BELLA VISTA
PROPERTY OWNERS ASSOCIATION

Rules & Regulations Committee
September 1, 2020 at 4:00 p.m.
Boardroom at the Country Club

Agenda

I. Call to Order
II. Approval of Minutes
    a. August 18, 2020
III. Open Forum – Comments are limited to three minutes per property owner.
IV. Response to Open Forum

New Business

V. Review of Policy 9.04 – *Board Election and Political Candidates/Use of Facilities.*
VI. Review of Policy 2.05 - *Regulation of Common Property – Hunting*

Old Business

VII. Second reading of additional changes to Policy 1.03 – *Guidelines for Association Committees*
VIII. Second reading of Policies 1.08, 3.01, 3.09, 6.02, 7.05, 8.02, 8.03, 8.03.1, 8.03.2, 8.04, 8.06, 8.08, 8.09, 8.10, 8.11, 8.13, 10.01- The word "Guideline" was removed from each policy.
IX. Second reading of Policies 1.03.6, 7.04, 8.15, 8.16, 9.01 – The word "Guideline" was removed and replaced with "Rules", "Objectives", or "Procedure".
X. Second reading of Policy 9.03 – The word "Guideline" was removed and/or replace with "Procedure", and "Community Involvement" was also removed.

XI. Bylaws, Article III, *Board of Director Qualifications, Number, Term of Office, Governing Power, Removal and Vacancies* – Second of two required readings.

XII. Next Meeting Date

XIII. Adjournment

BELLA VISTA PROPERTY OWNERS ASSOCIATION
RULES AND REGULATIONS COMMITTEE MEETING
AUGUST 18, 2020
BOARDROOM AT THE COUNTRY CLUB

COMMITTEE MEMBERS PRESENT: Teah Bidwell, Mary Sinkus, and Jerre Barron, Jr.

MEMBERS ABSENT: Mike Abb.

OTHERS PRESENT: David Brandenburg, Tom Judson, Doug McCash, and Tammie Loyd

I. Call to Order

Committee Chairperson, Teah Bidwell called the meeting to order at 4:01 p.m.

II. Approval of Minutes

Committee Chair Bidwell called for a motion to approve the July 23, 2020 Rules and Regulations Committee Minutes. Director Sinkus motioned to approve the July 23, 2020 Rules and Regulations Committee Minutes as presented. Director Barron seconded. There was no discussion. The motion passed unanimously.

III. Open Forum

There were no member comments.

IV. Review of Article III – Board of Directors: Qualifications, Number, Term of Office, Governing Power, Removal and Vacancies.

Committee Chair Bidwell explained the changes to Article III. After discussion, Director Sinkus motioned to recommend the changes to Article III, as noted, to the Board of Directors Work Session on August 20, 2020. Director Barron seconded. There was no additional discussion. The motion passed 2 to 1, with Committee Chair Bidwell opposing.

V. Review of Policy 1.07 – Board Meetings

Committee Chair Bidwell discussed potential changes to Policy 1.07. After discussion, there were no changes and Policy 1.07 will go forward, with no additional changes, for the second of two required readings at the August Regular Session Board Meeting.

VI. Policy 3.04 – Guest Policies

After discussion regarding potential changes to Policy 3.04, the committee recommended the Policy be sent to the September GM Board Meeting.

VII. Policy 9.04 – Board Election and Political Candidates/Use of Facilities

Committee Chair Bidwell initiated discussion regarding potential changes to Policy 9.04. After discussion, the committee asked Mr. McCash to make initial changes and send to the committee for discussion at their September meeting.

VIII. New Business

Committee Chair Bidwell initiated a discussion regarding the requirement of living within the city limits of Bella Vista to be a Director on the Board. After discussion, the committee decided not to pursue the change due to the need for all members (owners of improved and unimproved lots) to be represented by the Board of Directors.

Committee Chair Bidwell initiated a discussion regarding the replacement or appointment of Directors on the Board. After discussion, the committee decided to review Article III, Section 6 – Vacancies at their next meeting.

The committee reviewed the removal of the word "Guideline" from Policies 1.08, 3.01, 3.09, 6.02, 7.05, 8.15, and 9.03. The committee also removed the word "Guideline" and added either "Rule", "Procedure", or "Objective" to Policies 1.08, 3.01, 3.09, 6.02, 7.05, 8.02, 8.03, 8.03.1, 8.03.2, 8.04, 8.06, 8.08, 8.09, 8.10, 8.11, 8.13, and 10.01. These changes will go before the Board of Directors August Work Session.

IX. Next Rules & Regulations Committee Meeting

The next meeting date for the Rules and Regulations Committee was set for Tuesday, September 1, 2020 at 4:00 p.m. in the Boardroom at the Country Club.

X. Adjournment

Committee Chair Bidwell called for a motion to adjourn the meeting. Director Barron motioned to adjourn. Director Sinkus seconded. The meeting was unanimously adjourned at 5:03 p.m.

May 15, 2008
December 11, 2014
April 20, 2017

P 9.04

BOARD ELECTION AND POLITICAL CANDIDATES /USE OF FACILITIES

PURPOSE:

The purpose of this policy is to prescribe the conditions under which Association facilities and Common Property may be used for Board election and political activities.

I. ASSOCIATION ROLE IN CAMPAIGNING

1. Neither the Board nor ~~Managementany senior staff~~ members of senior staff (while on Association time) shall endorse any candidate running for the Board or for any other political/elected office.

2. The Association may sponsor forums for candidates for election to the Board in Association facilities. All eligible candidates must be invited to participate. The Association may not sponsor forums for candidates for election to any other political/elected office.

3. The Association may gather and catalog member email addresses from time to time. Such member email addresses sourced from the Association email domain name (@bvvpoa.com) shall not be used for non-Association related activities.

