents, page numbers, revision dates, and formatting to conform to these amendments, provided those updates do not change the meaning of any provision.
5. **Effective date.** These amendments take effect upon adoption. The Secretary will update the office copy of the PPM and post it to the POATRI website.

ADOPTED by the Board of Directors on October 31, 2026.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

EXHIBIT B

Policies & Procedures Manual: Technical Corrections

Attached to Resolution No. 2026-1026-9 (Technical Corrections to the Policies & Procedures Manual). Page numbers refer to the Policies & Procedures Manual dated October 28, 2023.

1. Page 2, Table of Contents, Section I, Item 5: change “(Revised 10/11, 1/14. 7/2020)” to “(Revised 10/11, 1/14, 7/2020).”
2. Page 2, Table of Contents, Section I, Item 6: change “Filling Director Vacancy” to “Director Vacancy,” to match the title of the Item.
3. Page 2, Table of Contents, Section II, Item 1: change “(Added 10/13)(Revised 1/14)” to “(Added 10/13) (Revised 1/14).”
4. Page 2, Table of Contents, Section II, Item 3: change “(Revised 10/11, 10/1, 1/14)” to “(Revised 10/11, 10/13, 1/14).”
5. Page 5, Section I, Item 3(C): change “The Contingency Fund shall be reserved expenditures” to “The Contingency Fund shall be reserved for expenditures.”
6. Pages 7 through 11 (Section I, Item 5) and page 31 (Section III, Item 5(L)): change “Voters List” to “Voters’ List” in all 23 places, to match Bylaws Article 3.07.
7. Page 7, Section I, Item 5, Ongoing Activities: change “Additionally however,” to “Additionally, however,”.
8. Page 8, Section I, Item 5, Running the Voters’ List, Item 1: change “all owners in members in good standing status” to “all members in good standing status.”
9. Page 8, Section I, Item 5, Running the Voters’ List, Item 4: change “two part ballot” to “two-part ballot” in both places.
10. Page 9, Section I, Item 5, Corrections to the Voters’ List: change “A per Article 3.07” to “As per Article 3.07.”
11. Page 9, Section I, Item 5, Ballot Printing: change “forty five (45) day cutoff” to “forty-five (45) day cutoff.”
12. Page 9, Section I, Item 5, Returned Ballots: change “returned with correct addresses they will be re-mailed” to “returned with correct addresses, they will be re-mailed.”
13. Page 10, Section I, Item 5, Independent Vote Counter Procedures, Item 4: change “members in good standing status and no voting information” to “members in good standing status, and no voting information.”
14. Pages 11 and 12, Section I, Item 5 (Final Election Day process, Items 1, 3, and 5; Canvassing of Ballots, Item 3; and Election Recounts, Items 1 and 2): change “seventy two” to “seventy-two” in all seven places.
15. Page 11, Section I, Item 5, Final Election Day process, Item 4: change “following the final election date, and deliver” to “following the final election date and deliver.”
16. Page 13, Section I, Item 5, Procedures applying to the Board of Directors during and after an election recount, Item 3: change “When the recount is completed the Board” to “When the recount is completed, the Board.”
17. Pages 13 and 14, Section I, Item 6: change “forty five (45) days” to “forty-five (45) days” in both places.

18. Page 16, Section I, Item 8, Topics Guideline: reletter “F. Election, Ballot Process, Candidate Information, Member Meetings and Election Results” as “E.”
19. Page 18, Section I, Item 9, Section 2.3(b): change “not approved by Westgate Homeowners’ Association, Inc.” to “not approved by Property Owners Association of Terlingua Ranch, Inc.”
20. Page 18, Section I, Item 9, Section 3.2: change “is not a Member, or is a Member” to “is not a Member or is a Member.”
21. Page 19, Section I, Item 9, Section 4.1(e): change “otherwise tortuous” to “otherwise tortious.”
22. Page 27, Section II, Item 8: change “A fixed assest is defined” to “A fixed asset is defined.”
23. Page 27, Section II, Item 8: delete the opening quotation mark before “(1) has a economic useful life.”
24. Page 27, Section II, Item 8: change “has a economic useful life” to “has an economic useful life.”
25. Page 27, Section II, Item 8: change “a cost great than $5,000” to “a cost greater than $5,000.”
26. Page 27, Section II, Item 8: change “for book and tax purposed” to “for book and tax purposes.”
27. Page 29, Section III, Item 2: change “non property owners” to “non-property owners” and “self addressed envelopes” to “self-addressed envelopes.”
28. Page 29, Section III, Item 3: change “on an annual basis and to make a written report” to “on an annual basis and make a written report.”
29. Page 31, Section III, Item 5(K) and (L): change “access Corporate records” to “access corporate records” and “non fixed content” to “non-fixed content.”
30. Page 33, Section III, Item 9(A): change “per the seasonal terms provide in” to “per the seasonal terms provided in”; “Employees partners of non-family MIGS” to “Employees and partners of non-family MIGS”; “educations institutions” to “educational institutions”; and “set as following” to “set as follows.”
31. Page 3, Introduction: change “The Manager may supplement these” to “The Operations Manager may supplement these.”
32. Page 4, Section I, Item 1 (Function and Organization of POATRI): change “the responsibility for hiring the Manager to oversee the” to “the responsibility for hiring the Operations Manager to oversee the.”
33. Page 4, Section I, Item 1 (Function and Organization of POATRI): change “the direct supervision of the Manager” to “the direct supervision of the Operations Manager.”
34. Page 5, Section I, Item 3 (Capital Reserve and Contingency Funds): change “each year’s annual budget, the Manager and the Board” to “each year’s annual budget, the Operations Manager and the Board.”
35. Page 5, Section I, Item 4 (Member Mediation Procedure): change “contact and work with the Manager in an attempt” to “contact and work with the Operations Manager in an attempt.”
36. Page 5, Section I, Item 4 (Member Mediation Procedure): change “is not reached between the Manager and the member” to “is not reached between the Operations Manager and the member.”
37. Page 5, Section I, Item 4 (Member Mediation Procedure): change “Directors concern, shall provide the Manager with a detailed” to “Directors concern, shall provide the Operations Manager with a detailed.”

