

Hot Springs Village, Arkansas

Property Owners' Association Policy Guide

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Chapter One General Administration

ARTICLE 1 **PERSONNEL POLICY**

Section 1. The POA shall have a written personnel procedural manual administered and maintained by the General Manager that will provide employees with information regarding their employment with the POA.

Section 2. The procedures shall contain provisions intended to comply with all applicable federal and state law.

Section 3. The procedures shall define and describe personnel rules and regulations including pay treatment, fringe benefit administration and grievance and disciplinary procedures that are intended to be fair and equitable among all employees.

Section 4. The procedures shall be competitive in the marketplace to attract and retain employees.

Section 5. The procedures shall be within the POA's ability to fund in accordance with appropriate budget approvals by the Board of Directors.

Section 6. The written procedures can be amended by the General Manager in compliance with the above provisions.

Section 7. In order to provide equal employment opportunities to all individuals, employment decisions at HSV POA will be based on merit, qualifications and abilities. HSV POA does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability, veteran status or any other characteristic protected by law.

Section 8. All hiring and changes in employee status will be approved by at least two levels of management above the particular position; except the level reporting directly to the General Manager where the General Manager has sole approval authority. Hiring of the General Manager will be the responsibility of the Board of Directors.

Adopted B.O.D. 2-21-01, Rev. 1-21-09

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ARTICLE 2

5 YEAR CAPITAL PLAN/OPERATING BUDGET POLICY

The staff of the Hot Springs Village Property Owners' Association will prepare a five-year capital project plan, an operating and capital expenditure budget and the fee schedule in which the operating budget is prepared.

The five year capital project plan is to be used for long-range planning and be used as a guide for capital expenditures, major maintenance and repairs in the formation of the annual operating and capital budget. This is a planning tool and requires input from staff, committees and the Board of Directors.

The operating and capital budget is a management tool to be used as direction for the budget year it represents. The budget along with the fee schedule is to be approved and adopted each year by the Board of Directors at the November Board meeting prior to the budget year.

Replaced Guidelines for the Development of the Three Year Financial Plan 2-25-87, 1-12-88, 1-20-88, 4-26-89, 2-6-02, 3-6-02, 3-20-02

Chapter One General Administration

ARTICLE 3

VEHICLE ASSIGNMENT & USE POLICY

SECTION 1. Association personnel required to travel each day in the performance of their job may use or be assigned a POA owned vehicle for business purposes only.

Personnel will be required to meet the requirements as outlined in the vehicle use procedures to drive a POA owned vehicle. Personal use of any POA vehicle is not allowed, except for de minimus uses in connection with work related travel.

SECTION 2. Association vehicles or a car allowance may be assigned by the General Manager to an employee for transportation to and from his/her home, when such is a condition of employment or required by their job duties. Personnel with assigned vehicles shall abide by appropriate Internal Revenue Service regulations/tax codes regarding income taxes for the benefits received for assigned company vehicles.

All Personnel who drive a POA vehicle, have an assigned vehicle or use their personal vehicle for business purposes must complete and sign a vehicle assignment/use procedure form and abide by all rules and requirements set forth.

SECTION 3. Personnel required to use their personal vehicle for business purposes will be reimbursed at the appropriate rate as set by the POA annual budget using the Internal Revenue Service mileage allowance as a guide.

Personnel will be required to meet the insurance requirements and rules as set forth in the vehicle use procedures.

Adopted 10-76 B.O.D., Rev. 6-21-89, 7-25-89, 1-25-95, 7-20-05

ARTICLE 4
REFUND POLICY

Refund of an annual fee (green fee, cart lease, fitness center or Coronado tennis).

A refund will be given in case of death, to be prorated monthly from the month after death and paid to the surviving spouse or estate.

A refund will be given in case of a significant medical disability for duration of fee year with the appropriate documentation from his/her physician, to be prorated monthly from the month after disability.

New volunteers and new employees are not subject to annual refunds.

Refunds must be requested in writing to the Director of the cost center or his/her assigns. Prorated refunds will not be considered for anything other than an annual fee listed above.

The following formula will be used to calculate refund.

The processing fee is \$10

On March 15 a refund is requested on an annual fee of \$750

\$750 divided by 12 equals \$62.50 times 9 full months remaining in the calendar year less \$10 equals a refund of \$552.50 plus any applicable sales taxes.

Annual fee divided by 12 months multiplied by number of full months to the end of the calendar year. A processing fee as set by the Board of Directors will be charged.

12-16-09

ARTICLE 5
PROPERTY OWNERS ASSOCIATION IDENTIFICATION CARDS

SECTION 1. GENERAL POLICY:

Identification cards for members, guests, visitors and others will be issued so as to facilitate entry into Hot Springs Village by those authorized to do so.

SECTION 2. DEFINITIONS:

A. Property Owner

Any person or entity owning property within Hot Springs Village.

B. "Property Owner in Good Standing"

Any Hot Springs Village property owner who is current in the payment of all assessments, service and use charges (no more than 60 days delinquent) and not under any suspension of privileges.

C. Member – A property owner identified on a recorded deed or on a "Privilege Designation Form" if the recorded deed contains two or more names or is in the name of a trust, corporation or company.

D. Assignee – Anyone who is not a member but assigned membership privileges on an "Assigned Privilege Designation Form".

E. Membership Transfer Fee

An administrative service charge for any membership change from a recorded deed.

F. Assignment Fee

As administrative service charge for any assignment in membership privileges.

SECTION 3. POA IDENTIFICATION CARD POLICIES:

A. Issued at the Property Owners Association administration office to all having authorization to enter the Village.

B. Two types will be issued, a photo, and a non-photo.

C. The issuance of all POA Identification Cards is contingent upon the Property Owner being in good standing.

D. No more than two membership cards are to be issued per lot or living unit.

E. Except where noted, the POA Identification Cards gives unlimited access to the Village to amenities and facilities owned and operated by the Property Owners' Association at the published rate for the card classification.

F. Privilege Designations may not be changed more often than annually.

G. If two individuals, not in the same household, are designated to receive a membership card, dependent cards are not allowed for either.

SECTION 4. ASSIGNMENT OF PRIVILEGES:

A. The Member's privileges of use of amenities and facilities is assignable. Such delegation of privileges is a matter between the Member and the Assignee. The POA shall not assist the Member in obtaining assignees, nor in the collection of fees and assessments after the initiation of the assignment. The Association will provide the necessary forms and guidelines to complete an assignment.

B. An "Assigned Privilege Designation Form" must be submitted along with an assignment fee charged by the Association for handling such assignments.

C. Assigned Privilege Designations may not be changed more often than annually.

D. The Member's privilege of use of facilities (except ingress and egress to property) shall be suspended during the period of the assignment. An assignment shall be canceled by either party at any time upon proper notification to the Association.

SECTION 5. POA IDENTIFICATION CARD CLASSIFICATIONS:

A. Member - Issued to those persons who are identified on the recorded deed or on the Privilege Designation Form. Eligible for "Property Owner" rate.

B. Assignee – Issued to those persons who are identified on an "Assigned Privilege Designation Form". Eligible for "Property Owner" rate.

C. Dependent - Issued to those persons who meet all of the following criteria:

a. Are related by blood or by law to the Member/Assignee.

b. Are provided living facilities by the Member/Owner.

c. Are solely, or partially dependent on the Member/Assignee, and/or mentally, or physically disabled.

d. Are accepted by the IRS as a dependent.

Eligible for "Property Owner" rate.

D. Family - Issued, upon request of member, or assignee, to the following who are related by blood, or law:

1. Sons and Daughters

2. Sons-in-law and Daughters-in-law

3. Parents

4. Grandparents

5. Grandchildren

Eligible for "Family Member" rate.

E. Resident/Tenant

Residents who do not hold another classification of identification card are entitled to a Long Term Renter Card, provided that they are sponsored by a Member, or a bonafide rental agent. Eligible for "Guest" rate.

F. Temporary - Issued as an interim Membership Card until such time as a regular Membership Card is issued. This card is for a limited (dated) duration. To be issued to Los Lagos owners for utilization during their time-share allotment. Eligible for "Property Owner" rate.

G. Visitor/Guest - Issued to guests of members and individuals with a short-term rental arrangement. The name of the guest or visitor, the sponsoring party and an expiration date must appear on the card. The expiration date will not exceed the length of stay or term of lease and generally, should not exceed thirty days. Eligible for "Guest" rate.

H. Employee - Issued to persons employed by the P.O.A. Eligible for "Employee" Rates.

I. Volunteer - Issued to volunteers serving the P.O.A. Eligible for special rates.

J. Work - Issued to those persons who are working in the Village that are not residents nor Members. This identification card is only for access to the Village, and not for recreational uses.

SECTION 5. MANAGEMENT CONTROLS

A. A POA Identification Card must be shown to a P.O.A. employee on demand for the purpose of identification and/or access to P.O.A. amenities and facilities. Additional identification procedures may be initiated from time to time by management to facilitate control and equitable use of facilities.

B. Abuse of the visitor passes by any sponsoring party could result in the revocation of privileges. This card is not to be utilized in lieu of a work pass.

SECTION 6. AUTHORITY

The General Manager and staff are responsible for the development of a standard operating procedure (SOP) to insure the most effective and efficient implementation of the policy.

1-18-99, Adopted BOD 1-27-99, 3-24-99, 9-19-01, Rev. 9-20-06, Rev 10-17-07

Chapter One General Administration

ARTICLE 6

AUDIT & FUNDS CONTROL

All cash and checks received are to be deposited promptly in the POA's deposit bank accounts. POA facility managers are charged with the responsibility to assure cash is managed according to established procedures. The POA Treasurer is responsible for developing and issuing cash receipts reporting procedures for the POA.

The books of the Association shall be audited not less than annually by an independent firm of Certified Public Accountants. The employment of such auditing firm shall be approved by the Board of Directors of the Association.

Internal auditing procedures shall be directed by the Treasurer of the Association to insure funds control and supplies and equipment inventories. Such procedures shall be maintained in accordance with generally accepted accounting standards and as recommended by the independent auditing firm employed by the Association.

Any irregularity revealed through audit procedures shall be reported immediately to the General Manager and Board of Directors for corrective action.

Adopted 10-76, B.O.D., Rev. 5-17-89, 7-22-98, 9-12-01, 10-17-01

ARTICLE 7
MANAGEMENT CONTROL

SECTION 1. GENERAL

The affairs of the Association shall be managed by a seven (7) member Board of Directors selected by the membership. Management authority for the affairs of the Association shall be delegated to the General Manager hired by the Board for that purpose. The General Manager shall operate within the framework of the policies, general procedures, and budgets approved by the Board.

SECTION 2. BOARD OF DIRECTORS

After the term expirations of the initial Board, all members are elected by the Membership for three (3) year terms. Members of the Board receive no remuneration for service.

The Board shall exercise budgetary control of the Association funds and approve capital improvement programs for the development of the Village. The Board shall review and approve operational policies and procedures proposed by management.

The Board shall sit in public session once each month to review current operation of the Association; make decisions on member related requests not within the scope of established policy and consider budgetary changes.

The General Manager is appointed by the Board and serves at the pleasure of the Board. Individual members of the Board shall not normally assume duties in the actual daily management of Association affairs, nor individually direct any activity specifically delegated to the General Manager.

SECTION 3. SENIOR EXECUTIVE OFFICER FOR MANAGEMENT

Management of the Association is delegated to the General Manager who shall exercise full management authority over the daily affairs of the Association. The General Manager, with concurrence of the Board, shall organize and employ personnel to effectively perform the functions of the Association, prepare the necessary budgets and establish controls.

Adopted 11-83, B.O.D., Reviewed 5-17-89, No change

ARTICLE 8
ISSUANCE OF BONDS

A uniform policy on the issuance of Bonds

POLICY

Revenue bonds may be issued by the Hot Springs Village Property Owners' Association (HSVPOA) under the following circumstances:

1. Bonds secured by revenue only:
A majority vote by the Board of Directors is required.
2. Bonds that require collateral other than revenue only:
 - A. If collateral is not POA common property a majority vote of the Board of Directors is required.
 - B. If collateral is POA common property an election of the property owners is required with a 51% approval of those voting.
Refer to the Declaration Article VIII, Section 3, item (i).
3. Tax exempt bonds.
Presently tax exempt bonds are available to the POA only on qualifying sewer projects.
4. In the course of issuing bonds, a request for proposal (RFP) for an underwriting agent should be sent to at least three different contractors for bids and suggestion on the financing vehicles best suited for the project.
5. Refunding of existing bond issues should be considered when the current interest rates are lower than the existing bond issue rate and an analysis of present values offers at least a net savings of \$100,000.
* If a new bond issue is under consideration than an analysis of refunding the current bonds with the new issue should be considered.
** In major project funding, the financing requirements should include a study for the option of using bonds.

BOD 7/18/07

Chapter One General Administration

ARTICLE 9

CONTRACTS EXECUTION POLICY

The Association shall, on occasion, have cause to enter into contract agreements for services and the performance of work.

The authority to execute contracts and/or agreements shall be vested only by the officers of the Association.

Any and all contracts and/or agreements obligating the Association to an expenditure of over \$20,000 must be approved by the Board of Directors.

12-13-76, Rev. 7-19-89, 11-16-94, 9-19-01

ARTICLE 10
BUILDING RESERVE FUND

POLICY: To maintain a reserve fund of sufficient value to be used for needed repair, maintenance and replacement of major fixed assets when operating cash funds are not available.

Purpose of Replacement Reserve Fund:

1. One of the primary duties of the Board of Directors is to maintain and preserve the property values of the property owners and common property. A replacement reserve fund is one way this is carried out.
2. A reserve fund and periodic reserve studies are required by the American Institute of Certified Public Accountants (AICPA) under their guidelines issued in 1991 for Common Interest Realty Associations.

By having reserve funds we enhance resale value of our member's property; it provides planned replacement and repair of major common items allowing for the aesthetic qualities of the Village to be maintained; minimizes the need for special assessments; distributes the contributions of repairs and replacements over old and new owners; and it fulfills the requirements of the AICPA for an unqualified audit opinion.

LIMITS: The HSVPOA fund shall be maintained at \$300,000.00. Initial funding will be through yearly contributions to the fund from operations at a rate set by the annual budget. The maintained amount shall be adjusted, as needed, after each reserve study and HSVPOA Board of Directors approves the adjustment.

FUND EARNINGS: Interest income on the Replacement Reserve Fund will be deposited to the operating checking account of the POA.

8-11-99, 8-25-99 B.O.D., Rev. 11-19-03

Chapter One General Administration

ARTICLE 11

DELINQUENT ASSESSMENT POLICY

PURPOSE: Action to be taken when assessments become delinquent.

POLICY: Under the direction of the HSVPOA Treasurer all assessment accounts delinquent more than 60 days will be placed on the delinquent list and collection procedures will be enacted.

