

## ELECTIONS

**Mr. Zuber** stated in a previous meeting that all current Board Members were self-appointed & should resign and let the community vote.

- In the 20 years that I've been here, there has only been one election and that occurred November 2020 when Judd Ryan, Don Batemen, & Nathan Laws were elected.
- Elections occur, in even years; when there are more people wanting to be on the Board than open seats. When a term expires and a Board member wishes to stay on the Board and there are no opponents, they are **Elected by Default** – just like any political election.
- **Zuber, Childers, Pirtle, Henson, & Baker** (all former Board Members) were all at this meeting, and were all appointed when they were on the board - and said nothing. None of them were ever elected, other than by default, even when they entered into a new term.

Also at this meeting:

- **Larry Henson** was lifted-up by Zuber as a PUD Board President that lowered the tax rate in the same year the new Sewer Plant was installed.
  - **Henson** was appointed in April 2012 and 6 months later, in October; the new Sewer Plant was up and running. That tax rate was lowered but was still higher than our 2025 tax rate is today.
  - The Sewer Plant had been planned at least a year before **Henson** was appointed and paid for in-full in October 2012, so there was no major financial project on the horizon, therefore the tax rate could be lowered. Unlike today, when this community needs a new Well.
  - **Henson** was not President until the following year in August 2013.
  - **Henson** missed 10 meetings and attended 3 other meetings by phone making motions and seconding motions while on the phone.
    - I was informed by Childers, voting by phone wasn't allowed.
  - **Henson quit** before his term expired.

## Response to Zuber/Childers/Rowton Comments Regarding Elections, Reimbursements, False Information, Covert Behavior and Muddying the Message

Elections are held by Bandera County on their voting machines; the cost was around \$5,000 in 2020, when it was combined with the other entities' elections. If we are the only ones holding an election - it's at least \$20,000.

### REIMBURSEMENTS

After Zuber was appointed, he was given keys to the office, and he was left alone to look through all cabinets, he stated that he wanted to familiarize himself with the operation.

- **Zuber** chose to tell you about Judd's multiple reimbursements that amounted to thousands of dollars over the past 5 years.
- **Zuber** failed to say one word about **Childers' many reimbursements**. Why didn't he mention Childers, your guess is as good as mine. We've assembled **copies of the checks made out to Steve Childers** that were still available on the Bank's on-line statements, to show you proof. *(These were handed out.)*
  - There are 2 more years of reimbursements that were not copied. *(These were shown.)*
- We're not saying that any reimbursement for Childers was fraudulent. We are saying he had at least the same if not more.
- Every reimbursement for **Judd Ryan was valid and verified**.

As well as all other reimbursements are verified before reimbursement is issued.

The PUD does not have a credit card and when items are ordered for the district not all vendors will send the items before they are paid for – so, the board member ordering the items, pays for them and submits a reimbursement request along with supporting documents.

### FALSE INFORMATION & COVERT BEHAVIOR

Background:

## Response to Zuber/Childers/Rowton Comments Regarding Elections, Reimbursements, False Information, Covert Behavior and Muddying the Message

- **Childers** recommended & hired Katherine Lee to be our Administrator.
- **Childers** also recommended & hired Kathy Robertson (our Bookkeeper from Uvalde) because he had been using Ms. Robertson to help him while he was the Admin.
- **Childers** recruited Judd, Will and myself (Leslie).
- **Childers** was the one who contacted MOC and wanted to bring them on to help our previous operator because we had many months in which we failed water tests.

Zuber conveyed in his public comments, at a previous meeting; that Judd recruited MOC because they are out of Houston, but no - it was Childers who recruited MOC.

Childers also recommended Dan Zuber for the PUD Board.

- This came about when **Childers** introduced Neuser to Zuber.
- Zuber's resume was sent to Neuser after that meeting in Childers home.
- Neuser then forwarded it to the rest of the Board without any mention of the meeting beforehand, or the discussions; between Neuser, Zuber and Childers.

### Leslie Rector's Community Interest

**Mrs. Rowton** decided to speak unfavorably about me (Leslie) about my lack of concern in the Flying L community and I should resign. Let me tell you what I do for the community and you can decide if I hate it or not.

- When I joined the Board, I was appointed to be the Investment Officer & also the Secretary/Treasurer.
- The board had been using Zoom, I can only assume because nobody wanted to do written minutes (It's a lot of work). I began doing their written minutes and also began the requirements to be the Investment Officer, which included 3 University classes and multiple tests within each class, yielding my first 8 credits. We then could move funds into TexPool and gain a much better rate of return.
- I formulated our Investment Policy and we invested.

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- When our two employees and Childers quit in the span of 3 months, I volunteered to take the phone and 75% of the administrative work, saving the community the cost of their salaries.
- I contribute my time on a daily basis and when I add together all of the savings from eliminating Zoom, downgrading Network Solutions, doing written minutes, answering the phone, calling residents with delinquent accounts, (because we were being charged extra by MOC to do that), reading meters - and, because I qualified to be the Investment Officer, affording us to utilize TexPool and receive a much higher rate of return on the community's funds - this all totals at least \$91,695.00. You're welcome. I'll let you decide how much I **hate** this community.

(Administrative \$18,000, Interest \$57,945, Delinquent Bills & Reading Meters \$1,750, Recording Secretary \$14,000)

### MUDDYING THE MESSAGE

**Childers** wants to distance himself for putting off additional work on Well #1, but he was on the Board and part of the decision-making process when that proposed project was discussed.

