

**BELLA VISTA VILLAGE PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING - (REGULAR SESSION)
MAY 28, 2020 6:00 p.m. HELD VIA ZOOM**

BOARD MEMBERS PRESENT VIA ZOOM: Chairperson Ruth Hatcher, Vice-Chairperson David Brandenburg, Directors Jerre Barron, Jr., Teah Bidwell, Jerry Hover, Mary Sinkus and David Whelchel.

BOARD MEMBERS ABSENT: Director Jim Abrahamson.

BOARD MEMBER PROXY: Chairperson Hatcher held Director Abrahamson's unstipulated proxy.

OTHERS PRESENT VIA ZOOM: Chief Operating Officer Tom Judson, Treasurer and Director of Finance and Administration Dwain Mitchell, General Counsel Doug McCash, and Corporate Secretary Tammie Loyd. Due to the COVID-19 pandemic, the meeting was available via Facebook Live. Member questions or comments were submitted to the Corporate Secretary.

I. CALL TO ORDER

Chairperson Hatcher called the meeting to order at 6:00 p.m.

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF MINUTES (BOARD VOTE)

Chairperson Hatcher called for a motion to approve the minutes from April 23, 2020, Regular Session Board Meeting. Director Barron motioned to approve the Board of Directors Regular Meeting minutes. Vice-Chairperson Brandenburg seconded. There was no discussion. The motion passed unanimously.

Chairperson Hatcher announced the May 21, 2020, Board Work Session was canceled due to COVID-19.

IV. EXECUTIVE SESSION SUMMARY – MAY 14, 2020

A property owner brought forth an Allegation of Misconduct against Director McKee, alleging that Director McKee violated Policy 1.10 II. Ethical Conduct (1, 2, 8, 12); Policy 1.10 III. Standards of Conduct; Policy 1.12 II. Definition of Cause (3). The Board voted in the affirmative 6-2 (with Directors Hover and Bidwell dissenting) that Director McKee violated the policies contained in the Allegation of Misconduct.

A separate property owner brought forth an Allegation of Misconduct against Director McKee, stating that Director McKee violated Policy 1.10 II. Ethical Conduct (8) and Policy 6.02 (5a & 5c). The Board voted in the affirmative 7-1 (with Director Hover dissenting) that Director McKee violated the policies contained in the Allegation of Misconduct.

Since two Allegations of Misconduct were voted on in the affirmative, a disciplinary vote was taken by the Board of Directors. The Board voted in the affirmative 6-2 (with Directors Hover and Bidwell dissenting) to remove Director McKee from the Board of Directors.

V. BOARD ELECTION RESULTS

Chairperson Hatcher stated a total of 11,859 members were represented by paper and electronic ballot/proxy in the 2020 Board of Director Election. The newly elected Board Members are Janice "Jan" Simms, with 5,697 votes, Sandy Fosdick, with 6,258 votes, and David Brandenburg with 6,050 votes. Board Candidate Joy Thomas Sawyer received 5,285 votes, John P. Goodman, Jr. received 5,105 votes, and John Hudec received 5,417 votes.

VI. MEETING OF "NEW" BOARD – MAY 28, 2020

Chairperson Hatcher stated the new Board of Directors met, and the 2020 Officers and Liaisons, which take effect June 1, 2020, are as follows:

- a) Chairperson – David Brandenburg
- b) Vice-Chairperson – Mary Sinkus
- c) Committee Liaison Positions:
 - a. Golf: David Whelchel, and Janice "Jan" Simms
 - b. Lakes: Jerre Barron, Jr., and Sandy Fosdick
 - c. Recreation: Jerry Hover, Mary Sinkus, and Teah Bidwell
 - d. Rules & Regulations: Teah Bidwell, Mary Sinkus, and Jerre Barron, Jr.
 - e. Audit: David Whelchel, Jerre Barron, Jan Simms, and Sandy Fosdick

VII. JOINT ADVISORY COMMITTEE REPORTS

- a) Lakes – Mr. Judson stated the new committee members, Arell Wasson, Carol Phillips and Ross Gerner were introduced to the existing committee, boat registrations showed a slight increase and the winter drawdown of Lake Rayburn will be finalized at the next meeting.
- b) Recreation – Mr. Judson stated the next scheduled Meet and Greet, for new residents would need to be postponed or rescheduled due to COVID-19. Recreation facilities and pools are open with modifications, due to COVID-19.
- c) Golf – Mr. Judson stated Mr. Judson stated the removal of the Berksdale Bridge is underway, Golf Maintenance staffing is down due to COVID-19 and the temperatures and weather needs to cooperate for the golf course grasses to hit the growth mode..