Collection procedures can be carried out by either in-house or third party collectors and may include the reporting to credit rating bureaus, personal obligation suits and legal foreclosures to satisfy assessment liens.

Monthly assessment payments that are 60 days or more in arrears will be considered in default and will be subject to Article X, Section 7 of the Declaration. Article X, Section 7 of the Declaration states “In the event of default as to a monthly payment, and if the default is not remedied within 30 days, the Association shall have the option of declaring the assessment for the entire year due and payable.”

The POA will not sell any POA foreclosed/inventoried lots to property owners that are not in good standing as defined in Chapter One, Article 5.2.B.

Interest and penalties on delinquent assessments will be established by the Board of Directors of the Hot Springs Village Property Owners’ Association.

The POA staff has the authority to adjust any interest or penalty charges in its efforts to collect delinquent accounts.

Adopted B.O.D. 2-21-01, 8-5-09, 1-18-12

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ARTICLE 12

ASSOCIATION COMMUNICATIONS

PRESS RELEASES: All press releases or news articles relating to the Property Owners Association intended for dissemination to the members or general public must be approved by the General Manager. This does not extend to advertisements generated by departments of the Association or articles written by the Board of Directors.

POA ADVOCATE AND SPECIAL COMMUNICATIONS: The POA Advocate and special communications provided members of the Association will be approved by the General Manager prior to their printing and distribution except articles written by the Board of Directors. Advertising is allowed in the POA Advocate.

Adopted 10-76, B.O.D., Rev. 5-17-89, 6-21-89, 1-26-00

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ARTICLE 13 **MASS EMAIL POLICY**

Purpose: This policy reflects the Hot Springs Village Property Owners' Association decision to use email as a form of communication with property owners and residents of Hot Springs Village.

To facilitate electronic communication among property owners and residents, the Hot Springs Village Property Owners Association offers electronic mailing list services to all property owners, residents and any other recognized group which are issued unique ID numbers.

Mass emails are electronic mailings in which the message is sent to members of various groups. Those property owners wishing to receive information must enter their email address and subscribe to receive the information/email alerts.

Email messages are limited to official POA communications and must be approved by the General Manager or his designee before any messages are sent.

Mass email will only be used for items related to Hot Springs Village POA. Mass emails will not be used for political statements, expressions of personal opinion, personal business, unauthorized fundraising or solicitation or commercial promotions.

Adopted 1-21-09 B.O.D.

ARTICLE 14
RECORDS AVAILABILITY

The records of the Association shall be available for public inspection by any member of the Association.

All meetings of Association agencies shall be open to the public. However, all Association agencies reserve the right to close any meeting when desirable.

Certain records of the Association, such as membership name and address listings, membership payment records, etc. shall not be distributed to any person without the written consent of such members. Likewise, members will not be permitted to copy such records for removal from the Association office.

All personal information, relative to a member, in the possession of the Association shall be held confidential to that member and will not be made available for general public scrutiny.

Upon proper identification, all federal, state or local agencies authorized by law shall have access to the Association records without protest.

Adopted 10-76, B.O.D., Amended 11-76

ARTICLE 15
RULES VIOLATION AND/OR ABUSE OF PROPERTY

SECTION 1. GENERAL

All rules, regulations and procedures for the operation of all Association facilities shall be duly enacted to ensure equitable use by all members, guests and visitors to maintain acceptable standards of operation.

It is the responsibility of all Association employees to prevent abuse of Association property and to help ensure that all members, guests and visitors abide by all Association rules and regulations. Members are responsible for the actions of their guests and visitors.

SECTION 2. RULES VIOLATIONS

Observation by an employee of a rule violation shall be called to the attention of the offending party by the employee or his/her immediate supervisor along with an explanation of the correct procedure. Such contact with a member, guest or visitor must be conducted in a courteous, firm and reasonable manner.

In the event the member, guest or visitor refuses to accept direction and explanation of rule violations, the observing employee will advise the member, guest or visitor that such violation will be referred to his or her immediate supervisor.

The employee's supervisor, after being advised of the violation, shall attempt to obtain compliance of the member, guest or visitor. Failure to secure cooperation of the member, guest or visitor shall be sufficient cause to direct the party to leave the facility. The supervisor will, as soon as possible, advise the General Manager of such incident and also prepare a written report.

SECTION 3. ABUSE OF PROPERTY

An employee observing physical abuse of Association property shall immediately request cessation of such action. Failure to secure cooperation from the offending party shall be pursued in the same manner as rule violations except that expediency is much more critical where destruction or damage to property is involved.

SECTION 4. OBTAINING COMPLIANCE

An employee shall not attempt to secure compliance by physical force. Neither shall the employee submit to verbal or physical abuse. Should such action appear imminent, the employee or supervisor should leave the area immediately and refer the matter to the Security Supervisor for further action.

Threats of violence or retribution against the Association shall be pursued with all diligence as provided by law. Personal threats against individuals resulting from their performance in carrying out their Association responsibilities should immediately be reported to Security and Management for a determination of appropriate action.

Repeated violations shall be reported in writing to the General Manager. Repetitive violations shall be sufficient cause for referral to the Board of Directors with a recommendation for suspension of privileges.

Any incident or violation involving threats or violence shall be referred to the General Manager at the earliest possible moment after security personnel are notified. All employees (except Security Officers) shall abstain from further contact upon arrival of the Security officer at the scene. A copy of the security incident report shall be furnished to the General Manager upon completion.

SECTION 5. PENALTIES

Violations referred to the Board of Directors shall be considered for suspension of membership privileges, denial of access (non-members, contractors, employees) or other action.

Notice of such presentation to the Board shall be issued to the violator in writing by certified mail, return receipt requested, 10 days prior to the scheduled Board meeting. Penalty action procedures, except suspension of membership privileges, may be designated to management at the discretion of the Board.

Authority to assess penalties provided in Article VIII, Section (c) of the Declaration and Article III of the Association Bylaws.

Adopted 10-76, B.O.D., Amended 11-76, 4-25-90

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ARTICLE 16 CONDUCT

All members, members' guests, and visitors are expected and required to conduct themselves in a reasonable, lawful and courteous manner at all times. Conduct contrary to this requirement will subject the person(s) to punishment by suspension of privileges in accordance with Article VIII, Section 3(C) of the Declaration and Protective Covenants and Article III of the Association Bylaws. The requirement shall apply to all household persons of such members or guests.

MIS-USE MEMBERSHIP AND GATE CARDS

Membership cards and cards issued for the operation of the electric entrance gates are for use only by the person to whom the card is issued.

Misuse of a membership card or a gate card is in violation of Article VIII, Section (c and f) of the Declaration. Violators are subject to possible suspension for a period not to exceed thirty (30) days under Article III of the Bylaws.

The use of electronic gate cards that are attached to a lot that is more than ninety days delinquent will be suspended. When the assessment account returns to good standing the electronic gate cards will be reinstated.

Adopted 3-23-83, B.O.D., Amended 5-17-89, 4-25-90, 6-17-09

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ARTICLE 17 **INFORMATION SYSTEM POLICY**

SECTION 1. PURPOSE: To safeguard the POA's Information System against loss, damage, misuse and system failure. This policy also includes all forms of POA owned electronic communications including, but not limited to, electronic mail, internet services, voice mail and fax messages that are sent and/or received.

SECTION 2. The Data Processing Department is responsible for insuring proper handling of its files and software.

SECTION 3. PERSONAL COMPUTER SYSTEMS

The departmental users are responsible for the proper backup of their Personal Computer system.

SECTION 4. RETENTION SCHEDULE AND PERIOD: The following retention schedule is for all computer records and/or paper records.

<u>Retention Type</u>	<u>Retention Period</u>
Annual audited financial statements	Permanent
General ledger and supporting journals	Permanent
Federal Tax Returns	Permanent
Corporate Documents, Minutes, By-laws, Incorporation Papers	Permanent
Contracts (after expiration)	6 years
Utility Billing Data	6 years
ERISA Reports	6 years
Payroll Records	5 years
OSHA Records	5 years
Employee Personnel Files	5 Years (after termination)
Employee Earning Records	5 Years
Employee related documentation	5 years (after (forms W-2 and W-4, etc.) termination)
Medical & Psychological Records	5 years (after termination)
Cancelled Checks	3 Years
Bank Deposit Slips/Reconciliation	3 Years
Daily Sales Records	3 Years
Expenses & Cost Acct. Reports	3 Years
Inventory Records	3 Years
Paid Vendor Invoices	3 Years
Auto Mileage Log	3 Years
Wage Rate Tables	2 Years
Time Sheets	2 Years
Vacation/Sick Time Reports	2 Years
Employment Application	1 Year
Sales Receipts/Reports	1 Month

SECTION 5. COMPUTER AND TELECOMMUNICATIONS USER RESPONSIBILITIES/RULES

Computers, fax machines and telephones provide access to resources on and off POA premises, as well as the ability to communicate with other users. Such open access is a privilege, and requires that individual users act responsibly. Users must respect the rights of other users, respect the integrity of the systems and related physical resources, and observe all laws, regulations and contractual obligations.

Users will protect the confidentiality and privacy of computer data, including personnel information, individual property owner financial information and any other information protected by applicable law. All electronic communications transmitted, received and stored are the property of the POA, as allowed by applicable law.

The POA may access user systems as appropriate and necessary to protect the integrity of the systems. The POA may access or examine files or accounts that are suspected of unauthorized use or misuse, or that have been corrupted or damaged.

Examples of misuse include, but are not limited to, the activities in the following list.

1. Using a computer account that you are not authorized to use.
2. Breaking into other user accounts: for example, using password-guessing or other password-stealing programs.
3. Using the P.O.A.'s Network to gain unauthorized access to any computer systems.
4. Knowingly performing an act which will interfere with the normal operation of computers, terminals, peripherals, or networks.

5. Knowingly running or installing on any computer system or network, or giving to another user, a program intended to damage or to place excessive load on a computer system or network. This includes but is not limited to programs known as computer viruses.
6. Attempting to circumvent data protection schemes or uncover security loopholes.
7. Violating terms of applicable software licensing agreements or copyright laws.
8. Deliberately wasting computing and other information resources.
9. Deliberately crashing the system.
10. Using electronic, voice or fax mail to slander or harass others.
11. Forging electronic mail from other users.
12. Masking the identity of an account or machine.
13. Posting on electronic bulletin boards materials that violate existing laws.
14. Unauthorized monitoring or tampering with another user's electronic communications, or reading, copying, changing, or deleting another user's files or software without the explicit approval of the Data Processing Department, within the limits of applicable laws.
15. Use of information systems for illegal purposes is prohibited.
16. No unauthorized person shall connect, disconnect, tamper with or make changes to any physical components of a P.O.A. computer system or computer network unless the Data Processing Department has granted permission, within the limits of applicable law.
17. Theft of telephone or communication services or telephone I.D. numbers to gain unauthorized access to telephone services is prohibited.

Adopted 7-28-82, Amended 10-22-97, 9-12-01, 10-17-01

Chapter One General Administration

ARTICLE 18

CLAIMS AND LITIGATION POLICY

CLAIMS CONTROL : The Association, through its daily operations, is subject to claims being filed against it which exposes the Association to a direct liability or a liability against its insurance. The Association also files claims against outside parties which monetarily favors the Association. The POA Risk Manager is assigned the responsibility to manage and control the disposition of claims. All claims by the POA against others that require legal action must be approved by the General Manager and reported to the Board of Directors.

This Claims Control Policy offers the Association a central file of all claims and the responsibility of one person to see that all claims are properly executed to a conclusion. This responsibility is part of the administrative function of the Association's Administrative Department.

DELINQUENT ASSESSMENTS: All legal action necessary to pursue the collection of assessments is to be administered by the Director of Administration/Treasurer under the provisions of applicable federal and state law, the Declaration and policies of the Board of Directors.

ENFORCEMENT OF PROTECTIVE COVENANTS AND POLICIES: Any legal action required to pursue the enforcement of the protective covenants and policies of the POA must receive the prior approval of the Board of Directors.

5-15-89, 9-12-01, 10-17-01, 6-11-03, Approved 7-16-03 BOD

ARTICLE 19

HOT SPRINGS VILLAGE PROPERTY OWNERS ASSOCIATION PURCHASING POLICY

I. INTRODUCTION

The purpose of this document is to provide a guide in the acquisition of materials and services for the benefit of the HSV property owners. The General Manager or his designated staff are herein referred to as the purchasing authority, herein after referred to as the P.A.

The General Manager will be prepared to clarify any information contained in this document and provide for annual review and update as may be deemed necessary. Amendments/changes deemed necessary will require board approval.

Objective

The objective of this policy to obtain maximum values in the expenditure of funds for materials and services, and shall be extended to all levels of procurement activity except golf pro shop merchandise.

II. RESPONSIBILITIES

A. Delegation of authority

The board of directors shall delegate the total purchasing responsibility to the General Manager. The General Manager shall extend subordinate authority to the purchasing authority and staff as may be consistent with the policy.

B. Commitment authority

1. General Manager up to \$20,000 when approved in Annual Budget
2. Purchasing Authority staff, determined by General Manager
3. Department heads up to \$3,000
4. Division Heads, determined by Department Head

All the above commitment authorities may be adjusted at the discretion of the General Manager, however, no authority may be extended beyond the amounts stated herein.

5. The board of directors shall approve all expenditures over \$20,000.
6. Board approval of the annual budget is not to be presumed as sufficient authorization for the General Manager or staff to enter into contractual agreements obligating the POA beyond the guidelines of this policy. Any proposed purchases that exceeds or were not included in the annual budget may be approved by the General Manager upon receipt of written justification and reported to the Board of Directors.
7. Advance notice of contract award is prohibited until such time it is approved by the board of directors and all internal controls completed.

C. Project Approval

1. The general manager shall approve all expenditures over \$20,000 that have been authorized within a board approved project. At any time that project costs are projected to exceed the original project authorization, such increase must be presented to the Board for approval within 30 days.

III. PURCHASE POLICY

A. Requisition

1. The requisition form and procedure is designed to provide recognition of the department heads and their division personnel's expertise, experience, and knowledge of what performs best to meet a particular purchasing requirement. In addition, it provides an oversight of the P.A. so that all alternatives are considered prior to the purchase.
2. The originator being any employee authorized by the department heads can prepare the purchase requisition for materials or services required for completion of his/her assigned task.
3. The requisition shall be completed in all areas indicated and submitted to the department head for approval in accordance with the commitment authority II B. It is the department heads responsibility to provide the necessary description, vendor recommendation, specifications and drawings required for the completion of the purchase.
4. The completed requisition shall be forwarded to the P.A. for processing or completion using the annual requirements contract (blanket order) procedure, and issuance of a purchase order.