II. CAMPAIGNING ON ASSOCIATION FACILITIES

Qualified candidates for the Board may utilize Association facilities for the purpose of campaigning for election to the Board. Such practice shall be in conformance with the following:

1. Approval must be granted by the manager of the facility where the campaigning is to take place and shall not interfere in any manner with the regular operations of the facility.

2. Campaigning shall be limited to the distribution of flyers, brochures, cards or other forms of informational material. Speeches, political signs, or any other form of overt or conspicuous campaigning is not allowed.

3. All campaigning will be conducted in a courteous manner.

4. Such campaigning may occur at an event in an Association facility only with the permission of both the manager of the facility where the campaigning is to take place and the sponsor of the event.

III. USE OF ASSOCIATION FACILITIES BY CANDIDATES FOR POLITICAL/ELECTED OFFICE

1. Any Member may rent an Association facility for purposes of holding a political event.

2. No political signs, posters, or other forms of conspicuous campaign materials may be affixed to or placed upon Common Property such as buildings, parking lots, playgrounds, lake facilities, parks, golf courses, or roadside entrances to facilities that are on Association property. Unattended vehicles which are identified with political signs or other campaign material (except bumper stickers) may not be parked

on Common Property. All political signs must comply with the current zoning ordinance of the City of Bella Vista, Arkansas, as amended.

October 18, 2012
February 16, 2017
June 25, 2020

P 2.05

REGULATION OF COMMON PROPERTY ~~– HUNTING~~

PURPOSE:

To provide for the regulation and management of Association Common Property as multiple use property serving the diverse interests of Members to include walking, biking, hunting, and other approved outdoor activities in a safe manner for all Members and in compliance with federal, state, and local laws and regulations.

I. AUTHORITY

The authority for this policy is the Declaration, Protective Covenants, and Bylaws of the Association. The Association also has the responsibility to comply with any additional laws or regulations imposed by local, state or federal agencies.

II. GENERAL REGULATIONS

Every Member shall have a right and easement of enjoyment in and to the Common Properties. Members shall not utilize Common Property for their own exclusive use. Every Member and guest shall adhere to all federal, state, and local laws and regulations, and POA policies while on Common Property.

III. SPECIFIC REGULATIONS

Common property which is designated and designed for a particular purpose ~~/amenity~~ (i.e., golf course, swimming pool, trail) should be used by Members and guests for that particular purpose ~~and/~~or for activities that do not interfere with the intended designated use~~amenity~~.

Members and guests should not engage in any conduct on Common Property that may put other Members and guests in physical danger. Members and guests should exercise caution and remain aware at all times that others may be utilizing that area of Common Property as well.

Children should be accompanied or supervised by adults while utilizing Common Property and amenities.

IV. HUNTING

Hunting with a firearm is strictly prohibited on all Common Property and amenities. (Bella Vista City Ordinance 2007-12 and 2007-15)

Hunting by Members and guests is authorized on Common Property only by applying for and securing an Association Hunting Permit at no cost through Member Services. The Association Hunting Permit shall be clearly exhibited in the windshield of the hunter's vehicle while hunting on Common Property. Guests must be accompanied by the sponsoring Member to hunt on Common Property.

Hunting by Members and guests with a bow and arrow or cross bow is only permitted on areas of Common Property that are at least 50 yards away from all homes, trails, golf courses, pavilions, parks, lakes, ball courts, buildings, streets, facilities or other amenities.

All hunting activities must be in conformance with all federal, state, and local laws, rules, and regulations, including the Arkansas Game & Fish Commission regulations. Hunters should always be aware of their surroundings ~~at all times~~ and watchful for other people and hunters in the area.

~~I~~V. ENFORCEMENT

Association rangers, also referred to as POA Lakes and Parks Rangers, and staff are responsible for enforcing Association rules and policies. Local law enforcement is responsible for enforcing federal, state, and local laws, ordinances, and regulations.

BELLA VISTA
PROPERTY OWNERS ASSOCIATION

From: Tom Judson, COO

To: Board of Directors

Date: September 1, 2020

Subject: Policy 1.03 – Second Reading

Attached you will find additional changes to Policy 1.03 – *Guidelines for Association Committees* suggested by the Board of Directors. This is the second of two required readings.

Suggested Motion:

I motion to approve the recommended changes to Policy 1.03 as noted in the attached document. This is the second of two required readings.

November 15, 2007
September 18, 2008
November 17, 2011
November 17, 2016
November 15, 2018
August 20, 2020

P 1.03

~~GUIDELINES FOR~~ ASSOCIATION COMMITTEES

PURPOSE:

To clearly state and define the purpose, composition, duties, and method(s) to be used by Association committees.

Association committees are categorized in the Bylaws as follows:

a. Election Committee
b. Operational Committees
c. Joint Advisory Committees
d. Special or Ad-Hoc Committees and Task Forces

I. ELECTION COMMITTEE

1. The Election Committee is appointed under the authority of the Bylaws (Article VIII, Section 1). Its composition and duties shall be as directed by the Board and in accordance with stated policies.

II. OPERATIONAL COMMITTEES

1. Operational Committees are appointed under the authority of the Bylaws (Article VIII, Section 2). Their composition and duties shall be as directed by the Board and in accordance with stated policies. The Operational Committees listed by the Bylaws are: Audit, Rules and Regulations, and Charitable Giving.

III. JOINT ADVISORY COMMITTEES (JACs)

JACs are appointed under the authority of the Bylaws (Article VIII, Section 3). Their composition and duties shall be as directed by the Board and in accordance with stated policies. The JACs listed by the Bylaws are: ~~Community Involvement,~~ Golf, Lakes, and Recreation.

IV. SPECIAL OR AD-HOC COMMITTEES AND TASK FORCES

Special or Ad-Hoc committees and Task Forces are appointed by the Board Chairperson or Chief Operating Officer under the authority of the Bylaws (Article VIII, Section 4), with the simple majority approval of the Board.

