

2016 ANNUAL MEETING MINUTES
BELLA VISTA VILLAGE PROPERTY OWNERS ASSOCIATION
RIORDAN HALL ° MAY 17, 2016 ° 6:30 P.M.

The 50th Annual Meeting of the Bella Vista Village Property Owners Association was held at Riordan Hall at 6:30 p.m. on Tuesday, May 17, 2016.

DIRECTORS PRESENT

Vice Chairperson Brad Morris, Directors Ruth Hatcher, Ron Stratton, Joshua Hart, Bruce Portillo, Patrick Laury, and John Nuttall.

DIRECTORS ABSENT

Chairperson Bob Brooks.

OFFICERS PRESENT

Tom Judson, President & Chief Operating Officer, Dwain Mitchell, Vice President & Director of Finance & Administration/Treasurer, and Genevieve Henderson, Corporate Secretary & Assistant to the COO.

OTHERS PRESENT

General Counsel Doug McCash and Election Committee Member Richard Hartman.

I. CALL TO ORDER

Vice Chairperson Morris called the meeting to order at 6:33 p.m., in the absence of Chairperson Brooks. There were approximately 60 members in attendance as well as five media representatives.

II. PLEDGE OF ALLEGIANCE

III. INVOCATION

Vice Chairperson Morris introduced Pastor Joe Williams of the New Life Christian Church, who gave the prayer of invocation.

IV. READING OF MINUTES

Director Hatcher made a motion to approve the May 19, 2015, Annual Meeting minutes, seconded by Director Nuttall. The motion passed unanimously.

V. INTRODUCTION OF BOARD OF DIRECTORS

Vice Chairperson Morris introduced Directors Ruth Hatcher, Bruce Portillo, Ron Stratton, Joshua Hart, Patrick Laury, and John Nuttall. He stated Chairperson Bob Brooks was unable to attend tonight's meeting.

INTRODUCTION OF ASSOCIATION OFFICERS

Vice Chairperson Morris introduced President/COO, Tom Judson, Vice President and Director of Finance & Administration/Treasurer, Dwain Mitchell, and Corporate Secretary/COO's Assistant, Genevieve Henderson.

INTRODUCTION OF GENERAL COUNSEL

Vice Chairperson Morris introduced the Association's General Counsel, Doug McCash.

INTRODUCTION OF AUDITING FIRM

Vice Chairperson Morris introduced the BKD CPAs & Advisors auditing firm representatives Cynthia Burns and Mark Lundy.

INTRODUCTION OF THE INSPECTORS OF ELECTIONS

Vice Chairperson Morris introduced The Inspector of Elections representative Kurtis Peterson.

VI. TREASURER’S REPORT

Dwain Mitchell, Director of Finance and Administration/Treasurer, said the auditors this year have provided a clean unqualified opinion which is a clean, favorable audit. Mr. Mitchell presented the December 31, 2015, Balance Sheet and the 2015 Statements of Revenue and Expenses.

VII. BOARD’S ADDRESS OF ACTIVITIES

In the absence of Chairperson Brooks, Vice Chairperson Morris reviewed the Association’s many achievements of the Association staff for the year 2015.

VIII. PRESIDENT/CHIEF OPERATING OFFICER’S ANNUAL REPORT

COO/President Tom Judson reviewed the goals for the Association staff for the year of 2016.

IX. INTRODUCTION OF ELECTION COMMITTEE MEMBER RICHARD HARTMAN

Election Committee Member Richard Hartman introduced the following members of the Election Committee on behalf of Election Committee Chairperson Buddy Gray: Michael Johnson, Jack Allen, Philip Bode, Gary Creakbaum, Roger Scoles, and Bob Higgins. He also recognized and thanked various Association staff for their assistance. Mr. Hartman described improvements made in this year’s voting process, which included the postage-paid envelope and the ability to vote online.

X. ELECTION RESULTS

Election Committee Member Richard Hartman said the notice of the 2016 Annual meeting of members provided instructions to vote for three candidates for the Board of Directors for an initial three-year term.

Mr. Hartman said for the Board of Directors election, 25,854 members were sent ballots representing 32,204 lots in good standing as of March 31, 2016. He stated 7,221 members returned ballots representing 9,312 lots. The results were presented as follows:

Class A Lots	Votes For	Votes Against	Results
Proposal #1 Super majority voting requirement	6,444	2,806	Proposal Failed
Proposal #2 Effective date of amendment	5,946	3,265	Proposal Failed
Proposal #3 Assignment of privileges	6,562	2,670	Proposal Failed
Class B Lots	Votes For	Votes Against	Results
Proposal #1 Super majority voting requirement	24	0	Proposal Failed
Proposal #2 Effective date of amendment	24	0	Proposal Failed
Proposal #3 Assignment of privileges	24	0	Proposal Failed

Candidates	Votes For	Results
Bruce Portillo	6,657	Elected to the Board
John Nuttall	6,801	Elected to the Board
Andrew Davis	6,957	Elected to the Board

XI. INTRODUCTION OF NEWLY ELECTED DIRECTORS

Mr. Hartman welcomed Bruce Portillo, John Nuttall, and Andrew Davis to the Board. Andrew Davis will take office on June 1, 2016.

XII. ANNOUNCEMENT OF 51st ANNUAL MEETING

Mr. Judson announced the 51st Annual Meeting will be on May 16, 2017.

XIII. OPEN FORUM

One member asked if, in the interview and hiring process of Mr. Judson, the Bella Vista POA Board members were aware that the Rumbling Bald Resort Board members voted to not renew Mr. Judson’s automatic employment agreement and that his contract would end on January 31, 2016.

Vice Chairperson Morris responded that he was not aware. He added that it is very common for an employee in a leadership position of a corporation to seek and be offered an employment contract in the earliest stages of a new employment relationship. Once the organization and the employee both develop a high level of trust and good working relationship between them, the contract is often allowed to lapse and it becomes employment at will.

One member asked how many people were interviewed for the COO position?

Vice Chairperson Morris responded that there were dozens of candidates considered for the position and three were interviewed.

The member asked who the Board candidate packets are turned in to, and what the qualifications are for running?

Vice Chairperson Morris responded that the Board candidate packets are turned in to the Corporate Secretary for validation, and any member who is in good standing that obtains fifty petition signatures from members in good standing, can run.

One member thanked the Association staff for the improvements to the tennis center.

One member asked for more information about the Yacht Club plans that will be discussed at Thursday’s meeting.

Mr. Judson responded that Tommy Lee has begun working with architects and contractors on this project and the proposed plan is to have a dual purposed facility with a restaurant and a banquet room.

One member suggested to have a proposal to reduce fees on the ballot of the next election in order to meet quorum.

One member stated that the paper reported \$4.4 million in golf revenue in 2014. The member asked the Board why they spent an additional \$3.8 million on golf?

Vice Chairperson Morris responded that the golf courses cost approximately \$8 million per year to operate and are supplemented by assessment fees, just as all the other amenities.

XIV. ADJOURNMENT

Director Nuttall made a motion to adjourn, seconded by Director Hatcher. The motion carried.

Vice Chairperson Morris adjourned the meeting at 7:19 p.m.

Submitted:

Approved:

Kyndall Ardoin, Corporate Secretary

Bob Brooks, Board Chairperson