

Board of Directors

Fort Clark Springs Association, Inc.

Regular Meeting

December 21, 2013

The Board of Directors of Fort Clark Springs Association, Inc. met in regular session on Saturday December 21, 2013 in the Board Room, Fort Clark Springs, Kinney County, Texas. The meeting was called to order at 9:00 a.m. by President. A quorum was established with the following directors present: Bill Herman, Roby Roberson, Sandra Hagen, and B.E. Sweet. Also present was Jodee Stevens, Director of Operations, and Monique Jensen, Office Manager. Observers recorded in Board Minutes Binder.

ANNOUNCEMENTS/CORRESPONDENCE: None

APPROVAL OF MINUTES: Hagen moved to approve the Regular Board Meeting Minutes for November 16, 2013. Roberson seconded the motion. Discussion: Notation of correcting the SAWS Resolution 2013-02 to the correct year of 2013-02. Motioned carried with all voting in favor, except for Herman, who abstained.

APPROVAL, TRANSFER OF FUNDS: Hagen moved to approve the Transfer of Funds as presented. Roberson seconded the motion. Discussion: Director Roberson asked the question as to why we approve the transfer of funds if they have already been transferred? Director of Operations Stevens stated that we could exclude it from the agenda in the future. The motion carried with all voting in favor, except for Herman, who abstained.

DIRECTOR OF OPERATIONS REPORT: Stevens opened with condolences to the Winchell Family for their loss. She paid tribute to a volunteer who not only served on the BOD twice but also served on the preservation committee. He believed in and loved Fort Clark Springs. He was passionate about the Recycling Center. He was friends to many. We will continue to move forward, but would like to recognized all that Mr. Winchell has done for the Fort. As we look forward , we need to stop looking at the past and all the wrongs but look to the future see all the good changes. Today, staff members are here to hopefully educate the membership on the inner workings of what our administration and staff work on. The first is Carla Newsom from our Accounting. She has been tasked with the most daunting task of converting our financials.

Carla Newsom – Accounting: was not formerly trained on the depths of the financial network. The financial network was initially based on a DOS program. To bring it forward into the current world has been a nightmare. We have essentially the equivalent of 3 different companies with over 400 accounts. Through the conversion process of entering checks one by one by one we have been able to consolidate and streamline. On top of all these tasks of conversion and reconciliation, there are daily duties of accounts payables and daily deposits and membership issues that take precedence. We are now in the process of reconciliation of the two systems to make sure it was input and allocated correctly. We also are working closely with a programmer that will make it so that all the daily workings of the financial network will upload to Quickbooks which will improve our tasks greatly. We do have deadlines for the Auditors so the tasks are moving along and we see light at the end of the tunnel.

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ReAnna Hay – Member Services: Like Carla, ReAnna was thrown in to her position without being formerly trained. We have been able to clean up accounts that have been continuing to be billed when they have not paid for several years. Presenting the membership reports with dollar amounts shows how much potential income should be coming in. When all is said and done, we are missing out on almost \$20,000. Director Roberson questioned why there are discrepancies on how much income comes in. It was explained that the number has always reflected in the past what was billed—and in previous months it was based on several accounts that have been inactive in paying for years. Now we are not billing for those inactive accounts. On these inactive accounts, we have debts of thousands of dollars.

To continue, Stevens displayed on slides Profit and Loss Preliminary Draft reports of our financials. We are showing losses as was expected. When compared to past balance sheets we are looking better. Expenses are down compared to the budget. Stevens highlighted the comparisons between October & November 2013 expenses and income. Motel had a loss because renovations were done but should be offset with Solar, Railroad and Wind Farm people coming in.

Stevens also highlighted the marketing plan. Steve and Phylis Giblin have attended some events promoting Fort Clark Springs and have plans on attending more RV shows in the future. The truck and trailer used by the Giblin's will be wrapped (slide was shown during the meeting). The new brochures are done and delivered (brochure was passed around). Stevens also shared a rough cut of the video that is being produced for the marketing campaign.

Director Roberson presented the question as to why collections were down? Stevens replied that people are paying. Roberson also referenced items that should/would be discussed during executive session. He went on to address the issue of members requesting e-mail notification of board meetings. Stevens' response was that when the same topic came up a year ago she was told legally that what we do now was enough because we do have a public place to post the notice. Roberson also asked about the security cameras and whether or not they had been posted. Stevens responded that nothing had been done as of yet.

COMMITTEE AND ORGANIZATION REPORTS: The following committees presented oral reports to the board: Architectural, Golf, Restoration & Preservation, Community Council and Recycling.

ARCHITECTURAL: Phylis Giblin reported the committee meets every Tuesday morning at 9:00am in the board room and that it is an open meeting. You'll notice that with the holiday season upon us members are fixing roofs, painting and making repairs. She also reminded the membership that if you make an exterior modification you need to submit a permit to the committee.

GOLF: No report.

PRESERVATION: No report.