B. Annual requirements contract (blanket order)

Blanket orders will be established for the purpose of providing timely acquisition of frequently used materials and services. They will provide the following advantages:

1. Reduce purchase order quantity
 2. Stabilize prices
 3. Reduce unnecessary paper work
 4. Provide for quick delivery
 5. Replace use of petty cash when not available
1. The P.A. shall negotiate all annual blanket orders and issue a purchase order.
 2. The originator will contact the blanket order vendor by phone and/or in person and complete the purchase.

3. Invoice payment procedures may vary under the blanket order, however, the procedures will be established in the best interest of the vendor and the POA.

C. Petty Cash

Items under \$50.00 should be purchased with petty cash, with proper documentation, without competitive bids. Whenever possible, blanket order vendors should be used. The accounting department will reimburse the petty cash fund of the operating department.

1. It is forbidden to use the petty cash procedure for split purchases in order to avoid competitive bidding.

2. Petty cash voucher receipt forms must be used for all disbursements from petty cash.

D. Request for quotations

(RFQ) a standard request for quotation form will be used on all price solicitations over \$3,000. The RFQ shall be completed and forwarded to all the recommended suppliers by the P.A. office. The P.A. will receive and record all bids received, and review them with the appropriate department.

E. Purchase order process

The P.A. shall authorize all purchases and issue all purchase orders.

1. Vendor selection

It is the responsibility of the P.A. to obtain the best possible product, acceptable delivery and lowest overall cost. Use of local vendors (Garland/Saline counties) is encouraged, however, not at additional cost. The General Manager/Board must approve exceptions.

2. Competitive bidding

The P.A. is required to solicit at least, but not limited to (3) competitive bids on all purchases over \$3,000.

3. Quotation solicitation

The P.A. may obtain quotations as follows:

1. Letter quotation request.

2. Quotation form (standard)

4. Purchase order form

The purchase order will be computer generated and the original copy will not be mailed to the vendor unless requested.

5. Changes to issued purchase orders

To make changes to issued purchase orders, a change form indicating the purchase order number will be used and forwarded to the P.A. for processing.

6. Cancellation of purchase order

A purchase order can be canceled by letter or fax from the P.A. or department head.

7. Items not requiring purchase orders

(a) travel expenses, tax payments, recurring monthly bills.

(b) Petty cash

(c) Non-standard purchase documents i.e., written long form contracts.

8. Purchase order terms and conditions

The conditions of purchase will be sent to all vendors and they will apply to all purchases where the purchase form is used. On "long form" purchase order contracts some changes to standard terms and conditions may be necessary, however, those items not affected will be incorporated by reference. All vendors will receive a copy of the terms and conditions.

IV. BIDS AND CONTRACTS

A. Sealed bids

If obtaining sealed bids is in the best interest of the POA and the participating vendors, the sealed bid procedure shall be implemented.

B. Award to other than lowest bidder

When award is not given to the lowest bidder, a full and complete statement of the reasons for award to another bidder shall be prepared by the General Manager or his staff and be made a part of the procurement documentation.

C. Single or sole source vendors

It may occur that only one responsive bid is received which constitutes single source or only one source may be able to bid on an item as the result of specifications that will eliminate potential alternate bids. This is considered "sole source". In the case of single or sole source situations, written explanations must be included in the procurement documentation and receive the approval of the General Manager prior to award. The General Manager shall have the authority to reject any part of any or all bids when the interest of the POA shall be served thereby.

V. AUTHORIZATION OF MAJOR OR CAPITAL EXPENDITURES

The authorization expenditure form shall be completed for all purchases/services of major or capital items over \$10,000. It is the joint responsibility of the division/department head and the P.A. to complete this form, and forward to the General Manager/board approval. This form will contain, but not limited to the following:

1. Item description

2. Model and year of manufacturer

3. Use and justification

4. Bid information
5. Cost analysis and budget information
6. Return on investment information

The completed authorization expenditure form shall be submitted at regular Board meetings for any budgeted item under \$100,000 in which the staff recommendations is for the low bid meeting specifications. All other expenditure items requiring Board authorization shall be presented at the work session prior to the regular board meeting.

VI. EMERGENCY PURCHASES

Emergency purchases required during nights, weekends, and holidays, may be completed with the approval of the responsible department head, and/or General Manager approval. Supporting documents must be completed the next regular working day and forwarded to the P.A. for processing.

VII. SPLIT PURCHASES

It is expressly forbidden to split purchases with the intent to avoid the following:

- (a) split requirements in order to use petty cash to avoid use of blanket orders or enter into the competitive bid process.
- (b) split requirements to remain in a lower level of authority.

VIII. GRATUITIES

The acceptance of any gratuity in the form of cash, merchandise or any other item of material value by an employee or official of the POA from any vendor or contractor shall be deemed to be in violation of this policy. Such employee or official of the POA shall be subject to disciplinary action as may be determined by the General Manager and/or the Board of Directors.

IX. PURCHASING OVERSIGHT

The POA Board may establish a system of purchasing oversight.

Revised/adopted by B.O.D. 11/16/94, 5/28/97, 6-25-97, 2-24-99, 3-15-00, 7-19-06

ARTICLE 20

INVESTMENT POLICY HOT SPRINGS VILLAGE PROPERTY OWNERS' ASSOCIATION

Objectives:

I. ENSURE SAFETY OF FUNDS.

II. MAINTAIN ADEQUATE LIQUIDITY FOR OPERATION.

III. MAXIMIZE INCOME FROM INVESTABLE FUNDS SUBJECT TO I. AND II. ABOVE.

IV. SAFETY OF FUNDS

A. The Research and Special Projects Committee shall review as needed, a list of security types deemed suitable for investment of association funds. The list is set forth in Addendum B.

B. The general factors to be considered in approving a bank are listed in Addendum B where Funds deposited in any one institution which exceeds U.S. guaranties should be secured by that institution.

V. LIQUIDITY

Treasurer shall make estimates of operational funds required for current operations and use short to medium term investments of non-current operational funds until needed.

VI. MAXIMIZE INCOME

A. Treasurer shall determine investable funds and maturities required to obtain most favorable yield on parked funds.

B. Reserve funds and restricted funds for projects in excess of one year hence where suitable should be funded in maturities up to the time the cash is required.

Adopted 1-10-91, Amended 4-24-91, 7-1-96, 5-1-97, 5-28-97, 10-27-99, 9-12-01, 10-17-01, 4-23-04, 5-19-04

Chapter One General Administration

ARTICLE 20

INVESTMENT POLICY

ADDENDUM B AS OF 5-28-97

Banks should have a minimum capital/asset ratio of 6 – 1, should have been profitable 3 of the last 4 quarters and profitable for the prior 12 months period. Factors such as non-performing loans and ratios of 1) loans to deposits, 2) types of deposits to total deposits, 3) types of loans to types of deposits and GAP analysis, etc. should also be considered.

In addition, if rated, the approved banks or their holding company should have a satisfactory rating from a recognized rating agency.

ARTICLE 21
SAFETY POLICY

SECTION 1. The health and safety of employees, guests, and property owners on P.O.A. property are of the utmost concern. It is the policy of the P.O.A. to strive for the highest level of safety in all activities and operations. The P.O.A. is committed to comply with all health and safety laws applicable to our business. Employees will help ensure that public and work areas are free of hazardous conditions.

SECTION 2. The P.O.A. will make every effort to provide the safest possible working conditions that are in compliance with industry standards, federal and state laws. Employees are expected to be equally conscientious about workplace safety. This includes proper work methods, reporting potential hazards and alleviating known hazards. The P.O.A. provides to its employees' required and appropriate personal protective equipment relative to their job.

SECTION 3. The P.O.A. shall have a written safety procedural manual administered and maintained by the General Manager. The procedures shall contain provisions intended to comply with all applicable federal and state laws.

9-14-01, 10-17-01

Chapter One General Administration

ARTICLE 22

CAPITAL INVESTMENT RESERVE FUND

POLICY: To maintain and fund a reserve fund for the purpose of future funding of new asset construction or renovation.

Purpose of the Capital Investment Reserve Fund:

One of the objectives of the Board of Directors is to maintain the property values of Hot Springs Village. Planning new and improved assets are a must to maintain amenity utilization levels along with the demands of future growth. The Capital Investment Reserve Fund is needed to underwrite the cost of future asset expansions keeping the need for outside financing to a minimum.

LIMITS: The Capital Investment Reserve Fund will be funded by direction of the Board of Directors through annual budget approvals and/or or through separate Board action. There is no maximum or minimum set for this fund and the balance should be reviewed annually during the budget process and should be driven by an extended capital improvement plan.

Any earnings of the fund balances will be deposited in the general checking account of Hot Springs Village POA and treated as operating income.

Adopted 11-19-03

INVESTMENT POLICY ADDENDUM A AS OF 5-28-97, Rev. 10-27-99

1. Treasury Bills
2. Approved agencies of U.S.A.
3. C.D.'s in approved banks.
4. C.D.'s in any financial institution which do not exceed amount of U.S. guarantee.
5. Bank money management funds in approved banks.
6. Brokerage management funds to 95% of the guaranteed limit or to limit of approved securities pledged to security safety of P.O.A. Funds.
7. Repurchase agreements.
8. Investments or deposits with any financial institution to the extent same are secured by U.S. Government type insurance.
9. Any approved government securities portfolio which is secured by the customary U.S. Government type insurance.
10. A1 or P1 commercial paper with amount limited to 50% of idle operating funds and for no longer than a term of 60 days.

ARTICLE 23

ENFORCEMENT OF THE DECLARATION/PROTECTIVE COVENANTS/POLICIES

SECTION 1. PURPOSE

The intent of this policy is to help ensure that conditions violating the Declaration, Protective Covenants and Policies of the Hot Springs Village Property Owners' Association are dealt with in a timely manner and that corrective actions are taken. It is also the intent of this policy that violators of the Declaration, Protective Covenants and Policies are provided an adequate due process that includes the specifics of the violation, reasonable deadlines and information on the consequences for not complying.

SECTION 2. ENFORCEMENT PROVISIONS

It is the intent of the POA to use all available legal remedies at its disposal to seek correction of violations. Such remedies include, but are not limited, to the following:

- A. Suspension of enjoyment rights as authorized under Article 8, Section 3(c) of the Declaration. Suspension of enjoyment rights shall include the prohibited use of all amenities controlled through the Hot Springs Village Property Owners' Association membership card including access at electronic gates.
- B. The correction of violations at the initial expense of the Property Owners' Association, with the cost billed to the responsible party and, if unpaid, a lien filed against the property as authorized under Article XII, Section 1 and 2 of the Declaration.
- C. Any legal recourse, including litigation, as authorized under Section 30. of the Protective Covenants.

SECTION 3. IMPLEMENTATION AUTHORITY

The performance of work to correct a violation by or through the POA estimated to cost less than \$1,000 requires the approval of the General Manager. Suspension of enjoyment rights, litigation and the performance of work by or through the POA to correct a violation in excess of \$1,000 requires Board approval.

SECTION 4. ADMINISTRATIVE FEE

The actual costs incurred plus an appropriate administrative fee established by the Board in each year's annual fee schedule will be billed to the responsible party for all compliance actions requiring the POA to initially expend funds to satisfy the correction of a violation.

SECTION 5. CONFLICT RESOLUTION THROUGH MEDIATION

The POA suggests the use of a voluntary, experienced mediator for conflicts between HSV property owners that are not the responsibility of the Architectural Control Committee, POA or standing POA advisory committee. This suggestion is made in an attempt to resolve conflicts fairly and timely and promote harmony among HSV citizens.

SECTION 6. POLICY COMPLIANCE

Procedures will be developed and maintained in order to comply with and guide enforcement staff in the execution of the above policies.

Adopted 2-18-04, 3-15-06

Chapter Two Facilities and Amenities

ARTICLE 1 **USE OF ASSOCIATION FACILITIES**

SECTION 1. GENERAL

The properties and facilities of the Association are maintained for the use, benefit and enjoyment of members, visitors and guests. Members in good standing of the Association shall have the privilege of requesting the rental and/or use of designated facilities.

The use/rental of POA Association facilities for commercial activities is permitted upon approval of the appropriate facility manager. The POA reserves the right to deny rental/use of POA facilities for any activity deemed not appropriate or in the best interest of the membership.

All renters/users, members, guests and visitors must abide by the rules and regulations of each POA facility. All POA operated facilities are non-smoking.

Except for official business meetings of the POA, all individuals/ organizations conducting activities at Association facilities will pay a fee in accordance with rates and schedules established by the POA Board of Directors. No organization will be exempt from the user fee without permission from the POA Board of Directors.

Rules, regulations and information on POA amenities are contained in the POA Information and Regulation booklet.

12-19-84, 1-28-97, 2-25-87, 2-6-02 , 2-20-02

ARTICLE 2

PONCE DE LEON AND CORONADO COMMUNITY CENTER USE POLICY

SECTION 1. GENERAL

This policy is applicable to the use of Ponce De Leon and Coronado Community Center by members, guests and visitors. The Ponce De Leon and Coronado Community Center are non-smoking facilities.

Arkansas State Liquor laws regulating Ponce De Leon and Coronado Center requires all alcoholic beverages to be sold and dispensed by the facility. There will be no exceptions to this policy.

Advance reservations and a signed contract are required for rental of both facilities. All renters/users, including guests and visitors must abide by the rules and regulations of each facility.

Except for official business meetings of the POA, all individuals/organizations conducting activities at the Ponce De Leon or Coronado Community Center will pay a fee in accordance with rates and schedules established by the POA Board of Directors. No organization or individual will be exempt from the user fee without permission from the POA Board of Directors.

The POA requires the use of tickets for all performances at Woodlands Auditorium. The POA Board of Directors must approve exceptions to this requirement. Non- property owners may use their tickets for security gate access.

Combines Policies: Art. 3A -Use of Coronado Center Food Service, 12-19-84, 7-27-88; Art. 3B - Ponce de Leon Center, 8-20-91, 8-21-91, 8-28-91, 9-25-91, 10-7-91, 10-18-91, 10-21-91, 10-23-91, 12-18-91, 6-26-96, 2-6-02, 2-20-02

Chapter Two Facilities and Amenities

ARTICLE 3

USE OF POA FACILITIES FOR NON-MEMBER GROUPS (GOLF EXCLUDED- SEE CHAPTER SIX)

SECTION 1. GENERAL

The POA maintains and operates amenities and facilities for the use and enjoyment of the membership.

In the interest of supplementing revenue of operations of these amenities and facilities, the POA may offer the use of certain facilities to outside organized groups. Such use shall not take priority over the use by the members.

Examples of such use shall be company seminars, business meetings, group retreats or other approved activities.

All fees, deposits and charges shall be in accordance with rates and schedules established by the POA Board of Directors.

12-19-84, 1-28-87, 6-20-90, 8-15-90, 2-6-02, 2-20-02

ARTICLE 4
ART DISPLAY POLICY

SECTION 1. PURPOSE

This policy is applicable to the display of art and memorabilia in buildings under POA control.

