

WORK SESSION NOTES
OF THE HOT SPRINGS VILLAGE
PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS
WED., OCT. 3, 2007, 9:00 A.M.
OUACHITA BUILDING

A work session meeting of the Hot Springs Village Property Owners' Association Board of Directors was held on Wednesday, October 3, 2007, 9:00 a.m. at the Ouachita Building.

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

Staff members attending: General Manager Dave Johnston, Treasurer Wayne Copeland, Asst. to the General Manager Linda Mayhood, Director of Golf John Paul, Director of Planning and Inspections Steve White, Director of Recreation Larry Koonse, Director of Public Works David Whitlow, Director of Public Safety Laroy Cornett and Communications Specialist Stacy Hoover.

Also attending was Jeff Smith, Sentinel Record and Frank Leeming, Village Voice.

Approximately 38 people were in the audience.

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

Prayer/Pledge: Teri Jackson gave the prayer and Steve White led the pledge of allegiance.

Introduction of Guests: President Breckon called on guests attending the meeting.

Proclamation: President Breckon read and presented a Proclamation to Randall Fale, C.E.O. of St. Joseph's Hospital recognizing all his contributions to Hot Springs Village. He will be retiring at the end of the year.

Order of Business: The order of business was approved as submitted.

President's Comments: President Breckon commended the Sentinel Record for the Hot Springs Village Section.

Board Member Comments: Bob Shoemaker reminded the Board of the Firewise Luncheon scheduled for Monday, October 15, 2007 at which time the Village will be designated as a Firewise Community by the head of the National Firewise Communities from Washington D.C.

Paul Day stated the staff was found to be helpful by over 85% of those taking the survey and commended the staff.

Director Linam handed out a letter from Arkansas Game and Fish Commission stating the deer population has gone from an estimated ten deer per square mile in 2003 to 35 per square mile today. A meeting is being held with the

Arkansas Fish and Game Commission to find a solution to the population problem. Automobile accidents involving deer have increased dramatically also.

Presentation of Committee on Committees:

Joe Pokorny, Chair of the Committee on Committees, reported on the ad hoc committee which was composed of Henry Browder, Teri Jackson, Larry Ebner, Dave Johnston and Bob Shoemaker (see attached report). It was the committee's final conclusion that there are no major changes proposed for most of the standing committees, only minor modifications to their charters. The ad hoc committee strongly endorses the present use of POA committees, and believes that its recommendations will strengthen the committee structure. Discussion of the report followed. President Breckon commended the committee members for this report. This matter will be on the agenda for the October 17, 2007 regular board meeting.

Research & Special Projects Committee Report:

Martin Hanna, Chair of the Research and Special Projects Committee, along with the other committee members Paul Wirtz, Gerald Dunaway, Donald Hendricks, John Lands, Wilbur Smithers, Larry Ebner and staff members Wayne Copeland and Dave Johnston, reported on the 2008 Budget (see attached report). Discussion followed. It was suggested that the \$80,000 for communications equipment to embark on a statewide wireless information project be made a part of the legislative package by the Governmental Affairs Committee rather than include in the Five Year Plan. It was suggested that the proposal for a grid system for \$50,000 also be looked at. President Breckon thanked the Committee for their input on the 2008 Budget.

President Breckon called on comments from the audience. Donna Herter recommended the Advocate be published two times a year rather than four times a year and put on newsprint or plain white paper with no color in order to save significant funds.

2008 Annual Budget:

Dave Johnston reviewed his memo on the 2008 budget (see attached). Discussion followed. The 2008 Budget will be on the October 17, 2007 regular board meeting agenda.

Director Linam advised he would like efficiency in our work force by way of controlling the dollars. He would like the 2008 Budget personnel costs to be capped at \$11.2 million which would require \$175,000 to be cut from 2007 employee expenses.

Director Jackson proposed restoring \$100,000 to the golf subsidy to be taken from the \$1.5 million that is proposed to use for the road resurfacing program in 2008.

This will be voted on at the October 17, 2007 regular board meeting.

2008 Annual Fees: Wayne Copeland discussed his memo regarding 2008 Annual Fees. Discussion followed. This will be on the October 17, 2007 regular board meeting agenda.

Break: The meeting was recessed for a ten minute break at 10:21 a.m.

Gen. Mgr.'s Report: Dave Johnston gave the General Manager's Report (see attached). Mr. Johnston advised that Mr. and Mrs. Gill have tendered their resignation of the DeSoto Club. Discussion of the General Manager's Report followed.

Standing Com. Reports: President Breckon called on standing committee reports.

2008 Board Election: Dave Johnston discussed the 2008 Board of Directors Elections. A proposed amendment to Article VII, Section 1 and Article VIII, Section 3 of the Bylaws was discussed along with the 2008 Board Calendar and the Application for Candidacy for Board of Directors. This will be on the October 17, 2007 regular meeting agenda.

Boat/Trailer Regulations: Director Linam discussed enforcement of boat/trailer registrations and the use of Village lakes by non-property owners with work passes (see attached). It was suggested that more publicity be given to pet registrations and that this be added to the annual fees. This matter will be on the agenda for the October 17, 2007 regular board meeting.

POA Identification Cards/ Assignment Fee: Dave Johnston distributed a revised copy of the proposed revision to Chp. One, Article 5 – Property Owners Association Identification Cards (see attached). Discussion followed. This matter will be on the agenda for the October 17, 2007 regular board meeting.

Declaration Amendment Results: John Rowland of Baird, Kurtz & Dobson, joined the meeting to report on the results of the Declaration Amendments vote. Mr. Rowland stated a total of 16,655 proxies were returned which met the quorum of 16,116. To pass, both measures had to receive 66.7% approval.

Proposal No. 1 which would give the POA the authority to levy fines against property owners who violate policies and

the Protective Covenants passed by a 13,182 to 3,473 vote, or 79.15%.

Proposal No. 2 which would allow the board of directors limited authority to raise the monthly assessment dues on an annual basis, if needed, to keep up with Consumer Price Index increases passed by a 11,304 to 5,351 vote, or 67.87%.

Both measures will go into effect April 2013.

Questions from Audience: Tony Hofstedt commented on water conservation, Village helmet law policy enforcement and inside storage by pool at Coronado Fitness Center.

Donna Herter asked about the assignment privilege policy.

Sam Padfield commented on the assistance his wife received from Tommy Hickox of the Police Dept.

Adjournment: The meeting adjourned at 11:40 a.m.