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COMMUNITY: Allison Watkinson reported the community council met last Saturday (December 14, 2013). Fort Clark Days is in full swing—we need volunteers. If you are willing to help please contact Sue Martin (Chair of the committee). Raffle tickets and buttons are on sale right now. Elections are taking place in January 2014—with amendments to constitution and by-laws. Community Council meets every 2nd Saturday of the month. Officer positions are available for elections. Event insurance adds addition expenses. Please go to website and donate. Community Council Board of Directors declined the request from the Fort Clark Springs BOD to hold/host a town hall meeting. It is their opinion this type of meeting would undermine the purpose of community council. Community Council has offered the backroom of Shafter Hall for the use of the line dancing group. Community Concerns: Ann Watts complained about the heating in the Adult Center and that communication needs to be different. Other concerns are that the meeting tapes are being edited and also the last financial statement posted on the website is out of date.

RECYCLING: Bill Herman reported the Recycling Center is still open for business. A load was sent out a few weeks ago. There will be discussion on who will take over the Recycling Center in the future.

Discussion/Consideration, Dedication/Naming of Recycling Center and/or Road to Recycling Center: Hagen moved to approve discussion of naming the Recycling Center or Road that leads to the Recycling Center after the person most involve in it which was Lee Winchell. A second was called for with no response so the item was tabled.

15-MINUTE MEMBER DISCUSSION:

Mary Francis Partlow: Questioned Stevens regarding the video being made costing \$150,000. Stevens stated the cost was \$8,500. Partlow continued to ask about the renaming of the 'Green Room' at the pro shop. Director Hagen reported the room is currently called "The Club Room" a name plate for Alice Dyer Cockrum who is responsible for the donation. An open house will be done once all the work is done. Partlow also questioned as to whether the room is available for rent for private parties. The answer given was yes the room can be rented out and catered from the restaurant.

Kathleen Warm: Stated that the Fort has never looked better. Her and Wally are not involved with the deer harvest. She also questioned how she can share the video. Stevens responded that plans are made to be able to share it from our website but it is not available at this time because it is not complete. She also asked if there was a way for her to get a copy of the By-Laws. Stevens responded that she could pick up a copy at the Front Office or from the website.

Dan Sullivan: Stated that is was good to see financial statements and "Good Job Carla!" Expressed concern in regards to Executive Session in that they are held frequently and are very long. Sullivan stated that he has never seen other boards hold executive sessions at every meeting. He also stated that it would be nice if they wouldn't be long.

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John Rosettsky: Stated that he enjoys the video of past board meetings because it helps quash rumors and was concerned the videos were not there. Stevens stated that all the videos are there and other members stated the same. Rosettsky also stated he volunteered to sit on the Art Board to find out what exactly was in their contract. He would like items in the contract addressed in regards to why they don't pay more in utilities, and that the Fort won't take liability when it is Fort property being used.

Linda Conlin: Wants to have the issue addressed about the safety of doing line dancing and aerobics on carpet. She states that it is unsafe. Expressed concern about rumors that state the carpet won't be pulled up because of the cost to do so. Her suggestion is to have volunteers take up the carpet.

RECESS TO EXECUTIVE SESSION 10:25 A.M.

RETURN TO OPEN SESSION 12:17 P.M.

ORAL SUMMARY OF DISCUSSION HELD IN EXECUTIVE SESSION:

Herman stated that discussion to fill the open position on the Board of Directors will take place as an application process. An application form will be available in the Admin. Bldg. and due January 4 by noon.

Fort Clark Days Committee submitted a letter of request to use buildings and facilities on the Fort for additional days. Hagen moved to approve the request from the Fort Clark Days Committee for additional dates and use of facilities. Roberson seconded the motion. The motion carried with all voting in favor, except for Herman, who abstained.

Approval needed for the CPA firm Oliver Garrison LLC to do Fort Clark Springs Association, Inc. audit. Hagen moved to approve the new CPA firm Oliver Garrison LLC to do the audit. Roberson seconded the motion as per proposal of December 1st. The motion carried with all voting in favor, except Herman, who abstained.

Border Patrol submitted a Memorandum of Understanding for use of the Fort Clark Gun Range. Roberson moved to approve the MOU. Hagen seconded the motion. The motion carried with all voting in favor, except Herman, who abstained.

MUD contract submitted. The only changes on the MUD contract is the date of expiration which will be through the remainder of the bond (Feb 2030). Roberson moved to approve 'Part A' of the MUD contract. Hagen seconded the motion. The motion carried with all voting in favor, except Herman, who abstained. Roberson moved to approve 'Part B' of the MUD contract. Hagen seconded the motion. The motion carried with all voting in favor, except Herman, who abstained.

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Proposed Policy Resolution 2013-03 – Amendment to current By-Laws regarding nepotism. Proposal to amend the By-Laws so that relatives or relations of Board of Directors can be hired/employed at Fort Clark Springs Association, Inc. It defines that employees that are in executive positions as outlined as – Director of Operations, Accountant, Office Manager, Member Services, and Collections -- cannot be related to Board of Directors.

CONFIRMATION OF NEXT REGULAR BOARD MEETING, TIME AND DATE: The next regular board meeting will be held on January 18, 2014, at 9:00 a.m. in the Board Room.

WITH NO FURTHER BUSINESS, THE MEETING WAS ADJOURNED AT 12:35 P.M.

Sandra Hagen, Secretary

William Herman, President