38. Page 6, Section I, Item 4 (Member Mediation Procedure): change “be date stamped by the Manager on the date” to “be date stamped by the Operations Manager on the date.”
39. Page 6, Section I, Item 4 (Member Mediation Procedure): change “it is received by the Manager” to “it is received by the Operations Manager.”
40. Page 6, Section I, Item 4 (Member Mediation Procedure): change “The member and Manager shall meet within” to “The member and Operations Manager shall meet within.”
41. Page 6, Section I, Item 4 (Member Mediation Procedure): change “beyond the authority of the Manager” to “beyond the authority of the Operations Manager.”
42. Page 6, Section I, Item 4 (Member Mediation Procedure): change “the Manager shall refer the” to “the Operations Manager shall refer the.”
43. Page 6, Section I, Item 4 (Member Mediation Procedure): change “of a formal MMP, the Manager shall submit to” to “of a formal MMP, the Operations Manager shall submit to.”
44. Page 6, Section I, Item 4 (Member Mediation Procedure): change “If the Manager refers a matter” to “If the Operations Manager refers a matter.”
45. Page 9, Section I, Item 5 (Election Process), Corrections to the Voters’ List: change “to the IVC by the Manager listing the name” to “to the IVC by the Operations Manager listing the name.”
46. Page 9, Section I, Item 5 (Election Process), Corrections to the Voters’ List: change “The Manager shall correct any” to “The Operations Manager shall correct any.”
47. Page 10, Section I, Item 5 (Election Process), Independent Vote Counter Procedures, Item 6: change “will receive letters from the Manager listing the name” to “will receive letters from the Operations Manager listing the name.”
48. Page 11, Section I, Item 5 (Election Process), Final Election Day process, Item 3: change “manual update letters from the Manager into a box” to “manual update letters from the Operations Manager into a box.”
49. Page 11, Section I, Item 5 (Election Process), Final Election Day process, Item 4: change “sealed envelope to the POATRI Manager or designee at” to “sealed envelope to the POATRI Operations Manager or designee at.”
50. Page 12, Section I, Item 5 (Election Process), Election Recounts, Item 1: change “the POATRI Board or the Manager of POATRI within” to “the POATRI Board or the Operations Manager of POATRI within.”
51. Page 12, Section I, Item 5 (Election Process), Election Recounts, Item 2: change “be properly stored by the Manager for at least” to “be properly stored by the Operations Manager for at least.”
52. Page 13, Section I, Item 5 (Election Process), Recount Procedures, Item 4(g): change “it over to the POATRI Manager or designee for” to “it over to the POATRI Operations Manager or designee for.”
53. Page 13, Section I, Item 6 (Director Vacancy): change “will be returned to the Manager” to “will be returned to the Operations Manager.”
54. Page 18, Section I, Item 9 (Social Media Policy), Section 3.1: change “be authorized by the Association’s manager” to “be authorized by the Operations Manager.”
55. Page 23, Section II, Item 4 (Financial Audits & Audit Committee), paragraph C: change “and upon a change of Manager” to “and upon a change of Operations Manager.”
56. Page 24, Section II, Item 4 (Financial Audits & Audit Committee), Audit Committee Responsibilities: change “manner with Board members, the Manager and employees” to “manner with Board members, the Operations Manager and employees.”

