

Board of Directors

Fort Clark Springs Association, Inc.

Regular Meeting

Saturday, March 19, 2022



The Board of Directors of Fort Clark Springs Association Inc., met in a regular session on Saturday, March 19, 2022, in the Boardroom, Fort Clark Springs, Kinney County, Texas. The meeting was called to order at 9:03 a.m. by President Travis Huey. The following directors constituted a quorum: President Travis Huey, Vice President Linda O'Brien, Treasurer Bill Herman, Secretary Robert Mumme, and Director Memo Guzman. Also present were Executive Officer/General Manager, Alan Peterson and Executive Secretary, Julie Moreno.

APPROVAL OF MINUTES from Regular Board Meeting on February 19, 2022. **Motion to Approve Minutes by Vice President Linda O'Brien; 2nd by Director Memo Guzman. Motion Approved Unanimously.**

SECRETARY'S REPORT: Secretary Robert Mumme reported that one piece of correspondence came in from William Lewis from the Kinney County Junior Livestock Show. Will Lewis had the Reserve Champion Steer. Dear Fort Clark Association: Thank you for supporting my 4-H project this year. I have been in 4-H for 7 years and was elected 4-H President this year. In this position I have been able to further learn about 4-H and its many projects. Thank you again for your support. I look forward to continuing to show cattle for many years to come. Sincerely, William Lewis. Community Council Members' Comments will be given during the Community Council Report by Helena McBride.

TREASURER'S REPORT: Treasurer Bill Herman reported the Motel Occupancy and Revenue for February, 2022 was \$33,620.00. We had 46 DPS Troopers here. Member Services Board Report for February, 2022 for Lot Sales, Transfer Fees, ReSale Certificate Fees for a total of \$1,275.00. Collections Board Report for February, 2022 was \$10,789.00. Members Delinquency Notices was 85% Collection, FRM Collections was 52%. The Gross Profit \$194,746.00. October, 2021 to February, 2022 Gross Profit is \$1,058,204.00. Total Expenses for February, 2022 is \$208,965.00 for a Net Operating Loss of \$-14,219.00 before Depreciation and Bad Debt Expense. Total Expenses for October, 2021 to February, 2022 is \$976,064.00 for a profit of \$82,140.00, which does not include Depreciation or Bad Debt Expenses. The Total Assets and Total Liabilities and Equity is \$1,635,385.96. Preservation is \$22,891.82. Bank Balances as of 3/18/2022 for Texas Community Bank is Checking \$117,552.96; Credit Card \$115,546.18; Money Market \$9,294.96. Bank & Trust is Las Moras \$1,446.40; Restricted \$397,937.30; General \$202,577.87; and Preservation \$474.90. Total \$844,830.57.

EXECUTIVE OFFICER/GENERAL MANAGER REPORT: EO/GM Alan Peterson reported that this time last year we were recovering from a freeze. In February I have been working with our Auditor and going through all of our books and trying to develop a balance sheet that is correct and the Auditor has outlined every area that we need to pay attention to for the future. I had 47 entries that I had to make corrections to on our audit to get everything set up to get our balance sheet corrected. Starting this next week we will be working with our new accounting firm trying to keep our records balanced for the next year. We lost \$10,000.00 because of lost revenue for guaranteed booking for Fort Clark Days. We lost our DPS for two weeks. We still made \$33,000.00. Last year we made \$7,000.00. We had a net loss of \$-14,000.00 but that was after we paid our auditors, after paying \$8,500.00 for an air conditioner for the Service Club and Accounting. We did a lot of capital expenses. We are \$50,000.00 better than we were last year at this time. We finished three more rooms in the motel, which means we have nine more left to do. We probably won't

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finish these until the end of the summer. The Audit is complete and will give the presentation next week. If you have gone down Chandler Road, you will see we have started our first demolition of properties that we own that need to be replaced. These properties were not secured and had to be removed. The next six months we are going to try not to take on any more big projects. We need to finish the things we have started. Landscaping will be changing over to tree maintenance, roads and grass. The staff that works outside will start working on the inside as the heat comes in. By the end of September we should be able to understand where we are and what we need to get done. We had two good settlements on properties that we have been after since I came here. We did not make any concessions on settlement costs and received payment in full. We have five or six more that we are close to finalizing. Ten more are in the works. The Golf Course has a big tournament today. We have started to work with some chemicals on the greens.
Director Comments.

COMMITTEE REPORTS:

Airport Committee - by Secretary Robert Mumme for Stan Martin, Chairman: There were three aircraft that flew in during the month, member guests. The Airport Committee made the hangar available for the golf cart progressive dinner on the 16th. I (Stan) answered questions about the airport during this time.

