

Few people in the Bexar Grotto know the actual financials regarding HydroGeo. In light of Geary Schindel's recent legal threats of misappropriation of funds, I believe it is important for the entire to Grotto to have the facts. In the interest of transparency, this document includes the spreadsheets for each year of the HydroGeo Workshop. It also explains the numerous ways that Geary has attempted to seize control of some or all the Grotto's funds, and how these numbers refute his false claims. To get started, here is a summary of HydroGeo by year. The details are at the end of this document.

HydroGeo Totals

	Income Registration	Income Donations	Expenses	Profit
2014	\$6,294.28	\$4,950.00	\$9,169.77	\$2,074.51
2015	\$9,763.08	\$5,032.35	\$8,244.27	\$6,551.16
2016	\$12,606.05	\$6,464.70	\$9,163.49	\$9,907.26
2017	\$9,656.30	\$8,881.35	\$10,115.36	\$8,422.29
Total	\$38,319.71	\$25,328.40	\$36,692.89	\$26,955.22

False Claim #1: Misappropriation of Funds (First Attempt)

At one of our post-HydroGeo committee meetings, Sue claimed the sponsors/donors gave us money to put on HydroGeo, not to turn a profit. Hence, if we had any profits remaining, then we didn't spend the donors' money properly and were guilty of misappropriation of funds.

Facts

HydroGeo donations were solicited. They are "solicited designated funds", as opposed to "non-solicited designated funds" or general funds (see <https://www.501c3.org/misappropriating-nonprofit-funds/>). Legally, these donations must be spent on HydroGeo. Any remainder must be returned to the donors, or we can contact the donor ask if the money can spent on other purposes.

However, as you can see in the above table, donations never fully covered the expenses of HydroGeo. Thus, all donations were indeed spent on HydroGeo, and there is no misappropriation of funds.

False Claim #2: Misappropriation of Funds (Second Attempt)

False Claim #3: Registration Fees are the Same as Solicited Designated Funds

Geary says he consulted legal counsel who supposedly claim registration fees are designated funds just like donations. Geary then threatens the Grotto with misappropriation of funds unless all Grotto profits are handed over to HydroGeo. (Note this is far different than Geary's public claim at the last Grotto meeting where he "consulted attorneys just to check if it was OK for the Grotto to spend the money".)

Facts

Registration fees are a fee; they are not "designated funds" like solicited donations. See the separate *Misappropriation* document, which includes legal opinions from three different lawyers as well as the Q&A from the link above, all of which state that registration fees are not designated funds.

False Claim #4: “It Is All the Same Pot”

Just in case the misappropriation ploy doesn’t work, Geary also tries to claim that any designated donations magically convert all income to designated funds. According to Geary:

“...You can’t say, sponsorships paid for expenses and the profits are from the registration any more than you can say, registration paid for the expenses and the sponsorships are the profits. It is all the same pot of money...”

Facts

That is exactly what we can say. It’s called bookkeeping. Apparently, Geary is so consumed by his lust for the HydroGeo profits that he has blinded himself to the professions of bookkeeping and accounting.

Here’s how it really works: we get checks from sponsors; we deposit those checks into our bank; then we write checks to pay for the expenses for HydroGeo. It doesn’t matter if it’s in separate accounts or in the same account. All we need for this is accurate bookkeeping. Thankfully, our Grotto Treasurer, Pam Campbell, is an excellent bookkeeper with detailed records of every penny in and out of the Grotto. Thanks to her, we know exactly how much money every sponsor gave every single year. We know exactly how much money we received in registration fees every single year. We know exactly all our expenses every single year. We can prove without a doubt that every sponsors’ donation was spent in its entirety on HydroGeo. For proof, see the detailed spreadsheets at the end of this document.

Geary’s Deceptive Presentation

During our post-HydroGeo committee meetings, we had lengthy discussions that the Grotto cannot write a check for seed money to Geary himself. Geary knew per IRS rules for 501(c)(3) and our own Grotto Constitution and Bylaws, that the Grotto would need to write a check to a separate 501(c)(3) entity. Hence, Geary, Sue, and Mike Harris were supposed to be working on establishing a HydroGeo 501(c)(3) nonprofit. That is how we left the last HydroGeo meeting.

However, at the next Grotto meeting on November 13, 2017, Geary ambushed us with a deceptive presentation about HydroGeo with the intent of requesting \$5,000 without an established 501(c)(3). Because we were blindsided, we did not have all facts to refute Geary’s claims during his presentation, so here are the actual numbers and facts so you can see for yourself how deceptive Geary was.

Geary’s presentation was five slides: the basic totals for each of the four years of HydroGeo, and a final slide that had two numbers:

\$26,955.22
\$25,328.40

*To avoid focusing on minutia, I’m going to round the numbers to \$27,000 and \$25,000 respectively.