V. MISCELLANEOUS

1. The removal of a committee member for cause shall follow the procedure outlined for JACs in Policy 1.04.

2. Any committee may create appropriate sub-committees to assist in completing their assigned work and membership on these committees may be approved by the Board.

3. The allocation of resources to any Special or Ad-Hoc Committees, or Task Force, beyond those provided in the existing budget, requires the approval of the Board.

4. Certain committee meetings are open to the public and comments from Members are welcome. In the interest of time and the effective administration of committee meetings, each committee chairperson has the option and may elect to limit input from community members in attendance to not less than three (3) minutes on any given subject.

VI. RECORDING OF MEETINGS

Meetings open to the Membership will be streamed on social media in real time by the Association, plus an unedited copy of the recording will be made available on the Association's website. No other individual group, or entity will be allowed to record or stream these meetings without the express written permission of the Association.

BELLA VISTA
PROPERTY OWNERS ASSOCIATION

From: Tom Judson, COO

To: Board of Directors

Date: September 1, 2020

Subject: Policies 1.08, 3.01, 3.09, 6.02, 7.05, 8.02, 8.03, 8.03.1, 8.03.2, 8.04, 8.06, 8.08, 8.09, 8.10, 8.11, 8.13, 10.01 Revisions – Second Reading

---

The Rules and Regulations Committee recommended the attached changes to Policy 1.08, 3.01, 3.09, 6.02, 7.05, 8.02, 8.03, 8.03.1, 8.03.2, 8.04, 8.06, 8.08, 8.09, 8.10, 8.11, 8.13, 10.01. The word "Guideline" or "Guidelines" has been removed from each Policy.

Suggested Motion:

I motion to approve the Rules and Regulations Committee recommended changes to Policies 1.08, 3.01, 3.09, 6.02, 7.05, 8.02, 8.03, 8.03.1, 8.03.2, 8.04, 8.06, 8.08, 8.09, 8.10, 8.11, 8.13, 10.01 as noted in the attached documents. This is the second of two required readings.

February 16, 2012
February 16, 2017

P 1.08

~~GUIDELINES FOR~~ SPECIAL MEETING OF MEMBERS

PURPOSE:

To establish an organizational structure ~~and guidelines~~ for special meetings of Members called pursuant to Article XI, Section 2(B) of the Bella Vista Village POA Bylaws.

I. PROCEDURE

1. Petitioners must obtain a standard petition form from the Corporate Secretary. All petition forms must state the purpose(s) of the desired special meeting, be signed by Member(s) in good standing, and be returned within ninety (90) days in order to be verified and validated.

2. Each Member in good standing is entitled to one petition signature per lot owned.

3. All signatures for a particular petition drive or initiative must be turned in to the Corporate Secretary within a fifteen-day period of each other but no later than ninety days after the initial retrieval of the petition form.

4. The five percent (5%) threshold shall be determined on the date the first signed petitions are received by the Corporate Secretary and is calculated based on the number of the Association's lots in good standing.

5. All signatures must be verified by the Corporate Secretary to determine if the person signing is a Member, is in good standing, is the owner of the indicated Subdivision/Block/Lot, and to eliminate duplicates or untimely signatures. The Corporate Secretary will determine if the number of verified signatures meets the five percent (5%) threshold requirement.

6. The Corporate Secretary will report the results of the verification process at the next scheduled regular board meeting following the completion of the verification process.

II. MEETING

1. If the five percent (5%) threshold is met, the Board Chairperson shall set the time, date, and location of the special meeting to be held within forty-five (45) days.

2. The Board Chairperson shall cause Notice of the Special Meeting to be mailed to all Members in good standing pursuant to Article XI, Section 3(A) of the Bylaws.

3. If the Board deems a vote of Members is necessary, then the Board Chairperson shall cause ballots to be mailed to all Members in good standing pursuant to Article XI, Section 3(B) of the Bylaws.

4. The Board Chairperson shall preside over the Special Meeting of Members pursuant to Article IV, Section 3(A) in the Bylaws.

III. AGENDA

The Board Chairperson shall set the agenda for the Special Meeting of Members. The agenda is restricted to the purpose(s) listed on the verified petition(s).

IV. TIME LIMITS

The Special Meeting of Members shall be limited to a total of two hours. One half hour shall be given to the designated petitioner representative(s). One half hour shall be designated for the Board, if needed. One hour shall be designated for an open forum, which shall be limited to three minutes per Member.

August 16, 2007
February 16, 2017

P 3.01

PENALIZING A MEMBER

PURPOSE:

To provide for the enforcement of Association Rules and Regulations.

I. IN GENERAL

It shall be the policy of the Association that, prior to suspension of the enjoyment of the rights of any Member, otherwise known as membership privileges, for any infringement of its rules and regulations and violations of the Declaration or Protective Covenants, the Board will allow the Member the right of appeal to the Board and the Member shall be notified in writing of such right of appeal. Article VIII, Section 3(c) of the Declaration, Article IV, Section 2(E) of the Bylaws. The Board authorizes the Chief Operating Officer or his/her designee to temporarily suspend membership privileges until the Member has been notified in writing of their right of appeal and the time period for appeal has expired.

Examples of circumstances that can lead to the suspension of membership privileges include, but are not limited to:

1. The Member's assessment payment is ninety days past due on any lot owned.

2. The Member owns property which has been determined by the Architectural Control Committee (ACC) to be in violation of the Declaration, Protective Covenants, or Association rules and regulations or Policies.

3. The Member is delinquent for any payments due to the Association.

4. The Member violates Association rules and regulations or Policies.

II. ~~GUIDELINES FOR~~ SUSPENSION OF MEMBERSHIP PRIVILEGES

1. The Chief Operating Officer shall inform the Member of the rule, regulation or policy which the Member violated, the action taken, and the right of the Member to appeal the decision to the Board.

