

January 24, 2018

TO: White Bluff Property Owners

FROM: Your Board of Directors

Leonard Critcher, President

John Bass, Vice President

Jim Fletcher, Secretary

Jeff Williams, Treasurer

Jay Elder

Mike Ellis

Joe Manders

Roy Miller

Marshall Snyder

RE: The Need for Proxies

Recent communications posted by a few property owners on social media as well as an email sent to the Dallas lawsuit plaintiffs (Walkinshaw case) necessitate some clarification on some issues involving granting your proxy to the POA Board.

### **Walkinshaw Case**

The Board did not make an offer for settlement to the plaintiffs. We received a proposal from the Rose Law Firm following a lengthy negotiation session. The Board discussed the proposal from the plaintiffs in Executive Session and agreed in principle to its provisions. Minor verbiage corrections were made by both plaintiffs' counsel and by POA counsel, who then re-drafted the proposal for execution by both parties. The final agreement was signed on behalf of the POA by the Board President and forwarded to the Rose Law Firm for execution. They declined to sign the agreement. We regret this situation and are still open to discussing a settlement.

Plaintiffs in the Walkinshaw Case should be aware that their support of the Board's efforts in making White Bluff great again is the main issue in considering to whom a proxy is given, not the on-going litigation.

### **The Nature of a Proxy**

By granting a proxy to the Board or to an individual in essence gives your right to vote on issues and/or elections to the entity or person to whom you granted your proxy. Inherent in granting this right is that you are considered "present by proxy" at a meeting of the POA. This is incredibly important as there must be 25% of all property owners either physically at a meeting or represented by proxy in order to establish a quorum.

The 2016 Annual Meeting could not be held as an official meeting because the 25% threshold established by our By-Laws was not met for two reasons. The Developer, Mike Ward, withheld his proxies from the inventory of lots owned by Double Diamond, and the Board did not have sufficient proxies to overcome this deficit. As a result three Board positions could not be filled and remained vacant for one year.

The 2017 Annual Meeting was the antithesis of what happened the previous year. The POA Board secured sufficient proxies to not only establish a quorum but soundly defeat Double Diamond's attempt to elect Double Diamond candidates.

### **A Proxy Is Revocable**

Proxies granted last year will expire prior to this year's Annual Meeting. It is necessary that a new proxy be granted. Any property owner who grants a proxy to the Board can revoke that proxy at any time. If a property owner grants a proxy and wishes to vote at the Annual Meeting (or, any special called meeting) he /she can revoke his/her proxy at the meeting and vote.

### **Why We Have Started Soliciting Proxies Now**

Proxy procurement is a tedious and time sensitive process. We have 6,344 property owners, most of whom do not have homes in White Bluff. Just to establish a quorum we need approximately 1,586 property owners in attendance at a meeting or represented by their proxies. Proxies must be authenticated, verified and recorded- that takes time.

It would be physically impossible to solicit and procure the needed proxies on a short time frame.

### **It's More Than Just A Quorum**

Several vital issues are in front of us, not the least of which is electing three Directors for the Board. If Double Diamond chooses to register their proxies (as they did last year), we are in a negative 600+ position right out of the gate. This does not begin to include an anticipated proxy procurement effort from Double Diamond. There is a stated intent to unseat the Board and take over White Bluff POA affairs. This would totally undermine the progress we have made and put us back into the position we were in when Mike Ward controlled the Board.

Last year Double Diamond did everything in their power to secure proxies- phone banks, promises of lot buy-backs, promises of lower maintenance fees, etc. There is every reason to believe that this year will be no different.

### **"But I Don't Know What Will Be Voted On With My Proxy."**

Yes, you will, well in advance of any vote.

State law requires that the agenda for any association meeting must be noticed to property owners a MINIMUM of 72 hours before the meeting. You will have full knowledge of any issues being voted on and ample time to decide if you wish to vote in person.

Property owners will elect three Directors at the May Annual Meeting. The Nominating Committee is composed of volunteer property owners, who have volunteered their time to serve. No Board members or property owners who wish to serve on the Board are on the committee. The committee will receive

biographical information from property owners who wish to serve on the Board. The committee will carefully assess the candidates and make an independent recommendation to the Board as to whom the committee feels will best serve the interests of all property owners. In determining for whom proxies will be cast, the Board strongly considers the committee's recommendations and historically has followed their recommendations. Said another way, the Board has historically cast its proxies for the candidates recommended by a large volunteer committee of independent property owners.

We **MUST** be ahead of the curve when it comes to continuing the course we have set. Please consider taking just a few minutes and get on your computer, go to the POA website, [www.whitebluffpoa.com](http://www.whitebluffpoa.com), and click on "Official Proxy Form." Easy to follow instructions will pop up. Each and every proxy is vital to our continued success in controlling our own future and "Making White Bluff Great Again!"