A regular meeting of the Hot Springs Village Property Owners’ Association Board of Directors was held at 9:00 a.m., Wednesday, February 15, 2017 at the Ouachita Building of the Ponce de Leon Center.

Board members attending were: President Mike Medica, Vice President John Weidert, Directors Bob Cunningham, Marcy Mermel, George Parker, Bill Roe Jr. and Thomas Weiss.

Attending from staff were: Lesley Nalley CEO; Linda Mayhood COO; Liz Mathis Controller; Ricky Middleton Police Chief; Jason Miller Police Chief; Jason Temple Director of Public Utilities; Bill Staggs Director of Public Works; Stephanie Heffer Director of Placemaking and Development; Tony Rather Fleet Manager; Renee Haugen Director of Real Estate and Acquisitions; and Ella Scotty Executive Assistant.

Also attending: Lewis Delavan, Village Voice and Lorien Dahl, Sentinel-Record. The meeting audio was recorded by staff.

Approximately 100 people were in the audience.

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

Prayer/Pledge: Director Roe gave the prayer and the pledge of allegiance was led by Vice President John Weidert.

Introduction of Guests: None.

Approval of Order of Business: Vice President Weidert MOVED to delete Item 16, Bylaw Revisions, and Item 18, Disband Ad hoc Governing documents Committee, from the agenda and approve the Order of Business as revised. Director Weiss SECONDED, and the MOTION was unanimously APPROVED.

Consent Agenda: President Medica presented the Consent Agenda items consisting of: Minutes of the 01-18-17 regular meeting; Standing Committee Minutes - ACC 01-05-17 and 01-19-17; CPFC 01-09-14; GAC 01-13-17; Lakes 01-11-17; Public Works 01-19-17; Recreation 01-09-17; Trails 01-17-17. Appointment of Ron Davis to the Public Safety Committee; Appointment of Raymond Hurley to the Lakes Committee; Appointment of Mary McNamer to the Recreation Committee.

President Medica asked if there were any items that the board members wanted to remove from the Consent Agenda. As no objections were heard, the Consent Agenda was unanimously APPROVED.
Minutes of February 15, 2017 Board Meeting

President’s Report: President Medica comments:

The Golf & Recreation Expo is February 27, 2017.

Golf marketing bookings for 2017 tournaments exceed the 2016 level.

POA Information technology has made significant progress. Conversion to Total e gives us a broader prospective of daily operations. CEO and COO are working to review all departments to understand the resources that are being used in order to reduce the complexity and become more cost efficient by implementing new processes.

Board Member Comments: Vice President Weidert welcomed everyone and thanked the media for their coverage.

CEO/Financial Report: CEO Lesley Nalley discussed the January Financial Review. Items of interest include:

A dip in properties in good standing, which is hopefully a reflection of payment timing. Regardless, the current results reflect a significant improvement from January 2016.

Annual pass sales are mostly tracking with last year’s results, with private carts, motorized boats, and handicaps trending slightly behind.

The addition to the general reserve and the new public utility reserve, as well as a year over year bottom line improvement.

Lesley Nalley presented the CEO report focusing on the three pillars of the 2017 Enterprise Goals.

**Strengthen Financial Health**

Reserves – During January, $100,000 was added to the general reserves and $100,000 was added to the public utility reserves. The additions to reserves came from the operating account, as a byproduct of 2016’s positive financial results, not from the line of credit or escrow account. The line of credit has been paid in full and the escrow account balance remains intact.

Once the Appeals Court rules and the audit is complete, we will determine whether additional funds are available for either reserving or completing 2016 capital project that were held.

Real estate sales – We continue towards our rollout of the builder’s guild and POA’s real estate sales launched, slated for the first of April.
Protecting Value & Lifestyle
Amenities – February Village Values topic entitled “Live Here, Play Here: Community Planning for an Amenity Oriented Development” will focus on moving us from a master plan workbook to a comprehensive community plan and project decision process.

Gate Security – a project team has been working on the gate improvement project, currently budgeted for 2017. The project’s goal is to sufficiently control and monitor gate access, while improving member and guest experience. Components include “free exit” capabilities, RFID technology, emailed barcode passes, and onsite printing of dash passes.

Building Property Owner Trust & Support
Significant attention is being given to building and maintaining credibility, encouraging two way communications, and operating transparently. Communication examples beyond board and committee meetings include: Village Values programs with Q&A followed up with eBlasts; Hydrilla round table discussions, follow up summaries via eBlasts; Interviews, paid advertisement, and committee meeting coverage with local media outlets; Board “Take 5’s” on KVRE; Board and staff speaking engagements; website improvements in progress.
Efforts to reach out future neighbors- Ghidotti Communications launched our social media campaign, with daily post Monday – Friday on Facebook and LinkedIn.

2016 Accomplishments
Multi-million dollar improvement to the bottom line. While the assessment increase contributed operational improvements such as collection practices, efficiency gains from the Total e implementation and other technology initiatives, and improved purchasing practices brought a healthier financial outlook and catalyst for future growth.

2017 Focus Area
2017 will be a year of growth and renewal. The real estate sales program, food & beverage improvements, operational discipline, post-developer governance cleanup, and implementation of modern community development initiatives will help us be the recognized national resource for keeping master planned communities thriving and relevant.

COO Report:
Linda Mayhood, Chief Operating Officer gave the COO report:
The Public Utilities utility rate study is on-going and to be complete by the end of May 2017

The manhole rehab project is 64% completed as of January 31, 2017.

Update on Public Works lakes and roadways.

Lakes – Roundtable sessions were held the first week of February. The plan for hydrilla control was presented for comments. An additional 3,000 sterile carp will be added when temperatures reach a uniform 55°. RFP to monitor hydrilla through the summer is being developed and will be sent to prospective vendors.

Dredging of Lake Maria will be completed this week. The boat ramp will be replaced.

Lake Sophia dredging is 85% complete.

Culvert repairs on DeSoto are completed.

The Permitting & Inspection Department has been restructured. Effective February 1, 2017, Jason Temple Director of Public Utilities will oversee the Permitting & Inspections function. Jason will be staff liaison to the Architectural Control Committee. Bill Staggs Director of Public Works will oversee Code Enforcement. Separating the two functions will streamline and enhance efficiency of both operations. Bill will be staff liaison to the Common Property and Forest Committee.

Questions from Audience: A member commented on Q&A from Village Values lakes program.

**CURRENT BUSINESS:**

**Phase X Timber Thinning:** Director Weiss MOVED to accept Cosby Tree Service’s bid of $23 per ton to complete Phase X timber thinning. Director Cunningham SECONDED the MOTION. The MOTION was unanimously APPROVED.

**NEW BUSINESS** NONE

Questions/Comments- Audience: Three members commented on Bylaw revisions.
A member commented on board members and POA employees being HSV residents.

Adjournment: Director Cunningham MOVED to adjourn, Director Weiss SECONDED and the MOTION was unanimously approved. The meeting was adjourned at 10:13 a.m.

President                                          Secretary