

WHITE BLUFF POA BOARD MEETING
October 15, 2012 1:00 PM

George Collins called the meeting to order on Monday, October 15, 2012 at 1:00 p.m. The meeting took place at the White Bluff Conference Center.

Attendees included: Stack Bowers, Fred Molsen, Clark Willingham, Fred Curran, Milt Bergman, Jonathon Hawkins, and Larry Groppe. Mike Ward was not present.

INTRODUCTION

- 1) George welcomed and thanked all the Association Members in attendance for attending today's Board meeting. George also stated the Ladies Golf Association was having a golf tournament today that will benefit the Rally for the Cure.

OPEN FORUMS

1. Discussion on any Association topic (comments limited to 4 minutes per member)
 - a. Lloyd Richie stated how pleased he was with the operation of the Security Department.
2. Discussion on any agenda items (comments limited to 4 minutes per member) – No one came forward.

UNFINISHED BUSINESS

- 1) Review of management services – Larry Groppe made the following comments:
 - a. Still moving forward with this project.
 - b. The committee is still evaluating the services that are provided.
 - c. More time is needed to prepare a report. Planning to have the report ready for the December 2012 Board meeting.
- 2) Board Expansion – Larry Groppe passed out a report showing Recommendation for Expansion and made the following comments:
 - a. Recommended that the Board be expanded from its current six positions to a total of nine positions by June 2015.
 - b. Will add a new Board position over the next three years starting in 2013.
 - c. Larry made the following motion:
 - i. To add a new Board position each year in 2013, 2014 and 2015. Milt seconded the motion and the motion passed.

- 3) Financial Management Committee – Larry Groppe made the following comments:
 - a. Hopefully can get an updated report by the next board meeting (11/12/12) with a few new revisions.
 - b. Overall the document is doing the job it was intended to do.
 - c. Will be voting later in the meeting to make the financial management committee a permanent committee going forward.

- 4) POA website – Milt Bergman made the following comments:
 - a. Project is ongoing.
 - b. Expanding the website and making it easier to maneuver on.
 - c. Work to this point by Double Diamond employees has been excellent
 - d. Still missing some director's profiles on the website.

- 5) Amenity Acquisition – George Collins made the following comments:
 - a. Randy Addison was engaged to assist the Association with this project.
 - b. Randy is making progress but it has been slow.
 - c. Randy met with George, Milt, Larry and Clark regarding a potential proposal to Double Diamond.
 - d. Any mutually agreed to proposal will be discussed and voted on by the Association members.
 - e. Due to the confidentiality issues, George cannot discuss the potential proposal.

- 6) New Course Greens Renovation – Fred Molsen made the following comments:
 - a. Project is complete.
 - b. Less than \$2,000 over budget on the entire \$220,000 project.
 - c. Covers have been measured and currently being manufactured.
 - d. Covers will be complete by winter.

- 7) White Bluff lots sold at auction due to delinquent property taxes – Fred Curran made the following comments:
 - a. Sheriff's deed is issued.
 - b. Outstanding maintenance fees are transferred to the new owners.
 - c. Being proactive and billing new owner's fees that will take place in January 2013.
 - d. Billing the past due balance.

- 8) Engage auditors for 2012 – Fred Curran made the following comments:
 - a. Awaiting word on whether Weaver, LLC will perform the 2012 audit.
 - b. Will keep the Board updated on the status at the next Board meeting.

NEW BUSINESS

- 1) Approve the July 16, 2012 meeting minutes:
 - a. Milt made a motion to approve the meeting minutes for the July 16, 2012 Board meeting.
Larry seconded and the motion was approved.
- 2) Approve the July 16, 2012 Executive Session meeting minutes:
 - a. Clark made a motion to approve the July 16, 2012 Executive session meeting minutes. Fred seconded and the motion passed.
- 3) Authorize the continuation of the Financial Management Committee:
 - a. George made a motion to approve the continuation of the Financial Management Committee until the next Association's annual meeting in May 2013 under the direction of Larry Groppe. Milt seconded the motion and the motion passed.
- 4) Review of the most recent financial statements – Fred Curran made the following remarks:
 - a. Have received \$100,000 of the funds that have been sent to the court registry.
 - b. Lawsuits and court orders in the past have limited our normal maintenance fee collection efforts.
 - c. The Association can start a more vigorous collection effort of maintenance fees going forward
 - d. Fred Molsen passed out the analysis of expenses vs. budget report and discussed major variances.
 - e. Larry made a motion to approve the most recent financial statements. Milt seconded and the motion passed.
- 5) Road Maintenance – Milt Bergman made the following statements:
 - a. Finished all 2012 repairs last week.
 - b. Need to start the process earlier next year.
 - c. Was pleased overall with the outcome on all repairs.
 - d. 8.25 miles of chip seal repairs were made on roads in 2012.
 - e. Milt stated that the Association still has many miles of road repairs needed.