SECTION 2. GENERAL

All artists/groups must contact the appropriate facility manager. There is no fee for the display, however, artists/groups must abide by all rules, regulations and procedures governing this activity.

The POA disclaims any liability related to art and plaques displayed at POA facilities.

SECTION 3. DISPLAY CASES AT CORONADO COMMUNITY CENTER

Groups that meet at the Coronado Community Center at least monthly will be allowed to maintain their display up to a maximum of one display not to exceed a four (4) foot by eight (8) foot display. Groups with a larger display or with multiple displays must consolidate to the 4 foot by 8 foot requirement.

No group will be given a larger display area than they currently have.

Groups will be allowed to continue their display until such time that they no longer meet at least monthly at the Coronado Community Center or until a major remodeling of the existing facility is done.

No new permanent displays of any kind will be allowed in the Coronado Community Center.

SECTION 4. DISPLAYS IN OTHER FACILITIES

No memorabilia other than POA items will be displayed on a permanent basis at any other facility. No exceptions now or in the future.

Organizations having regular membership meetings ten(10) or more times per year may display one(1) plaque no larger than 8" by 10", with their logo and the day and time of their meetings, in a area designated by the facility manager at the manager's discretion.

7-24-91, 3-25-92, 4-22-92, 5-26-93, 2-6-02, 2-2-02, 3-16-05, 9-21-05, 1-19-11

Chapter Two Facilities and Amenities

ARTICLE 5

FOOD & BEVERAGE SERVICE POLICY

SECTION L.

The POA shall provide under POA management or through private firms or individuals, food and beverage services at POA owned facilities. The food and beverage operations are Ponce Fairway Tavern, 19th Hole at DeSoto, Casa Coronado, Wood N Iron at Cortez, Columbus Grill at Isabella, DeSoto, Balboa Club, Granada Terrace and Magellan Deli.

Any POA owned facility managed through a private firm or individual will be independently operated under a separate food and beverage agreement.

These facilities are for the use and enjoyment of the membership, their guests and visitors.

Adopted 8-15-01, 1-19-11

ARTICLE 6

POLICY GOVERNING TOURNAMENTS (GOLF EXCLUDED, SEE CHP. SIX)

SECTION 1: GENERAL

The POA will permit tournaments, leagues, meets and practices as they relate to tennis, swimming, fishing or any other applicable recreational activity. The Director of Recreation Services is responsible for approval of the request (s).

All tournaments, leagues, meets and practices will be scheduled to minimize disruption of services to the membership.

All tournament members, guests and visitors must abide by the rules and regulations of each POA facility. All POA operated facilities are non-smoking.

All fees, deposits and charges shall be in accordance with rates and schedules established by the POA Board of Directors. The Board of Directors must approve any request for waiver of fees.

The POA reserves the authority to delay, change or cancel any activity by giving twenty- four (24) hour notice.

Adopted 6/24/81, Revised 10/23/85 B.O.D, Rev. 12/26/89, Rev. 4/25/90; Rev. 6/12/90, Rev. 6/20/90, 8/22/90, 8/30/93, 9/22/93 B.O.D., Rev. 3/23/94, B.O.D., 2-6-02, 2-20-02

Chapter Two Facilities and Amenities

Article 7 **Common Property Policy**

Section 1. General

The Common Property and Forest Committee(CPFC)and the Planning and Inspections (P&I) Department have oversight responsibilities of all activities on common property within the boundaries of Hot Springs Village. P&I issues permits and assess fees for the activities on common property. The adopted procedures, rules, and regulations are available in the P&I Department. Rules and regulations comply with the following:

HSV Covenants and Restrictions, dated April 20, 1970 and revised 10-13-88

CPFC Charter, dated 7-20-05, 10-17-07

Common Property Procedures dated 7-20-05, 10-17-07

The Common Property and Forest Committee reviews the following activities on common property:

Class 1: General clean-up; removal of vines and shrubs; pruning and cutting of seedlings and small trees less than three inches in diameter; cutting of large trees that are hazardous, unhealthy, diseased, or dead; and limited landscaping. No permit fee required.

Class 2: Selective cutting and/or pruning of large healthy trees. Permit fee \$100.00.

Class 3: Shaping under and around boat docks and lakefront property line. No permit fee required.

3-27-96, 5-28-97, 10-22-97, 6-24-98, 9-23-98, 11-15-00, 2-6-02, 2-20-02, 10-15-03, 7-20-05, 1-16-08

ARTICLE 8
Organizations Sign Policy

SECTION 1. PURPOSE

This policy is applicable to the organizational sign board (s) located in Hot Springs Village and is intended to regulate the placement of signs.

SECTION 2. GENERAL

The POA will approve and have authority for placement of all signs and enforcement of rules and regulations for same. All approved signs will be charged a fee and must meet the criteria set forth in the rules, regulations governing this activity.

5-23-89, 9-9-92, 6-16-93, 6-23-93, 2-6-02, 2-20-02

ARTICLE 9
LAKES POLICY

Section 1. Authority

The authority for this Lake Use Policy is the Declaration, Protective Covenants and the By-laws of Hot Springs Village. All state and federal boating and fishing regulations apply to Hot Springs Village lakes. All of the rules and regulations of the Arkansas Game and Fish Commission apply to anyone fishing the lakes and streams of Hot Springs Village. The Arkansas Soil and Water Conservation Commission inspect and make recommendations on the dams and spillways.

Section 2. Purpose and Introduction

- A. The POA maintains the recreational lakes for the use and enjoyment of all membership and as reservoirs for irrigation for golf courses.
- B. Lake Lago is the only reservoir lake in which swimming, boating and fishing are not permitted.

Section 3. General Regulations

All lake use regulations regarding boating, towing sports activities such as skiing, tubing, knee boarding, etc., swimming, “no wake” violations, litter, beach use and fishing are contained in the POA Village Lakes, Guidelines and Information brochure.

Section 4. Buoys

The POA will place lake buoys with and without flags to assist boaters in recognizing no tow, shoal and “no wake” areas.

Section 5. Herbicides

- A. Herbicides must meet State and Federal regulations for use on waterways and be approved by the POA.

Section 6. Lake Maintenance

The POA will maintain the lakes and its buoys on an on-going basis.

Section 7. Boat/Trailer Registration

The POA requires all property owners to purchase annually and display a lake use decal on all boats and trailers used on HSV lakes. Decals must be affixed to the boat before it is used on any HSV lake.

Lake use is any boat (powered or unpowered) used in a Village lake, or any boat sitting upon or suspended above the lakes within HSV, or any boat trailer sitting within the parking area of any HSV boat launch area.

Sponsored guests are required to register their boats at the Desoto or Balboa Marina by securing and displaying either a daily or 14 day temporary lake use tag before usage on any HSV lake.

Long-term renters (defined as renters who have a lease of six months or longer) may purchase and display the same lake use decals available to property owners. To purchase a decal, the renter must present a copy of his or her lease. The fee will be established in the annual fee schedule as approved by the Board of Directors.

Failure to properly display a decal may result in the suspension of privileges and an administrative fee.

Adopted B.O.D. 4-26-95, Rev. 11-20-96, 11-15-00, Rev. 12-19-01 BOD, Rev. 5-17-06, 9-17-08. 10-21-09, 3-16-11

Chapter Two Facilities and Amenities

ARTICLE 10

MEMORIALS (Construction on Common Property)

SECTION 1. GENERAL

This policy provides for the construction and maintenance of Memorials by members of the association, honoring deceased members of the immediate family.

Construction and maintenance of "Memorials" on common property may be permitted under the conditions and guidelines stated below.

SECTION 2. AUTHORIZATION

Authority for approval shall lie with the General Manager of the Association.

Each project shall be considered on its merits, design and location and shall not be considered as setting a precedent.

SECTION 3. TYPES OF MEMORIALS

Memorials shall be of such design and construction so as to enhance the aesthetics of the Village and/or be functional; examples:

- A. Benches; on golf courses or trails
- B. Flag poles; with appropriate flag
- C. Foot bridges
- D. Trees
- E. Flowering shrubs
- F. Furnishings; couches, chairs
- G. Plaques

Note: Statues, fountains, and items requiring continuing maintenance and/or operating cost should be avoided.

SECTION 4. PLACEMENT OF MEMORIALS

Memorials may be located on the following common properties:

- Trails
- Parks
- Golf courses; in the case of benches

SECTION 5. FUNDING & MAINTENANCE

Funding shall be the responsibility of the donor of the honoree as their agent(s) and should be sufficient to cover the cost of construction and on-going maintenance.

Design shall be such as to require minimal maintenance by the P.O.A. Beyond this, responsibility for maintenance shall be agreed upon, in writing, before commencement of the project.

SECTION 6. REMOVAL AND/OR RELOCATION CLAUSE

Should the "Memorial" become unsightly from lack of maintenance or from deterioration, the P.O.A. reserves the right of removal.

Should the "Memorial" ultimately be in the way of P.O.A. amenity expansion or new construction, the P.O.A. will be responsible for relocation.

Adopted 3-27-85 B.O.D., Amended 10-29-01, 11-14-01, 2-6-02, 2-20-02

Chapter Three Public Safety

ARTICLE 1 INGRESS & EGRESS

SECTION 1. POLICY

The Association maintains gated entrances to Hot Springs Village to assist members, guests, visitors and others. The number of gates, the type of gate (electronic, keyed, staffed), and the locations for each gate will be determined by operating procedures.

Hot Springs Village property owners in good standing have the unimpaired right to ingress and egress to property owned by him/her. Nonresident property owners not in good standing will be accommodated for purposes of visiting their property. Any person not a Hot Springs Village property owner whose only egress and ingress to his property is through Hot Springs Village will not be denied such privilege unless the Association provides alternate access capability.

SECTION 2. DEFINITIONS

A. Member

Any person owning property within Hot Springs Village. The property owner's spouse, and all dependents. (Dependents defined in Property Owners Association ID card policy).

B. "Member in good standing"

Any Hot Springs Village property owner who is current in the payment of all assessments, service and use charges (no more than 60 days delinquent) and not under any suspension of privileges.

C. Guest

Any person granted access to the Village who is a recipient of hospitality at the home or table of the property owner. The conduct and actions of a guest are the responsibility of the member declaring such persons to be their guest.

D. Visitor

Any person granted permission to enter the Village that does not qualify as a guest.

E. Others

Any person required by law to inspect, perform duties, oversee official activities, regulate or control facilities, personnel, or equipment in Hot Springs Village. Also, includes individuals required to obtain a Hot Springs Village work pass, deliver goods, or provide services.

F. Gates

(1) Electronic – any gate activated by use of an access card issued by the Property Owners' Association.

(2) Staffed – those having personnel on duty to assist members, guests, visitors, and others having a desire to enter Hot Springs Village. Some staffed gates may only be staffed for portions of a day. Schedules for staffing will be in accordance with established procedures and will be the responsibility of the General Manager and staff. Any major deviations of service, or significant fiscal or personnel expenditure will be approved by the Board of Directors.

G. Decals

Color-coded, distinctive shaped, dated bumper decals will be made available for members, dependents, non-property owner residents, employees of the POA, employees of CCI, or individuals possessing a valid work pass.

H. Gate entry card

Cards issues for entry through any electronic or staffed gate.

(1) Electronic Gate Card – issued by the Property Owners' Association an subject to Chapter 1, Article 16 of the General Administration Policy. Property owners may obtain a gate card upon proof of current POA membership. Cards for dependents must be authorized by the property owner and will be valid for the same period and same conditions as the sponsoring member. Other persons eligible to obtain a photo identification card are also eligible to obtain a gate card at the POA Administration office. Fees will be charged in accordance with the current fee schedule. Cards issued are for the sole use of the cardholder and are not to be loaned to others.

(3) Vehicle Dash Card – color coded and dated cards issued to members, not having a decal displayed on their vehicle, guests, visitors, and/or others having authorized access to the Village on a temporary basis.

SECTION 3. AUTHORITY

The General Manager and staff are responsible for the development of a standard operating procedure (SOP) to insure the most effective and efficient implementation of the policy.

The BOD reserves the right to revise, reprogram, or modify the system as necessary.

SECTION 4. ENFORCEMENT

(1) Any misuse, or abuse, of the card privilege by a property owner may result in confiscation of the card and suspension of the card privilege for all cards issued to the property owner for a period of 30 days for the first offense and indefinitely for any subsequent abuse.

(2) Any misuse, or abuse, of the card privilege by all others may result in confiscation of the card, forfeiture of all cash deposits, cancellation of work pass privileges, and/or indefinite denial of all access to the Village.

- (4) "Tailgating" another vehicle through an electronic gate is prohibited and will be considered an abuse of the card privilege. Only one car per gate activation is permitted.
- (5) The Hot Springs Village Property Owners Association shall be the enforcing agency.
- (6) The Board of Directors empowers the Hot Springs Village Police Department to enforce this regulation.

1-18-99, Adopted BOD 1-27-99, 7-17-02, 6-17-09

ARTICLE 2
FIRE POLICY

SECTION 1. PURPOSE

To establish guidelines for the burning of wood, wood products, leaves, yard waste, trees and similar items.

SECTION 2. REGULATION

All open burning is prohibited without the written permission of the Director, Department of Public Safety, the Fire Chief, the Fire Marshal, or the designee of the Director, Department of Public Safety.

During periods of a “burn ban” declaration by the county judge of Garland, or Saline Counties, no burn permits will be authorized. Burn barrels at construction sites are prohibited on job sites between April 1 and October 31. Warming barrels will be permitted on job sites between November 1 and March 30.

Warming barrels are to be used to keep workmen warm, not to get rid of building debris. Only untreated wood products are to be burned in warming barrels. No roofing material, vinyl, PVC, carpet, paper, or other synthetic product is to be burned. Warming barrels must be kept at least 25 feet away from any structure.

No fire is to be left unattended or left burning after workmen leave the site.

Warming barrels are not to be used during any burn ban declared by a county judge, or a Hot Springs Village fire official.

Any Fire Department response caused by a warming barrel will subject the contractor listed on the Architectural Committee permit to a service fee as established by the Board of Directors.

Any Fire Department response caused by a violation of this policy will subject the person, or person(s), responsible to a service fee as established by the Board of Directors.

Failure on the part of a property owner to pay the service fee may result in appropriate sanctions as determined by the Board of Directors. Failure on the part of a non-property owner to pay the service fee may result in cancellation of work pass privileges and/or gate card privileges.

SECTION 3. ENFORCEMENT

- (1) The Hot Springs Village Property Owners Association shall be the enforcing agency.
- (2) The Board of Directors empowers the Hot Springs Village Department of Public Safety to enforce this regulation.

Adopted 10-76 BOD, Amended 9-26-01, 10-16-01, 11-14-01, 7-17-02

ARTICLE 3A
FIRE RESPONSE OUTSIDE VILLAGE BOUNDARIES

SECTION 1. PURPOSE:

The purpose of this policy is to give guidance to the General Manager and Chief of the Fire Department relative to the dispatching and use of firefighting equipment and personnel outside the boundaries of the Hot Springs Village Fire District and Hot Springs Village.

