

BELLA VISTA VILLAGE PROPERTY OWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING

June 16, 2016 ° 6:30 P.M. ° BELLA VISTA COUNTRY CLUB

BOARD MEMBERS PRESENT: Chairperson Bob Brooks, Vice Chairperson Ron Stratton, Brad Morris, Directors Bruce Portillo, Ruth Hatcher, John Nuttall, Patrick Laury, and Josh Hart.

BOARD MEMBERS ABSENT: Director Andrew Davis (listened by conference call)

OTHERS PRESENT: Chief Operating Officer Tom Judson, Treasurer & Director of Finance & Administration Dwain Mitchell, General Counsel Doug McCash, and Corporate Secretary Genevieve Henderson.

I. CALL TO ORDER

Chairperson Brooks called the meeting to order at 6:30 p.m. There were eight members in attendance, as well as four media representatives.

II. PLEDGE OF ALLEGIANCE

III. INVOCATION

Pastor Dennis Ritchie from the Presbyterian Church of Bella Vista gave the invocation.

IV. ADDITIONS/DELETIONS TO THE AGENDA

Chairperson Brooks stated that Director Nuttall requested that topic of roads on the lake dams be added to the agenda for the evening.

V. APPROVAL OF BOARD MEETING MINUTES

Chairperson Brooks asked for a motion to approve the minutes of the May 19, 2016, Regular Board Meeting.

Director Morris moved the approval of the meeting minutes, seconded by Director Nuttall. Chairperson Brooks presented the minutes for discussion. There was none.

The motion passed unanimously, with Director Nuttall voting Director Davis' proxy.

Chairperson Brooks reported that Director Nuttall was given Director Davis' proxy and that Director Davis was listening to the meeting by conference call.

VI. EMPLOYEE RECOGNITION – CELEBRATING SUCCESS

Glenda Sue Morris from the Human Resources Department introduced Mark Archer from IT, one of three employees being recognized in the Celebrating Success program. Mr. Judson presented Mr. Archer with a \$100 check in appreciation and recognition of his hard work. The other two employees included Jeff Kellogg and Joe George.

VII. FINANCIAL REPORT BY DWAIN MITCHELL, TREASURER

Treasurer Dwain Mitchell gave a report on the year-to-date financial reports for May 2016. Assessments were \$125,032 worse than budget. Golf income was \$207,847 worse than budget. RV income was \$32,152 better than budget. Facility use fees were \$39,724 better than budget. Boat registrations were \$50,405 worse than budget. Invested income was \$222,630 better than budget. Lot sales were \$19,640 worse than budget. Transfer fees were \$53,581 worse than budget. Total income was \$252,629 worse than budget. Cost of sales was \$3,157 better than budget. Gross profit was \$255,786 worse than budget. Salary and wages were \$319,050 better than budget. Employee benefits were \$21,194 better than budget. Fuel and oil were \$43,303 better than budget. Professional services were \$44,751 worse than budget. Postage was \$24,938 worse than budget. Total expenses

were \$378,136 better than budget. Net income / Cost of operations was \$125,243 better than budget. Book value of assets sold/retired was \$30,362 better than budget. Capital projects were \$16,906 better than budget. Reserves carry over & current capital were \$20,766 better than budget. Reserves for other projects were \$125,855 better than budget. Simple cash flow was \$282,427 better than budget.

Water's invested income was \$116,608 better than budget. Water's income was \$120,491 better than budget. Water's other income was \$48,618 better than budget. Water's total income was \$285,587 better than budget. Water's gross profit was \$230,029 better than budget. Water's salary and wages were \$53,773 better than budget. Water's outside contracts were \$45,145 better than budget. Water's fuel and oil were \$9,682 better than budget. Water's total expenses were \$94,803 better than budget. Income/Cost of operations was \$337,034 better than budget. Water's capital projects were \$3,152 worse than budget. Water's reserves for other projects and financing were \$3,127 better than budget. Water's simple cash flow was \$331,111 better than budget.

VIII. RESPONSE TO PREVIOUS OPEN FORUM COMMENTS

Chairperson Bob Brooks reviewed the open forum comments made at the previous Board meeting.

IX. OPEN FORUM

Chuck Leffler, 27 Cargill Drive, expressed concerns over the \$80,000 cost per year to keep the yacht club closed. Mr. Judson responded that the \$80,000 included the minimal heating and air utility costs, insurance, periodically inspecting the building, and landscaping around the building, which are all associated with preserving the building. Chairperson Brooks pointed out that because the building was preserved so well, as a result of these costs, the bids to renovate the building are much lower than anticipated.

X. JOINT ADVISORY COMMITTEE REPORTS

John Nuttall reported on behalf of the Lakes JAC Committee and said that the Committee did not take any action this week as they did not have a quorum present. The Lakes Ecologist position is posted again. A goose roundup and harvest is scheduled in two weeks on Lake Avalon and Lake Ann. The fish hatchery experiment on the golf course has had good results. The State Fish and Game department decided that they did not like that the POA purchased the fish from out of state, so they furnished the POA with 25,000 walleye fry, since they did not inform the POA of this issue when the fish were purchased. The Loch Lomond fishing dock contract should be nearly completed. Open forum comments primarily revolved around members living near the Lake Avalon dam. Flood repair work at the Stoneykirk boat room has been completed.