57. Page 24, Section II, Item 4 (Financial Audits & Audit Committee), Audit Committee Responsibilities: change “the Board and to the Manager” to “the Board and to the Operations Manager.”
58. Page 24, Section II, Item 4 (Financial Audits & Audit Committee), Audit Committee Responsibilities: change “The Treasurer and the Manager shall be responsible” to “The Treasurer and the Operations Manager shall be responsible.”
59. Page 26, Section II, Item 6 (Assessment Amnesty Fee Program): change “The Manager is charged with” to “The Operations Manager is charged with.”
60. Page 28, Section III, Item 1 (Corporate Expenditures), paragraph B: change “Board of Directors, and the Manager” to “Board of Directors, and the Operations Manager.”
61. Page 28, Section III, Item 1 (Corporate Expenditures), paragraph C: change “The Manager is authorized to” to “The Operations Manager is authorized to.”
62. Page 28, Section III, Item 1 (Corporate Expenditures), paragraph C: change “on the payroll account; the Manager is authorized to” to “on the payroll account; the Operations Manager is authorized to.”
63. Page 28, Section III, Item 1 (Corporate Expenditures), paragraph C: change “the petty cash account; the Manager is authorized to” to “the petty cash account; the Operations Manager is authorized to.”
64. Page 28, Section III, Item 1 (Corporate Expenditures), paragraph C: change “The Manager is further authorized” to “The Operations Manager is further authorized.”
65. Page 28, Section III, Item 1 (Corporate Expenditures), paragraph D: change “The Manager is responsible for” to “The Operations Manager is responsible for.”
66. Page 28, Section III, Item 1 (Corporate Expenditures), paragraph D: change “The Manager is authorized to” to “The Operations Manager is authorized to.”
67. Page 28, Section III, Item 1 (Corporate Expenditures), paragraph E: change “The Manager is authorized to” to “The Operations Manager is authorized to.”
68. Page 28, Section III, Item 1 (Corporate Expenditures), paragraph F: change “Only the Manager may authorize such” to “Only the Operations Manager may authorize such.”
69. Page 29, Section III, Item 3 (Insurance Review): change “The Manager will review all” to “The Operations Manager will review all.”
70. Page 30, Section III, Item 4 (Collections Procedures): change “policy calls for the POATRI Manager to administer the” to “policy calls for the POATRI Operations Manager to administer the.”
71. Page 30, Section III, Item 4 (Collections Procedures): change “fee as determined by the Manager and applicable Texas” to “fee as determined by the Operations Manager and applicable Texas.”
72. Page 30, Section III, Item 4 (Collections Procedures): change “for one full year, the Manager” to “for one full year, the Operations Manager.”
73. Page 30, Section III, Item 4 (Collections Procedures): change “to satisfy the delinquency, the Manager” to “to satisfy the delinquency, the Operations Manager.”
74. Page 30, Section III, Item 4 (Collections Procedures): change “The Manager is authorized” to “The Operations Manager is authorized.”
75. Page 30, Section III, Item 5 (Availability of Records), paragraph A: change “time as determined by the Manager” to “time as determined by the Operations Manager.”
76. Page 31, Section III, Item 5 (Availability of Records), paragraph D: change “to be determined by the Manager on an annual” to “to be determined by the Operations Manager on an annual.”

77. Page 31, Section III, Item 5 (Availability of Records), paragraph G: change “If the Manager is unsure about” to “If the Operations Manager is unsure about.”
78. Page 31, Section III, Item 5 (Availability of Records), paragraph L: change “a written request to the Manager” to “a written request to the Operations Manager.”
79. Page 31, Section III, Item 5 (Availability of Records), paragraph L: change “The Manager is authorized to” to “The Operations Manager is authorized to.”
80. Page 32, Section III, Item 7 (Restrictions of the Use of Computer Equipment), paragraph C: change “(“occasional” being defined by the Manager” to “(“occasional” being defined by the Operations Manager.”
81. Page 32, Section III, Item 7 (Restrictions of the Use of Computer Equipment), paragraph D: change “The Manager is authorized to” to “The Operations Manager is authorized to.”
82. Page 32, Section III, Item 8 (Passwords and Other Security Procedures), paragraph A: change “without the consent of the Manager” to “without the consent of the Operations Manager.”
83. Page 32, Section III, Item 8 (Passwords and Other Security Procedures), paragraph B: change “without the consent of the Manager” to “without the consent of the Operations Manager.”
84. Page 33, Section III, Item 8 (Passwords and Other Security Procedures), paragraph C: change “The Manager shall keep a” to “The Operations Manager shall keep a.”
85. Page 33, Section III, Item 8 (Passwords and Other Security Procedures), paragraph E: change “The Manager shall serve as” to “The Operations Manager shall serve as.”
86. Page 33, Section III, Item 8 (Passwords and Other Security Procedures), paragraph F: change “Only the Manager” to “Only the Operations Manager.”
87. Page 33, Section III, Item 8 (Passwords and Other Security Procedures), paragraph G: change “The Manager and/or his/her designee” to “The Operations Manager and/or his/her designee.”
88. Page 33, Section III, Item 8 (Passwords and Other Security Procedures), paragraph G: change “The Manager will serve as” to “The Operations Manager will serve as.”
89. Page 33, Section III, Item 8 (Passwords and Other Security Procedures), paragraph G: change “Only the Manager & the President” to “Only the Operations Manager & the President.”
90. Page 33, Section III, Item 9 (Lodge Rate Policy), paragraph A: change “additional rooms are available, the Ranch Manager will have the” to “additional rooms are available, the Operations Manager will have the.”
91. Page 34, Section III, Item 9 (Lodge Rate Policy), paragraph A: change “The Ranch Manager will be responsible” to “The Operations Manager will be responsible.”
92. Page 34, Section III, Item 9 (Lodge Rate Policy), paragraph A: change “The Ranch Manager will have the” to “The Operations Manager will have the.”
93. Page 34, Section III, Item 9 (Lodge Rate Policy), paragraph B: change “The Ranch Manager has the authority” to “The Operations Manager has the authority.”
94. Page 35, Member Mediation Form: change “submit this form and any attachments to the Manager” to “submit this form and any attachments to the Operations Manager,” and change the contact label “Manager” to “Operations Manager.”