2. The Member shall have five (5) days after receiving notice of the charges to respond to the charges in writing or to request an appeal before the Board. If no appeal is made, the decision of the Chief Operating Officer shall be final.

3. If the Member requests an appeal before the Board, the Board shall set a hearing during executive session of the next regular Board Meeting. During executive session, the Board shall, unless the Board requests additional information regarding the incident, make its ruling as to what punishments, if any, will be given to the Member, and inform the Member in writing of said punishment, including a letter of reprimand or suspension of membership privileges up to a maximum of thirty (30) days.

4. The Chief Operating Officer shall maintain a file of all such infringements and letters of final decision.

III. GUEST OR DEPENDENT ACTIONS ARE MEMBER'S RESPONSIBILITY

Guest actions and dependent actions' are the responsibility of the Member sponsor. Penalties will be against the Member to the same extent as if the Member had committed the violation.

IV. TENANT ACTIONS ARE THE LANDLORD'S RESPONSIBILITY

Tenant actions are the responsibility of the respective Member landlord. Penalties will be against the Member to the same extent as if the Member had committed the violation.

March 17, 2011
May 19, 2016
March 16, 2017

P 3.09

SUSPENSION OF WATER SERVICE FOR NON-PAYMENT OF ASSESSMENTS

PURPOSE:

To provide for the collection of assessments from delinquent accounts by suspending water service for nonpayment of Association assessments.

I. IN GENERAL

It shall be the policy of the Association that prior to suspension of water service of any Member for non-payment of assessments, the Member will be notified, the Board will allow the Member the right of appeal to the Board and the Member shall be notified in writing of such right of appeal. (Article VIII, Section 3(E) of the Declaration & Protective Covenants, Article IV, Section 2(E) of the Bylaws).

Circumstances that can lead to the suspension of water service include, but are not limited to:

1. The Member's assessment account is sixty (60) days or more past due on any lot or combination of lots owned by the Member and the Member is not in a payment arrangement for the payment of the past due assessments.

2. If the Member fails to honor a previous payment arrangement for the payment of past due assessments, the suspension of water service will take place immediately, provided the account is still sixty (60) days or more past due.

II. ~~GUIDELINES FOR~~ SUSPENSION OF WATER SERVICE

1. The Member shall be informed in writing of the delinquent assessment account and be given thirty (30) days to pay the past due amount or make a payment arrangement for the past due amount.

2. If the Member fails to pay the delinquent assessments in full or set up a payment arrangement for the past due amount, then the Member shall be informed in writing that their water service will be suspended as of a specific date, and the Member will be informed of their right to appeal the decision to the Board.

3. The Member shall have five (5) days after receiving notice to respond in writing or to request an appeal before the Board. If the delinquent assessment account is not brought current, no payment arrangement is made, and no appeal is made, the decision to suspend water service shall be final.

4. If the Member requests an appeal before the Board, the Board shall set a hearing during executive session of the next regular Board meeting. During executive session, the Board shall, unless the Board requests additional information regarding the incident, make its ruling as to the suspension of water service to the Member, and inform the Member in writing of said ruling.

5. The Chief Operating Officer shall maintain a file of all such letters of final decision.

6. Payment arrangements will consist of monthly payments to be made by the last day of each calendar month according to the terms of the agreed upon payment arrangement. Should the terms of a payment arrangement not be met water service will be suspended without further notice.

7. If water service is suspended, the Member will be responsible for the standard disconnect/reconnect fees that apply.

February 4, 1988
December 2, 1993
June 17, 2004
May 15, 2008
August 18, 2016
March 16, 2017
March 28, 2019

P 6.02

OFFICIAL POA PUBLICATION AND RELEASE OF INFORMATION

PURPOSE:

To describe the individuals and department responsible for Association publications and the dissemination of official Association information.

I. ~~GUIDELINES FOR~~ ASSOCIATION PUBLICATIONS

1. The Board shall be responsible for all official Association publications and social media.

2. The Association web site, bellavistapoa.com will be utilized to inform Members of newsworthy Association business and other matters; e.g., Board of Directors' meeting agendas and minutes, Association policies, budgets, and monthly financial information. Management will be responsible for keeping information on the web site current.

3. The Chairperson of the Board or the Chief Operating Officer, or their official designee, shall be the only ones to issue press releases about Association activities.

4. Correspondence, emails, or social media received by all Directors should be coordinated with the Chairperson of the Board so only one reply is given. The Chairperson or his/her designee will make the reply.

5. Correspondence, emails, or social media received or observed by individual Directors shall be handled by them with the following understanding:

a. Responses or postings are clearly identified as being a personal opinion and not necessarily that of the Board. If the Board has taken a position, the individual Director should also provide that information (particularly if it differs from their own point of view).

b. If the responses or postings deal with administrative matters, the Director is encouraged to forward it to the Chief Operating Officer, or his/her designee. It is the responsibility of the Chief Operating Officer, or his/her designee, to determine if a response or posting is warranted. If a response or posting is issued, the Director shall receive a copy.

c. Whenever possible, the response or posting will be consistent with the message(s) which have been previously distributed by the Association.

d. Directors are not required to agree with any final Board decision on any matter, although Directors shall remain professional and respectful of the Board. Directors shall not utilize the media or social media to reveal information or express their opinions on matters before the Board and considered in Board meetings not open to the public. In expressing personal perspectives on issues publicly considered by the Board, they must take care so as not to disrespectfully criticize decisions or stances of either the majority or the minority of Directors. Directors shall not utilize

the media or social media to encourage others to criticize decisions of the Board or the Association. The focus of all commentary and discussion shall focus on the issues in a professional and respectful manner.

6. Financial Statements, Minutes, reports, agendas and other documents will be made available via the Association's website.