SECTION 2. USE OF APPARATUS OUTSIDE OF VILLAGE BOUNDARIES:

Normally POA firefighting equipment and personnel shall not be dispatched outside the boundaries of the Village/District, with exception of following and at the discretion of the Fire Chief and/or General Manager:

- A) Forest Fires: In the event a forest fire outside the Village is threatening the Village property and/or at the request of the Forest Service, Village apparatus may leave the premises.
- B) Auto Accidents: In the event it is apparent that an accident involves a property owner or employee, POA Village fire personnel and equipment may respond relative to life threatening conditions.
- C) Jessieville School Buildings: POA equipment and personnel may respond to the Jessieville School grounds.
- D) Natural Disasters: In the case of large scale natural disaster(s), personnel and equipment may be dispatched to assist neighboring communities.
- E) Structure Fires: In the event it becomes apparent there is potential for loss of life as a result of a fire, personnel and equipment may be dispatched for the purpose of saving that life but not for the purpose of protection of property.
- F) Landlocked property: Fires occurring on property" landlocked" by or completely surrounded by the Village.
- G) Other: In the event of a fire inside the Village it becomes apparent that the shortest response to that fire requires that the apparatus/manpower leave the Village.
- H) In the event a Mutual Aid fire protection pact is agreed upon by the POA Board and neighboring District Boards.

7-15-92, 7-16-92, 7-22-92

ARTICLE 4
AMBULANCE SERVICE

SECTION 1. PURPOSE

To provide ambulance service to the residents of Hot Springs Village by contract with an Emergency Medical Service (EMS) provider that is licensed under the Arkansas Department of Health.

SECTION 2. FEES AND CHARGES

An annual fee necessary to support the availability of at least three (3) Advanced Life Support Ambulance units at all times shall be established by the Board of Directors of the Property Owners' Association and shall be collected on the residential POA utility bill.

The collection of fees shall be in accordance with the POA utility bill collection procedures of the Association.

11-14-07, Rev. 7-21-10

ARTICLE 5
REGULATION AND CONTROL OF PETS

SECTION 1. POLICY

The Board of Directors for the Hot Springs Village Property Owners' Association recognizes the need for specific regulations relative to pets in the Village, and therefore agrees that a specific policy concerning unfettered movement, annoying activity, nuisance activities and animal control is hereby established.

SECTION 2. DEFINITIONS

The following words and phrases shall have the following meaning for purposes of these regulations:

- A. Animal – Any description of vertebrate, excluding Homo Sapiens.
- B. Animal Control Authority – The person or persons employed by the Hot Springs Village Property Owners' Association and designated as the enforcement officer of this regulation.
- C. Annoying Activity – Actions on the part of an animal, or pet that desecrate, destroy or damage the property of one who is not the owner.
- D. At Large – Any pet shall be deemed to be at large when he is off the property of his owner, and not under control of a competent person.
- E. Detention Shelter – Any premises designated by action of the Board of Directors, Hot Springs Village Property Owners' Association, for the purposes of impounding and retaining all animals found running at large in violation on this regulation.
- F. Humane Manner – Care of an animal to include, but not limited to, adequate heat, ventilation and sanitary shelter, and wholesome food and water, consistent with the normal requirements and feeding habits of the animal's size, species and breed.
- G. Nuisance Activity – Actions on the part of an animal that causes the peace and tranquility of the surrounding area to be disturbed even though the animal is on the owner's premises.
- H. Owner – Any person, group of persons, or entity owning, keeping or harboring pets.
- I. Pet – Any animal owned or cared for, for pleasure or companionship or for domestic utilitarian use.
- J. Restraint – A pet is under restraint within the meaning of this regulation if controlled by a leash, at "heel" beside a competent person and obedient to that person's command, on or within a vehicle being driven or parked, or within the property limits of its owner or keeper.
- K. Restraint on Trails – Any pet on the Hot Springs Village Trails shall be on a leash and under the control of their owners at all times so as to not be a nuisance or hazard to others.

SECTION 3. AUTHORITY

The General Manager and staff are responsible for the development of a standard operating procedure to ensure the most effective and efficient implementation of the policy.

SECTION 4. ENFORCEMENT

All federal, state and county laws and ordinances will be enforced where applicable, and charges filed in the appropriate jurisdiction. In absence of a law or ordinance, this policy will prevail and the Board of Directors will have enforcement authority as established by the Declaration.

Adopted 11-76, B.O.D., Rev. 3-20-90, 11-2-96, 7-28-99, 10-21-09

ARTICLE 6
TRAFFIC CONTROL – HOT SPRINGS VILLAGE

SECTION 1. GENERAL

Roadways of Hot Springs Village are private property. Traffic control shall be administered through the Hot Springs Village Police Department. All traffic enforcement is in accordance with the Arkansas Motor Vehicle and Traffic Laws and State Highway Commission regulations.

SECTION 2. SPEED LIMITS

Speed limits on the streets of Hot Springs Village are established as follows, unless otherwise posted:

- | | |
|------------------------------------|-----------|
| A. Primary Roads | 40 M.P.H. |
| B. Subdivision (Residential) Roads | 25 M.P.H. |
| C. Unpaved Roads | 25 M.P.H. |
| D. Main Entrance & Townhouse Areas | 15 M.P.H. |
| E. Parking Lots - POA | 05 M.P.H. |

The General Manager, upon the recommendation of the Director of Public Works, Director of Public Safety and/or the Public Works Committee may impose temporary changed in speed limits and traffic control devices. The General Manager shall notify the Board of Directors of any such change. Upon such notice, the temporary change shall become permanent after 90 calendar days, unless the Board of Directors votes to override the change during the 90 day period.

SECTION 3. NOISE CONTROL

No vehicle with excessively loud muffler, etc. shall be permitted to travel on the streets of Hot Springs Village. The community concept of a quiet, rural setting shall be preserved to the extent possible.

SECTION 4. ENFORCEMENT

The Arkansas Motor Vehicle Traffic Laws and State Highway Commission Regulations have been adopted by the Association. Traffic warning tickets may be used and maintained as a record of violations for a moving traffic offense such as, but without limitation, failure to stop, failure to yield, speeding, illegal parking, etc., which do not result in injury to persons or property. Enforcement shall be as follows:

- (A) Property owners: Violators receiving (3) warning tickets or uniform traffic citations within a consecutive twelve month period shall be referred to the Board of Directors for action in accordance with Article VIII, Sec. 3 (c) of the Declaration.
- (B) Non property owners: Violators receiving two (2) warning tickets or uniform citations within a consecutive twelve (12) month period shall be subject to banning from the Village for a period of time to be determined by the General Manager. State uniform citations may be issued for violations of traffic offenses and shall be processed through the Municipal Court System of the respective County.

SECTION 5. PENALTIES

Violators referred to the Board of Directors shall be considered for suspension of membership privileges, denial of access (non-members, contractor, employees) or other action.

Violations referred to the Municipal Court shall be resolved at the discretion of the Municipal Judge.

Adopted 10-76, B.O.D., Amended 8-24-83, 5-2-86, 5-28-86, 7-23-86, 11-28-90, 4-27-94, 8-27-97, 7-28-99, 9-26-01, 11-14-01, 1-19-11, 7-20-11.

ARTICLE 7

DOOR-TO-DOOR SOLICITATIONS: DISTRIBUTION OF CIRCULARS, HANDBILLS OR SIMILAR ARTICLES

Section 1. PURPOSE

To establish guidelines to preserve the peace and tranquility of Village residents by restricting door-to-door solicitations and to prevent the potential of litter from random distribution of unsolicited circulars, advertising flyers and other like material.

Section 2. REGULATION

The door-to-door solicitation for the purpose of collecting contributions; selling of goods or services; collecting data for surveys; or similar activities is prohibited.

The random depositing of circulars, newsletters, advertising material, placards, business cards and similar printed products is prohibited at homes, businesses and on vehicles parked within the Village.

Section 3. DEFINITIONS

- A. Advertising material – printed material intended for distribution to a large, unaddressed population.
- B. Business cards – personalized cards commonly used by individuals engaged in business and professional endeavors.
- C. Circulars – See “A”
- D. Door-to-door – refers to the canvassing or contacting residents in a random, unannounced, unscheduled manner for any purpose.
- E. Goods – products of all types.
- F. Newsletters – those prepared and distributed by special interest groups for their members or prospects.
- G. Placards – see “A”
- H. Random – having no specific pattern.
- I. Services – duties or works performed for another.
- J. Solicitation – the act of approaching another for the purpose of selling a product or services, eliciting information for a survey, or collecting donations, or similar activities.
- K. Surveys – compilation of data pertaining to individual preferences concerning a topic, product or subject matter.

Section 4. EXCLUSIONS

- A. Scheduled appointments previously made.
- B. Neighbors communicating with their neighbors concerning community or public service-related activities within their neighborhoods.
- C. Nationally affiliated service clubs serving Hot Springs Village may make application to obtain written permission for a waiver to this policy for each requested distribution. The application must be submitted to the General Manager on the form provided by the POA. All conditions imposed and decisions of the General Manager shall be final.

Section 5. ENFORCEMENT

- A. The Hot Springs Village Property Owners’ Association shall be the enforcing agency.
- B. The Board of Directors empowers the Hot Springs Village Police Department to enforce this regulation.

Section 6. CORRECTIVE ACTION

- A. Property owners failing to comply with the provisions of the regulation are subject to appropriate enforcement action.
- B. Non-property owning residents failing to comply with the provisions of this regulation are subject to appropriate enforcement action.
- C. Persons employed within the Village failing to comply with the provisions of this regulation are subject to appropriate enforcement action, which may include denial of access to the Village, and forfeiture of all fees and deposits.
- D. POA employees failing to comply with the provisions of this regulation are subject to appropriate enforcement action, which may include termination of employment.
- E. Visitors and guests failing to comply with the provisions of this regulation are subject to appropriate enforcement action, which may include denial of access to the Village.

Section 7. AUTHORITY

Hot Springs Village Property Owners’ Association Declaration and Protective Covenants.

ARTICLE 8
REGULATIONS GOVERNING USE OF MOTORIZED VEHICLES
ON VILLAGE ROADS AND TRAILS (OTHER THAN AUTOS AND TRUCKS)

SECTION 1. PURPOSE

To provide regulations governing the equipping and operation of motorized vehicles other than automobiles and trucks within Hot Springs Village; to enhance safety of operators of all kinds of motorized vehicles; and to provide safety for pedestrians.

SECTION 2. DEFINITION

For purposes of this regulation a motorized vehicle is presumed to include the following:

- A. Golf Cart
- B. Motorcycle, Trail, Bike, Racing Bike
- C. All Terrain Vehicle
- D. MoPed
- E. Motor Scooter
- F. Go Cart

SECTION 3. SAFETY DEVICES AND PROCEDURES

All motorized vehicles operated on the roads and trails of Hot Springs Village shall be equipped and operated as follows:

- A. Golf carts shall be equipped with at least two front mounted headlights, white in color.
- B. Golf carts shall be equipped with a pennant or colored flag of high visibility orange and fastened to a pole at least seven (7) feet above the ground, when operated on Village roads.
- C. Golf carts will turn on lights when operated on the roads of Hot Springs Village.
- D. All other vehicles shall be equipped with at least one front mounted headlight, white in color; and each shall be equipped with at least one rear mounted tail light, red in color.
- E. Each vehicle will be equipped with a rear view mirror.
- F. Vehicle passengers should not exceed those recommended by the vehicle manufacturer.
- G. Pedestrians have the right-of-way over motorized vehicles.
- H. Automobiles and trucks have the right-of-way over golf carts.
- I. Motorized vehicles will turn on lights when operated on the roads of Hot Springs Village.

SECTION 4. MINIMUM AGE REQUIREMENT AND LICENSE

- A. Golf Carts: A person must have a valid Driver's license to operate a golf cart on Hot Springs Village roads and be at least 14 years of age to operate a golf cart on multi-purpose trails.
- B. Motorcycles and Mopeds: State statues apply.

SECTION 5. REGISTRATION

- A. Motorized vehicles regulated herein shall bear a Hot Springs Village Registration Decal. The decal shall be numbered and a record of registration kept in an appropriate POA office.
- B. Registration period is annually (January 1st to December 31st).
- C. Registration fee is part of Hot Springs Village fee schedule as adopted by the Board of Directors.

SECTION 6. MOTORIZED VEHICLES PROHIBITED FROM OPERATING ON ROADS

- A. Go Carts
- B. Motorized vehicles not equipped as specified in Section 3 (above) or not having mufflers (i.e. trail bikes, racing bikes)
- C. All Terrain Vehicles.
- D. Golf carts shall not be operated on roads or sections thereof, designated by "Golf Cart Prohibited" signs.

SECTION 7. MOTORIZED VEHICLES PROHIBITED FROM OPERATING ON TRAILS

- A. Motorized vehicles of any type are prohibited from operating on any nature/walking trail.
- B. Motorized vehicles having motors with a displacement of 50 cc or greater are prohibited from operating on multi-purpose trails. (Note: This does not apply to golf carts.)

SECTION 8. ENFORCEMENT

Enforcement of the provisions of the foregoing rules and regulations will be by either or both of the following methods:

- A. Arkansas Motor Vehicle Traffic Laws.
- B. The Declaration and Protective Covenants, Article VIII, Section 3.(c).

ARTICLE 9
ESTATE AND AUCTION SALES

SECTION 1. POLICY

The POA shall maintain a policy of controlling estate and auction sales within the Village. Ingress and egress of visitors to the Village for such sales shall be regulated according to Chapter 3, Article 1. Traffic in and around such sales, as well as the parking of vehicles in the vicinity, shall be controlled via law enforcement authority granted to the Hot Springs Village Police Department by Garland and Saline County Sheriff's Department.

SECTION 2. DEFINITIONS

1. Estate or Auction Sale. Any sale involving a commercial venture in which an individual or company has been contracted for the purpose of the sale or auction, and the person or company is paid for such services.
2. Permit. A written authorization to conduct an estate or auction sale, that shall be issued by the Director, Department of Public Safety, or his designee to the person or company representative conducting the sale.

SECTION 3. AUTHORITY

The General Manager and staff are responsible for the development of a standard operating procedure to ensure the most effective and efficient implementation of the policy.

SECTION 4. ENFORCEMENT

All federal, state, and county laws will be enforced where applicable. In absence of a law or ordinance, this policy will prevail and the Board of Directors will have enforcement authority as established by the Declaration. Any estate sale or auction sale being conducted without a permit will be subject to immediate suspension.

Adopted 9-17-08 BOD

ARTICLE 10
FIREWORKS REGULATIONS

SECTION 1. GENERAL

Due to the wooded environment of the Village and the susceptibility to brushfires during dry seasons, it is in the best interest of the Association to restrict the use of fireworks.