The two references to the Manager on page 9 that quote Bylaws Article 3.07 are not changed, because they quote the Bylaws.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-10

AMENDMENTS TO THE POLICIES & PROCEDURES MANUAL

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, Bylaws Article 4.03 gives the Board of Directors the power and responsibility to make Policies and Procedures for its own governance and for the governance of POATRI; and

WHEREAS, the Director Vacancy procedure in the Policies & Procedures Manual (PPM) uses a trigger of fewer than seven (7) Directors that conflicts with Bylaws Article 4.08(a), under which only vacancies in excess of two (2) are filled by appointment; and

WHEREAS, the Social Media Policy defines terms by reference to a “Declaration,” states that it runs with the land, and defines “Good Standing” differently from Bylaws Article 3.03; and

WHEREAS, the final sentence of the Social Media Policy’s Limitation of Liability is incomplete; and

WHEREAS, the Board desires to apply the Communications Policy to the Association’s official social media accounts and to clarify when an owner account becomes delinquent for one full year under the Collection Procedures;

NOW, THEREFORE, BE IT RESOLVED, that:

1. **Amendments.** The Board amends the PPM as listed in Exhibit C.
2. **Delinquency period.** The amendment to the Collection Procedures clarifies when the one-year period ends. It does not change the delinquency period.
3. **Precedence.** If any provision of the PPM conflicts with the Bylaws, the Bylaws control.
4. **Conforming changes.** The Board authorizes the Secretary to update the table of contents, page numbers, section numbering, revision dates, and formatting to conform to these amendments, provided those updates do not change the meaning of any provision.
5. **Effective date.** These amendments take effect upon adoption. The Secretary will update the office copy of the PPM and post it to the POATRI website.

ADOPTED by the Board of Directors on October 31, 2026.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

EXHIBIT C

Policies & Procedures Manual: Amendments

Attached to Resolution No. 2026-1026-10 (Amendments to the Policies & Procedures Manual). Page numbers refer to the Policies & Procedures Manual dated October 28, 2023.

1. Page 13, Section I, Item 6 (Director Vacancy), first paragraph: replace “If a resignation will cause the number of Directors remaining on the Board to fall under seven (7), within three (3) days after the acceptance of the resignation of a Director, the President will instruct” with “If more than two (2) vacancies occur on the Board prior to the expiration of the vacating Director’s term, only those vacancies in excess of two (2) shall be filled by appointment, as provided in Bylaws Article 4.08(a). When a vacancy is to be filled by appointment, within three (3) days the President will instruct.” The rest of the paragraph and the procedures that follow are unchanged.
2. Page 15, Section I, Item 8 (Communications Policy), paragraph A: change “the election ballot package, and information given to property owners at the Terlingua Ranch office” to “the election ballot package, which is also available on the POATRI website, information given to property owners at the Terlingua Ranch office, and the Association’s official Facebook page and other official social media accounts.”
3. Pages 16 and 17, Section I, Item 9 (Social Media Policy): replace the paragraphs beginning “WHEREAS, the property encumbered by this Social Media Policy” and “NOW THEREFORE, in accordance with the dedicatory instruments” with: “The Board of Directors adopts this Social Media Policy (‘Policy’) under Bylaws Article 4.03. This Policy applies to all Members’ use of the Association’s social media outlets.”
4. Page 17, Section I, Item 1.1: change the heading “Declaration’s Definitions” to “Bylaws Definitions,” and change “the meanings set forth in the Declaration” to “the meanings set forth in the Bylaws.”
5. Page 17, Section I, Item 1.4: replace the definition of “Good Standing” with: “‘Good Standing’ has the meaning stated in Bylaws Article 3.03.”
6. Page 20, Section I, Item 8: change “Violations of the Declaration” to “Violations of the Maintenance Agreement.”
7. Page 20, Section I, Item 11: complete the final sentence, “This limitation will not limit any liability for gross negligence or damages that may not,” by adding “be limited under applicable law.”
8. Page 30, Section III, Item 4 (Collections Procedures): after “At any time that an owner account becomes delinquent for one full year,” insert “(on April 1 of the year following the year in which the assessment was due).”

