

REGULAR MEETING OF THE
HOT SPRINGS VILLAGE
PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS
9:00 A.M., WED., OCTOBER 17, 2007
OUACHITA BUILDING

A regular meeting of the Hot Springs Village Property Owners' Association Board of Directors was held at 9:00 a.m., Wednesday, October 17, 2007 at the Ouachita Building.

Board members attending were: President Dick Breckon, Vice President Bob Shoemaker, Jeff Atkins, Paul Day, Teri Jackson, Bill Linam and Mike Misch.

Attending from staff were: General Manager Dave Johnston, Treasurer Wayne Copeland, Attorney Don Schnipper, Asst. to the General Manager Linda Mayhood, Lt. Ricky Middleton for Director of Public Safety Laroy Cornett, Director of Public Works David Whitlow, Director of Recreation Larry Koonse, Stephanie Stone for Director of Golf John Paul, Director of Planning and Inspections Steve White and Secretary Suzette Tadlock. Absent: Stacy Hoover at Health Fair.

Also attending were Holly Daste', Hot Springs Village Voice and Jeff Smith, Sentinel Record.

Approximately 30 people were in the audience.

Call to order: President Breckon called the meeting to order at 9:00 a.m.

Prayer/Pledge: Bill Linam gave the prayer and the pledge of allegiance was led by Dick Breckon.

Guests: President Breckon called on guests in the audience.

Order of Business: The order of business was amended to add an executive session following the regular meeting.

Proclamation: Nell White and Amy Baronich, representing the Daughters of the American Revolution, were presented with a Proclamation read by President Dick Breckon for National American Indian Heritage Month.

Fire Wise Designation: President Breckon recognized Henry Browder and Janice Morrison (not present), co-chairs of the Fire Wise Board for their work in getting Hot Springs Village recognized as a Fire Wise Community. Henry Browder displayed a plaque he had been given at a luncheon on October 15, 2007 along with signs that will be posted at the East and West Gates designating Hot Springs Village as a Fire Wise Community.

Minutes/Notes: The September 19, 2007 regular meeting minutes, September 19, 2007 executive session minutes and October 3, 2007 work session notes were approved as submitted.

President's Comments: President Breckon commented on the importance of Fire Wise.

Board Member Comments: Director Atkins advised he has given permission to management i.e. Dave Johnston, Wayne Copeland and Doris Truett. to release his information as requested from the newspapers on ownership or payment history.

Director Jackson commended Linda Mayhood and Stacy Hoover for the new slide presentation developed for the Newcomer's Coffee.

Gen. Mgr.'s Report: Dave Johnston gave the General Manager's Report (see written report attached). He commented that a deer had broken through the glass at the 19th Hole last Saturday. The Natural Resource Committee is looking at ways for controlling the deer herd. He advised the Garland County Quorum Court Planning Commission Study Group report had been tabled while an ordinance is drafted and public hearings are scheduled. Discussion of the General Manager's Report followed.

Treasurer's Report: Wayne Copeland gave the Treasurer's Report (see attached). Discussion of the report followed.

Standing Com. Reports: Guy Yates, Chair of the Common Property and Forest Committee, addressed the need for further revisions to the Common Property and Forest Committee Charter beyond those the Board is recommending later in the meeting.

Martin Hanna, Chair of the Research and Special Projects Committee, is seeking people with qualifications to assist the Committee in its analysis of the Balboa Club and overall food service operations.

Standing Com. Reports Recvd. & Filed: The following minutes and reports were received and filed: Golf 8-9-07, 9-13-07; Governmental Affairs 9-7-07; Lake & Water Mgt. 9-12-07; Natural Resources 9-10-07, 10-1-07; Public Works 9-20-07 ; Recreation 9-10-07; Research & Special Projects 9-10-07, 9-17-07, 10-1-07, 10-8-07; Trails 9-18-07. Architectural Control Com. Minutes Received: 9-20-07, 10-4-07.

UNFINISHED BUSINESS:

2008 Annual Budget: Director Jackson **MOVED** to reduce the Street Maintenance Program budget from \$1,500,000 to \$1,400,000 and reduce the estimated revenue in the Golf Dept. by a like amount. Director Misch **SECONDED** the motion. Discussion followed. The motion was unanimously **APPROVED**.

Director Day **MOVED** to establish a \$50.00 fee covering Bocce Ball, Lawn Bowling and Pickle Ball with a Couple's discount of 20% and Super Senior

discounts. Director Misch **SECONDED** the motion. Discussion followed. The motion was unanimously **APPROVED**.

Director Linam **MOVED** to appropriate a net \$11,200,000 for base wages for 2008, representing a reduction of \$174,245 from recommended expenditures for net base wages. Vice President Shoemaker **SECONDED** the motion. Discussion followed. The motion **FAILED** with Directors Linam and Atkins voting in favor and Directors Shoemaker, Jackson, Day and Misch voting against.

