

**BELLA VISTA VILLAGE PROPERTY OWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING  
MARCH 19, 2015 ° 6:30 P.M. ° BELLA VISTA COUNTRY CLUB**

**BOARD MEMBERS PRESENT:** Chairperson Charlie Teal, Vice Chairperson Brad Morris, Directors Dave Barfield, Bob Brooks, Joan Glubczynski, Ruth Hatcher, Linda Leffler, and John Nuttall.

**BOARD MEMBERS ABSENT:** None.

**OTHERS PRESENT:** General Manager Tommy Bailey, Director of Finance & Administration Dwain Mitchell, Staff Attorney Doug McCash, and Corporate Secretary Kathy Ferguson.

**I. CALL TO ORDER**

Chairperson Teal called the meeting to order at 6:30 p.m. There were 17 members in attendance, as well as two media representatives.

**II. PLEDGE OF ALLEGIANCE**

**III. INVOCATION**

Pastor Paul Seal of the Highlands Christian Church gave the invocation.

**IV. ADDITIONS/DELETIONS TO THE AGENDA**

**V. APPROVAL OF BOARD MEETING MINUTES**

Chairperson Teal asked for a motion to approve the minutes of the February 19, 2015, Regular Board Meeting.

Director Hatcher moved the approval of the meeting minutes, seconded by Vice Chairperson Morris.

The motion passed unanimously.

**VI. RECOGNITION OF TOTAL E IMPLEMENTATION TEAM**

Chairperson Teal said the POA recently implemented a new software system, and said there was a group of POA staff that was an integral part of the implementation of this software. He recognized Jan Shackelford, Cathy Bernthal and Andy Mar who were in attendance at the meeting, as well as Ray Petit who was not able to attend. Chairperson Teal thanked them for their efforts.

**VII. GENERAL MANAGER'S REPORT**

The General Manager presented his report for the month of February, including a review of the ADA projects currently underway.

Chairperson Teal noted there were 31 new property owners in February. He also pointed out there were 152 fulltime employees budgeted in 2015, but there are only 140 actual employees.

Vice Chairperson Morris asked when Tanyard Creek will be open to members again.

The General Manager said probably by April 1.

**VIII. RESPONSE TO PREVIOUS OPEN FORUM COMMENTS**

Chairperson Teal said at last month's Board meeting there were several comments from members, all of which were addressed at that meeting.

## **IX. OPEN FORUM**

One member said the state legislature has passed legislation that makes it possible to have a school district in Bella Vista. He said we are losing tax money by having Bella Vista students attend Bentonville schools. The member said the Bella Vista Patriots will have a website up this weekend, and they want to solicit people's opinions on this matter.

One member recommended the POA move around some of the boats at the Loch Lomond mooring in order to open a dock to member fishing. The member suggested having parking on the lake side of the dam at Lake Avalon and suggested removing the boulders at the Lake Norwood dam. He also suggested covering the dock at the Lake Avalon dam and stocking more trout at Lake Brittany. The member said we are spending too much on golf. He said the Photo ID charge for unimproved property owners is way too high, and said people are going to continue to fish on the lakes without having the Photo ID and create a problem for the lake rangers. The member said the POA is projecting to have money at the end of the year, but they say they don't have any money.

*Director Brooks said if the fishermen had gotten behind the assessment increase and paid the extra two dollars per month in assessments, they would not be asked to pay extra for the Photo ID. He said the profit dollars the member mentioned are going back into our capital budget to take care of our facilities.*

The member said the unimproved property owners are going to form their own association.

## **X. OLD BUSINESS**

### **A) Berksdale Bridge**

Mr. Bailey said because of the extreme flood events over the last few years, we have had our bridges evaluated by professional engineers due to concerns for their safety and integrity. He said we have replaced two main bridges up to this point and said the next one prioritized for replacement by the engineers is #18 Berksdale. The General Manager said we have looked at the option of repairing this bridge, which would be fairly inexpensive (about \$30,000), but said we are concerned that if there is another flood event, it will take that bridge down which could be detrimental because the course would be mostly out of play. He said this course is very popular for tournaments, and said we are concerned about business interruption. Mr. Bailey said management's proposal is to replace the existing bridge with a span bridge. He said if we start today, we could probably get the project done during the winter. Mr. Bailey explained there is a great deal of engineering that has to be done and the permitting process can take a while. He said the cost of the bridge is in the \$400,000 range.

Chairperson Teal asked if the General Manager is requesting the Board to authorize the bid process.

Mr. Bailey said yes.