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-11

INCORPORATION OF PORTIONS OF THE BOARD PROCEDURE MANUAL INTO THE POLICIES & PROCEDURES MANUAL

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, Bylaws Article 4.03 gives the Board of Directors the power and responsibility to make Policies and Procedures for its own governance and for the governance of POATRI; and

WHEREAS, Bylaws Article 5.03 states that the duties of POATRI officers "shall be as follows and as more specifically outlined in the Policies & Procedures Manual," but the detailed duties of the officers, the duties of Directors, and the charters of the Standing Committees appear in a separate Board of Directors Procedural Manual (Updated as of 10/28/23) (Board Procedure Manual); and

WHEREAS, the Board Procedure Manual states that the President may serve no more than three one-year terms, which conflicts with Bylaws Article 5.01, and describes the President's role on committees in terms that do not match Bylaws Article 5.03(a); and

WHEREAS, the Board desires to keep all Board, officer, and committee provisions in one document, the Policies & Procedures Manual (PPM), consistent with the Bylaws;

NOW, THEREFORE, BE IT RESOLVED, that:

1. **Board of Directors.** A new Item 2, titled "POATRI Board of Directors," is added to Section I of the PPM. It (a) states that the duties, terms, authority, qualifications, liability, removal, candidacy, resignation, vacancies, meetings, quorum, actions, conflicts of interest, and compensation of Directors are defined in Bylaws Article 4, and that the election, removal, and duties of officers are defined in Bylaws Article 5; (b) sets out the Duties of a Director; and (c) sets out the Duties of Officers, as supplements to the Bylaws. The Duties of a Director and Duties of Officers consist of the text shown in bold red in Exhibit D, as amended by Item 3.
2. **Standing Committees.** A new Item 3, titled "POATRI Standing Committees," is added to Section I of the PPM containing the charters of the Director Application, Audit, Budget & Finance, Communications, and Water Committees, consisting of the text shown in bold red in Exhibit D, as amended by Item 3. The Audit Committee charter adds a reference to Section II, Item 4 (Financial Audits & Audit Committee), which remains in place without change.
3. **Conforming changes to the carried-over text.** The text shown in black in Exhibit D is not carried over. In its place:
    a. Directors-elect are expected to attend the orientation following the January Annual Members Meeting.
    b. Directors refrain from actions prohibited by the Bylaws and the Code of Ethics and Standard of Conduct.
    c. The President may serve no more than two (2) consecutive one-year terms, as provided in Bylaws Article 5.01.
    d. The President appoints the members and chairs of all Standing Committees and Task Forces, except the chair of the Budget and Finance Committee, who is the Treasurer, and serves as an advisory, non-voting member of all Standing Committees and Task Forces, as provided in Bylaws Article 5.03(a).

e. The President may serve as chair of the Director Application Committee or appoint another chair, and does not vote when serving as chair, as provided in Bylaws Article 5.03(a)(6).

f. The Secretary uses the Members List the Operations Manager maintains under Bylaws Article 3.06(a), and calls the roll when required.

g. The Secretary is responsible for the safe keeping of the electronic recording of Board meetings required by Bylaws Article 4.01(d).

h. The Director Application Committee confirms from POATRI records that each applicant is a Member in Good Standing under Bylaws Article 3.03, and refers any question of good standing to the Board for determination.

i. The President's duty to appoint a Hunt Task Force chair; the Director Application Committee's duties to develop a pool of candidates, make contacts to develop interest, develop and send out a candidate packet, and serve as the committee for Board Orientation; and the final paragraph of the Road Maintenance Committee charter, on the maintenance level for roads needed for emergency vehicles, are not carried over.

4. **Title of the Operations Manager.** In the carried-over text, "Manager," "Ranch Manager," and "General Manager" are changed to "Operations Manager."

5. **Precedence.** If any provision of the PPM conflicts with the Bylaws, the Bylaws control.

6. **Conforming changes.** The Board authorizes the Secretary to renumber the existing Items in Section I, update the table of contents, page numbers, section numbering, lettering, revision dates, and formatting, and correct spelling, punctuation, capitalization, and citation format in the carried-over text, provided those updates do not change the meaning of any provision.

7. **Effective date.** These amendments take effect five (5) days after adoption.

ADOPTED by the Board of Directors on October 31, 2026.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

EXHIBIT D

Board Procedure Manual: Text Moving to the Policies & Procedures Manual

Attached to Resolution No. 2026-1026-11 (Incorporation of Portions of the Board Procedure Manual into the Policies & Procedures Manual).

- This is the full text of the Board of Directors Procedural Manual (Updated as of 10/28/23), reproduced as written, including its original spelling and punctuation.
- **Bold red text** moves into the Policies & Procedures Manual (PPM), in new Section I, Item 2 (POATRI Board of Directors) and Item 3 (POATRI Standing Committees), with technical corrections.
- Black text does not move. An italic note in brackets after each black passage states what replaces it in the PPM, or that it is not carried over.