November 5, 1992
April 1, 1993
May 15, 2008
March 16, 2017

P 7.05

ASSESSMENTS, FEES AND OTHER REVENUES

PURPOSE:

To set forth the manner in which assessments, fees and other revenues of the Association are expended.

I. GENERAL ~~GUIDELINES~~

1. Assessments will be collected and expended in accordance with the Declaration.

2. The costs of water services will be covered by water service rates and fees.

3. It is the responsibility of Management to prepare a fee schedule prior to approval by the Board. Fees may not be waived except by action of the Board or Chief Operating Officer.

4. Fees may be changed by the Board at any time. Fees may also be changed by action of the Board or the Chief Operating Officer for promotions, specials, or any other consideration.

5. The Board may establish fees for approved uses of the Common Properties.

August 29, 1985
October 1, 1992
March 16, 2017

P 8.02

GIFTS AND DONATIONS

PURPOSE:

It shall be the policy of the Association to provide the opportunity for appropriate gifts and donations to be received in the name of the Association.

I. ~~GUIDELINES FOR~~ GIFTS AND DONATIONS

The giving of gifts, money, or other items of value, can be as satisfying to the giver as it can be to the recipient. There are, however, times and circumstances when accepting a gift can carry obligations not immediately recognized.

The Chief Operating Officer will review this policy for gifts and donations with all donors.

1. The Association encourages gifts and donations which will be used for the benefit of Members.

2. Gifts and donations may be designated as supplemental resources for implementing presently scheduled facilities or activities. In the event this action is not practical or is untimely, the gifts and donations may be relegated to the general fund.

3. Non-monetary gifts which require present or future non-scheduled expense will require a planned method through which these expenditures will be funded.

4. Gifts or donations for non-planned facilities or activities may be relegated to the general fund.

5. Prospective donors must sign a copy of this policy to indicate that it has been explained to them. The signed copy will be kept on file should there be a donation.

6. The Board will be advised of any action by the Chief Operating Officer.

June 15, 2006
March 16, 2017
November 15, 2018

P 8.03

PROCESS AND DOCUMENTATION REQUIRED TO SUPPORT A REQUEST FOR THE USE OF COMMON PROPERTY AS A RESULT OF A SEPTIC SYSTEM LEACH FIELD FAILURE

PURPOSE:

To set forth the policy of the Association with regard to requests for the use of Common Property as a septic system leach field.

I. GENERAL ~~GUIDELINES~~

Common Properties are those properties reserved and intended to be devoted to the common use and enjoyment of all Members and their guests. Therefore, the granting of the exclusive use of Common Property for the benefit of a single or limited number of Members is a significant event.

The decision to license use of Common Property is reserved to the Board whose decision is final.

This policy in no way affects the ACC's authority and responsibility for managing the building permit and inspection process.

Members and builders are reminded that the decision to install a septic system in ground of questionable soil morphology or on a lot too small for the home may cause serious and expensive consequences. In all cases the responsibility for any problems remains with the Member and the builder. The Member and builder are required to follow the attached process and documentation plan to support a request of assistance involving Common Property.

All requests for use of Common Property will be addressed to the Bella Vista Maintenance and Construction Division who will receive all documents, and verify all necessary information before the Management makes a recommendation to the Board. The Association will provide an application form along with all documentation requirements.

The information and recommendation will be given to the Board at the first available Board meeting after all the information has been gathered and verified by Management. The Board will take appropriate action at the following Board meeting.

A reasonable fee may be charged for licensing the use of Common Property.

USE OF COMMON PROPERTY

PURPOSE:

The purpose of this policy is to provide for the use of Common Property and to promote the aesthetic values of Bella Vista.

I. GENERAL ~~GUIDELINES~~

1. The Board reserves the right to approve or disapprove any installation, activity on, or use of Common Property. Such approval shall require the execution of a license or right of entry permit. Disturbing or damaging any Common Property by unauthorized persons is prohibited.

2. Solicitation on or use of Common Property for commercial or other private enterprises is prohibited without Board approval and written permission by the Chief Operating Officer.

Exceptions are short-term booth rentals for fairs, etc., which must be scheduled with the building managers.

DOCK AND BOATHOUSE POLICY

PURPOSE:

The purpose of this policy is to clarify the rights, obligations, and authority of adjacent private property owners, the ACC, the Association, and the City of Bella Vista as it concerns Common Property relative to shorelines and lakebeds.

I. GENERAL ~~GUIDELINES~~

1. Common Property belongs to all Members collectively and normally may not be used exclusively for private purposes (Policy 8.03.1). The use of Common Property along the shoreline and in the lakebed may be approved for private purposes by the Association as the owner of the property. Permission to use such Common Property for construction and use of a dock or boathouse may be granted by the Association.

2. Design and construction of docks and boathouses are subject to the specifications and approval of the ACC (Declaration Article XII, Protective Covenants Paragraph 9). A permit to construct must be obtained from the ACC and the City of Bella Vista, and any other applicable permits must be secured prior to the commencement of construction.

3. The owner'(s) rights, with respect to their dock or boathouse, shall pass to successive owners.

4. In permitting the use of Common Property for constructing docks or boathouses, the Association does not relinquish title to such Common Property.

5. The Association shall assign a dock number to each lake lot that has or could have a dock or boathouse constructed on it. This number will serve as a permanent method of identification for all docks and boathouses existing or potentially being constructed. Upon approval of the completed dock or boathouse, the Association will issue an ID number sign that must be displayed on the lakeside of the dock or boathouse.

II. MAINTENANCE

1. It is the Member's responsibility to provide maintenance for any dock or boathouse attached to their property (see Policy 4.02).

2. The Association, in coordination with the City of Bella Vista, may periodically conduct inspections from the water of docks and boathouses. If it is determined that a safety issue exists, such issue will be handled directly between the City of Bella Vista and the Member.