Director Brooks said there was a desire to make sure the bridge will hold an ambulance, and asked if that will be taken into account.

Mr. Bailey said we will work with the City and the engineer on those requirements.

Director Brooks made a motion to approve the General Manager to proceed, seconded by Director Nuttall.

Chairperson Teal asked if the Board could look at something in 90 days.

Mr. Bailey said it would be more like 120 days before we are ready to go out for bid.

Vice Chairperson Morris asked if this is a vote to authorize the expenditure of \$400,000 or an action to authorize the engineering and all of the pre-bid work to be done.

Mr. Bailey said if the Board is just authorizing the pre-bid work, that is fine.

Director Brooks said his motion is for engineering and bidding.

Director Barfield said he would like to see the dollar amount before we authorize the rest of it.

Mr. Bailey said we won't go out for bid without the money being approved for the project.

Chairperson Teal said the motion on the floor is to not only proceed with the engineering but also to proceed with the expenditure.

Director Hatcher asked if we have an option to not build a new bridge in the interest of safety.

Mr. Bailey said the bridge will have to be rebuilt. He said the question is when a flood event will take the bridge out. The General Manager said we could make the bridge safe by repairing it, but it will have to be replaced at some point in the future.

The Chair said the motion on the floor is to proceed with the engineering and the costs for replacing the Berksdale bridge.

The motion failed 3 to 5 with Directors Brooks, Hatcher and Nuttall voting in favor of the motion.

Vice Chairperson Morris made a motion to authorize the General Manager to go forward with engineering drawings to better define the bridge we are going to build and to refine the estimate of cost, seconded by Director Barfield.

The motion passed unanimously.

## **B) Clubhouse Restaurants**

Chairperson Teal said at last month's Board meeting, a member on behalf of the Metfield Neighbors group requested the Board to proceed with the food service option that was considered for the Metfield Clubhouse. He said there was a meeting of the Metfield Neighbors last Saturday, and he asked for someone who attended the meeting to give a report.

Director Nuttall said the General Manager made a presentation at the meeting about what the facility was going to look like. He said the group was generally supportive and said there were a few concerns about the displacement of some of the card groups during the transition process, but he said he felt that could be handled.

Director Barfield said there was also concern about the sequencing of events to include moving exercise equipment into the new fitness wing of Metfield, moving out Membership Services, and trying to do the remodel for the food service all at the same time. He said the number one thing the Metfield Neighbors seem to want is to move Membership Services first, so that area can be open for exercise classes and card players. Director Barfield said we need to have a very well thought-out and sequenced plan. He said we need to work on moving Membership Services because we had said the department would not be at Metfield longer than a year to eighteen months, and said in June, it will be 18 months.

Chairperson Teal said the impression he has gotten is that the Metfield Neighbors would be more interested in seeing what the entire clubhouse building would look like rather than moving quickly with a piecemeal transition with food service first and then filling in the blanks later. He said we have a design for a food service element, but we didn't really look at how the rest of the building would be restructured for member use, and we don't have a schedule for the other pieces.

Mr. Bailey said we do have a commitment to put fitness equipment in the big room at the back of the Metfield Clubhouse. He asked if we should proceed with the exercise equipment if we are going to take a step back and take a look at the whole of the building.

Director Glubczynski said we should because the Board committed to it and the equipment could be relocated.

The Chair said we need to decide two things: 1) are we going to delay the implementation of the food service for a while in order to look at the entire building and 2) should we move forward with the commitment made to put exercise equipment at Metfield.

Director Brooks said we need to move forward with the exercise equipment. He asked if we have a plan for moving Membership Services.

Mr. Bailey said we do not have a plan. He said we have presented several alternatives but that is how we ended up at the Metfield location. The General Manager said there was discussion about doing satellite Membership Services offices which he said he is against. Mr. Bailey said there is no plan, but said there has been considerable discussion.

Director Barfield said before we proceed with the food service remodeling, we should have some alternatives for relocating Membership Services and should have a well thought-out plan. He said the Metfield Neighbors will be satisfied if we present them a plan and we stick to it.

Director Glubczynski said moving Membership Services should be pushed up on our agenda. She asked what the minimum square footage needed is.

The General Manager said the space would need to be comparable to what they are using now. He said he did not recall the exact square footage of their current space, but said it is probably 1,500 to 1,800 square feet.

Director Barfield asked if it is still the General Manager's belief that as Total e is fully implemented, the Membership Services footprint will shrink.

Mr. Bailey said yes with the Membership Services side. He said we are going to have to incentivize our members to do more registrations and renewals online.

