

WORK SESSION NOTES
OF THE HOT SPRINGS VILLAGE
PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS
WED., SEPT. 6, 2006, 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, September 6, 2006, 9:00 a.m. at the Ouachita Building.

Board members attending were: President Dick Breckon, Vice President Bob Shoemaker, Larry Ebner, Bill Linam, Mike Misch and Ginna Watson. Absent: Greta Wolfe.

Attending from staff: General Manager Dave Johnston, Treasurer Wayne Copeland, Asst. to the Gen. Mgr. Linda Mayhood, Director of Public Safety Laroy Cornett, Director of Public Works David Whitlow, Supt. of Water and Sewer Dennis Eskew, Director of Recreation Larry Koonse, Director of Planning and Inspections Steve White, Director of Golf John Paul and Suzette Tadlock, Secretary.

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

Approximately 150 people were in attendance.

- Call to order: The meeting was called to order at 9:00 a.m. by President Dick Breckon.
- Prayer/Pledge: The prayer was led by Director Shoemaker and the pledge was led by Director Misch.
- Introduction of Guests: President Breckon recognized State Senator Shane Broadway and Garland County Assessor Brenda Short.
- Order of Business: The order of business was amended by adding under Unfinished Business: 14A. Annual Fitness Center Fees Revisited – Director Ebner and 14B. Presentation of Management Review Ad Hoc Committee Report – Director Watson.
- President's Comments: President Breckon called on Board members for their comments. Director Linam reported that the irrigation costs for the Cortez Renovation Project was \$100,000 under the original estimate that was approved in the project approval.
- Presentations: The following presentations were presented:

State Senator Shane Broadway reported on Saline County Economic Development and displayed their new logo. He passed out photos of Saline County's new airport. Senator Broadway asked for information about available land sites on Hwy. 5 between Hot Springs Village and Benton.

Fountain Lake School Board Millage Election: Patty MacDonald accompanied by Malcolm MacDonald, Tom Easterly, Harold Lasche, Bob McClesky and Attorney Kent Hirsch presented their views regarding the Fountain Lake School District Millage Election scheduled for Sept. 19, 2006 (see attached). Discussion followed the presentation. President Breckon announced they would have a meeting in the lobby of the Woodlands Auditorium following the presentation to further discuss the school millage election.

Break: The meeting was recessed for a short break from 10:10 a.m. to 10:28 a.m.

General Manager's Report: Dave Johnston gave the General Manager's Report (see written report attached). Mr. Johnston reported on assistance given by the POA to the Cedar Mountain Ambulance Inc.

Dave reported on the meeting held with members of the Arkansas Coalition of Planned Communities (ACPC) in Fairfield Bay on Sept. 5, 2006.

Director Watson reported on the meeting held with Paul Harvel, Executive Director of the State Chamber of Commerce on Sept. 5, 2006 regarding the ACPC's work as an Arkansas retirement relocation state.

Dave Johnston was asked to look into the matter of residents cleaning up after their dogs when they are walking them on golf courses, beaches, trails and other common areas.

Declaration Amendment Recommendations: Vice President Shoemaker gave the background for proposed amendments to the Declaration. He asked that Tom Arwood, Chair of the Declaration Amendments Ad Hoc Committee, review the committee's recommendations as follows (see attached):

1. Article X, Covenant for Maintenance Assessments:
Provide a standardized mechanism for assessment

- increases, i.e. CPI or 5% over previous year assessment level.
2. Article XIV, General Provisions: One-time capital buy-in for new property owners.
 3. Article XII, External Maintenance: Add authority to levy special assessments on violators of POA policies.

The Declaration Amendments Ad hoc committee also recommended that the ballot not be limited to these three amendments, should the POA Board elect to include other initiatives based on evaluation of financial projections at that time.

Discussion followed. Vice President Shoemaker stated the Board needs to decide if we need to add to the ballot an assessment increase proposal in 2007.

The Declaration amendments will be on the agenda for the September 20, 2006 regular meeting.

Leadership Conference: Vice President Shoemaker reported on the Leadership Conference organized by the Governmental Affairs Committee scheduled for Sept. 20, 2006, 3:00 p.m. at the Ouachita Building which will be attended by the State elected representatives and candidates. The public is invited.

Non-resident Survey: Dave Johnston discussed the proposed non-resident survey (see attached). This survey will be offered on-line in addition to a paper copy. This matter will be on the agenda for the special meeting following the day's work session.

Staff was asked to offer feedback within the next 90 days for a resident survey.

Annual Fitness Ctr. Fee: Director Ebner discussed the motion made at the August 16, 2006 Board meeting regarding an Annual Fitness Center Fee. Discussion followed. Staff was asked to analyze the annual fitness center fee and come back to the Oct. 4, 2006 work session with their recommendations.

Management Review Com. Director Watson recognized the members of the ad hoc Management Review Committee she chaired and thanked the members Bill Linam, Larry Collins, Alan Harless, Bert Cueva, James Ray as well as staff.

- Rounding of Fees:** Vice President Shoemaker asked staff if rounding of fees for every day usage of amenities was practical. Discussion followed. It was the consensus of the Board that the sales tax be separate from fees. Staff will review the fees and round when practical.
- Amendment to Chp. One Art. 5:** Wayne Copeland reviewed amendment to Chp. One, Article 5, POA Identification Cards to include lots deeded in trust (see memo attached). Discussion followed. This matter will be on the agenda for the Sept. 20, 2006 regular meeting.
- Major Expenditures:**
- Laroy Cornett discussed the expenditure of 2006 Sutphen Fire Engine in amount of \$269,451 for use at the third fire station (see attached). Discussion followed. This will be on the agenda for the Sept. 20, 2006 regular meeting.
- Dave Johnston was asked to include in his General Manager's Report a breakdown on the total costs involved in getting the new fire station up and running.
- David Whitlow discussed the expenditure of Area IX Water Storage Tank and sandblasting and repainting of Area IX Water Storage tank in amount of \$111,837 (see attached). Discussion followed. This matter will be on the agenda for the special meeting following the day's work session.
- David Whitlow discussed the expenditure of a Sanitation Truck in amount of \$116,159 (see attached). Discussion followed. This matter will be on the agenda for the Sept. 20, 2006 regular meeting.
- Questions from Audience:** President Breckon called on members of the audience for their questions.
- Adjournment:** The meeting adjourned at 11:55 a.m.