Architectural Committee - by Lisa Vale: A new member was added to the Committee, Vincent Valdez. We've processed about eight permits and six violations. We also kicked back numerous permits without adequate information. Still looking for up to three more committee members. The Committee will not be meeting this next week.

Golf Committee - by Secretary Robert Mumme for Katie Brown: This past month, the Golf Committee: a. finished the restrooms on the course; b. installed a water fountain; c. paid for a motor for the mower; d. paid for new flags on the golf course; e. bought ant poison; f. rerouted the drain for the A/C and ice machine at the Pro Shop. The Las Moras/Hoagy Nelson Memorial Tournament is this weekend, March 19-20. Proceeds will fund high school scholarships.

Preservation Committee - by Secretary Robert Mumme for President H.N. Bitter: We met on March 9, 2022 at 3:00 p.m. in the Boardroom. We discussed a variety of subjects, but mainly the tax reduction repair work. Eva Huey volunteered to develop a spreadsheet based on historical data from tax reduction repair jobs. This will be a longer term project. Sharon Gregorc and team pulled up old carpet in the powder magazine to really dress it up for Fort Clark Days. I elected to not start any repair jobs due to upcoming Fort Clark Days.

Recycle Committee - Helena McBride: Good News - we made another \$404.00 for the January shipment. Waste Management decided to raise the truck rate again. It is now \$592.25. They claim that gas prices are up and labor shortage. 10% is also taken from what we make to Keep Texas Recycling. Our shipment was \$1107.00 but the check was for \$404.00. We did make money thanks to our volunteers. We will be closed next Saturday for the Annual Meeting, March 26th. We've had issues with high winds and are considering a small fence for the plastic bags. Director Comments.

Las Moras Restoration Project - by Helena McBride for Chris Hale: The Gun Raffle was very successful with D&D Hardware, Linda O'Brien and Angela Haenn raising more than \$6,000.00. This puts the Committee's Fundraising at more than \$35,000.00 in money and materials. All the money has gone to

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repair the pool with the repair of the steel inlet gate apparatus which is expected to be completed this week. We are still trying to coordinate the next phase of the sidewalk replacement and we think that will happen soon. A new raffle fundraiser has begun. This time for a Model 1842 Cavalry Saber made in Prussia early in the Civil War. The authentic saber may have well spent time at Fort Clark during the Indian Wars. Please support the raffle so that we can continue the progress of the repairs.

Election Committee - by Sandee Hagen, Election Chairperson: Will refer to the Agenda Item.

By-Laws Committee: This Committee is still on pause.

COMMUNITY COUNCIL REPORT by Helenda McBride: We have soda and water left over from the donations from CocaCola. We are saving them for next year for Fort Clark Days. The Ladies Tea was another event and had 35 ladies. There are some items that the coordinators would like for future use: teapots, serving utensils, plates, dish towels, and storage containers. The cost would be about \$200.00. It was suggested that the Community Council purchase two more canvas tarps by the Living Historians. The cost would be about \$500.00. This does not include the braces, rope, paint, or dowels. The Board agreed to table the purchase. There was a lengthy discussion among the audience about concerns handling Fort Clark Days traffic - trucks, cars, golf carts and pedestrians. The food row was congested because of too much traffic. A final comment referred to the success that this was and it was estimated that maybe 2,000 to 3,000 people came in. Some people did not pay so we probably lost some money. The question was raised on how the Fort is going to handle 20,000 people who might show up for the Solar Eclipse trafficwise. Our next meeting is April 9th here in the Boardroom for all lot owning Members at 10:00 a.m.

OLD/UNFINISHED BUSINESS:

Tabled Item 1: New Lease for Wastewater Treatment Area. President Travis Huey reported that there was a hearing between a group of concerned ranchers, TCEQ and MUD. That hearing was on March 2nd. That was a hearing to establish the fact that these concerned people had the ability to protest the permit. They are now in a discovery phase where they are getting their experts together and getting all of the information that they need to talk about what they think they need to do going forward whether that is TCEQ or MUD. In the permit there are certain things that are required. Through this promise I think we will see just how the performance has been over time. We will see how this goes through the entire process. We currently do not have a lease with the Utility District for the irrigation system for the Golf Course. That is something we are seeking and will get over time. This item will continue to be tabled.