VIII. FINANCIAL REPORT BY DWAIN MITCHELL, TREASURER

Mr. Judson reported on the March 2020 financials. The financial reports are located at <https://bellavistapoa.com/governance/financials/>.

IX. OPEN FORUM – PROPERTY OWNER COMMENTS LIMITED TO 3 MINUTES

- a) Steve McKee, Tiree Place. With accusations I had violated POA Policies, I was removed from my service on the Bella Vista Village POA Board of Directors. These accusations were made by a member and a member of the Board.

The accusers named the policies they thought I had violated, but **never detailed the specific manner in which I supposedly breached those policies, never showed how the Board was allegedly harmed, and never proved their contrary opinions, even when directly asked to do so.** Moreover, the Board member accuser was present and voted during the subsequent Board discussion, but I was not allowed that Policy right, though I had asked. It remains my contention that the unfounded and unsubstantiated charges made against me and the manner in which the hearing was held were violations of my rights to due process.

The Board of Directors, following the legally flawed hearing, leveled the punitive action of my removal from the Board. I believe this action too was not merited, but was a consequence of the fact that during my tenure I spoke out strongly in favor of Members First initiatives that reflected the will of the membership to whom I swore to serve. My Director duty is to the members; it is not to other Directors or to employees. That I was not required to concur with the thinking of other Board members had even been confirmed months earlier on November 19, 2019 via email when both accusers and the Board were informed that Directors have the right to their own personal opinions.

The fact is Directors possess self-evident rights to their personal opinion and personal integrity even as Policy 6.02 5.a. and Policy 1.10 I. and Board Manual confirms. Why is this true? Think whistleblower; it says the Director's three legal fiduciary duties of care, loyalty, and good faith are owed to the POA and its members. A Director's duty is not to conform to be silenced by the majority Board's opinions that might differ from the minority Board's opinion.

I therefore petition the new Board to try my case again either privately or in a public forum. I have nothing to hide.

- b) Chairperson Hatcher stated that over the last week, a total of 25 emails have been sent to either the Board, our corporate secretary, or to me directly. The emails were sent by the following property owners: Diana Short, Ted Loef, Ken Nelson, Daniel Johnson, Jack Bartlett, Tommy Freytag, Bob Cooley, Kathy Decker, Robert Decker, Nancy Stock, Beth Tracy, Michael McCracken, Mary Stewart, Melanie Trull, Ann Iwen, Peggie Taylor, Patrick Orick, Daniel Berghamer, John Goodman, Jr., Stacy Berger, Natalie Roller, Cassandra Jansen, Joy Sawyer, Steve McKee, and Barry Burchfield. Their emails can be found here: <https://bellavistapoa.com/wp-content/uploads/2020/06/05282020-Open-Forum-Letters.pdf>.

X. RESPONSE TO OPEN FORUM

- a) Chairperson Hatcher responded to Mr. McKee's letter by stating, the executive session held on May 14th was conducted in accordance with the procedures laid out in Policy 1.12. I understand that Mr. McKee does not agree with the decision made by a supermajority of the Board, but his disagreement does not change the fact that with regards to the first allegation, six board members voted in the affirmative that he had violated multiple POA policies and with regards to the second allegation, seven board

members voted in the affirmative that he had violated multiple POA policies. I encourage Mr. McKee to reflect upon his actions and accept that the decision of the Board is final. On behalf of the Board, I thank Mr. McKee for his time of service to our community.