Board of Directors Procedural Manual
(Updated as of 10/28/23)

The Terlingua Ranch Board of Directors is elected by the members in good standing of Terlingua Ranch for a term of three years. This document is meant to define the basic duties and responsibilities of a Director as well as those of officers of the Board and committees. *[Not carried over. The PPM instead refers to Bylaws Articles 4 and 5.]*

A Director shall:

Duties of a Director of Terlingua Ranch

1. **Be a strong advocate for the Property Owners Association of Terlingua Ranch, Inc. (POATRI); enhance the public image.**
2. **Regularly attend board meetings and important related meetings, including the Board Orientation that occurs shortly after election and at intervals thereafter.** It is required that all candidates for Director attend the January members' meeting and be available for the orientation meeting that will follow on the same weekend. *[Replaced in the PPM: Directors-elect are expected to attend the orientation following the January Annual Members Meeting.]*
3. **Make a serious commitment to participate actively in committee work.**
4. **Volunteer for and willingly accept assignments and complete them thoroughly and on time.**
5. **Stay informed about committee matters, prepare well for meetings, and review and comment on minutes and reports.**
6. **Get to know other committee members and build a collegial working relationship that contributes to consensus.**
7. **Be an active participant in all annual evaluations and planning efforts.**
8. **Speak for the organization only when authorized and refrain from** engaging in restricted acts as defined in the bylaws. *[Replaced in the PPM: actions prohibited by the Bylaws and the Code of Ethics and Standard of Conduct.]*
9. **Keep disagreement impersonal, practicing discretion and accepting decisions made on a majority basis so that board unity and confidence are promoted.**
10. **Optimize relationship between Directors and Management, always striving to ameliorate tensions in a way that supports management.**

11. **Govern by broad policies and objectives.**
12. **Respect the division of policy making and operations by referring property owner questions and comments regarding management to the Manager.**

Duties of Officers

President

1. **Provides leadership to the Board of Directors. The president is elected for a one-year term and may serve no more than** three one-year terms. *[Replaced in the PPM: two (2) consecutive one-year terms, as provided in Bylaws Article 5.01.]*
2. **Chairs meetings of the Board. Also chairs workshops or delegates that responsibility to another board member.**
3. **Is responsible for developing the agenda with the Manager, including discussions of any current issues.**
4. Appoints the chairs of all committees and task forces. Also serves as non-voting, ex officio, member of all committees and attends their meetings when invited. *[Replaced in the PPM with the appointment authority and advisory, non-voting membership stated in Bylaws Article 5.03(a).]*
5. **Discusses issues confronting Terlingua Ranch with the Manager and encourages the Board's role in strategic planning.**
6. **Signatory on bank account/s and any other legal documents as required.**
7. **Responsible for agendas being compiled and posted on the website and at the Ranch office.**
8. **Votes on all motions.**
9. **Is responsible for an annual Performance Review of the Manager on the basis of a job description, including relations with the board, leadership in the organization, program planning and implementation and management of the organization and its personnel.**
10. **Performs other tasks as assigned by the Board and as required by State Law, the Bylaws and the Policies & Procedures of the POATRI Board.**
11. Chair Director Application Committee. *[Replaced in the PPM: may serve as chair or appoint another chair, and does not vote when serving as chair, per Bylaws Article 5.03(a)(6).]*
12. Appoints Hunt Task Force Chair at the July quarterly meeting each year. *[Struck. Not carried over.]*

Vice President

1. **Performs President's responsibilities in the absence of the President**
2. **Maintains the official documents in the Director's notebook, in co-operation with management. This includes, but is not limited to: minutes, resolutions, financial reports, assorted policies, and committee reports.**
3. Creates Director's notebooks for new Directors consisting of organizational documents, Maintenance Agreement, bylaws, minutes, resolutions, financial reports, assorted POATRI policies, and committee reports. *[Struck by amendment at the meeting. Not carried over.]*
4. **Maintains the Index of Resolutions.**
5. **Is a signatory on bank account/s.**
6. **Works closely with the President to develop and implement officer transition plans.**
7. **Performs other tasks as assigned by the Board of Directors and as required by State Law, the Bylaws and the Policies & Procedures of the POATRI Board.**

Secretary

1. **Writes the minutes of the official quarterly board meetings. The minutes are a legal recording of the corporation's actions and as such, may be subpoenaed in court.**
2. **Writes the reports from workshops and other board activities**
3. **Creates the Secretary's report of the Board of Directors meeting for the website and newsletter within one week of the meeting.**
4. **Disseminates minutes to the Directors within two weeks, preferably by email, for corrections. The corrections must be returned to the Secretary within one week, at which time Directors shall approve them by consent agenda. A consent agenda may be used for non-controversial and routine business and does not require a formal motion and vote.**
5. **Within four weeks of the Board of Directors meetings, files official minutes, including Original Resolutions, with the Manager for filing at Ranch office.**
6. **Responsible for posting Interim Resolutions to the website immediately and includes in the posting the time, place and Directors involved.**
7. **Is a signatory on bank account/s.**
8. Keeps a register, or roll, of the members, **and calls the roll when required.** *[Replaced in the PPM: uses the Members List the Manager maintains under Bylaws Article 3.06(a).]*
9. **Performs other tasks as assigned by the Board and as required by State Law, the Bylaws and the Policies & Procedures of the POATRI Board.**
10. **Is responsible for the safe keeping of the** taped transcript of quarterly board meetings *[Replaced in the PPM: electronic recording of Board meetings required by Bylaws Article 4.01(d).]*