3. If it is determined that any maintenance issue exists, such issue will be handled directly between the ACC and the Member.

4. If a Member notifies the Association of an issue involving a dock or boathouse, the Association will refer the Member to the appropriate authority, either the City of Bella Vista or the ACC, for follow-up.

MAINTAINING OF ORIGINAL DOCUMENTS

PURPOSE:

The purpose of this policy is to set forth the manner in which certain Association documents are retained.

I. GENERAL ~~GUIDELINES~~

Original financial documents and technical drawings may not be removed from the Association's administrative offices. Inspection of any such documents by Members shall be governed by Policy 1.01.

CONDUCTING A BUSINESS ON RESIDENTIAL PROPERTY

PURPOSE:

The purpose of this policy is to describe the restrictions on business use of residential property.

I. GENERAL ~~GUIDELINES~~

In accordance with Section 20 of the Protective Covenants, the practice of any profession or the carrying on of any business is prohibited within residentially zoned areas. Upon suspected violation of this prohibition, the Association shall notify the offending Member by mail of the suspected violation. If the activity continues for more than one (1) week following notification, the Member shall be subject to the administrative procedures outlined in Policy 3.01 – Penalizing a Member.

The observance of the following indications, which typically result from activities conducted for remuneration on residential property, shall be sufficient to proceed under this policy:

- Increased traffic
- Parking on other than an ACC approved driveway
- Persistent odors or fumes
- Noise
- Visible parking of a commercial vehicle
- A sign or signs indicating an activity for remuneration
- Employment of help for other than on-site domestic service or personal or health care for the residents of the premises
- Visible storage of merchandise for sale or resale
- Garage sales occurring more frequently than once a year, or offering for sale items from more than three other households, or lasting for more than three consecutive days
- Any other indications which may give rise to suspicion that an activity is being conducted for remuneration on residential property

This policy is not meant to preclude Members from working from home or from maintaining an office in their home, provided the indications mentioned previously are not evident.

STANDARD OPERATION PROCEDURES MANUAL

PURPOSE:

The purpose of this policy is to provide for the drafting and maintenance of a procedures manual by Association personnel.

I. GENERAL ~~GUIDELINES~~

In the interest of business efficiency and service to the Members, the Board mandates that Management develop, maintain and annually review a detailed Standard Operation Procedures Manual (SOP), including procedures used by personnel in the Corporate Headquarters and procedures used by each Division of the Association.

ENGAGEMENT OF PROFESSIONAL SERVICE PROVIDERS

PURPOSE:

The purpose of this policy is to describe the criteria and process for selecting individuals or firms providing professional services to the Association.

I. GENERAL ~~GUIDELINES~~

Individuals or firms providing professional services, such as architects, auditors, engineers, surveyors or other state-licensed individuals or consultants who must personally stamp and sign his or her work, should not compete on the basis of cost only. Selection should also be based on:

- Personal qualifications of the individual providing professional services
- Qualifications of the firm
- The ability to provide the services in a timely, competitive manner
- Prior history of successful services performed, provided the firm or individual has been previously engaged by the Association

To further promote the interest of fair dealing, the selection of professional service providers shall be made by the department manager requesting the professional services, in conjunction with one or more of the following individuals: the Chief Operating Officer, General Counsel, Maintenance and Construction Director, Golf Operating Manager, Golf Maintenance Manager, Recreation Manager, or Director of Finance and Administration.

ENGAGEMENT OF CONTRACT SERVICE PROVIDERS

PURPOSE:

The purpose of this policy is to describe the criteria and process for selecting individuals or firms providing contract services to the Association.

I. GENERAL ~~GUIDELINES~~

It is the policy of the Association to select contractors on a competitive bid basis for services that are expected to cost $25,000 or more. Typically, three (3) bids are required, unless a bid waiver is sought from and approved by vote of the Board. Selection should be based on:

- Cost
- Qualifications of the firm
- The ability to provide the services in a timely, competitive manner
- Prior history of successful services performed, provided the firm has been previously engaged by the Association

To further the interest of fair dealing, the selection of contract service providers shall be made by the department manager requesting the contract services, in conjunction with one or more of the following individuals: the Chief Operating Officer, General Counsel, Maintenance and Construction Director, Golf Operating Manager, Golf Maintenance Manager, Recreation Manager, or Director of Finance and Administration.

PROCUREMENT OF GOODS AND EQUIPMENT

PURPOSE:

The purpose of this policy is to describe the criteria and process for the procurement of goods and equipment for the Association.

I. GENERAL ~~GUIDELINES~~

It is the policy of the Association to procure goods and equipment on a competitive bid basis for purchases that are expected to cost $25,000 or more. Typically, three (3) bids are required, unless a bid waiver is sought from and approved by vote of the Board. Selection should be based on:

- Cost
- Supplier's reputation for service
- Brand reputation for quality and service
- Delivery in a timely, competitive manner
- Warranty terms

To further the interest of fair dealing, awarding of the purchase contract shall be made by the department manager requesting the goods and equipment, in conjunction with one or more of the following individuals: the Chief Operating Officer, General Counsel, Maintenance and Construction Director, Golf Operating Manager, Golf Maintenance Manager, Recreation Manager, or Director of Finance and Administration.

~~GUIDELINES FOR~~ LEASING OF ASSOCIATION ASSETS

PURPOSE:

The purpose of this policy is to prescribe the conditions under which Association assets (land, buildings, facilities, equipment, etc.) may be leased to a public or private entity. The power to lease assets rests with the Board (Bylaws Article IV Section 2.B).

I. PROCEDURE

1. Any leasing initiative that affects the amenities or the privileges of Members must be approved in advance by a vote of the Board.