- b) Chairperson Hatcher responded to the member emails by stating, since all of these emails by and large had the same subject matter, I decided it would be best to provide an outline of the key points.
 - i. These property owners were upset that Steve McKee was removed from the Board of Directors.
 - ii. Several of the members pointed out that, in their opinion, Mr. McKee was elected by a then record number of votes and that his removal from the Board is contrary to the will of the membership.
 - iii. Several felt that Mr. McKee's removal was unethical.
 - iv. Some felt that the community is divided, and Mr. McKee's removal only furthers this divide.
 - v. Some felt we need to have a change in the leadership of our management team.
 - vi. All 23 emphatically stated that Mr. McKee should be reinstated to the Board.

I would first like to thank the 23 members for taking the time to submit their concerns and opinions. I can assure you that the removal of Mr. McKee was not taken lightly by the Board. Mr. McKee was found by a supermajority of the Board to have violated multiple policies. While it is unfortunate that Mr. McKee is unable to serve the remainder of his term, it is critical that each Board Member uphold the standards and policies that are required of them.

OLD BUSINESS

NEW BUSINESS

XI. RECREATION JOINT ADVISORY COMMITTEE NOMINATIONS (BOARD VOTE)

Chairperson Hatcher stated the Recreation Committee had nominated Janet Conboy, a previous member of the Community Involvement JAC, for a three-year term. Vice-Chair Brandenburg motioned to accept the Recreation Joint Advisory Committees nomination of Janet Conboy to a three-year term. Director Bidwell seconded. There was no discussion. The motion passed unanimously.

XII. GOLF JOINT ADVISORY COMMITTEE MEMBER NOMINATIONS (BOARD VOTE)

Chairperson Hatcher stated the Golf Committee nominated Mike Houston, Sheila Heward, a wife of employee Jim Heward, Jeff Hendren for a three-year term, and nominated Jason Loyd for a second, three-year term, husband of employee Tammie Loyd.

Director Whelchel motioned to accept the Golf Joint Advisory Committees nomination of Sheila Heward to a three-year term. Director Bidwell seconded. There was no discussion. The motion passed unanimously.

Director Barron motioned to accept the Golf Joint Advisory Committees nomination of Mike Houston to a three-year term. Director Sinkus seconded. There was no discussion. The motion passed unanimously.

Director Whelchel motioned to accept the Golf Joint Advisory Committees nomination of Jason Loyd for a second, three-year term. Director Barron seconded. There was no discussion. The motion passed unanimously.

Director Barron motioned to accept the Golf Joint Advisory Committees nomination of Jeff Hendren to a three-year term. Director Whelchel seconded. There was no discussion. The motion passed unanimously.

XIII. ELECTION COMMITTEE MEMBER NOMINATIONS. (BOARD VOTE)

Chairperson Hatcher stated the members of the Election Committee had volunteered to serve a second term. The length of time will be staggered to provide consistency moving forward.

Director Sinkus motioned to accept the Election Committees nomination of Committee Chair Tom Throne to a second, three-year term. Vice-Chair Brandenburg seconded. There was no discussion. The motion passed unanimously.

Director Sinkus motioned to accept the Election Committees nomination of Committee Member Robert Ritschel to a second, three-year term. Director Sinkus seconded. There was no discussion. The motion passed unanimously.

Director Sinkus motioned to accept the Election Committees nomination of Committee Member Ann Dahlke for a two-year term. Vice-Chair Brandenburg seconded. There was no discussion. The motion passed unanimously.

Director Brandenburg motioned to accept the Election Committees nomination of James Miller to a two-year term. Director Sinkus seconded. There was no discussion. The motion passed unanimously.

XIV. BKD AUDITED FINANCIAL STATEMENTS (BOARD VOTE)

Chairperson Hatcher called for a motion to approve the 2019 Annual Audited Financial Statements, which were reviewed and approved by the Audit Committee. Vice-Chair Brandenburg made a motion to approve the 2019 Annual Audited Financial Statements. Director Sinkus seconded. There was no discussion. The motion passed unanimously.