Treasurer

1. **Chairs the Budget and Finance Committee**
2. **Receives and reviews financial reports from Manager quarterly**
3. **Writes and presents financial reports at Board of Directors meetings**
4. **Responsible for any financial reports issued to the public whether on the website, newsletter or other media**
5. **Serves as liaison between the audit committee and the board**
6. **Is a signatory on bank account/s.**
7. **Performs other tasks as assigned by the Board and as required by State Law, the Bylaws and the Policies & Procedures of the POATRI Board.**

STANDING COMMITTEES *[Becomes PPM Section I, Item 3, POATRI Standing Committees.]*

Director Application Committee

1. **Consists of the chairs of all existing committees, the President and the Manager**
2. Beginning no later than April of any given year, is responsible for developing a pool of candidates for the annual Director elections *[Not carried over.]*
3. Makes contacts to develop interest in being a Director. *[Not carried over.]*
4. **Posts a notice in the Ranch newsletter and web site in July that the search for candidates is open.**
5. **Develops questions for nominees to answer on the application.**
6. Develops and sends out a candidate packet, **processes applications that are returned directly to the committee, and finalizes the prospective list of candidates.** *[The candidate packet duty is not carried over. The PPM adds a duty to confirm from POATRI records that each applicant is a Member in Good Standing under Bylaws Article 3.03 and to refer any question of good standing to the Board for determination.]*

7. Serves as the committee for Board Orientation by working with the Manager to develop the Board packet, touring the facility with the Manager and assigning whatever other training is deemed necessary for new board members, including possibly a mentor. *[Not carried over.]*

Audit Committee

Procedures listed in the Policies and Procedures manual of POATRI as approved by Board Resolution. *[The PPM adds a cross-reference to Section II, Item 4.]*

Budget & Finance Committee

(Handbook - Accepted by the Board of Directors October 25, 2014)

Section I - The Committee

The Budget and Finance Committee (BFC), identified in Article 5.03 a.5., of POATRI's By-Laws, is a Standing Committee with members appointed by the President of the Board of Directors (BOD). The President is a non-voting ex officio member. The Treasurer serves as the Chair of the BFC and the Manager is a member. The Treasurer may suggest other members to be approved by the President. Committee Members must be Members in Good Standing (MIGS) and should have a business or financial background and an understanding of finances and budget preparation.

Section II - The BFC Mission Statement

The Budget and Finance Committee (BFC) is a standing committee appointed by the Board of Director's President and reporting directly to the Treasurer who is the Chair of the committee. The BFC committee members serve at the pleasure of the POATRI Board of Directors (BOD). The committee is a resource to the BOD, the Manager, and other committees for researching and analyzing any approved topic or project that might have a financial impact on POATRI. These may include assisting with budget preparation, budget monitoring and tracking, financial reporting, financial risk analysis, cost analysis, and providing recommendations regarding financial choices. The BFC provides the BOD, Management, and other committees with a Financial Analysis staff function and is an integral part of the overall management team. BFC members shall conduct themselves in a professional manner, commit to teamwork and cooperation, and demonstrate behaviors that uphold the values of honesty, integrity, trust and respect for all policies and persons involved with POATRI. (Approved by Resolution of BOD - April 26, 2014)

Section III - Duties of the Budget and Finance Committee

1. **Provide financial analysis assistance as requested by the BOD, Manager, and other committees or task forces.**
   a) **Define and analyze the financial risk involved with business or legal decisions to be made by the BOD and quantify the financial impact that these decisions may have on POATRI.**
   b) **Assist by evaluating the financial impact of proposed action plans and provide a cost and risk analysis relating to the plan.**
   c) **Assist the Treasurer in preparing and reviewing quarterly and annual financial reports for accuracy and consistency.**
   d) **Assist the Treasurer with calculating the annual cost of living allowance (COLA) to be used for determining the following year's annual assessment.**
   e) **Assist the Treasurer in the preparation of a report projecting the availability of cash during the year and suggest alternatives to prevent negative cash balances.**
2. **Provide budgeting and financial assistance to the Board and Manager:**

a) **The Budget & Finance Committee is responsible for quarterly reports to the Board and membership.**

b) **During the fiscal year, review income, expenses and capital expenditures resulting from current year operations and in particular any items that were not consistent with the budget. Provide an analysis of the impact on the Net Cash Position of all changes due to actual transactions.**

c) **Assist the Manager with preparing a detailed Operations Budget for the upcoming year which identifies all income, expense and capital expenditure items that are expected to occur and shows the estimated Net Cash Balance at the end of the period. Identify major repair and maintenance items for inclusion in the Operations Budget.**

3. **Assist the BOD and Manager**

a) **Provide assistance with developing and keeping current a long term plan for capital expenditures required for maintaining the value and functionality of POATRI's road maintenance equipment and infrastructure.**

Communications Committee - Communications committee consists of Newsletter and Website

Website

1. **Poatri Website is managed by the President and his/her designee. The Terlingua Ranch Website is managed by the Manager.**
2. **Access is given to the chair of the Communications Committee or designee of President. Access to the TR website is given to the Manager, and appropriate staff as designated by the POATRI President or Manager.**
3. **Unless otherwise directed, content of POATRI website will contain POATRI governing documents, current financial information, current minutes and board reports, pertinent announcements and communications from the Board and Management, including an online copy of the current newsletter, at the discretion of the above access holders.**
4. **Primary mission of the website is to disseminate current information to property owners pertinent to activities of the Board of Directors and management issues of Terlingua Ranch.**

