

Called Meeting of the White Bluff POA Board of Directors November 29, 2016

1. Call to Order

Leonard Critcher, White Bluff POA (WBPOA) Board President, called the meeting to order at 10:00 AM Central Time. Five board members were present: Leonard Critcher, Terry Newman, John Bass, Ron Roberts, and Jim Fletcher. Wayne Findley was absent. Mr. Critcher announced a quorum.

2. Open Forum

Mr. Critcher informed attendees that the Board had decided that the Open Forum would still be limited to 4 minutes per speaker and a total of 20 minutes total. Attendees were allowed to ask the board questions, and the board attempted to answer those questions.

3. Discussion/Action Items

The board conducted a workshop to review the draft 2017 WBPOA budget prepared by Fred Molsen, General Manager, and his staff. The draft budget was presented by Stack Bowers and Kevin Shea of Double Diamond, Inc. with support from Fred Molsen.

The Board voted unanimously to award a 3% COLA (cost of living adjustment) to all WPPOA employees effective January 1, 2017. In addition, 2% of total salaries and wages were authorized to be awarded based on merit. Employees who are awarded a merit raise will receive those raises effective April 1, 2017. The Board also unanimously adopted a motion to allocate \$120,000 for an engineering study of the 65 miles of roads in White Bluff to assess their condition, recommend repairs and upgrades, and develop construction and maintenance standards. These funds are available through carryover funds from the 2016 budget.

The Board voted unanimously to adopt the draft budget as modified during the workshop. Modifications made to the draft budget by the Board during the workshop will be incorporated into the final budget by Stack Bowers. The final budget will be available to property owners through the office in White Bluff as soon as the changes have been completed.

4. Executive Session

After completing the budget workshop, the Board adjourned to executive session to discuss the following issues.

- a. Discussion of confidential litigation issues.
- b. Discussion of contractual provisions relating to FirstResidential.
- c. Discussion of personnel issues.

5. Open Session

The Board reconvened to open session at 1:30 PM. Mr. Critcher presented a summary of the items of business discussed by the Board in Executive Session.

6. Discussion/Action Items

Following a brief presentation on the process followed to identify and screen management companies to manage WBPOA, the Board adopted a motion to enter into a one year agreement with FirstService Residential to manage the association subject to review and approval of the contract by WBPOA's attorney. The new management contract includes a start date of January 1, 2017. The following services will be provided to WBPOA by FirstService Residential.

Financial

1. Audit YTD accounting of WBPOA funds presently held by Double Diamond, Inc.
2. Move all WBPOA funds away from Double Diamond, Inc. and set up separate accounting for the White Bluff POA.
3. Work with Double Diamond to arrange workable procedures for paying overhead and other expenses. (The intent is to not have any employees of the WBPOA, with the possible exception of a GM. Existing and future employees would continue working for the leasing company as they have during past years.)
4. Establish and maintain an electronic billing system with options for monthly as well as semi-annual payment of WBPOA dues and assessments.
5. Collect semi-annual dues and assessments from WBPOA members. Set up and manage a monthly billing and collection system for property owners who prefer to pay monthly.
6. Provide effective collection services for overdue accounts.
7. Enforce WBPOA CC&Rs including assessment and collection of fines for on-going violations that are not corrected in a timely manner.
8. Complete all accounts payable (A/P) disbursements.
9. Set up and maintain a proven system of checks and balances for payment of A/Ps.
10. Evaluate the appropriateness of property taxes paid by the WBPOA.
11. Protest and work to reduce inappropriate property tax assessments on WBPOA assets.
12. Provide non-underwritten fringe benefits for full-time, on site General Manager for WBPOA.

13. Prepare and present monthly and quarterly financial reports to the WBPOA Board of Directors.
14. Work with an independent auditing firm selected by the WBPOA Board of Directors to prepare an annual audit.

Insurance

15. Analyze current and on-going insurance needs for WBPOA.
16. “Shop” insurance coverage with multiple carriers to obtain the best coverage and rates for WBPOA.

Website

17. Develop and maintain a White Bluff POA website that:
 - a. Has a WBPOA Board of Directors (BOD) portal
 - b. Has a WBPOA property owners portal
 - c. Has sections for posting of
 - i. Official minutes
 - ii. Board meeting summaries
 - iii. Emailed communications to property owners
 - iv. BOD financial reports
 - v. BOD annual budget
 - vi. Upcoming board meeting agendas and notifications
 - d. Allows electronic granting of an open-ended proxy to the BOD by individual WBPOA members
 - e. Allows for electronic voting by WBPOA members
 - f. Allows for payment of dues/assessments on line
 - g. Includes a section for open forum comments from property owners
 - h. Includes a section with contact information for members of the WBPOA Board of Directors
 - i. Ability to send email blasts on a timely basis (i.e., same day)

Communications

18. Send mass mailings as needed.
19. Move all WBPOA information databases away from Double Diamond, Inc.
20. Secure and maintain all WBPOA databases. Databases shall be non-proprietary and owned as well as controlled exclusively by the WBPOA through the Board of Directors.
21. Collect and permanently store all proxies and electronic votes.
22. Prepare and present an informal monthly management report as well as a formal quarterly management report to the Board of Directors.

Legal Compliance

23. Assure that WBPOA and management staff members are fully complying with all state and federal legal requirements.

Asset Management

24. Prepare and maintain a listing of all WBPOA assets.

25. Conduct an annual assessment of the condition of each WBPOA asset.

26. Evaluate internal processes and procedures for cost effectiveness and efficiency.

John Bass presented a brief summary of the status of the water and sewer rate increase application to the Texas Public Utilities Commission (PUC) by Double Diamond. The administrative law judge placed a 90 day stay on the implementation of the rate increase. During this 90 day period, Double Diamond can re-file the rate increase application. Mr. Bass stressed the need for donations to support the White Bluff Rate Payers' efforts to contest the rate increase. He asked those rate payers who have not contributed to please do so as soon as possible.

The metal fence of a homeowner on the new golf course was damaged by golf course irrigation water spraying on it over an extended period of time. Management redirected the sprinklers within one day of being notified of the problem. The Board voted to offer the homeowner a settlement in the amount of 50% of the cost of repairing the damaged section of the fence. Board members stressed the need for property owners to provide management timely notification of problems so they can be promptly corrected to avoid or minimize damage.

The motion for requiring all homeowners to subscribe to trash collection services was tabled at the October Board Meeting. The waste collection company offered to provide waste collection services to all homeowners in White Bluff for \$10 per month if the WBPOA collects the fees and makes one payment to the waste disposal company. The Board voted unanimously to adopt this new method of billing and payment. All White Bluff homeowners will now pay for waste disposal services and will be assessed \$60.00 every six months on their property owners dues. The new billing and service arrangement will go into effect in January, 2017, so homeowners must pay their December waste collection bill individually. However, homeowners will no longer receive an individual bill beginning in January.

Some property owners discussed problems with illegal dumping at the burn pit. Fred Molsen explained that the gate to the burn pit is locked at night. However, access during the day is challenging to control, and these problems likely occur during open hours. Mr. Molsen did point out that the waste disposal management company will dispose of large items, such as furniture and appliances for a special one-time fee if a homeowner calls the company to set up a pickup. The homeowner is responsible for payment for this extra service and must make payment arrangements at the time the pickup request is made.

7. Adjournment

The Board voted to adjourn the meeting at 2:25 PM.

Respectfully submitted,

Shari Snow
Secretary