As you can see from the table at the beginning of this article, the top number is the total profit made by the Bexar Grotto from all four years of HydroGeo. The second number is the total sponsor donations.

Intentional Deception

You need to understand how intentionally deceptive these numbers are. Geary had all the HydroGeo totals and intentionally pulled out only these two numbers—the \$27,000 in profits and the \$25,000 in sponsorships. He then claimed he brought in the \$25,000 all by himself (we'll disprove that in False Claim #5). When Geary presents the numbers that way along with that false claim, it certainly seems like virtually all our profit came exclusively from Geary.

What Geary fails to mention is part of his False Claim #1 and #2. The sponsorships are solicited donations that must be spent on HydroGeo. They cannot be part of the Grotto profit. Geary failed to mention that. He also failed to mention that HydroGeo cost the Grotto over \$36,000 in expenses. That's \$11,000 more than the sponsorships. So how did we turn a profit?

That's another number that Geary intentionally left off—over \$38,000 in registration fees. That is actually where the Grotto made our profit, despite Geary's False Claim #3 and #4.

Think about all that. Geary had all these numbers. Before the meeting, he sat down and made a presentation where he intentionally left off registrations and cost. Geary was very vocal about tabling Arron's Giving Policy until the next meeting. Then, with this meeting already running very late, Geary bullied his way to the laptop and forced his presentation to be shown. He proclaimed that he brought in all \$25,000 of donations by himself, failed to disclose that the donations had to be (and were) spent on HydroGeo, failed to mention \$38,000 in registrations, failed to mention that it cost \$36,000 to host HydroGeo, far more than our sponsorships. Intentionally leaving out all those numbers makes the slide easily misinterpreted.

This was certainly more aggressive than his previous attempt to siphon \$5,000 without consulting the Grotto (see October 19, 2017 in the *Timeline* document). However, it pales in comparison to his next move—consulting attorneys to threaten the Grotto with misappropriation of funds unless we hand over all the HydroGeo profits. Spoiler alert: we did not misappropriate funds. See the *Misappropriation* document for Geary's threats in his own words, along with explanations of how he is blatantly wrong.

False Claim #5: Geary Brought in All the HydroGeo Sponsorship Money All by Himself

Geary repeatedly proclaimed during his presentation that he alone brought in all the sponsorship money. Even when Pam Campbell protested that she helped and did a lot of work to bring in that money, Geary stood fast in his assertion that he brought it all in himself.

Facts

Despite Geary's claims, Pam did a tremendous amount of work for several months each year, filling out and creating paperwork to get these donations. All the checks were mailed to her. She spent her lunch hours running to the bank to deposit them. Furthermore, this year, Geary gave up on Terracon donating money. Pam contacted them herself and got them to make a monetary donation. Last year, Kimberly Hartzog says Geary just handed her a list of the donors from the previous two years (thanks to Pam's bookkeeping), and Kimberly made the calls to the sponsors and brought in the money herself.

Then there's our largest sponsor, EAA, who is Geary's employer. Geary is explicitly forbidden from requesting money from EAA because it is a direct conflict of interest. Thus, Pam had to fill out pages and pages of forms so she could request the money from EAA herself.

Even if Geary meant that all the contacts were his and not that he did all the actual work himself, that is also false. He has no inside contact at HEB, who has donated the last three years. Even Bexar Grotto's own Tom Florer, who has worked at HEB for decades, told us to go through the normal public request channels. Kimberly is the person pursued this and ultimately got HEB to donate.

Furthermore, this doesn't even address the fact that these sponsors were not expecting Geary Schindel to put on the event all by himself. The Bexar Grotto is the 501(c)(3) nonprofit that gave legitimacy to this event, made those donations tax-deductible, and provided thousands of man-hours in volunteer work. For Geary to stand up in that meeting and proclaim that he and he alone brought in all this money discounts every person who worked on HydroGeo.

False Claim #6: Sponsorships Make All Funds "Designated"

During his presentation, Geary proclaimed that the sponsorships were both designated and put in the same group as general funds (registration fees), then claimed that converts all general funds to designated funds.

Facts

This is actually Geary's first attempt at False Claim #4, that "it's all the same pot", and it is just as wrong here as it is in that claim. It's called bookkeeping. See False Claim #4 in the *Misappropriation* document for detailed explanation.