- 6) Revise Association bylaws – this will be discussed in executive session.
- 7) Formation of Litigation/Legal committee – George Collins made the recommendation set forth in the attachment hereto:
 - a. Larry made a motion for the Board of Directors to approve the formation of the Litigation/Legal committee with up to seven (7) Association members as selected by George Collins and accept the formation document as presented. Clark seconded the motion and the motion passed.

OTHER BUSINESS

- a) Association Community Clubhouse – George Collins passed out a letter written by an Association member with regards to a membership clubhouse. George stated that he will continue to pursue this issue and report back at a later Board meeting.
- b) Annual deer survey – Milt Bergman made the following comments:
 - a. This is the 4th year a deer survey has been prepared.
 - b. Survey consists of four (4) separate counts during a 30 day period.
 - c. Last survey estimates the deer population at around 340.
 - d. No recommendations are being made on the deer population at this time.
- c) West Nile – Fred Molsen made the following comments:
 - a. When the equipment becomes available, a decision will be made whether to spray for West Nile Virus.
- d) Water usage (COE Irrigation) – Fred Molsen made the following comments:
 - a. Should be less than 1,300 acre feet purchased from the BRA for 2012.
- e) Settlement of the Casimiro case for wrongful death – George Collins made the following comments:
 - a. Case was settled by the insurance carrier.
 - b. Insurance covered the settlement so the Association was not out any money.
- f) Expanded ESD service – Association member Bob Stahl made the following comments:
 - a. Care Flight is the current provider for air ambulance service to the resort.
 - b. A new contract was negotiated with Air EVAC for air ambulance service.
 - c. Association members can pay an extra \$35 per year for coverage any where Air EVAC operates (nationwide service).

- d. The Air EVAC contract is in addition to the current Care Flight contract.

RECESS TO EXECUTIVE SESSION

Fred made a motion to recess into Executive Session. Clark seconded the motion and the motion passed.

VERBAL REPORT FROM EXECUTIVE SESSION


George Collins made the following comments:

- a. No formal actions were taken in Executive Session
- b. Discussed current status of litigation that they Association is a party to.
- c. George will follow up with Winstead and Sayles and Werbner regarding the status of the filling of a Summary Judgment Motion in the Walkinshaw case.

OTHER BUSINESS

1. Special meeting to review the 2013 Association Budget will be held at 10:00 am on Monday, November 12, 2012.
2. Special meeting will be held on Monday, December 17, 2012 to approve the 2013 Association budget.
3. Next regular Board meeting will be held on Monday, January 21, 2013.

Meeting was adjourned at 5:00 pm.



Kevin Shea, Assistant Secretary

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Attachment

Formation of a Litigation/Legal Committee

The Litigation/Legal Committee, hereinafter referred to as "LLC" was formed under Article 10 of the Associations' Bylaws and approved by the Board of Directors during its October 15, 2012 meeting. The LLC will serve in an advisory capacity to the Board and will when requested provide the following services but not be limited hereto:

- Determine the appropriateness of pursuing litigation as a means to resolve dispute
- Establish settlement guidelines to avoid pending or threatened litigation as requested by the Board
- Review and recommend appropriate assessments to cover the cost of litigation
- Participating, if requested by the Board, in the mediation of any existing litigation
- Research, suggest and provide advice to the Board on means to settle existing, pending or threatened litigation
- Recommend alternative legal counsel for litigation purposes
- Receive comments or complaints from Association members on any matter involving threatened, pending, or existing litigation and dispose of such complaints as it deems appropriate or refer them to the Board for consideration
- Pursue under Article Thirteen of the Association's Bylaws the right of indemnification and limitations on liability of directors, officers or members
- Recommend policy and procedures for the use of in-house Double Diamond legal services vs. obtaining outside legal services

This committee shall consist of two or more members as appointed by the Board but not more than seven and shall serve from the date of appointment until the close of the next annual meeting of the Members or the extension thereof by the Board.