SECTION 2. FIREWORKS

The following use of fireworks is prohibited.

- (A) All rockets and/or arterial displays.
- (B) The use of any fire works on the common property of the association including street rights-of-way.
- (C) All fireworks emitting a loud report so as to cause disturbance to the neighbors.

SECTION 3. ORGANIZATIONAL DISPLAYS

None of the above is intended to preclude the 4th of July fireworks display sponsored by the POA or sponsored by any group or organization with the approval of the Board of Directors of the Association.

The above shall be published in a condensed form in the booklet titled “Information and Regulations of the Hot Springs Village Property Owners’ Association.”

Adopted 7-28-93 BOD

ARTICLE 11

CONTROL OF LITTER TRANSPORTATION OF DEBRIS & REFUSE

SECTION 1. PURPOSE

To establish regulations, responsibility and enforcement relative to the prevention of littering along Village roadways that may be caused by the hauling of debris refuse, garbage, trash, and/or construction materials.

SECTION 2. RESPONSIBILITY OF HAULERS

- (A) To cover, or otherwise secure all contents of all vehicles in such a manner so as to prevent its load from dropping, blowing, falling off, shifting, leaking or otherwise escaping from the vehicle while traveling on Village roadways.
- (B) To stop immediately and pick up and remove any material that may fall along the route.

SECTION 3. ENFORCEMENT

- (A) Any person, firm or corporation found violating this regulation is subject to being charged with a misdemeanor in the appropriate judicial court.
- (B) In addition to (A) above, the Board of Directors of the Property Owners' Association may, after due process, restrict the hauler from the use of Village roadways and/or restrict access to the Village.
- (C) In addition to (A) and (B) above the Board of Directors empowers the officers and security personnel of the Hot Springs Village Police Department to deny access to the Village any vehicle containing a load which is not properly secured so as to prevent the load from blowing, dropping, falling off, shifting, leaking or otherwise escaping until the load is properly secured. In addition, any vehicle bearing an unsecured load on any roadway within the Village will be given the option of securing the load immediately, or being escorted from the Village.

SECTION 4. AUTHORITY

- (A) State Statute Mp/ 82-3901ET-SEQ.
- (B) Hot Springs Village Property Owners' Association Declaration and Protective Covenants.

Adopted 9-25-85, B.O.D., Amended 7-13-94 B.O.D., Adopted 7-27-94 B.O.D., 9-26-01, 11-14-01

ARTICLE 13

REGULATION GOVERNING THE DISCHARGE OF FIREARMS AND ARCHERY EQUIPMENT

SECTION 1. REGULATION

The discharge of a firearm or archery equipment within Hot Springs Village is specifically prohibited.

SECTION 2. PURPOSE

This regulation is put into effect to protect the life and property of the citizens of Hot Springs Village.

SECTION 3. This regulation will prohibit all hunting with firearms or archery equipment within the area of Hot Springs Village.

SECTION 4. DEFINITIONS

(A) Firearm – any device which will expel a projectile by the action of an explosion.

(B) Archery equipment – a long bow, cross bow, compound bow, or a standard bow which will propel an arrow or dart.

SECTION 5. ENFORCEMENT

(A) The Hot Springs Village Property Owners' Association shall be the enforcing agency.

(B) The Board of Directors empowers the officers of the Hot Springs Village Police Department to enforce this regulation.

SECTION 6. CORRECTION OF VIOLATION

(A) Property owners failing to comply with the provisions of the regulation are subject to appropriate enforcement action.

(B) Non-property owning residents failing to comply with the provisions of this regulation are subject to appropriate enforcement action.

(C) Persons employed within the Village failing to comply with the provisions of this regulation are subject to appropriate enforcement action, which may include denial of access to the Village, and forfeiture of all fees and deposits.

(D) POA employees failing to comply with the provisions of this regulation are subject to appropriate enforcement action, which may include termination of employment.

(E) Visitors and guests failing to comply with the provisions of this regulation are subject to appropriate enforcement action, which may include denial of access to the Village.

SECTION 7. EXCLUSIONS

(A) The discharge of a firearm or archery equipment in defense of life or property.

(B) The discharge of a firearm or archery equipment at a public or private shooting range or gallery.

(C) The discharge of a firearm by law enforcement officers in the performance of official duties.

(D) The discharge of a firearm by animal control officers in the performance of official duties.

SECTION 8. AUTHORITY

Hot Springs Village Property Owners' Association Declaration and Protective Covenants.

8-8-97, Adopted 8-27-97 BOD

ARTICLE 14
ALARMS

Section 1. **PURPOSE**

To establish guidelines for the establishment of fees for police response to false alarms at Village businesses and residences.

Section 2. **AUTHORITY**

The Property Owners' Association Accounting Department will bill businesses and private residents for police response to false alarms at their business or residence upon notification by the Police Department that the false alarm was not weather related or due to circumstances beyond human control. This billing will be in accord with the fee schedule as established by the Board of Directors during the annual budgetary process. The fee schedule will allow a no-charge fee for the first false alarm. A 12 month period without a false alarm at a business or residence will make the business or residence eligible for another no-charge fee and the fee process will begin anew.

Section 3. **DEFINITIONS**

- A. Alarm – any electronic or mechanical alert system that is designed to elicit immediate response to an emergency situation.
- B. False Alarm – any alarm that is activated when no emergency exists.
- C. Human Error – any action, or activity on the part of a person that causes an alarm to be activated when no emergency exists.
- D. Weather – any adverse climatic condition that produces effects that activate an alarm. Such conditions are lightning, flooding, rain, hail, or high winds.
- E. Circumstances Beyond Human Control – any act of nature such as earthquakes or ground shifts.
- F. Fire Alarms – for purposes of this policy fire alarms are not addressed.

Adopted 12-15-99 BOD, Rev. 11-19-08

ARTICLE 15
POLICY ON EMERGENCY OPERATIONS

SECTION 1.

The POA shall have a written Emergency Operation Plan (EOP) administered and maintained by the General Manager, or his designee, that will provide POA employees with guidance, instructions and information necessary to effectively discharge their duties during any emergency.

SECTION 2.

The EOP will contain individual standard operating procedures (SOPs) for each critical area of responsibility which will contain at a minimum the following:

- A. Specific instructions as to the location, activation, composition and function of an emergency operation center (EOC) ensuring the availability of emergency power and appropriate interface with amateur radio operators.
- B. Designation of key staff personnel and other emergency related offices with telephone numbers.
- C. Priority listing of radio/television stations that Village residents can rely on for Village specific information.
- D. A list of equipment owned by the POA that would most likely be needed and used during any emergency, a list of contractors/volunteers who could augment the POA.
- E. Priority listing of major roads that will be cleared.
- F. Designation of primary and alternate emergency shelters with Red Cross certification including training of staff and volunteers and the identification of backup power.

SECTION 3. The POA will make available Village specific and general emergency self-preparedness information to Village residents.

SECTION 4. The EOP shall conform to all Federal, State and County law.

SECTION 5. The EOP shall be within the POA's ability to fund in accordance with budget approvals by the Board of Directors.

SECTION 6. The EOP shall be tested periodically through disaster drills or table top exercises.

SECTION 7. The EOP can be amended and updated by the General Manager in compliance with the preceding provisions. The EOP shall be reviewed and updated in October at a minimum of each year. Any amendments will be submitted to members of the Board of Directors.

3-27-01, Adopted BOD 4-18-01

ARTICLE 1
WASTEWATER COLLECTION SYSTEM POLICY

SECTION 1. PURPOSE

To establish policy and fiscal responsibility relative to the maintenance and operations of the “Wastewater Collection System”.

SECTION 2. INSPECTING AGENCY

All installation and equipment referred to herein must be inspected and approved by inspectors of the Hot Springs Village Property Owners’ Association under provisions of state and local plumbing code.

SECTION 3. HOLDING/GRINDER TANKS

- A. Physical installation shall be performed by the Property Owners’ Association or its designated agent.
- B. The Property Owners’ Association shall install a Pump Failure Alarm System capable of indicating a failure in the holding tank pumping systems.

SECTION 4. PUMPS & MOTORS

- A. Installation, repairs, or replacement shall be performed by the Property Owners’ Association.

SECTION 5. RESPONSIBILITY OF OWNER

- A. Cost of material and labor for the installation of tank, pump, motor, electric power and alarm system.
- B. Cost of repairs, after the one (1) year warranty period. Repair work will be performed by POA personnel.
- C. In the case of community tanks/pumps i.e. where more than one town house is serviced by one tank, the above cost shall be divided equally among those property owner units connected to that tank/pump.

SECTION 6. RESPONSIBILITY OF P.O.A.

- A. Size pumps and motors and provide on-going service as required to maintain the integrity of the sewage collection systems

SECTION 7. FEES & CHARGES

- A. Fees and charges will be established by the Board of Directors of the Hot Springs Village Property Owners’ Association.

SECTION 8. WARRANTY

- A. The Property Owners’ Association warrants the labor and materials on the interceptor tank/grinder pump system, for Property Owners’ Association installed items, for a period of one (1) year from date of installation.
- B. The Property Owners’ Association warrants the labor and materials on the repair/replacement of the interceptor tank/grinder pump system for Property Owners’ Association repaired/replaced items, for a period of one (1) year from period of repair or replacement.

Adopted 8-24-83 B.O.D., Rev. 9-20-89, Rev. 9-27-89, Rev. 6-28-90, Rev. 12-19-01 BOD

ARTICLE 3
WATER SERVICE & USE POLICY

SECTION 1. PURPOSE

To establish policy relating to the provision and use of potable water via a central transmission system to residential and commercial entities.

SECTION 2. RESPONSIBILITY OF THE POA:

- (A) Only employees of the Property Owners Association shall shut off, turn on, repair or install water meters with the exception that an owner/resident may turn off the water supply in cases of emergency or for a short period of time to make plumbing repairs.
- (B) All treatment, transmission, and metering systems including:
 - (1) Source
 - (2) Pumping Facilities
 - (3) Treatment Plants
 - (4) Storing Facilities
 - (5) Transmission Lines
 - (6) Service Connections
 - (7) Meters
- (C) Sole responsibility of installation of all of (B) above.
- (D) Maintenance of all of (B) above.
- (E) A separate meter shall be installed for each user unit.

SECTION 3. RESPONSIBILITY OF MEMBER/OWNER

- (A) Cost of installation of the service line from the main to the meter.
- (B) Installation of service line from the meter to the residence (point of use).
- (C) Leaks from the meter to the point of use.
- (D) Interior plumbing.
- (E) Easy access to the meter box.
- (F) Easy access to all easements and right-of-ways.
- (G) Responsible for delinquent account of tenants.

SECTION 4. FEES AND CHARGES

- (A) Fees and charges will be established by the Board of Directors of the Property Owners' Association.

SECTION 5. SECURITY DEPOSIT

- (A) All new accounts, including homes under construction, will be charged a deposit (no interest paid on deposit) as security against non-payment for service with the P.O.A.
- (B) The security deposit will be refunded, less any final utility billings due, when the property changes ownership.

SECTION 6. RESPONSIBILITY OF COMMERCIAL OWNER

- (A) The responsibility of the POA on commercial property water leaks ends at the property line.

Adopted 6-22-83, B.O.D., Amended 4-25-84, 9-25-89 A.J.K., 12-17-90, 6-16-94, 6-22-94, 4-14-99, 4-28-99, Rev. 12-19-01 BOD

ARTICLE 4

WASTE/TRASH COLLECTION AND DISPOSAL POLICY

SECTION 1. PURPOSE

To establish policy for waste/trash collection and disposal.

SECTION 2. DEFINITION

Waste is defined as household waste including garbage which must be disposed of in a sanitary manner. Trash includes all other refuse including leaves, branches, papers, moving boxes, wood scraps and white goods, i.e. scrap water heaters, clothes dryers, washing machines, refrigerators, etc.

SECTION 3. CONTAINERS

Household waste, excluding white goods and trash, must be placed in a container approved by POA (see procedures).

SECTION 4. LIMITATIONS

- A. Residential customers will be limited to a maximum of four (4) waste cans.
- B. Commercial customers waste removal will be provided by the POA. Large commercial containers may be provided by the POA, upon request.
- C. Hazardous materials will not be accepted for pick-up. Hazardous materials are defined as “substances or materials which have been determined by the Environmental Protection Agency (EPA) to be capable of posing an unreasonable risk to health, safety, and property.” Examples are explosives, combustible liquids, flammable materials, poisons, etc.
- D. Recycling drop-off station are provided by the POA.

SECTION 5. SERVICE LOCATIONS

Waste/trash to be collected must be placed within ten (10) feet of the edge of the pavement. Customers subscribing to “at house” service will place their waste/trash at the appropriate location.

SECTION 6. SPECIAL PICKUP/YARD WASTE

The Property Owners’ Association will remove for a fee waste/trash beyond that described in Section 4. by special arrangement.

SECTION 7. SITE APPEARANCES

Residential customers are responsible for the cleanliness of the streets adjacent to their property.

Adopted 6-22-88, Rev. 12-19-01 BOD, 2-16-11

ARTICLE 5

SEWER BACKFLOW PREVENTION PROGRAM

STATEMENT OF POLICY:

1. It is the responsibility of the property owner to maintain sewer service lines to the sewer main in the gravity system and to the interceptor tank or grinder tank in the pumped effluent and pressure sewer systems, respectively.
2. Backflow prevention devices are not required except where a plumbing fixture in a structure is below the grade of a manhole and above the grade of the sewer main.

BACKFLOW PREVENTION PROGRAM:

Anyone who has experienced a sewer backup into their house regardless of cause will be eligible to be reimbursed by the POA for the actual cost of installing a backflow prevention device up to a maximum reimbursement of \$50.00.

Adopted B.O.D. 4-18-01

ARTICLE 6
ROAD RIGHT-OF-WAY POLICY

SECTION 1. PURPOSE

To establish policy relating to Road Right-of-Way and its uses to promote road and shoulder safety and proper drainage.

SECTION 2. DEFINITION

Road right-of-way is defined as that area of common properties in recorded subdivisions dedicated to vehicle traffic, utility development, surface water drainage, and other possible uses as defined in the individual recorded subdivision record plats and the HSV Covenants and Restrictions dated April 20, 1970 (Rev. 10/13/88).

The width of Road right-of-way is determined by the type of road use.

<u>ROAD USE</u>	<u>WIDTH OF R-O-W</u>	<u>PAVED WIDTH</u>
Arterial	140-200 feet	22 feet
Major Collector	100 “	20 “
Minor Collector	75 “	20 “
Residential	40 & 50 “	16 – 20 feet
Frontage	30 “	12 “

The right-of-way on a typical road consists of a paved street with shoulders on each side, a ditch for drainage of surface water and a back slope to the existing individual lot property line.

SECTION 3. GENERAL

The road right-of-way is owned as common property by the HSV POA and has responsibility for road maintenance, drainage and vegetative control.