Newsletter

1. **To be published in February, May, August and November of each year. (as budget allows)**
2. **The primary mission is to disseminate information to property owners, including articles regarding Board and management activities as well as those of general interest as space allows.**
3. **Each issue will give the manner in which complete reports may be obtained from the office, contact information, a Manager's Report, a President's Report, a Secretary's report (to be a synopsis of the quarterly meeting and workshops), and a Financial Officer's report.**

Deadlines:

1. **Manager's Report, President's Report, Secretary's report of meeting, other reports and announcements due one week after board meeting, in electronic format, emailed to General Manager. All reports should be no longer than 500 words (2 double-spaced pages) unless specially authorized by Committee Chair.**
2. **General interest articles due two weeks before board meeting.**

Archiving

1. **The General Manager and Newsletter chair will house the templates and a printed copy of each newsletter.**
2. **The chair will be responsible for forwarding all templates and the last newsletter to new committee members/chairs in an electronic form.**

Water Committee

The purpose of the Water Committee is to provide both research and direction for a water management plan for Terlingua Ranch and to provide education to property owners with regards to water sources, usage, and conservation by establishing and maintaining an informational and educational web site for property owners on all topics related to the water and the environment of Terlingua Ranch.

The responsibilities include providing ongoing and continuous oversight of the water conditions on Terlingua Ranch, and provide research, analysis, and guidance with regard to water distribution and conservation to the Board of Directors and Management.

The Committee will be chaired by a Board Member, who with the Ranch Manager will select members as needed from the Board, employees, other committees, and property owners.

Road Maintenance Committee

POATRI is responsible for maintaining a vast network of roads of varying condition that can be rendered impassible by inclement weather conditions. Over time conditions on some roads have deteriorated to the point that current POATRI maintenance assets and resources are insufficient to restore some roads to the point where they are safe for passage for residents, service and emergency vehicles. While the POATRI road maintenance crew do an excellent job with the resources they have, there are parts of some roads that need repair work that is beyond the capability of POATRI equipment. The committee would consult with road crew members as well as outside contractors and affected property owners and or those with knowledge of road building/maintenance.

The purpose of the Road Maintenance Committee is to determine:

- What is the general state of the roads, and to what extent can they be be properly maintained and at what level with current POATRI equipment.
- How often do conditions arise that requires extra equipment as opposed to a quick repair with present POATRI equipment, which then quickly deteriorates to an unacceptable state with the next heavy rainfall.
- If POATRI hires an outside contractor who has the necessary equipment, can the road be repaired to a state where POATR can thereafter maintain the roads with its present equipment for several years hence, and
- To what extent can the cost of using outside contractors be averted at lower cost by purchasing some additional equipment and rely on contractors only for less common circumstances?

Additionally, the Committee should evaluate the maintenance level for roads needed for emergency vehicles:

- Can all Poatri roads be brought up to and maintained to this standard,
- Can POATRI just maintain main artery roads to this standard, and
- What would this cost be given the POATRI budget and in view of the fact that 45% of members do not pay POATRI dues.

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

Property Owners Association of Terlingua Ranch, Inc.

PO Box 638 - Terlingua, TX 79852 - (432) 371-3146

RESOLUTION NO. 2026-1026-12

RESCISSION OF THE BOARD PROCEDURE MANUAL

CORRECTED COPY*: incorporates the handwritten corrections made to the signed original at the Board of Directors meeting of October 31, 2026. The signed original is on file at the Terlingua Ranch office.*

WHEREAS, by Resolution No. 2026-1026-11 (Incorporation of Portions of the Board Procedure Manual into the Policies & Procedures Manual), the Board incorporated portions of the Board Procedure Manual, including the duties of Directors, the duties of officers, and the charters of the Standing Committees from the Board of Directors Procedural Manual (Updated as of 10/28/23) into the Policies & Procedures Manual (PPM); and

WHEREAS, the Board desires that the PPM be the only document setting out those provisions;

NOW, THEREFORE, BE IT RESOLVED, that:

1. **Rescission.** The Board of Directors Procedural Manual (Updated as of 10/28/23) is rescinded. Under PPM Section III, Item 6(B), the Secretary will retain the rescinded manual separately for historical purposes.
2. **References in the PPM.** In Section I, Item 8 (Communications Policy), paragraph E and Topics Guideline paragraph B.2, the references to “the Board of Directors Procedural Manual” are replaced with references to “the Policies & Procedures Manual.”
3. **Effective date.** This Resolution takes effect five (5) days after adoption, provided the Board has adopted Resolution No. 2026-1026-11 (Incorporation of Portions of the Board Procedure Manual into the Policies & Procedures Manual). If the Board has not adopted that Resolution, this Resolution has no effect.

ADOPTED by the Board of Directors on October 31, 2026.