

WORK SESSION NOTES
OF THE HOT SPRINGS VILLAGE
PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS
WED., DEC. 5, 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, December 5, 2007, 9:00 a.m. at the Ouachita Building.

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

Staff members attending: General Manager Dave Johnston, Treasurer Wayne Copeland, Stephanie Stone for 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 were Frank Leeming for the Village Voice and Jeff Smith for the Sentinel Record.

Approximately 30 people were in the audience.

Call to order: V.P. Shoemaker called the meeting to order at 9:00 a.m.

Prayer/Pledge: Dave Johnston gave the prayer and led the pledge of allegiance.

Introduction of Guests: V.P. Shoemaker recognized visitors attending the meeting.

Order of Business: The order of business was amended by moving Item 14. A & P Agreement presentation to Item. 8. Presentations.

President's Comments: V.P. Shoemaker announced that President Dick Breckon has resigned from his position as President of the Board of Directors effective the end of this meeting and will continue on as a Director.

Board Member Comments: Director Linam distributed a paper titled "Fact Vs. Fiction concerning approved Hot Springs Village 2008 Water Rates". He stated there has not been a rate increase but a real reduction in rates. The POA has reduced the revenue for 2008 by over \$125,000 from the current rate. It was suggested that this information be posted on the POA's website.

Director Misch reported on how well the POA employees had scored on the resident survey.

Presentations:

A & P Agreement: Richard Martin of Hot Springs Real Estate, introduced the A&P Commission members: Linda Mayhood, Chair, Secretary Sara Sue Fuller of Cooper Homes, Marie Williams of Hot Springs Bank and Trust, Linda Piette of Keystone Realty, Sue Harness of First National Bank, Bob Larson of Tranquillos, Shawn Futsch of Big Red Realty and Curt Hogaboom of Village _____ .

Mr. Martin reported on the Advertising and Promotion Commission's efforts over the history of the Commission and asked the Board to approve a new three year commitment and agreement between the POA and the Hot Springs Village Area Chamber of Commerce at the same \$50,000 per year level.

This matter will be on the agenda for the December 19, 2007 regular meeting.

Insurance Review: Ted Grace of the Grace Group, Inc. distributed a summary of the 2007 property and casualty renewal report (see attached). He advised they are projecting a 7% reduction in the property and casual insurance premiums for the 2008-09 policy period. He suggested other areas of self-insurance be looked into as we did with Workman's Compensation. The other areas to review would be the automobile and physical damage and equipment physical damage and large deductibles on property insurance and a higher liability insurance coverage. Recommendations will be forthcoming. Discussion followed.

Five Year Plan Review: Martin Hanna, Chair of the Research and Special Projects Committee introduced members Gerald Dunaway, John Lands, Wilbur Smithers and Paul Wirtz and Don Hendricks, Staff liaison Wayne Copeland and Board liaison Mike Misch, President Dick Breckon and General Manager Dave Johnston.

Break: The meeting was recessed for a short break to make copies of the Research & Special Projects Committee's report.

Mr. Hanna discussed the Research and Special Projects Committee's report on the 2008-2012 Five Year Plan (see attached). Discussion followed. The staff will study the Research and Special Projects Committee's recommendations. V.P. Shoemaker commended the committee for their work on this matter.

Questions from Audience: Don Mezio, resident property owner, stated he believed we need another assessment increase rather than tacking on fees to individuals as far as stickers, ambulance fees on the water bill, and

golf surcharges. He felt information should be put out on the ambulance service.

Gen. Mgr.'s Report: Dave Johnston gave the General Manager's Report (see attached). Mr. Johnston reported on the meeting scheduled with Jim Kitt and vandalism at the Magellan golf course. Discussion followed.

Standing Com. Reports: V.P. Shoemaker called on standing committee representatives for their reports.

UNFINISHED BUSINESS:

2008 Fee Schedule Revisions: Wayne Copeland discussed the revisions to the 2008 fee schedule (see attached).

NEW BUSINESS:

2008 Advocate Rates: Linda Mayhood reviewed the 2008 Advocate Rates (see memo attached). Discussion followed. This matter will be on the agenda for the December 19, 2007 regular meeting.

Appt. to Golf Com.: Stephanie Stone advised that Bill Kasdorf is being recommended to fill the vacancy of Jesse Branch on the Golf Committee. This matter will be on the agenda for the December 19, 2007 regular meeting.

Timber Sale Contract for Phase IV:

Steve White discussed the request by Anthony Timberlands Inc. for an extension to its contract which currently ends December 1, 2007. They are requesting an extension to their contract which currently ends December 1, 2007 to April 30, 2008 due to the delays in harvesting of timber because of falling lumber prices. This matter will be on the December 19, 2007 regular meeting agenda.

DeSoto Club Vendor:

Linda Mayhood reviewed the proposal from Keith Armstrong for operation of the DeSoto Club effective January 1, 2008. Discussion followed. This will be on the agenda during the special meeting following the work session.

Highway Funding Issue:

Dave Johnston reviewed the matter of pursuing the use of Congressman Ross's earmarked Federal funds for the expansion of the bridge on U.S. 70 (see memo attached). Discussion followed. It was felt we need to express our concern about improved access to Hot Springs Village and proceed with a resolution for the December 19, 2007 regular meeting.

Capital Expenditures: Stephanie Stone reviewed purchase of 150 Yamaha carts in amount of \$334,290. This will be on the agenda for the December 19, 2007 regular meeting.

Questions from Audience: Mike Misch advised what POA is asking CMAI to do with the remainder of their funds once POA takes over the ambulance operation.

Tony commented on the ambulance service being tied to the water bill.

Doug Mezio commented on the assessment increase instead of a golf surcharge.

Adjournment: The work session adjourned at 11:15 a.m.