Chairperson Teal asked if there has been a response to the advertising the POA did for the Highlands restaurant.

Dwain Mitchell said we have received one response and said we are awaiting their paperwork.

## **XI. NEW BUSINESS**

### **A) Investment Manager**

Vice Chairperson Morris said in late 2014, the Board agreed we would adopt a new investment management policy that provided significantly more latitude in the investing of our cash reserves. He

said the policy called for an investment manager independent of the POA. Vice Chairperson Morris said he and Charlie Teal worked with Dwain Mitchell to prepare and send out seven RFP's to investment firms, and said six responded with proposals. He said he, Chairperson Teal and Director Barfield developed criteria for evaluating the proposals, and said he and the Chairperson independently reviewed the six proposals, came up with scores, compared the scores and then reduced the six proposals to three. Vice Chairperson Morris said he and Chairperson Teal, Dwain Mitchell and the General Manager sat in on personal interviews with these management firms. He said as a result of all the interviews and discussion, the recommendation was to hire Arvest Trust to become our investment manager for a three-year period.

The Chair said the Board has been provided with a summary of the process, and said based on the new investment policy, the selection of the investment manager is a Board decision.

Vice Chairperson Morris made a motion to approve the engagement of Arvest Trust as the investment management firm of the POA's cash reserves effective as soon as possible and to continue for a three-year period, seconded by Director Hatcher.

Director Brooks asked if there is a payout clause if we do not renew our three-year agreement with them.

Vice Chairperson Morris said there is no back-end load to move the money from Arvest to another investment firm.

The motion passed unanimously.

#### **B) Encumbered Reserves List**

Mr. Bailey said over the years, we have encumbered reserves so as not to double spend money. He said the Board asked Management to review this list and see what changes could be made. The General Manager briefly reviewed the administration's recommendation for encumbered reserves, reducing the encumbered reserves from \$3,230,800 to \$3,007,200, freeing up \$223,600.

Director Barfield said he thought the Board agreed to take the fourth trap field off the encumbered reserves list, which would release another \$41,700.

Vice Chairperson Morris said we put \$150,000 into the 2015 budget for Branchwood repurposing and said we have engaged Alta to do a Branchwood design. He said we don't have a ballpark of what this project is going to cost and said we shouldn't earmark \$500,000 if we don't know what we need to spend.

Director Glubczynski said she has some concerns that if we don't earmark money for Branchwood, it will show a lack of commitment.

Director Hatcher asked if the \$500,000 is in addition to the \$150,000 in the budget.

Mr. Bailey said yes.

Chairperson Teal said since the authorization for these expenditures as restricted funds are decided by the Board, we will have to reallocate based on a Board decision. He said with the release of the \$41,700 for the additional trap field, he would entertain a motion to reallocate these restricted funds as outlined on the handout included in the Board packet.

The motion was made by Director Nuttall, seconded by Director Barfield.

The motion passed 7 to 1 with Vice Chairperson Morris opposed.

**C) 2015 Marketing Plan and Budget**

Chairperson Teal said there was some information put together after the Board's discussion at the work session outlining the details of the requested money for 2015 marketing. He said the 2015 marketing plan includes several elements including the website and additional advertising in publications.

Director Hatcher said we have waited long enough to go forward with marketing.

Director Barfield asked if there would be more discussion about changing our logos.

Chairperson Teal said there will be. He said we are not funding that rebranding at this point, and said it will entail some additional discussion.

Director Hatcher said the handout says the advertising will include rebranding.

Mr. Bailey said we want to move forward with the new logo as soon as possible.

Director Nuttall said rebranding is the heart of the proposed marketing plan, and said if we are eliminating rebranding, we don't have anything to vote on at this time.

Director Glubczynski said if we are going to move forward, the rebranding is fundamental to the process.

Director Brooks said the last few months when we've looked at employees budgeted versus actual positions filled, we are operating pretty well under budget. He said we should use this savings to spend on marketing.

Director Barfield said he is on board with all of this except changing the logos. He said rebranding yourself doesn't mean you have to change your logo. Director Barfield said this Board can't find money for a lot of other things, but we are willing to put a new color of lipstick on the same old pig and think we are making progress.

Chairperson Teal said the Board has a proposal before them including elements recommended by our marketing manager and one of those elements is rebranding.

Director Nuttall made a motion to allocate \$162,000 to the Marketing & Communications Department budget to institute our new marketing program which includes rebranding Bella Vista POA as "The Village", seconded by Director Glubczynski.

