

BELLA VISTA VILLAGE PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
September 15, 2016 ° 6:30 P.M. ° BELLA VISTA COUNTRY CLUB

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

BOARD MEMBERS ABSENT: Director Joshua Hart.

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

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 two media representatives.

II. PLEDGE OF ALLEGIANCE

III. INVOCATION

Pastor Jaimie Alexander from the First United Methodist Church gave the invocation.

IV. ADDITIONS/DELETIONS TO THE AGENDA

Chairperson Brooks stated that an authorization to enter into an ePayables program topic would 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 August 11, 2016, Board Work Session Meeting, and the August 18, 2016, Regular Board Meeting.

Director Nuttall moved the approval of the minutes of the August 11, 2016, Board Work Session Meeting, seconded by Director Hatcher. Chairperson Brooks presented the minutes for discussion.

Chairperson Brooks stated that there was a proxy for the current meeting. Director Joshua Hart had given his proxy to Director John Nuttall. There was no additional discussion.

The motion passed unanimously.

Director Laury moved the approval of the minutes of the August 18, 2016, Regular Board Meeting, seconded by Director Nuttall. Chairperson Brooks presented the minutes for discussion. There was none.

The motion passed unanimously.

VII. FINANCIAL REPORT BY DWAIN MITCHELL, TREASURER

Treasurer Dwain Mitchell gave a report on the year-to-date financial reports for August 2016. Assessments were \$280,209 worse than budget. Golf income was \$272,484 worse than budget. RV income was \$54,731 better than budget. Facility use fees were \$56,506 better than budget. Boat registrations were \$59,280 worse than budget. Invested income was \$388,620 better than budget. Lot sales were \$25,597 worse than budget. Transfer fees were \$31,797 worse than budget. Total income was \$390,595 worse than budget. Cost of sales was \$15,882 better than budget. Gross profit was \$374,713 worse than budget. Salary and wages were \$346,584 better than budget. Employee benefits were \$89,777 better than budget. Maintenance and repairs was \$150,178 worse than budget. Fuel and oil were \$72,798 better than budget. Professional services were \$13,248 worse than budget.

Postage was \$32,308 worse than budget. Total expenses were \$496,363 better than budget. Net income / Cost of operations was \$114,899 better than budget. Book value of assets sold/retired was \$30,362 better than budget. Capital projects were \$230,397 better than budget. Simple cash flow was \$478,758 better than budget.

Water's invested income was \$238,315 better than budget. Water's income was \$88,467 worse than budget. Water's other income was \$60,668 better than budget. Water's total income was \$210,834 better than budget. Water's gross profit was \$166,051 better than budget. Water's salary and wages were \$68,346 better than budget. Water's total expenses were \$165,452 better than budget. Income/Cost of operations was \$362,992 better than budget. Water's capital projects were \$2,908 better than budget. Water's reserves for other projects and financing were \$3,127 better than budget. Water's simple cash flow was \$335,906 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

Jim Parsons, Chairperson of the Bella Vista Patriots, referred to last month's open forum topic regarding the Board's commitment to listening to the corporation, versus members, in which Director Hart stated that the POA members are the shareholders, and so, they are the corporation. Mr. Parsons said that members have a right to their opinions and are equal, adding that the Vote No signs are just as important as the Vote Yes signs. He said the Bella Vista Patriots has provided the Board with a bill for Vote No signs with a request for reimbursement for the expense. Director Laury responded, stating that the Board of Directors is charged with carrying out the duties and responsibilities of the Board of Directors and to take actions that are in the best interest of the community. He added that the Board believes the assessment increase is in the best interest of the community. Chairperson Brooks said that the Bella Vista Patriots' request will be discussed at next month's Work Session.

Chuck Leffler, of 27 Cargill Drive, asked the Board why they did not take the recent offer of \$700,000 for a portion of the ARKMO land, and what the taxes are on the property. Chairperson Brooks said he will get the tax information for the land and review the Work Session when the sale of the land was discussed, in order to summarize it at the next Regular Meeting. Director Portillo added that the vote for the sale of the land was effectively a tied vote.