HydroGeo 2014

Donations

DNA	250.00
Assoc Of Engineer	200.00
Austin Geological Society (AGS)	250.00
South TX Geo Society (STGS)	500.00
Advanced Geo Sciences (AGI)	500.00
Edwards Aquifer Authority (EAA)	2,000.00
Barton Springs	500.00
Exploration Instruments	250.00
STAG	500.00
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	4,950.00

Expenses

Big Star Branding	1,359.67
Big Star Branding	166.66
Ice	365.35
Water	357.00
Truck and Fuel	300.85
Supplies	107.84
Toilets	512.40
Tom: CWAN	500.00
Caterer	5,500.00
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	9,169.77

Registrants*

Cash/Check	5,416.00
Credit Card charges	873.28
HydroGeo t-shirt sale	5.00
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<i>*Includes:</i>	6,294.28

Raffel ticket sales

Flat donations

Credit card fees

Total Income	11,244.28
Total Expenses	-9,169.77
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Balance	2,074.51

HydroGeo 2015

Donations

Water Monitoring Solutions	300.00
STGS	500.00
Barton Springs	500.00
EAA	1,000.00
Advanced Geo Science (AGI)	500.00
USGS	482.35
SAGS	500.00
HEB	500.00
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	5,032.35

Registration

Pay Pal Transfer	1,560.45
Pay Pal Transfer	4,000.00
Pay Pal Transfer	1,330.60
Check/Credit Card	2,872.03
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	9,763.08

Total Income	14,795.43
Total Expenses	-8,244.27
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Balance	6,551.16

Expenses

Ant Poison	Geary	55.11
Bags	Jill	344.52
Books (shipping)	Gregg	319.00
Booklets (refund?)	Jill	360.63
Breakfast	Sue/Kristin	457.36
Costco: Eggs; Bfast		67.08
Caterer	Stephan	2,400.00
Toilets	Mike	512.40
T Shirts	Gregg	1,498.06
Insurance	Michelle	409.15
Sound System	Rob	75.00
Canopy	Rob	382.37
Truck Rental	Rob	234.04
Fuel	Rob	24.30
Misc	Rob	49.32
Misc	Rob	17.44
Misc	Mike Harris	15.16
Hand Sanitizer	Sue	20.46
Ice	Sue	18.63
Staples	Bennett	18.19
Smart Press	Sue	79.31
Tom Summers		500.00
Joel Ford		100.00

Contact

8,244.27

HydroGeo 2016

Donations		Expenses	Contact	Amount
EAA	1,000.00	Bags	Michelle	311.40
Terracon	250.00	T Shirts	Gregg	2,222.24
Soc of Ind Prof Earth Science	500.00	Insurance	Michelle	676.20
Advance Geo Science	500.00	Smart Press	Kimberly	372.34
Raba Kistner	500.00	Wristbands	Gregg	30.96
SA Geophysical Society	500.00	Food	Sue	116.24
USGS	482.35	Food	Michelle	10.48
Barton Creek	1,000.00	Food	Jon Cradit	18.90
Eureka Water Prob	250.00	HEB	Gift Card	434.68
SWCA	500.00	Lunchbox prize	Kimberly	36.78
NGWA	482.35	Survey Monkey	Kimberly	52.00
HEB	500.00	NSS shipping	Gregg	281.14
	6,464.70	Equipment usage	Geary	23.75
		Caterer	Stephan C	2,600.00
		Sound	Rob	108.35
		Toilets	Mike H	597.80
		Truck & gas	Rob	348.01
		Book prize	Geary	107.63
		Sheet rock	Rob	14.59
		Tom Summers		500.00
		Joel Ford		100.00
		Parks		200.00
				9,163.49
Registration				
Square	1,468.90			
Stripe	1,337.64			
Paypal	8,304.51			
Cash / Check	1,495.00			
	12,606.05			
Total Income	19,070.75			
Total Expenses	-9,163.49			
Balance	9,907.26			

HydroGeo 2017

Donations		Expenses	Contact	Amount
EOG	1,000.00	Bags	Fran	100.00
South TX Geological Society	500.00	T Shirts	Sue	1,910.58
SWCA	500.00	Insurance NSS	Geary	500.00
Barton Creek	1,000.00	Smart Press	Jill	388.53
USGS	482.35	Wristbands	Gregg	11.99
Terracon	250.00	Food: Breakfast	Sue	485.68
SA Geophysical Society (SAGS)	500.00	Books (shipping)	Gregg	358.88
Raba Kistner	500.00	Misc items	MJ	200.00
Eureka Water Prob	499.00	Caterer	Gregg	2,795.13
EAA	1,500.00	Sound	MJ	54.12
Advance Geo Science (AGI)	500.00	Toilets	Mike H	512.40
NGWA	250.00	Truck	MJ	399.00
Soc of Ind Prof Earth Science	1,000.00	Fuel		65.01
HEB	400.00	Bandanas	Jordan	49.94
	8,881.35	Sue (Ralph Ewers)		384.10
		Tom Summers		500.00
		Joel Ford		100.00
		Parks		200.00
		NSS		1,000.00
		Spring Creek Resident		100.00
				10,115.36
Registration				
We Pay				
2-May	326.91			
2-Jun	234.78			
5-Jul	186.24			
2-Aug	1,124.37			
5-Sep	2,893.23			
18-Sep	1,273.97			
4-Oct	2,931.80			
Cash / Check	685.00			
	9,656.30			
Total Income	9,656.30			
Total Expenses	-10,115.36			
Balance	8,422.29			