Vice Chairperson Morris said the marketing proposal doesn't say what the brand is going to be or what the logo is going to be, and said we will continue to have discussions about what the brand is. He said he is not ready to say our name is "The Village". Vice Chairperson Morris asked if this motion includes renaming the association "The Village", and the answer was yes.

The motion failed 4 to 4. Those voting in favor were Directors Brooks, Glubczynski, Hatcher, and Nuttall.

Chairperson Teal asked if the Board could vote on moving forward with the marketing proposal with the exception of rebranding.

Director Barfield said if you take that out of the motion, it would pass tonight. He said we haven't seen a marketing plan and said we don't know how much it is going to cost to rebrand.

Director Glubczynski said she doesn't see that the marketing proposal specifies a final brand.

Chairperson Teal said the marketing proposal mentions rebranding so we need to be very clear about what it is we are doing. He said the Board can consider authorizing the expenditure to get started and then work on what the brand element might be.

Mr. Bailey said we could start that way but until we do a rebranding, we can't really move forward to change our image and eliminate the baggage.

Director Brooks said he doesn't see how we can move forward with the other items in this marketing proposal if we can't rebrand.

Director Glubczynski asked if the hang-up is on branding in general or the particular brand being proposed. She said we should set up the Marketing Manager for success so we can move forward.

Vice Chairperson Morris made a motion to amend the 2015 budget to add \$162,000 for marketing activities to include a rebranding effort, seconded by Director Brooks.

Director Hatcher asked how that motion is different.

Vice Chairperson Morris said this motion does not include an agreed upon new name of "The Villages".

Mr. McCash restated the motion: to amend the 2015 budget to add \$162,000 to the Marketing & Communications budget to include a rebranding.

The motion passed 6 to 2 with Directors Barfield and Leffler opposed.

## **XII. COMMITTEE REPORTS**

### **A) Marketing & Communications Committee Report**

Chairperson Teal said the Marketing & Communications Committee met on March 2 and heard a report from the Bella Vista Ambassadors. He said the group received a donation from Arvest Bank to use for advertising in *Military Times* magazine.

Chairperson Teal said the committee discussed existing communication tools and how those might change. He said they are going to use a business reply card in the *Village Voice* and *Insights* and collect addresses and information about members' use of amenities through the Total e software.

He said there was discussion about increased focus on promotion of Bella Vista.

### **B) Rules and Regulations Committee Report**

Director Brooks said the Rules and Regulations Committee met and discussed putting together an ad hoc committee to look at some Declaration changes. He said they are in the middle of forming a committee with several members of the community as well as the Rules and Regulations Committee

members to analyze past Declaration change attempts to see what type of plan we could put together to improve the way the Village operates.

### **XIII. JOINT ADVISORY COMMITTEE REPORTS**

Director Hatcher said the Golf Joint Advisory Committee met before the Golf Expo yesterday. She said Tom Stephens is the new appointee to the committee who replaces a member that resigned. Director Hatcher said there were about 400 people who attended the Expo and said merchandise sales were good and many people signed up for groups. She said the 2015 golf group book was also distributed at the Expo.

Director Brooks said Keith Ihms was recognized at the annual Golf Course Superintendents Association of America meeting as the past year's president, and said he heard a number of comments complimenting Mr. Ihms' work when he was at their meeting.

Director Nuttall said the Lakes Committee met yesterday and said they have reinstated the GRIP program.

Chairperson Teal said the Recreation Committee met on March 9 and discussed events associated with the POA's 50<sup>th</sup> anniversary. He said the committee also discussed the master trail plan as well as the Little Sugar Creek waterway.

### **XIV. ANNOUNCEMENTS**

- A) A Community Meeting will be held on Tuesday, March 24, 2015, 7:00 p.m. at Riordan Hall.
- B) The next GM/Board meeting will be held on Thursday, April 2, 2015, 2:30 p.m. in the Country Club Board Meeting Room. (This is a closed discussion meeting.)
- C) The next Board of Director's Work Session will be held on Thursday, April 9, 2015, at 8:00 a.m. in the Country Club Board Meeting Room.
- D) The next Board of Directors Regular Meeting will be held on Thursday, April 16, 2015, 6:30 p.m. in the Country Club Board Meeting Room.

### **XV. ADJOURNMENT**

Director Hatcher made a motion to adjourn, seconded by Vice Chairperson Morris. The motion passed unanimously.

The meeting was adjourned at 8:10 p.m.

Submitted:

Approved:

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Kathleen M. Ferguson, Corporate Secretary

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Charlie Teal, POA Board Chairperson