

BOARD MINUTES

Spruce Creek Trails Association, Inc. Minutes of the Regular Meeting of the Board of Directors Meeting August 30, 2003

A regular meeting of the Board of Directors of this corporation was held at the corporate headquarters, 463 Spruce Creek Drive, Jamestown, Tennessee, at 10:00 a.m. CST, August 30, 2003.

Directors in Attendance, Constituting a quorum of the full board:

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| Jackie Goldsmith | Ricky Rains |
| Brenda Hyde | Darron Rudd |
| Tom Jancek | Lois Schwartz |
| Tom Pickard | Karen Whitehead |

Don Mitchell was absent.

Developer in Attendance: Robert Livingston

Call to Order. The meeting was called to order by Ricky Rains, President.

Committee Reports:

Liability and Insurance. Robert Livingston presented a report for Don Mitchell on legal feedback concerning liability exposure and potential insurance costs for the association. It was the legal opinion given to Don Mitchell that Spruce Creek's liability will be considerably limited under Tennessee's equine liability and recreation statutes. It was suggested that we might work with legislators in the future to further strengthen the Tennessee recreation statute similar to Illinois' statute. Robert did not have complete information on insurance, but will report back next meeting.

New Business:

Confirmation of Bylaws – Article I, Sections 9 and 10. These sections were discussed to ensure that the bylaws as adopted on July 26, 2003, were properly drafted in accordance with the intent of the Board. The Board confirmed the write-up.

Corporate Authority and Ratification to Sign Checks. Upon motion duly made and seconded, it was unanimously carried to authorize the following persons to endorse checks: Tom Jancek; Ricky Rains; Karen Whitehead.

Ratification of Prior Check Endorsements: Upon motion duly made and seconded, it was unanimously carried to ratify any and all previous actions taken by Karen Whitehead in regard to opening a checking account at Progressive Savings Bank, depositing money on behalf of the Association, and endorsing checks on said checking account.

Establishment of Check Endorsement Without Board Approval. Upon motion duly made and seconded, it was unanimously carried to authorize a limit of \$500 per transaction for check endorsement by approved persons. All transactions involving an amount greater than \$500 must be approved by the Board of Directors.

Establishment of Committees: Upon motions duly made and seconded, it was unanimously carried to appoint members noted to each of the following committees:

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| Trails Committee: Jackie Goldsmith | Jim Hyde |
| Tom Jancek | Ricky Rains |
| Rhonda Rudd | Jim Sherridon |
| Butch Ledford, Technical Director | |

It was agreed that the Association would look for direction from the Technical Director on a Trails Plan.

Public Liaison: Lois Schwartz, Chairman
Karen Whitehead
Don Mitchell

Information: Mike Smith, Chairman
Brenda Hyde

No members were appointed to the Finance/Fundraising Committee. This committee will be reconsidered at the next Board Meeting.

Membership Dues. Upon motion duly made and seconded, it was unanimously carried to establish dues of \$20 per individual and \$20 per family membership. An individual membership shall include entities such as corporations.

Establishment of Board Meeting Dates. Upon motion duly made and seconded, it was unanimously carried to establish the regular Board meeting as the first Saturday in each month to be held at 9:00 AM CST at the corporate office.

Resignation of Board Member. Tom Pickard presented his resignation. Upon motion duly made and seconded, it was unanimously carried to accept his resignation.

Restricted Funds. Ricky rains discussed the desire of contributor Randal and Sheila Holloway to designate \$500 of their contribution to be used for work on the Gary Rutherford trail.

Corporate Non-Profit Status. The desirable non-profit status of the Association was discussed. Karen Whitehead agreed to report on the options available at the next Board meeting.

With no further business to discuss, a motion was made and duly seconded to adjourn to meet again on September 27, 2003, at 9:00 a.m. CST.

Submitted by:

Karen Whitehead, Secretary
September 27, 2003

Certified by:

Ricky Rains, President
September 27, 2003

August 18, 2003

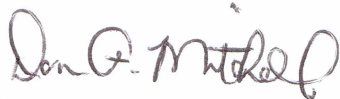
Board of Directors
Spruce Creek Trails Association, Inc.
P. O. Box 564
Jamestown, TN 38556

RE: Proxy for August 30, 2003, Board of Director's Meeting

Dear Members:

I regret not being able to join you for our scheduled meeting for I am vacationing in South Carolina. I have talked with Robert Livingston about my meeting with Mr. Burts (attorney) and two parties about liability insurance. Hope you have time to discuss these as well as our discussion about a piece equine recreation legislation. Because of being absent I am requesting our President have my power of attorney to vote on matters in the August 30 meeting.

With warmest regards,



Don G. Mitchell

STATE OF TENNESSEE
COUNTY OF JEFFERSON

This is to verify this that Don G. Mitchell appeared before
me this date AUGUST 18, 2003.

Witness my hand, at office,

this 18th day of August, 2003



My Commission Expires: April 25, 2005