

Annual Meeting of the White Bluff Property Owners Association

New Course Pavilion

Saturday, May 18, 2013

Approved by the WBPOA BOD on June 7, 2013

Meeting was called to order at 10:00 a.m.

Those in attendance were Board Members; George Collins, Mike Ward, Clark Willingham, Milt Bergman, Larry Groppe, Fred Curran, Double Diamond employees; Kevin Shea, Fred Molsen, Shari Snow and Weaver and Tidwell, LLP partner-Andrew Freundlich.

After making introductions and thanking members for their continued support, George Collins moved the Open Forum agenda item to the end of the meeting.

George announced that if the required number of members for a quorum were not present, the meeting could not be considered an official meeting.

George announced that he intends to resign at the end of his term as President of the POA Board of Directors. Milt Bergman has agreed if nominated and elected to serve an additional term as a director. There are also three additional board positions to be filled, one per year for the next three years. Jim Duncan and Jim Osborn have been recommended to serve on the Board and have agreed to serve if nominated and elected. Nominations will also be accepted from the floor.

George summarized all committee activity for the past year, including;

- Review of Management Services

- Board Expansion

- Financial Management Policy and Procedures

- POA Website revisions

- Potential Acquisition of Amenities by the POA

- The New Course Greens Renovation

Ongoing legal fees due to lawsuits

Roads maintenance – ongoing project/issue

A Litigation/Legal Committee has been formed to assist in settling lawsuits under the direction of the Board

The budget for 2013 has been reviewed and approved

Nominating Committee has been formed to recommend property owners for director positions

George read a statement concerning the ongoing lawsuits against the POA (See attached)

George Introduced Fred Molsen, General Manager of White Bluff Resort

Fred welcomed all present. In his nearly ten years as GM, Fred feels that it is the people who work here that make White Bluff a great place. He thanked all the managers and supervisors of the POA work force and also noted the various committees chaired by Property Owners.

Fred also announced the special lunch planned for the day with \$3.00 of every meal going to the White Bluff Volunteer Fire Department.

Milt Bergman was introduced to go over the reports from all committees. He noted that all committees are voluntary and are essential to the success of the resort.

(See attached committee report)

George introduced Richard Ashley, Chief of WBVFD. Richard gave a report of the number of calls answered by the WBVFD. Of those calls, the majority were for occurrences outside of White Bluff. The new helipad is now complete. Finally, new reflective address signs can be purchased for the WBVFD at a cost of \$30.00. Donations are always appreciated and the annual raffle and street dance are their main fund raising events.

George introduced Danny Bodeker, Hill County Commissioner. Danny pointed out that some of the positions in the local government are held by White Bluff residents. Justin Lewis is a Hill County Judge, Steven Short, Bob Kruse and Bob Stahl are all involved in the Emergency Services Department and Kay Harris and Karen Williams are members of the Child Protective Services Board. Finally, Don Ford is part of the Hill County Appraisal District. Those seeking to serve on any public board or committee can contact Danny Bodeker for information.

George gave the report on the quorum. The members present for a quorum fell short by 231. The election of directors must be deferred at this time.

Andrew (Andy) Freundlich with Weaver Tidwell presented the Audit Report. Summarizing the report, Andy noted that the Association received an unqualified opinion from his firm for the current year. He briefly presented comments regarding the Balance Sheet, Statement of Revenues and Expenses and Statement of Changes in Members' Equity. He noted the increase in legal fees from \$82,038 in 2011 to \$249,374 in 2012. He emphasized the importance of the footnotes and encouraged all members to read them in their entirety. (See attached Audited Financial Report)

George again stated that the election of directors would be deferred at this time and opened the floor for Property Owners to address the Board.

Gloria Blair, 1078 White Bluff Drive

Gloria nominated Brett Schiffner for a position on the POA Board.

Roy Miller, 02096 Vista Court

Mr. Miller wanted to know what "POA nominal defendant" means.

Joe Manders (of the Litigation Committee) addressed the question and said that it is his understanding that the POA would not be cited for damages in the lawsuit because the suit names individuals.

Mr. Miller then asked why the POA had to spend so much on legal fees – answer is that the POA still must defend itself in the suit.

Mr. Miller also asked what the function of UEMC is. Fred Curran explained that they are a company responsible for collecting past due Property Owner fees.

Billy Campbell, 22092 Misty Hollow Court

Mr. Campbell wanted to know if Double Diamond Companies is party to the lawsuits and if they are, are they paying legal fees. Separate attorneys represent Double Diamond Companies in the lawsuits and they are paid by Double Diamond.

Mr. Campbell then noted that he was not made aware of the utilities rating period and that he continued to water his yard during the rating period causing his sewer fee to be in excess of \$100.00 per month. George Collins noted that they do their best to inform all property owners about the rating period through quarterly newsletters, email blasts and News

from the Bluff publication; however, the Utilities Department is not owned by the POA, so he cannot answer for them.

Mr. Campbell then asked about a cell phone tower in White Bluff Resort. AT&T has been contacted regarding the installation of a tower and the property has been designated for the tower site. It is now up to AT&T to install the tower. Mr. Campbell asked if he could make calls to AT&T about the tower, George said yes. Fred Molsen is the contact on property.

Steve Johnston, 01060 White Bluff Drive

Mr. Johnston said he wanted to thank Mike Ward, White Bluff employees and the Board for making White Bluff a good place to live. George Collins added that all property owners should make an effort to stop the litigation so White Bluff will not be burdened by high legal costs. Mr. Johnston also encouraged the property owners to help to get the Trophy Grille and Lighthouse Restaurant back to the old schedule.

Lynda Snyder, 19082 White Bluff Drive, Condo # 103

Linda asked if there was an update from the Litigation Committee. George Collins stated that there is no report at this time.

There being no further business, George adjourned the meeting at 11:17 am.

Respectfully submitted,

Clark Willingham, Secretary