DISCUSSION ITEMS:

Discussion Item 1: Chandler Properties. Three things we would like to discuss - Chandler Properties, Collections and Speeding. With the Chandler Properties, we thought we had a solution. We would accept proposals from local contractors and look at taking the property and clearing it which would be at no cost to the Association or the Membership, have them develop the property with substandards that we would have set with the Board and the Architectural Committee. We took this proposal to our attorneys and they said no. It's a 30 page document and we would spend more in attorney's fees than we will ever recoup from doing this to these properties. We are now going to get on the maintenance schedule, get the dumpsters and clean those properties up. Collections are the same thing. We just collected an exorbitant amount of money in March which will be in the next report. The reason we were able to do that was because we took the time to

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work with the attorneys, to develop the process where we know exactly what we are doing and the staff here at the Fort are able to follow. When we do this, the law is on our side. We were 8-10% delinquency, now we are 5-6%. Speeding. There have been some thought processes that we haven't done much as a board or as a management team in general. I have a little bit of a concern with that, Your board has spoken with the Sheriff about speeding. We have identified the agreement that was made by the previous board where they have the opportunity to enforce the speeding and traffic signals on main roads on the Fort. From a Board perspective, we have looked at it. Our management team has placed signs to mark the roads. They are identifying the stop signs, the speed limit signs, and getting a plan together to put those signs back in working order. The speeding has not stopped, but it is better. Your Sheriff's department is elected by you. If they are not getting the resources to work with Operation Lonestar and patrol, that is an elective issue not a board issue. We have done what we need to have the conversation with them, to give them access to the Fort, to give them the ability to operate here. If they need more resources, we need to help support them as a community to get them more resources from the County Commissioner or the State. Director Comments.

EMAIL VOTE: No Email Votes this Month.

NEW BUSINESS/ACTION ITEMS:

Agenda Item 1: Consider Approval to Dissolve the Election Committee. A motion was made by Treasurer Bill Herman to table this item until after the Annual Meeting and the votes are announced. Vice President Linda O'Brien 2nd. Motion was opposed unanimously. Election Chairperson Sandee Hagen addressed the Motion stating there is nothing more the Election Committee can do now that the ballots are all in and counted and their job ends with the mailing of the ballots. Director Comments. Election Chairperson Sandee Hagen reported: 2022 Board of Directors Election Final Review and Recommendations. The 2022 Election Committee respectfully submits the following comments and recommendations for the 2022 Director Election: A. Issue: The Committee attached the address labels to the ballots, counted ballots, biographies and envelopes on Wednesday, February 9, 2022. All labels were matched to the membership list provided by Administration Member Services. Any misprints and errors were corrected when found. A total of 1,646 ballots were labeled. The ballots were counted three times for accuracy. The labeled ballots were stored in the Administration safe until Friday, February 11, 2022 when they were released to the Committee Chairperson, stuffed into envelopes and mailed. Recommendation: 1. If feasible, print label address directly onto the ballots instead onto a sheet of detachable paper labels. This would speed up counting and bundling of ballots, envelopes and enclosures. However, this process may complicate machine folding of the ballots to fit envelopes. Print shops are usually bonded so security shouldn't be an issue. B. Issue: During ballot mailing, in the past, each table of volunteers has been encouraged to organize stuffing and sealing in whatever manner they chose as long as the table had a process for quality control. Quality control includes checking that address is visible in the envelope window, each envelope has ONE ballot, a return envelope and enclosures. Recommendation: 1. Require each table to assign one person to perform quality control to ensure that the completed envelope count matches what they were given, the address is visible in the window and the envelope contains ONE ballot, one envelope and any enclosures. Depending on the number of volunteers, a second person should be assigned to seal the envelope after it's inspected for accuracy. This will eliminate several problems that we encountered including addresses not visible in the window. 2. Print the ballot on a different color paper, such as light yellow, pink or blue. This will distinguish the ballot from attachments (bios). Tables with quality control found two bios and no ballot, or multiple ballots and no bio. Colored ballots should eliminate this. The

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tables corrected the errors before sealing. **Secretary Robert Mumme made a Motion to Dissolve the 2022 Election Committee, 2nd Treasurer Bill Herman. Motion passed unanimously.**

ANNOUNCEMENTS: Easter Bunny/Egg Hunt and Hotdogs - April 16th at Rendezvous Park. 11 AM; Easter Sunrise Service - April 17th at the Amphitheater, 7 AM. Golf Carts will be available to take members and guests to the seats at the Amphitheater. With Winter Texans leaving soon, we will still be periodically having pancake breakfasts and potlucks at the RV Park - dates will be announced via Dispatch. 10 AM Annual Meeting March 26th at the Post Theater.

Member Concerns and Questions.

ADJOURN to Executive Session:

9:56 AM

No votes were taken.

1. CC&R Fines, SOP and Schedule.
2. Updates on Architectural Issues
3. Updates on Collection Issues
4. Discussions on Gun Club Proposal, Fort Clark Trademarks, Landfill, Employee Issues and other items.

RECONVENE REGULAR OPEN SESSION:

11:50 AM

NEXT REGULAR BOARD MEETING: Next meeting will be Saturday, April 23, 2022, Fort Clark Boardroom, 9:00 AM.

ADJOURNMENT: The meeting was adjourned at 11:51 AM.

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