Utilities are placed upon, or contained within road right-of-way and consist of water and wastewater lines, underground and overhead electrical lines, telephone utility systems, cable television facilities and appropriate equipment containers.

Property owners may construct driveways and install landscaping to the pavement edge in conformance to provisions of this policy.

SECTION 4. PROVISIONS

- A. Utility construction will require a Utility Installation Permit – HSV, issued by the POA. In all instances of construction or maintenance of utilities, proper drainage must be restored, and obstructions must not be created in the road right-of-way.
- B. Work in right-of-way by property owners, or their contractors:
 - 1. Paved driveways may be constructed through road right-of-way to connect with the existing paved street area, provided the location is shown on the plot plan and is approved by the Architectural Control Committee. Driveway culverts shall have a minimum diameter of 12” and be of an approved material and design. Drainage of areas above grade elevation must be determined to ensure proper culvert sizing.
- C. Any construction or utility maintenance within the road right-of-way must make provisions to maintain safe traffic flow and allow for emergency traffic.
Damage to the road pavement or shoulders shall be repaired by the POA and the actual cost shall be charged to the one causing the damage.
Utility companies and the POA will return the road right-of-way to the previous existing grade. Property owners will be responsible for the replacement of private improvements, extended parking surfaces or landscaping within the road right-of-way which is removed during utility construction or maintenance. Property owners will also be responsible for removal of that which is identified as a hazard by the POA.

Chapter Four Public Works & Utilities

ARTICLE 7
ROAD SIGNAGE POLICY

SECTION 1. GENERAL

The Public Works Department and the Public Works Committee have oversight responsibility for all road, traffic control and informational signage located within the road right-of-ways in Hot Springs Village.

Adopted 9-21-05

Chapter Five Architectural Control

ARTICLE 1

ARCHITECTURAL CONTROL POLICY

The Architectural Control Committee (ACC) and the Planning and Inspections (P & I) Department, have oversight responsibilities of all construction activities within the boundaries of Hot Springs Village. The P & I Department, under the direction of the Planning & Project Manager and the ACC Administrator, issues permits, assesses fees, and schedules inspections of the construction activities. The adopted procedures, rules, and regulations are available in the P & I Department. The ACC, with guidance from the P & I Department, has developed procedures, which comply with the following:

- HSV Covenants and Restrictions, dated April 20, 1970, and revised 10-13-88
- HSV/POA/ACC Procedures
- 2002, Ark. Fire Prevention Code, Vol. II Building Code or most recent edition
- 2002, Ark. Fire Prevention Code, Vol. III, Residential Code or most recent edition
- Arkansas Plumbing Code
- National Electrical Code
- Arkansas Mechanical Code

The Architectural Control Committee (ACC) reviews for approval all of the following:

- *New residential construction
- *New commercial construction
- *New alterations and/or additions to existing property
- *HVAC/R systems
- *Boat docks, boat slips and roof coverings
- *Seawalls
- *Fences and screening
- *Landscaping
- *Lawn Sprinklers
- *Propane Tanks, buried
- *Rock Removal
- *Swimming Pools
- *Storage and Outbuildings
- *Tree cutting on residential property
- Signs

*These projects require an inspection, permit, and a fee. When a project that normally requires a permit or a variance is in progress (workmen and/or machinery on site) and does not have the permit or variance – work will be halted until such action is taken at the next scheduled meeting of the ACC. The contractor shall appear at the next regularly scheduled Thursday meeting of the ACC and explain the violation.”

10-26-01, 11-14-01, Approved 7-16-03 BOD, Revised 11-17-04, Rev. BOD 4-20-05, Rev. 6-21-06, 11-19-08

ARTICLE 3

IN-HOME BUSINESS AND/OR OCCUPATIONS

SECTION 1. FACTORS FOR CONSIDERATION

The following factors shall be considered as activities creating the prohibited home business and/or occupations:

- A. Persons not of the immediate family working on the premises for other than domestic and yard work.
- B. The storage of goods and/or materials on the premises for other than personal use.
- C. The parking of vehicles, not belonging to the immediate family on the premises.
- D. Advertising the location of a home for other than the purpose of selling said home.
- E. The continued storage of commercial vehicles on the premises other than the homeowners' vehicle used normally for transportation to and from work.
- F. The regular visiting of clients to the premises.
- G. The emission of noise disturbing to the neighborhood.
- H. The emission of fumes or odors offensive to the neighborhood.
- I. The disposal of toxic waste into the sewer system.
- J. The rental or commercialization of boat docks.
- K. Activities creating an inconvenience or annoyance to the neighborhood and/or results in appreciable damage to neighbors.

SECTION 2. ENFORCEMENT PROCEDURES

The Architectural Control Committee is charged with reviewing and correcting violations and they shall make recommendations to the General Manager and the Board of Directors, respectively, in cases they are unable to resolve.

SECTION 3. PENALTIES

Any person violating this regulation shall be immediately subject to loss of use of P.O.A. facilities and shall be subject to litigation at the institution of the Board.

Adopted 4-27-77 B.O.D., 5-26-94, renumbered 11-14-01

ARTICLE 6

PARKING OR STORAGE OF CERTAIN VEHICLES IN RESIDENTIAL AREAS

SECTION 1. GENERAL

In order to maintain the aesthetics of the residential character of Hot Springs Village, the following regulations shall apply to the parking and/or storage of vehicles and property, either powered or non-powered fitting the description below:

SECTION 2. VEHICLES STORED ON RESIDENTIAL PROPERTY

No bus, truck, recreation vehicle, motor home, camper, boat or trailer or other vehicle not normally or customarily used for personal or family transportation shall be parked or stored in the area designated as the yard of a residence nor shall it be parked on the paved driveway of a residence for a period exceeding 72 hours, unless parked in an area approved by the A.C.C. for location and screening.

Nothing in this section shall include golf carts or golf cart trailers in the described prohibited vehicles. A golf cart trailer is defined as follows:

1. The bed size would not exceed 5' wide x 10' long and 3' high from ground level to the top of the rail. This does not include the tongue or ramps.
2. No advertising
3. Single axle

SECTION 3. PARKING AND STORAGE OF COMMERCIAL VEHICLES

Vehicles used specifically for commercial purposes including but not limited to construction trucks, cargo carrying trucks and trailers and construction equipment shall not be parked in a residential area other than for the purpose of accommodating work on the premises. This is not intended to include pick-up trucks and vans up to 6,000 lb. G.V.W. normally used as a source of transportation.

SECTION 4. ENFORCEMENT (OF SEC. 2 & 3 ABOVE)

Violators shall be notified in writing giving 10 days to comply. Failure to comply will result in the matter being referred to the P.O.A. Board of Directors for action under the Declaration and Protective Covenants Article VIII, Section 3(c) suspension of members rights.

SECTION 5. VEHICLES PARKED/STORED ON STREETS OR OTHER COMMON PROPERTY:

No vehicle, including but not limited to, automobile, truck, camper, trailer, recreational vehicle, boat or golf cart, shall be parked on a street at any time. No vehicle shall be parked or stored on the street right-of-way or other common property without the approval, in writing, of the General Manager; an exception to the street right-of-way parking prohibition is: that for a period of up to 72 hours, parking will be permitted for the purpose of accommodating the temporary requirements of residents, their guests or visitors. No vehicle, truck, recreation vehicle (RV), boat, trailer, motor home, camper, nor any other item displaying a "For Sale" or "For Lease", or similar sign, shall be parked or stored on the street, street right-of-way or other common property.

SECTION 6. ENFORCEMENT (OF SEC. 5 ABOVE)

Violators shall be notified and given adequate time to comply. Failure to comply may result in the towing of the vehicle, trailer, R.V., etc. to an area designated by the General Manager. A towing fee and storage fee shall be paid by the violator. Emergency clause: In the event the vehicle constitutes a hazard to public safety, the ranking Police Officer or Sheriff's Deputy in charge is authorized to have the subject vehicle towed to a P.O.A. owned storage facility and shall notify the owner as soon as possible.

Violator shall also be subject to action under Section 4 above.

Adopted 10-76, B.O.D. Amended 8-24-83, 4-20-84, 6-27-84, 7-16-87, 8-26-87, 8-24-88, 3-25-98, 3-1-01, renumbered 11-14-01, 2-20-08.

**Article 1
GOLF FACILITIES**

SECTION 1.: USE OF HOT SPRINGS VILLAGE PROPERTY OWNER ASSOCIATION GOLF FACILITIES; ELIGIBILITY FOR MEMBERSHIP PRIVILIGES:

A. The Property Owners Association, P.O.A., maintains and operates the golfing facilities of Hot Springs Village for the primary use and enjoyment of property owners and other persons entitled to property ownership privileges. Persons entitled to those privileges are referred to in Chapter One, Article 5; Property Owners Association Identification Cards.

SECTION 2.: ADVANCE TEE TIMES RESERVATION SYSTEM:

The P.O.A. maintains an Advance Tee Times Reservation System to permit Members to reserve tee-times up to three months prior to the desired date of play. This service is designed to serve the following HSV Member classifications.

A. **Non-Resident Members:**

For tee time purposes, Non Resident Members are defined as those who reside outside the following contiguous Arkansas counties: Garland, Saline, Pulaski, Hot Spring, Johnson, Pope, Van Buren, Logan, Conway, Faulkner, Scott, Yell, Perry, Lonoke, Polk, Montgomery, Howard, Pike, Grant, Jefferson and Clark.

B. **Resident Members With Guests:**

For tee time purposes, Resident Members are those whose primary residence is within the twenty-one contiguous Arkansas counties listed in A. above.

C. **Group Golf outings:**

Groups consisting of eight (8) or more players.

D. **Allotted Number of Advanced Tee Times**

Residents, Residents with guest(s) and Non-Resident Members may schedule and/or play in the reserved advanced tee-times a maximum of 24 times in a calendar year. The Director of Golf must approve any waiver of this policy.

SECTION 3.: COMPUTER TEE TIME ASSIGNMENT SYSTEM:

The P.O.A. maintains a Computer Tee Time Assignment System, which is available to all persons who are entitled to property owner privileges. Participants must register and may be required to pay an annual fee to utilize the system.

A. Participants found abusing the use of the system are subject to suspension from using the Computer Tee Time Assignment System, thirty days' suspension from using HSV amenities, or both.

SECTION 4.: GUARANTEED TEE-TIME RESERVATIONS, CANCELLATION & NO-SHOW POLICIES:

A. **Guaranteed Tee-Time Reservations:**

The P.O.A. maintains a system whereby specified classifications of persons, who reserve advance tee-times, must guarantee payment of golf fees if the times are not canceled in a timely manner or if the player(s) do not show to play.

B. **Cancellations:**

The Department of Golf maintains specific guidelines, which specifies what constitutes timely and acceptable tee-time cancellation procedures. The Cancellation Policy is posted at the POA office and on the POA website.

C. **No-Shows:**

The Department of Golf maintains guidelines, which specifically define tee-time No-Shows:

A *No-Show* is a tee-time, or part of a tee-time, (player place), linked to a property owner I.D. number that is not utilized or canceled within an acceptable time period.

If tee-times are made for multiple players, under one Member I.D. Number and one or more players meet the no-show criteria, the member whose I.D. was used will be credited with the appropriate number of NO-SHOWS. If the reservation is guaranteed, the guarantor will be charged for the appropriate number of green fees and surcharges.

SECTION 5.: USE OF GOLF FACILITIES BY NON-MEMBERS:

The P.O.A. maintains and operates the golfing facilities of Hot Springs Village for the primary use and enjoyment of property owners and other persons entitled to membership privileges. Guests and family members of those persons with membership privileges may play by arrangement of a sponsoring member.

A. **Guests:**

To play, a guest must:

- 1) Be accompanied by a sponsoring member who shows acceptable identification or
- 2) Possess a valid Visitor card.

B. **Family Members:**

Designated family members are allowed to play golf at reduced rates. To be eligible for the reduced rates the family member must obtain a Family Photo ID card at the POA Administration Office. Family I.D. card must be renewed for a specified fee annually.

Family members who are eligible for reduced golf fees are defined in POA Policies; Chapter1; General Administration; ARTICLE V, Property Owner Association Identification Cards; Section: 2. F. 3.

C. Rehabilitation Specialists:

Physical Therapists, Therapeutic Recreation Specialists and professional golfers, working with property owners who are recovering from a physical disability, and working toward regaining some or all of their golfing skills, will be allowed to work with these Rehabilitation Specialists at all golf practice facilities. The property owner must accompany the Rehabilitation Specialists, and make all necessary arrangements for them to enter the Village.

A sponsored, non-member may request and be assigned a tee time, if available, two days prior to the day of play.

As a professional courtesy, a guest of a member who is a member of the Professional Golf Association, Ladies Professional Golf Association, National Golf Course Superintendents Association and active military personnel (through 2012) who present proper credentials may play golf for member fees.

SECTION 6.: COURSE RULES AND REGULATIONS:

The Department of Golf maintains and enforces golf course Rules and Regulations which are designed to protect players, employees, the golf course facilities and equipment. These Rules and Regulations also serve to create and preserve an enjoyable environment for players and preserve the integrity of the game.

SECTION 7.: RAIN CHECK POLICIES:

The P.O.A. provides for the issuance of a Rain Check to a player when inclement weather, causes discontinuance of play.

SECTION 8.: GOLF CART REGULATIONS AND POLICIES & GOLF CART FLAG PROGRAM

A. General:

This ARTICLE prescribes regulations governing the required equipment and operation of golf carts on Hot Springs Village golf course premises. The regulations prescribed are to enhance the safety of cart operators, passengers, players and other cart occupants and to preserve and protect the golf course properties.

For the purposes of this ARTICLE, a golf cart is defined as a motorized vehicle designed to carry two players, two golf bags and built primarily for use by players, on a golf course.

B. Golf Cart Registration:

- 1) Privately owned golf carts operated on HSV golf course premises, must be registered and display a current decal prominently on the front of the cart. The registration period is annual and for a Calendar year, January 1, through December 31.
- 2) The registration fee is a part of the HSV fee schedule and is established by the Board of Directors.

C. Minimum Age and License Requirement:

An operator of a Hot Springs Village POA owned golf cart must be eighteen (18) year of age or older unless the operator possesses his/her own valid drivers license.

D. Enforcement:

Enforcement of the forgoing rules or regulations will be by either or both of the following:

- 1) Arkansas Motor Vehicle Traffic Laws.
- 2) The Declaration and Protective Covenants, Article VIII, Section 3.(c).

E. Use On Golf Courses:

- 1) Use on golf courses shall be in accordance with this ARTICLE and any other instructions or rules issued by the Department of Golf.
- 2) The cart operator will be held liable for damage to POA owned golf carts, the golf course and/or course structures or equipment that results from careless operation of a golf cart.
- 3) Users of a private cart, when none of the private cart owners of record is included in its use, or have not pre-arranged for its use by one or more of their family members (with a family I.D. card), are required to pay the appropriate cart rental rates.

