MINUTES OF MEETING

*ad hoc* Assessment Committee

December 19, 2014

**ATTENDEES:**

Committee Members Present:
- Cindi Erickson
- John Tidquist
- Rolland White
- Robb Ferriman
- Jim Patton
- Harv Shelton - Board Liaison
- Lesley Nalley - Representing POA Staff
- David Twiggs - Staff Liaison

Committee Members Absent:
- Joe Moreau - On medical leave.
- Dick Breckon - Senior Advisor
- Mike Misch - Senior Advisor
- Tom Arwood - Senior Advisor

Board Members:
- Keith Keck
- Bobbie Bateman
- Mike Medica

Visitors/Media:
- 58 visitors signed the attendance sheet when it was passed around. A copy of the sheet is attached.
- There was no media identified as attending.

**The Meeting:**

- Cindi Erickson called the meeting to order at 1:00 p.m.
- The agenda was approved with one modification removing the discussion of the lawsuit status.
- The minutes of the October 13, 2014 meeting were approved as amended by Rev. 1.
- Cindi reviewed the meeting ground rules with the committee and the numerous visitors to facilitate the discussion of issues.

December 22, 2014
• Cindi announced that John Weidert has resigned from the committee in advance of a run for the board of directors and that Joe Moreau is on extended medical leave.

• The results of the November 21 assessment vote were reviewed:
  o The meeting on the assessment was adjourned when a quorum was not present in person and by proxy.
  o The count of those voting indicated 60% of the members voted in favor of the proposal. The difference between the yes no tallies was 1,949 votes.
  o A comparison of this election's voting characteristics with previous votes was tabled and reviewed. Lesley indicated that the number of non-residents voting was down 12% from the last election.

• The new election was discussed:
  o It was made clear that the current proposal is identical to the proposal for the first vote as no changes are allowed by the revote process provided for in the Declarations.
  o The Declarations provide for a re-vote within 90 days of the previous meeting, so the proxies will be sent to the property owners on January 16, and the election held on February 18.

• The current POA financial situation was presented by Lesley. Highlights:
  o The POA is low on cash and being forced to use cash coming in for next year's assessment payments and dip into reserves to pay its bills.
  o There are 6,692 properties delinquent, 118 of which are improved.
  o Actual properties going delinquent (overdue > 60 days) this year so far is 450 compared with a FFTF assumption of 325 for their study.

• The high-end RV park between Cooper and a developer will result in 200 additional assessments. The POA is not involved in these negotiations in any way as this is being done by Cooper pursuant to his developer rights. It is expected that the park’s relationship to HSV will be similar to that of Mt. Carmel.

• David discussed the need in an election for a majority of both Class A votes and Class B votes (controlled by Cooper) and indicated that Cooper can veto most actions related to the founding documents with his Class B votes.

• The committee and board members discussed the general guidelines for the campaign:
  o The committee will continue to operate in a professional manner and deal in facts in its communication.
  o Cindi will remain the sole liaison with the POA staff.
The message will revolve around getting out the need to vote on the proposal, and debunking falsehoods being propagated in letters and by other means.

Funds may be expended for the campaign as long as the expenditures are prudent and approved by David.

Committee members are not restricted from writing personal letters to the editor.

There are no limitations on the committee other than good taste and as indicated above.

The committee will not speculate in its communications on what could happen (e.g., a different assessment proposal, fee increases, service reductions, course closings, etc.) if the assessment does not pass.

The topic of message content was extensively discussed:

- It will be emphasized that it is in the interest of both residents and non-residents to vote in this election.
- We will go back to the basic message with three editorials if we are allowed them by the Village Voice. The three main themes will be:
  - Explain what happened in the last election, the rational for a re-vote, and how it will work. (Rolland)
  - Explain again the three-prong plan to improve HSV finances. (Harv)
  - Explain the two-tier proposal, the reasons for selecting this method of financing, and what the revenue will be used for. (Harv)
- Each piece will be devoted 2/3 to the main topic and 1/3 to touching lightly on the other two.
- Editorials will be positive, fact-based, non-emotional, but firm in the support of the proposal.
- Editorials will refer readers to the POA web site for detailed information.
- David may also have an article in the Village Voice on December 23 describing the master plan, how it relates to the three prongs, that any decision would require board approval, and would not be financed from incremental assessment money.
- It was agreed that we would support and encourage others to support a letter campaign in the Village Voice to refute the many erroneous rumors and letters that are circulating via e-mail, the Voice, and the rumor mill.
  - Each of the committee members will take one week and write a short letter of response to several of the rumors/letters of the previous week.
The format shall be a series of short statements of Myth/Fact.

Other individuals will be encouraged to reply in their own letters giving the facts of a particular matter or indicating their reasons for supporting the proposal.

Among the falsehoods/rumors to be rebutted and points to be made regularly are:

- Two-tier is forever - Future boards can repeal/change.
- Not pursuing delinquents - Staff is doing so aggressively.
- Big consortium is buying up village - Not so. Cite stats.
- Assessment finances David's projects - Maintain status quo only.
- Fatigue (vote no and get it behind us) - Would not put financial problems behind us.
- HSV to become resort/casino - Not so.
- Assessment does not address revenue issues beyond 2015 - Helps forever if downward trends in lot ownership and golf rounds are turned around.
- The new proposal will allow the Board to raise assessments whenever they want without an election. Not true, need vote.

Communications methods were discussed:

- Use Village Voice editorials on January 6, 13, and 20.
- Editorial 1 will be by Rolland and editorials 2 and 3 by Harv.
- Myth/Fact letters to editor of VV weekly. These should be submitted by noon Thursday prior to the publication dates below:
  - In Dec 30 edition - Rolland
  - In Jan 6 edition - Cindi
  - In Jan 13 edition - John
  - In Jan 20 edition - Jim
  - Jan 27 edition - Harv
  - Feb 3 edition - Robb
  - Feb 10 edition - Rolland
- Editorials limited to 550 words. Letters limited to 350 words.
Cindi will contact Holly requesting editorials.

Do a "Please Vote" sticker for the Voice on January 20 (Robb)

The only radio effort for the moment will be the three take-5 interviews with the Board Directors recorded/aired January 8/9, January 22/23, and February 6/7.

Trips will not be made to meet with non-residents.

Communications will be increased encouraging them to vote and vote for the proposal.

- The determination of good standing for property owners will be made on December 31, 2014.
- A post card giving notification of the coming proxy and the reason they are receiving it will be sent the first week of January.
- The Proxy will be mailed January 16 and will have a letter from the Board President explaining the process and importance of voting.
- A second postcard will be prepared requesting those that have not sent in their proxies to do so, or telling them where they can get a replacement proxy if needed. A decision will be made January 30 if this postcard needs to be sent on February 2.
- All artwork for these documents must be completed by January 2.

- The next meeting of the Assessment Committee will be at 1:00 p.m., January 2, at the Coronado Center.
- The meeting was adjourned.

Respectfully submitted,
Rolland E. White - Secretary