Childers was acting consultant during first half of fiscal 2023 (July 2022 -Dec 2022) – then he was appointed to the Board in January 2023. Per the audit, 2023 had the lowest amount spent on maintenance (see 2023 Audit, it's posted on the FLPUD website).

After Childers submitted his resignation in August 2024, the Board decided to pull the pump and see if we could get an increased production from Well #1. (This was in October 2024 -- just 2 months after Childers quit).

Within days of pulling the pump It was deemed necessary to shut down Well #2 so more damage was not caused from itsS malfunctioning.

Childers made statements on Facebook that Well #1 was supplying water to the community while Well #2 was down. **This is false.**

- Immediately following the Well #2 failure, the Board issued an IRIS requesting that residents refrain from any non-essential usage. The Board also began searching for

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potable water trucks along with contacting the City of Bandera to be able to secure water from their system.

- For the three + weeks following, we were getting water from one of the Resort's irrigation wells, routed into our tanks and supplemented with chlorine and phosphates (as we do with our own Wells #1 & #2).
- For a time, both of our Wells were off-line, S at the same time.
- After Well #2 was back on-line, we began the repayment to the Resort for water used during that time frame.

Now someone may complain about using an irrigation Well, but it was an emergency and there was no other option to make sure water was always available. If we didn't do that, we would have been without water for about 4 weeks. I will assume you prefer daily access to water.

### Mismanagement of Funds

Steve posted on Facebook that the current board mismanages funds.

Just prior to quitting, Steve ordered equipment without researching the pricing or what was needed – he just ordered equipment without doing his due diligence.

Judd discovered, it was the wrong equipment and way over-priced, and confronted Steve about it.

There was a **\$2000.00 restocking fee** to return this incorrect equipment. Steve did offer to cut the PUD a check for the restocking charges of \$2000.00 but as of today we have not received it.

**Generators – On Facebook, Steve stated that the generators were close to being paid off**

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The generators were acquired on a 10-year lease with a \$1.00 buyout; they have been installed for three years; seven years remain. We do not plan to pay off the lease ahead of time because we obtained a loan with a very low-interest rate. If we paid them off – we would be robbing the community of the higher interest income that we earn in the TexPool investments because the TexPool interest will exceed the interest we would be paying and the interest we would receive in a Bank, during the latter part of the agreement.

**2020 Well 2 lightning strike incident – Steve throws a lot of blame on the current board for the October 2024 Well #2 failure; this did not happen overnight (or in the two months post his resignation).**

- Was Steve onsite when they pulled the Well out of the ground?
- If so, did he view the downpipe?
- Did he ask the Well company about the condition of the downpipe?

If the answers to any of these questions is YES – then why did Childers NOT bring it to the attention of the board so that a course of action could have been taken sooner?  
(Steve was the admin during that time frame.)

- *NOTE: Had the downpipe been replaced during the “lightning strike” incident in 2020 we would not have had the October 2024 surprise. Once again – Steve was the Admin, and, when he left that position he was still very active in the day-to-day operations until his last departure in 2024.*

**There are two consecutive fiscal years that funds spent on repairs/maintenance dropped relative to the July 1, 2020-June 30, 2021 fiscal year (See Audit YE 2021).**

1. July 1, 2021-June 30, 2022 (See Audit YE 2022) - Steve was Admin
2. July 1, 2022-June 30, 2023 (See Audit YE 2023) - Steve was acting as consultant until January 9, 2023 at which time Bernie Messier made a motion to appoint Steve Childers to sit on the Board in Ellen Sides resigned position. Calven Kees seconded. Approved unanimously.

(See Audits posted on the website)

Could this reduced maintenance have contributed to any of the Well failures?

### **Fiscal Responsibility**

November 2020 – Judd elected to Board

**Response to Zuber/Childers/Rowton Comments Regarding Elections, Reimbursements, False Information, Covert Behavior and Muddying the Message**

March 2021 – **Judd terminated the Directors Compensation** (\$25.00/meeting/director)

**Steve on Payroll** from Aug 1, 2020 – May 9, 2022:

- Aug 1, 2020 his paychecks were (\$2762.42) until
- Mar 8, 2021 his paychecks were (\$2662.42) until

April 1, 2021 Jay hired as Admin Assistant - **Steve stayed on payroll**

- April 1, 2021 his paychecks were (\$1750.00) until
- July 1, 2021 his paychecks were (\$2750.00) until
- Nov 8, 2021 his paychecks were (\$2250.00) until
- Feb 14, 2022 his paychecks were (\$1750.00) until
- March 12, 2022 his paychecks were (\$750.00) until
- April 12, 2022 his paychecks were (\$1166.67) until
- May 9, 2022 his paycheck was (\$1700.00)

April 31, 2022 – Steve resigned as Admin but acted as consultant

May 9, 2022 Jay off payroll; Katherine hired as Admin Assistant

Aug 31, 2023 Katherine off payroll

Steve was on the Board and put himself back on Payroll from Sept 12, 2023 - Nov 12, 2023 to train Nicole (Admin Assistant) and Gary (Field)

- Sept 12, 2023 (\$750.00)
- Oct 9, 2023 (\$1500.00)
- Nov 12, 2023 (\$1000.00)

I (Leslie) stopped his payroll checks; and told Steve he didn't get permission from the Board to be the Admin let alone assign himself a salary.

*Read at the October 2025 Meeting by Leslie Rector Secretary/Treasurer*