XV. EMERGENCY CAPITAL PROJECT (BOARD VOTE)

Mr. Judson stated on March 10, 2020; a hailstorm damaged the roof of the Country Club. The replacement cost is \$95,716.74, with a deductible of \$25,000. The roof is approximately 12 years old. The same storm may have damaged three additional buildings and several vehicles. Further information will be received from the insurance adjuster in June.

Vice-Chair Brandenburg motioned to approve the capital expenditure of \$25,000 to cover the deductible associated with the replacement of the roof at the Country Club, which was damaged by a hailstorm. Director Barron seconded. After some discussion, the motion passed unanimously.

XVI. UPDATE ON BERKSDALE BRIDGE REMOVAL AND SCOTSDALE BRIDGE REPAIR

Mr. Judson showed pictures of the bridge that was removed on Berksdale Golf Course. With the decking removed, the damage to the piers is evident. When the remains of the bridge are removed, the company will perform a clean-up at the site. The Scotsdale bridge repairs have been delayed, due to COVID-19. Hopefully the work will be completed in August.

XVII. REVIEW OF AMENDED POLICY 2.05, REGULATION OF COMMON PROPERTY – FIRST OF TWO READINGS. (BOARD VOTE)

Director Barron motioned to approve the amended changes to Policy 2.05, with this being the first of two required readings. Vice-Chair Brandenburg seconded. There was no discussion. The motion passed unanimously.

XVIII. REVIEW OF BYLAWS, ARTICLE VI, BOARD OF DIRECTORS: MEETINGS – FIRST OF TWO READINGS. (BOARD VOTE)

Director Bidwell motioned to approve the changes to Bylaws Article VI as recommended by the Rules and Regulations Committee. This is the first of two required readings. Vice-Chair Brandenburg seconded. There was no discussion. The motion passed unanimously.

XIX. REVIEW OF BYLAWS, ARTICLE XI, MEETING OF MEMBERS – FIRST OF TWO READINGS. (BOARD VOTE)

Director Barron motioned to approve the changes to Bylaws Article XI as recommended by the Rules and Regulations Committee. This is the first of two required readings. Vice-Chair Brandenburg seconded. After discussion, the motion passed unanimously.

XX. REVIEW OF POLICY 2.02, RESERVATION OF AMENITIES AND FEE POLICY – FIRST OF TWO REQUIRED READINGS. (BOARD VOTE)

Vice-Chair Brandenburg motioned to approve the changes to Policy 2.02 as recommended by the Rules and Regulations Committee. This is the first of two required readings. Director Barron seconded. After discussion, the motion passed unanimously.

XXI. REVIEW OF POLICY 3.03, MEMBERSHIP CARDS – FIRST OF TWO REQUIRED READINGS. (BOARD VOTE)

Vice-Chair Brandenburg motioned to approve the changes to Policy 3.03 as recommended by the Rules and Regulations Committee. This is the first of two required readings. Director Sinkus seconded. There was no discussion. The motion passed 7-1, with Director Hover opposing.

XXII. REVIEW OF POLICY 3.04, GUEST POLICIES – FIRST OF TWO REQUIRED READINGS. (BOARD VOTE)

Vice-Chair Brandenburg motioned to approve the changes to Policy 3.04 as recommended by the Rules and Regulations Committee. This is the first of two required readings. Director Sinkus seconded. There was no discussion. The motion passed 7-1, with Director Hover opposing.

XXIII. ANNOUNCEMENTS – Meetings dates and times are subject to change as a result of the COVID-19 pandemic.

- a) **Board of Directors GM Meeting** – Thursday, June 11, 2020, at 4:30 p.m in the Boardroom at the Country Club. (This is a closed meeting.)
- b) **Board of Directors Work Session** – Thursday, June 18, 2020, at 9:00 a.m. in the Boardroom at the Country Club.
- c) **Board of Directors Regular Session** – Thursday, June 25, 2020, at 6:00 p.m.in the Boardroom at the Country Club.

XXIV. ADJOURNMENT

Chairperson Hatcher adjourned the meeting at 6:47 p.m.

Submitted:

Approved:

Tammie Loyd, Corporate Secretary

Ruth Hatcher, Board Chairperson