2. The Chief Operating Officer shall submit a written recommendation to the Board for such a leasing initiative and include a full evaluation of the potential impact on the Association and its Members, including operations, finances, access, services, etc.

3. If the leasing is to involve providing access to other than Members and their guests, the written recommendation must specifically document the pros and cons, and the conditions under which property will be leased.

4. Upon approval of leasing by the Board, the Chief Operating Officer may proceed to solicit prospective lessees. The Board delegates the authority to execute a leasing agreement to the Chief Operating Officer.

5. The Chief Operating Officer shall report to the Board upon entering into any lease agreement. Further, the status of each lease operation shall be reported semi-annually.

II. GENERAL CONDITIONS FOR LEASES

1. Leases normally may be executed for no more than one year, but with the right of renewal.

2. Due diligence investigation of the prospective lessees shall be conducted and documented.

3. The selection process shall provide for open and free competition by prospective lessees. The latter shall be prohibited from contacting Directors or staff to promote their applications. Such contact may warrant the rejection of the application.

4. Adequate provision shall be made for termination of leases.

5. Leases shall clearly define the premises being leased and the purpose of the lease.

6. The obligations of the Association and the lessee regarding responsibilities (legal, regulatory, operational, insurance, financial, etc.) shall be clearly specified.

7. Appropriate financial security arrangements shall be required of the lessee in order to protect the Association.

8. All leases shall involve a thorough review by legal counsel.

III. CONDUCT DURING THE TERM OF THE LEASE

1. The Chief Operating Officer shall be responsible for monitoring the lessee and ensuring that the Association and lessee meet all of the terms of the lease agreement.

2. The Chief Operating Officer shall report to the Board in advance regarding his intent to renew a lease agreement. The Board shall be provided an opportunity for input prior to lease renewal.

3. The Chief Operating Officer shall inform the Board of issues which arise that may lead to a termination of the lease agreement.

4. The Chief Operating Officer normally will take the initiative in terminating a lease agreement, and will report such termination to the Board. However, in circumstances that the Board determines to be unusual, the Board may direct the Chief Operating Officer to terminate a lease for cause.

February 4, 1988
March 7, 1991
May 10, 2007
April 20, 2017

P 10.01

DEFINITION OF A DEPENDENT

PURPOSE:

The purpose of this policy is to set forth the definition of a dependent for purposes of utilizing Association amenities.

I. GENERAL ~~GUIDELINES~~

A Member may claim as a dependent:

1. A ward or relative within the first degree of kinship or guardianship for whom the Member provides more than 50 percent of living costs and whose legal address is the Member's home, and who is:

    a. Single and eighteen years of age or younger, or

    b. Single and a full-time student (12 credit hours) not more than 24 years of age, or

    c. According to a doctor's notarized statement, incapable of self-support or in need of such physical assistance as to nullify independent living.

2. An adult child or spouse of an adult child and the children thereof who resides temporarily with the Member while the adult child or spouse of the child is actively serving in a branch of the armed forces of the United States. Documentation of proof of service in the United States armed forces will be required.

In all cases, official documentation of the facts will be required. Such documentation may consist of driver's licenses, current voter registration cards, proof of school enrollment, the dependent's birth certificate, etc.

BELLA VISTA
PROPERTY OWNERS ASSOCIATION

From: Tom Judson, COO

To: Board of Directors

Date: September 1, 2020

Subject: Policies 1.03.6, 7.04, 8.15, 8.16, 9.01 Revisions – Second Reading

The Rules and Regulations Committee recommended the attached changes to Policy 1.03.6, 7.04, 8.15, 8.16, 9.01. The word "Guideline" or "Guidelines" has been removed and replaced with either "Rules", "Objectives", or "Procedure" from each Policy.

Suggested Motion:

I motion to approve the Rules and Regulations Committee recommended changes to Policies 1.03.6, 7.04, 8.15, 8.16, 9.01 as noted in the attached documents. This is the second of two required readings.

CHARITABLE GIVING COMMITTEE

PURPOSE:

The Charitable Giving Committee's responsibility is to evaluate charitable requests and determine which charities, if any, will be given a donation by the Association.

I. ORGANIZATION AND APPOINTMENT

1. The Board Chairperson will appoint at least three Members to the committee each June. The members of the Committee serve at the pleasure of the Board Chairperson. The Chief Operating Officer is an ex-officio member without vote.

2. The committee will elect its chairperson.

3. Meetings will be held on an as needed basis.

4. Minutes of the meetings will be taken and distributed to the Corporate Secretary and to the Board.

II. DUTIES

1. The committee will evaluate requests for donations using the following set of rules ~~guidelines~~:

   a. The requesting entity must be a duly organized, validly existing, non-profit entity in good standing.

   b. The non-profit organization must have an office located in Bella Vista and have a positive direct impact upon the residents of Bella Vista.

   c. Donations may not be made to political or religious organizations.

2. Donations will be limited to $10,000 per organization annually.

3. Each year the Board, in its sole discretion, may budget funds for charitable giving. The committee must stay within the limitations of the budget.

4. A member of the committee, who also serves on the board of an organization requesting a donation, must recuse themselves from any decision regarding the organization for which they serve.

5. Donations for community events, for example a music festival, will be handled separately. Requests for such events will be forwarded to the Chief Operating Officer.

The Board has the authority to grant a waiver of any restriction detailed above.

August 16, 2007
February 21, 2008
August 19, 2010
October 16, 2014
March 16, 2017
March 28, 2019

INVESTMENT POLICY

PURPOSE:

To create and set forth the investment policy for the investment of funds held by the Association.

I. INTRODUCTION

It shall be the policy of the Association to invest funds in a manner which will provide the highest investment return with maximum security while meeting the daily cash flow demands of the organization.