F. Golf Cart Flag Program:

The POA provides a Flag Program, developed and operated by the Department of Golf, which is intended to increase the opportunities for participants to operate carts off the golf cart paths in some circumstances and conditions when carts operated by non-participants are restricted to the cart paths.

SECTION 9.: GOLF COURSE VOLUNTEER MARSHAL PROGRAM:

The POA provides for a volunteer golf course marshal program to assist in controlling play, administering course rules and assist players in obtaining the maximum enjoyment of playing golf on HSV courses. The program is under the direction of the Director of Golf.

SECTION 10.: POLICIES GOVERNING TOURNAMENTS, LEAGUE PLAY, HIGH SCHOOL PRACTICE AND TOURNAMENTS

A. Purpose:

This ARTICLE prescribes policies for regulating fees and schedules for tournaments, league play, other tournament play and policies relating to High School usage of H.S.V. golf facilities.

B. Classification of Play:

1) Guaranteed Tournaments:

Tournaments conducted for H.S.V. members and guests of members who are charged fees for using the facilities.

a) The schedule shall be established and the tournament conducted under guidelines established by the Director of Golf.

b) These tournaments are required to pay fees established by the P.O.A. Board of Directors.

2) Non-Guaranteed Tournaments:

Tournaments or play composed entirely of players who are members of sponsoring H.S.V. Golf Associations or a golfing event that is not designed to raise funds or for profit.

a) The Director of Golf shall assign the number of league play days, the beginning and ending dates and the play days. That information will be posted at the POA building and on the POA web site.

b) Other golfing event not designed for raising funds or for profit that may be scheduled.

c) Allocated tee-times are subject to reduction by the Director of Golf following monthly reviews of the degree of utilization of these tee-times by each of the Golf Associations. For all association play, prizes awarded shall be gift certificates for H.S.V. Golf Shop merchandise. Any Associations wishing to provide prizes of cash at any level must notify their members, in writing, of the USGA rules governing cash prizes. A copy of this notification will be sent to the Director of Golf.

d) Each of the Golf Associations must have acceptable by-laws on file with the Director of Golf and be represented by a Board of Directors.

e) Membership, by any individual, is limited to no more than one of the above sanctioned association.

f) Any league may hold Guest Play Day events on any of their respective scheduled play days, with their league's membership approval.

3) Educational Institution's Practice and Tournament Play.

Golf teams of designated local schools may utilize H.S.V. golf facilities in accordance with schedules and conditions prescribed by the Director of Golf.

4) Course Utilization for Tournament and League Play.

Unless specifically authorized by the Director of Golf, no more than one par 72 course per day is scheduled during prime hours for Tournament or League Play. No league play may be scheduled on weekends.

5) Leagues assigned special play days and Tee Times may not alter or increase play by use of the computer Tee Time system.

C. Suspension of Activities:

The Property Owners Association, through the Director of Golf, reserves the right to delay, change or cancel any activity by giving at least twenty-four (24) hours notice.

D. Fees:

1) All requests for waiver or modification of fees must be submitted in writing at the time of tournament application to the POA Golf Committee.

2) The H.S.V. Property Owners Association Board of Directors has the sole authority to set, waive or modify fees.

3) Participation in a League Guest Play Day, including property owners will pay green and cart fees as established by the POA Board of Directors. Property owner prepaid annual or compensatory fees will not apply to League Guest Day play.

E. APPROVAL OF TOURNAMENTS

1) Requests for tournaments must be submitted to the Director of Golf by September 30, of the preceding year.

2) The Director of Golf will present requests along with any necessary substantiating data to the Golf Committee.

3) The Golf Committee recommendations plus recommendations of the Director of Golf will be submitted to the General Manager for approval and subsequently reported to the Board of Directors via the General Managers Report.

12-15-99, 9-20-00, 12-19-01, 4-17-02, 6-18-03, 4-23-04, 5-19-04, 7-21-04, 8-17-05, 2-15-06, 1-17-07, 12-16-2009, 2-16-11

**AWARDS PROGRAM GUIDELINES OF THE
HOT SPRINGS VILLAGE
PROPERTY OWNERS' ASSOCIATION**

The Board of Directors of the Hot Springs Village Property Owners' Association Awards Program is comprised of the following awards:

1. President's Award
2. Recognition Award
3. Incentive Award
4. Certificate of Appreciation

The ***President's Award*** is given to an individual, or under extraordinary circumstances to an organization, who has performed outstanding service in support of the Association or Village. There shall be only one such award given each year, if any, and only non POA employees or organizations are eligible. Current POA Board members are not eligible. The award shall be a suitable engraved plaque, tray, or medallion and is to be presented by the President at the Annual meeting. The Awards coordinator shall be a board member appointed by the president. The coordinator will review past recipients of the president's award and be responsible for recommending possible recipients, if any, to the President, who shall make the final selection.

The ***Recognition Award*** is given by the President or designee if the recipient is a property owner, or by the General Manager, if the recipient is an employee. The Recognition Awards are given to individuals, committees, or groups who have provided outstanding service in support of the Association or Village. Current POA Board members are not eligible. These may be multiple awards in the form of framed certificates and are to be presented at the Annual meeting. Anyone may nominate a property owner or employee by submitting a name to the General Manager. The General Manager is responsible for administering the employee program and the Awards Coordinator is responsible for administering the property owner recognition program. Awards are generally based on the twelve months preceding each annual meeting.

Non-Employee Recipients: Anyone may nominate a person or group who is not an employee of the Association by submitting a letter to the Awards Coordinator. The Awards Coordinator will make recommendations to the President for suitable action. The Award Coordinator is responsible for administering the non-POA Employee Program.

The ***Incentive Award*** is given to an employee who has developed a process, procedure, or policy that results in significant savings of money or human energy. The General Manager and Treasurer are not eligible. These may be multiple awards in any given year, and are to be cash awards to be determined by the General Manager and Board. The awards are to be presented by the General Manager at the annual meeting. Anyone may nominate an employee by submitting a name to the General Manager, who is responsible for administering the program. Awards are generally based on the twelve months preceding each annual meeting.

The ***Certificate of Appreciation*** is presented at the Annual Meeting to each standing and ad hoc committee member whose term on a committee has ended, or who has resigned during the year, prior to the annual meeting.

7-31-89, Rev. 8-8-89, 9-8-89, 9-20-89, 11-1-89, 7-28-99, 2-6-02, 2-20-02, 10-17-07

**GUIDELINES
STANDING COMMITTEE SELECTIONS PROCESS
HOT SPRINGS VILLAGE PROPERTY OWNERS' ASSOCIATION**

The Board of Directors will use the following process in reviewing applications for POA Standing Committees prior to making recommendations for appointment.

1. Any person interested in serving on a specific Standing Committee should complete an application form and file it with the office of the General Manager.
2. A determination will be made whether the applicant is a member in good standing of the Hot springs Village Property Owners' Association at the time application is submitted. If the applicant is not a member in good standing, the application will be rejected and a written explanation will be mailed to the applicant.
3. Copies of applications of all eligible applicants will be sent the committee chairperson and the POA Board and staff liaisons. They shall jointly make recommendations on committee vacancies, which will be advanced to the Board through the Board liaison.
4. Prior to submitting any applicant/nominee for recommendation to the Board, there will be a personal interview conducted on all applicants under consideration for appointment. The interview team will consist of the committee chairperson, Board liaison, and staff liaison; criteria for conducting the interview and procedures to be used will be adopted in advance.
5. Letters confirming appointment to a committee will be prepared and mailed by the office of the General Manager.
6. The office of the General Manager will keep applications for a period of one year in the event further vacancies occur on the committee.
7. When a vacancy occurs on a Standing Committee, on-file applications will be forwarded to the committee chairperson.
 - a. With respect to mid-term vacancies, no property owner who has been appointed to another Standing Committee during the current term-year may be eligible to be appointed to fill the vacancy.

Revised and Adopted 8-26-98 BOD, 10-28-98, BOD, 11-20-98, 10-17-07

**GUIDELINES
CHAIRPERSONS OF STANDING COMMITTEES
THE HOT SPRINGS VILLAGEPROPERTY OWNERS' ASSOCIATION**

1. The Board of Directors of the Property Owners' Association have established Standing Committees which serve in an advisory capacity to the Board, either directly or indirectly through POA staff depending on the committee's charter. Refer to Article XII, Section 1, of the POA By-Laws for designations.
2. Each committee has a charter that states the purpose, organization and appointment, duties and responsibilities, limitations, meetings, reports, and other information.
3. These guidelines are provided to assist the committee in carrying out its responsibilities.
4. A member of the Board of Directors serves as liaison between the Board and the committee, providing communications between the committee and the Board.
5. A member of the POA staff serves as liaison between Administration and the committee regardless if it reports indirectly to POA staff or directly to the Board.
6. The President of the POA Board of Directors or his designee will annually convene the chairpersons of the Standing Committees during the month of May to discuss these guidelines.
7. Monthly responsibilities:
 - a. Attend workshops and meetings of the Board of Directors. May address the Board at each meeting. May be called upon to address questions from the Board or staff concerning committee minutes.
 - b. Notify the POA Board and Staff Liaisons of any committee vacancy as soon as possible.
 - c. Challenge the committee members to look to the future during their discussions and to make recommendations that are financially justified and in the best interest of all property owners.
8. January responsibilities:
 - a. Determine which current committee members will leave the committee at the end of the committee year in April.
 - b. Encourage committee members to contact property owners they believe would make productive committee members and encourage them to complete an application to POA Administration. Refer to POA Operating Policies, Chapter 7, Article 2.A for the *Standing Committee Application Form*.
9. March activities:
 - a. The chairperson will prepare an annual report of committee activities and accomplishments through February and submit to the Board by March 31st of the succeeding year.
 - b. The Board of Directors appoints new committee members to serve for the next committee term that begins at the April committee meeting.
 - c. The chairperson should invite the newly appointed committee members to the April committee meeting.
10. April activities:
 - a. The POA Board Liaison will conduct election of officers of the committee. The Chair, Vice Chair and Secretary shall be chosen annually by majority vote of the new committee immediately after the adjournment of the April committee meeting. The chairperson shall be elected for a term of one year and may not succeed himself/herself unless the Board grants special approval.
 - b. The chairperson will distribute copies of the committee's charter to each member and ask them to review prior to the May meeting.
11. May activities:
 - a. The chairperson will lead a discussion of Article XII and the committee's charter to ensure members understand their purpose, duties, and limitations.
 - b. The chairperson will ensure the committee leadership is aware of their responsibilities, including timely submittal of minutes to the General Manager's office.

Chp. Seven, Guidelines, Article 4

**GUIDELINES FOR THE PUBLIC WORKS COMMITTEE
BUILDING MAINTENANCE INSPECTION PROGRAM**

At the request of the Board of Directors, the Public Works Committee has been requested to develop a comprehensive program for the regular inspection of all POA buildings. The purpose of this inspection is to ascertain the physical condition of the buildings and any maintenance, both emergency and planned, which is required to maintain them in safe and pleasingly acceptable condition for use by the owners.

Initially it is felt that this inspection should be conducted on an annual basis. Experience will dictate the approximate time interval for the future, and may vary from building to building. The POA budget process begins in mid-July and inspections should therefore be scheduled in advance with the facility manager, so as to avoid conflict with scheduled events at the facility.

To make these inspections meaningful, useful, and consistent, the following will become the basis for the inspections:

1. A standardized form will be used to collect the inspection data.
2. The inspection will be conducted by two or more members of the Public Works Committee, who will be accompanied by the facility manager, or a designated agent who has knowledge of the building area to be inspected.
3. The inspection will include the designated building and all items which are permanently affixed to the building. The contents of the building, and the following are specifically excluded from the inspection:
 - a. Kitchen and bar furnishings and equipment.
 - b. Pro Shop counters, racks and display cases.
 - c. Office furnishings and equipment.
 - d. Chairs, tables, TV's, radios, public address systems, telephones, vending machines and similar items.
 - e. All fire protection items, which are inspected by the Fire Department.
 - f. Building roofs.
4. Color photos may be taken of the building exterior and interior for the purpose of documenting actual conditions, colors, etc.
5. The inspection reports and/or photos will be submitted to the General Manager for appropriate action. It is recommended that they be maintained and made available to the Board of Directors for review and future planning. Copies will be filed in the Public Works Department Office for future reference by the Public Works Committee.
6. The condition of the facilities will be noted, using the following code:
 - 1 = Excellent. Nothing required. Inspection in 1 year.
 - 2 = Good. Maintenance required within 1 year.
 - 3 = Fair. Maintenance required within 6 months.
 - 4 = Poor. Maintenance required within 30 days.
 - 5 = Bad. Maintenance required within 7 days.

Remarks are mandatory for conditions shown as 2, 3, 4 and 5, describing the deficiency and specific recommendation to correct.

7. Inspection of special systems listed below will be made by qualified POA personnel and scheduled by the Public Works Department. The Public Works Committee inspection team will make general observations of the systems and notify the Public Works Department of any unusual situations observed or reported.

- a. Heating and air conditioning
 - b. Electrical, including lighting
 - c. Plumbing
 - d. Roofs
8. Floor levels within buildings will begin with the lowest numbered "1", "2", for the next highest, etc.
 9. Where Room Numbers have not previously been assigned, upon the first inspection the committee will assign a number.

5-1-91, Adopted 5-22-91, Rev. 2-6-02, 3-6-02, 3-20-02, 10-17-07

**MAJOR CONSTRUCTION
AND REMODELING GUIDELINES
FOR POA PROJECTS**

These guidelines have been approved by the Board of Directors and are to be observed by POA Staff Departments and Standing Committees when undertaking construction and remodeling projects which require the approval of the Board of Directors. The primary purposes served by these Guidelines are: 1) assure consideration of all major project related aspects early in the planning phase, and 2) assure reasonable efforts to provide the Board with total (turnkey) costs before final project approval is given.

Generally, a project presentation would first be made to the Board to substantiate the need for the project. The presentation would include (for example) appropriate statistical data on present and anticipated usage, anticipated impact on operating budgets, and alternatives considered and rejected. It is understood that some complex, major projects, even “ballpark” construction cost estimates cannot reasonably be made without the expenditures of architectural and/or engineering services. In those cases, it is also necessary that Staff and Standing Committees will have been sufficiently persuasive in their project presentation to the Board that a project planning budget will be approved (approval of planning expenditures is for the purpose of completing the Guidelines, and does not commit the Board to project completion).

The POA Project Manager will be responsible to oversee all assigned major projects, including design, cost estimates and construction oversight.

GUIDELINES

- Description of project
 - Purpose
 - Function
 - Physical description
- Need
- Alternatives or other options
 - Relation to other projects (where appropriate)
- Rough estimate of cost

Adopted 7-22-98, 2-6-02, 3-6-02, 3-20-02, 10-17-07