John Nuttall reported on behalf of the Recreation JAC Committee and said that the Committee elected a new chairperson, since the last one resigned, and assigned new duties to the Committee members.

Jake Grasmick, Chairman of the Golf JAC Committee, reported that the first session of the Junior Golf Clinic was rained out, so when they finally held the first session, they added an additional hour. The 20 students are divided between the 4 instructors. Bentonville West High School and Gravette High School have chosen to use the Highlands golf course as their home course. Lads and Lassies took care of the 18th hole tee box. The Committee hopes that Scotsdale will receive additional course enhancement. The Greens subcommittee submitted a report to Mr. Judson recommending improvements on the greens. On the Scotsdale golf course, the Committee proposed to add 108 yards to the white tee boxes. Mr. Judson interjected that this greens report will be used when creating the long range strategic plan. Volunteer hours have tripled in the last month. Susan Nuttall, member of the Golf JAC Committee, reported on behalf of the marketing subcommittee and said that the subcommittee had 3 objectives (attract nonmembers to increase rounds and revenue, change the perception of Bella Vista golf from *elite* to *accessible*, extend marketing and on-line reach). She

reviewed several marketing activities which aimed at reaching their 3 objectives. Director Hatcher reported that Keith Ihms did a tour of Scotsdale with 30 people and is planning to host 4 more tours before the course opens in September.

Mr. Judson reported that Tommy Lee and he will be doing tours for the members of the renovations being made for Lakepoint.

XI. NEW BUSINESS

A) Policy 1.04 - The proposed change to this policy would make the Young Residents Committee into a formal Joint Advisory Committee. First reading.

Mr. Judson introduced and presented the proposed changes to Policy 1.04. Mr. McCash asked for a motion to approve the proposed changes to Policy 1.04.

Director Hatcher motioned to approve the proposed changes to Policy 1.04, seconded by Director Morris.

Mr. McCash presented the proposed changes for discussion. There was none.

The motion passed unanimously.

Director Laury asked about some organizational details regarding the Young Residents Committee. Mr. Judson responded with information regarding the election of a chairperson, terms, and the need for additional members on the Committee.

B) Scotsdale Clubhouse Renovation Presentation.

Mr. Judson and Tommy Lee, Director of Business Development, introduced and presented the Scotsdale Clubhouse Renovation Presentation. The Board discussed and asked questions regarding the projected opening. Mr. McCash asked for a motion to approve the proposed \$315,000 for the renovation of the Scotsdale Clubhouse.

Vice Chairperson Stratton motioned to approve the expenditure of \$315,000 for the renovation of the Scotsdale Clubhouse, seconded by Director Nuttall.

Mr. McCash presented the Scotsdale Clubhouse Renovation project for discussion. The Board discussed further regarding the costs, landscaping improvements, and parking.

The motion passed unanimously.

C) Request for approval for a waiver on the three bid requirement for the cart path project at Scotsdale. We have solicited bids from six companies that have worked with the POA previously, yet as a result of the challenging nature of the job and the volume of construction in Northwest Arkansas, only one company has submitted a bid.

Mr. Judson introduced and summarized the request for approval for a waiver on the three bid requirement. Mr. McCash asked for a motion to approve the cart path project at Scotsdale for an estimated cost of \$99,460.10 and to waive the requirement of getting three bids on the Scotsdale cart path project.

Director Morris motioned to approve the cart path project at Scotsdale for an estimated cost of \$99,460.10 and to waive the requirement of getting three bids on the Scotsdale cart path project, seconded by Director Portillo.

Mr. McCash presented the motion for discussion. There was none.

The motion passed unanimously.

D) Corporate Authorization Resolution - This Resolution will add Mr. Judson as an authorized signer on POA bank accounts.

Mr. Judson introduced and presented the corporate authorization resolution.

Director Laury motioned to approve the corporate resolution, seconded by Director Morris.

Mr. McCash presented the corporate resolution for discussion. There was none.

The motion passed unanimously.

E) Lake-Dam Activity

Director Nuttall reported the issues near the dams and described the change in the city's ordinance which now allows 10 days to use fireworks, from June 27th through July 11th from 6pm to 12am. Fireworks are already prohibited from being used on common property.

Director Nuttall motioned to authorize the POA staff to work with the city to control automobile access to the Lake Avalon dam and Lake Norwood dam from June 27th through July 11th from 6pm to 12am with the option of adding other dams as needed, seconded by Director Laury.

Mr. McCash presented the motion for discussion. The Board discussed the different ways of closing off the dams and the staffing needing to monitor them.

The motion passed unanimously.

XI. ANNOUNCEMENTS

- A) COO/Board Meeting – Thursday, July 7th at 2:30 p.m. in the Country Club Board Meeting Room. (This is a closed discussion meeting).
- B) Board of Directors Work Session – Thursday, July 14th at 8:00 a.m. in the Country Club Board Meeting Room.
- C) Board of Directors Regular Meeting - Thursday, July 21st at 6:30 p.m. in the Country Club Board Meeting Room.

XII. ADJOURNMENT

Chairperson Brooks adjourned the meeting at 7:35 p.m.

Submitted:

Approved:

Genevieve Henderson, Corporate Secretary

Bob Brooks, POA Chairperson