X. JOINT ADVISORY COMMITTEE REPORTS

Chairperson Brooks reported the Lakes JAC will not meet until next week due to the way the month's calendar fell. There will be a report at next month's meeting.

Debbie Sorensen, Secretary for the Recreation JAC, reported that there is one opening on the committee, but they are currently processing an application for the vacancy. She reported that they are expanding the hours at Metfield and Riordan to better accommodate younger members who work during the current hours of operation. She added that Riordan and Metfield were open on Labor Day, and each had 40 people use the facilities. She reported that two new Park Rangers have been hired. Lastly, she stated in regards to the Rejuvenation Plan phone bank, there has been mostly positive responses. She announced the Walton Foundation's donation for the construction of a bike skills park at Metfield.

Director Portillo reported that the Bella Vista Animal Shelter received an offer from an individual to establish a dog park in the Metfield area. He stated that this project is in the very early stages and the shelter is exploring the cost for the individual.

Director Hatcher reported on behalf of the Golf JAC, stating they have been preparing for the Grand Opening of the Scotsdale Golf Course, which will be on October 6, 2016. She reported that the

courses have been aeriated. Director Hatcher and Vice Chairperson Stratton accounted the success the junior programs have had. Director Hatcher stated that John Walsh and Susan Nuttall have been organizing the marketing for golf and more is expected in the future. Mr. Judson reported the falsity of a rumor that stated the sand and rocks for the Scotsdale Golf Course had been imported from Scotland. Mr. Judson stated that only the stacked sod was imported from England. Vice Chairperson Stratton stated this was due to the cost effectiveness and maintainability of the product.

Mr. Judson reported on behalf of the Young Residents Committee. He stated that the committee has taken on additional members, elected a Secretary to take minutes, and are focused on additional projects that will benefit the community from a young residents stand point.

XI. OLD BUSINESS

A) Bylaws changes – These changes will modernize the bylaws and ensure the uniform usage of terms throughout the governing documents. Second and Final Reading.

Mr. Judson introduced and presented the proposed Bylaws changes, stating that there have been no additional changes made to the document since it was previously presented. Mr. McCash asked for a motion to approve the proposed Bylaws changes.

Director Laury moved to approve the proposed Bylaws changes, seconded by Director Portillo. Mr. McCash presented the proposed Bylaws changes for discussion. Director Davis asked if the list of active Board members had been updated. Mr. McCash responded that it has been updated. There was no additional discussion.

The motion passed unanimously.

XII. NEW BUSINESS

A) Appointment of a temporary Corporate Secretary.

Mr. Judson stated that with the departure of Ms. Henderson, there needs to be a temporary Corporate Secretary named. He stated that management is requesting the appointment of Amy Fader as temporary Corporate Secretary. He reported that a permanent Administrative Assistant has been hired, and will start next week.

Chairperson Brooks moved to confirm the Board of Directors vote taken on September 8, 2016 naming Amy Fader as the Bella Vista Village Property Owners Association's temporary Corporate Secretary, seconded by Director Hatcher. Mr. McCash presented the topic for discussion. There was none.

The motion passed unanimously.

B) Authorization to enter into an ePayables program.

Mr. Judson presented a handout regarding the Arvest Bank ePayables program, stating that the approval of Corporate Resolution POA2016-05 would give authorization to enter into an ePayables program. Mr. Judson stated that by utilizing the program, the POA will receive a rebate of approximately \$40,000 annually.

Chairperson Brooks asked for a motion to approve Corporate Resolution POA2016-05.

Director Nuttall moved to authorize Chairperson Brooks to execute Corporate Resolution POA2016-05 with the Board of Directors, seconded by Director Laury.

The motion passed unanimously.

XI. ANNOUNCEMENTS

A) COO/Board Meeting – Thursday, October 6th 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, October 13th at 8:00 a.m. in the Country Club Board Meeting Room.

C) Board of Directors Regular Meeting – Thursday, October 20th at 6:30 p.m. in the Country Club Board Meeting Room.

XII. ADJOURNMENT

Chairperson Brooks adjourned the meeting at 7:12 p.m.

Submitted:

Approved:

Amy Fader, Corporate Secretary

Bob Brooks, POA Chairperson