A motion to reduce the minimum gallons for a two month bill from 8,000 gallons to 6,000 gallons, reduce the minimum charge from \$162.00 to \$147.00 and reduce the excess per thousand gallon rate from the recommended \$3.38 to the current \$3.25 was postponed until the November meeting. Vice President Shoemaker suggested a study committee of the Public Works Committee and Lake & Water Management Committee to study this matter before going forward.

Director Atkins **MOVED** to increase the appropriation for trail development from \$15,000 to \$29,882. Director Jackson **SECONDED** the motion. Discussion followed. It was suggested that the Five Year Trails Plan be worked on by the Trails Committee and Public Works Department for Board approval. The motion **FAILED** with Director Atkins voting in favor and Directors Shoemaker, Day, Jackson, Misch and Linam voting against.

Questions from Audience: Doug Mezio addressed the Board to suggest an amenity fee for vacationers that come to the Village to pay for trails and lakes.

Gordon Wooliver, a retired Police officer from Indiana, addressed the Board relative to increasing pay for Police officers to reduce turnover.

Com. on Comm.'s
Recommendations:

Director Jackson **MOVED** the following motions **SECONDED** by Vice President Shoemaker:

1. A motion to amend Article XII of the POA Bylaws entitled "Committees" per the attached language.
2. A motion to approve the language contained in the attached charters for each of the standing committees identified under the amended Section 1. of Article XII of the Bylaws.
3. A motion to approve a new policy Chapter Seven entitled "Operating Policies" and codifying the existing "Guidelines" as Articles underneath "Operating Policies".
4. A motion to remove from the Board of Directors "Elections Procedures" the "Procedures for Standing Committee Appointments" and moving same as Article 2, under Chapter Seven to be entitled "Standing Committee Selection Process".

Discussion followed. The motions were unanimously **APPROVED**.

2008 Annual Fees:

Director Misch **MOVED** to adopt the 2008 Annual Fees on the action report attached with the exception of the Assignment Transfer Fee which will be decided

on separately later in the meeting. Director Day SECONDED the motion. The motion was unanimously APPROVED.

2008 Board Election: Vice President Shoemaker MOVED to approve the 2008 Board of Directors election calendar and candidate application form. Director Jackson SECONDED the motion. Discussion followed. The motion was unanimously APPROVED.

Vice President Shoemaker MOVED to amend the POA Bylaws by amending Article VIII, Section 1. and Article VII, Section 3. that would specifically prohibit a POA employee from serving on the Board. Director Jackson SECONDED the motion. Discussion followed. The motion CARRIED with Directors Shoemaker, Jackson, Day and Misch voting in favor and Directors Linam and Atkins voting against.

Boat/Trailer Regis.: Director Linam MOVED to approve the attached addition to the POA Information and Regulations publication relative to a boat and trailer registration. Director Misch SECONDED the motion. Discussion followed. The motion was unanimously APPROVED.

Director Linam MOVED to include the following instructions on all applications for POA work passes beginning in 2008: "Any use of a work pass to gain entry for the purpose of using Hot Springs Village amenities will result in a 30 day suspension of the work pass with a second violation of such usage resulting in a one year suspension of the work pass." Vice President Shoemaker SECONDED the motion. The motion was unanimously APPROVED.

POA Identification Cards Policy: Vice President Shoemaker MOVED to approve a revision to Chp. One, Article 5, entitled "Property Owners Association Identification Cards" as attached. Director Day SECONDED the motion. Discussion followed.

Director Atkins stated he would be abstaining from this vote to avoid any perception of a conflict of interest.

The motion CARRIED with Directors Shoemaker, Day, Jackson and Linam voting in favor and Directors Atkins and Misch abstaining.

Vice President Shoemaker MOVED to reduce the \$150 annual Assignment of Privileges fee to \$100 and have it apply only if there is a change in Assignment which cannot occur more frequently than annually. Director Day SECONDED the motion. Discussion followed. The motion was APPROVED with Directors Shoemaker, Day, Linam and Jackson voting in favor and Director Atkins and Misch abstaining.

Capital Expenditures: Director Linam MOVED to approve a project expenditure approval request in amount of \$48,050 for a 2008 International dump truck. Director Misch SECONDED the motion. Discussion followed. The motion was unanimously APPROVED.

Director Linam MOVED to approve the expenditure of \$65,500 for the repair of gravity sewer system either in joints or breaks in the line. Vice President Shoemaker SECONDED the motion. Discussion followed. The motion was unanimously APPROVED.

It was requested that a status report be made on loss of water.

A request was made for East Gate Entrance plans.

Questions from Audience: T. J. Smith commented on what he felt was a mistake in developing the Special Events Committee instead of adding two additional people to the Recreation Committee.

Don Mezio commented on the vehicle sticker price increases to pay for additional road maintenance and the need to remodel the DeSoto Club.

Adjournment: The meeting adjourned at 10:30 a.m.

Executive Session: An executive session followed the regular meeting to discuss the Ambulance service.

President

Secretary