II. INVESTMENT PURPOSE AND OBJECTIVES

1. THE PRIMARY INVESTMENT OBJECTIVE OF THE ASSOCIATION is to achieve reasonable long-term growth on a total return basis that exceeds the rate of inflation by at least 2% to provide for the on-going maintenance and capital improvements of Association Common Property, outside of its normal day-to-day operational expenses. Since the preservation of principal is the foremost objective of this investment policy, the investment goal shall be long-term, allowing for higher total returns that are still within the objectives~~guidelines~~ of this policy.

2. THE INVESTMENT STRATEGIES employed are designed to preserve the principal, to protect the assets' long-term purchasing power against inflation, and to provide income to fund the above objectives.

3. THE BOARD may elect to retain an outside investment manager (Investment Manager) with the responsibility of investing the funds. The Board will outline investment objectives~~guidelines~~ to the Investment Manager, and review and affirm, or adjust those investment objectives~~guidelines~~ on at least an annual basis. Any change in the previously established investment objectives~~guidelines~~ will be communicated by the Board to the current Investment Manager. The Investment Manager will be chosen on the basis of competitive bidding in accordance with current Association policies for bidding and contracting.

III. INVESTMENT OBJECTIVES ~~GUIDELINES~~

1. INVESTMENT OBJECTIVES

a. The investment objectives of the Association are: Growth and Income with preservation of the invested principal. Investments shall be in cash or cash equivalents, conservative equities, bonds, and/or mutual funds that will provide for growth and income.

b. Risk Tolerance will vary according to respective investment portfolios as described below.

c. No undue market risk and no speculation or aggressive investments shall be undertaken with the assets of the Association. The prudent man rule will apply with all investments of assets.

2. INVESTMENT PORTFOLIOS

For the purpose of managing investment risk and to optimize investment returns within acceptable risk parameters, the following funds will be created and held as separate investment pools. On at least an annual basis, the Board in conjunction with Management will review and establish the appropriate dollar amount of each of the following four funds. The Investment Manager will then adjust as necessary existing portfolio investments to reflect the determined balances in each fund. This annual review will take place following the completion of the annual financial audit of the Association's books and records.

a. Operating Fund:
Sixty (60) Day Non-Discretionary Operations and Current Capital. This is primarily a cash and cash equivalent fund for "current" needs. Risk tolerance is low risk. Any investment will be made with a minimum level of risk relative to its respective benchmark. Examples of low risk investments include Certificates of Deposit, US Treasury Bills, and Money Market Accounts.

b. Short-term Reserve Fund:
Emergency Needs (Floods, etc.), Water Line Replacement, Capital < 2 Years, and Committed Reserves. This is primarily a fund for a term greater than 1 year but less than 2 years. Risk tolerance is low risk. Any investment will be made with a minimum level of risk relative to its respective benchmark. Examples of low risk investments include Certificates of Deposit, US Treasury Bills, and Money Market Accounts.

c. Intermediate Reserve Fund:
Free, Unrestricted Reserves - This is primarily a fund for a term greater than 2 years, but less than 5 years. Risk tolerance is moderately conservative with regard to these investment assets. At the same time the Directors recognize prudent investing requires taking reasonable risk in order to raise the likelihood of achieving targeted investment returns.

d. Long-term Reserve Fund:
Capital, undefined, for a term greater than 5 years. Risk Tolerance assumes this portfolio will be managed in a manner to seek higher returns with some volatility. The volatility of this fund will tolerate standard deviations between 5% and 10% in any given year, although it is the intent of this fund that the Members would not willingly accept losses as often as three out of ten years to achieve higher returns. The Long-term Reserve Fund will be managed in a manner that seeks to minimize principal fluctuations over the established time horizon and is consistent with stated objectives.

3. INVESTMENT POLICY AND RESPONSIBILITIES

a. The performance of the Investment Manager will be measured at least annually against general market indices, the performance of other similar funds, and the results of other comparable professional investment managers with similar objectives.

b. The Board will direct the Chief Operating Officer to maintain the relationship with the Investment Manager and to provide investment performance reports to the Board in the format customarily used by the Investment Manager.

c. The Chief Operating Officer shall initiate policies and procedures to implement Board investment policies and objectives~~guidelines~~ and enable monitoring of fund composition and performance.

d. The Chief Operating Officer and the Board will cooperatively review the purpose and objectives of the Association Investment Policy for any changes on at least an annual basis. If changes to the Investment Policy need to be made, recommendations will be submitted to the Board for action.

e. The Chief Operating Officer shall recommend a financial institution designated as the main Association depository for the Board's approval. The Chief Operating Officer shall review this recommendation annually with recommended changes as appropriate. Funds deposited in the main Association designated depository for current operations such as Operating Account, Payroll Account, Health and Insurance Accounts, etc. may exceed the FDIC insured limits.

f. In the event the Board does not elect to employ an Investment Manager, the Chief Operating Officer shall be responsible for investing Association funds in accordance with this policy. The Chief Operating Officer shall be limited to Investment Portfolios (Section III.2.) described as Operating Fund (Section III.2.a.) or Short-term Reserve Fund (III.2.b.).

g. In conjunction with the presentation of the annual audit results, the Chief Operating Officer will provide a report to the Board on the Association's investments. Additionally, on an annual basis, the Board will vote to either employ a third-party Investment Manager or delegate these responsibilities to the Chief Operating Officer.

IV. DEFINITIONS

1. PRINCIPAL is the original net invested amount of each of the contributions.

2. PRUDENT MAN RULE is how men of prudence, discretion and intelligence manage their own affairs, not in regard to speculation, but in regard to the permanent disposition of their funds, considering the probable income, as well as the probable safety of the capital to be invested and behave in a similar fashion.

3. INCOME is the amount of dividends and/or interest received on the investments.

4. APPRECIATION/DEPRECIATION is the amount of market gains/losses on the original investment principal.

OPERATIONS BEYOND THE GEOGRAPHIC BOUNDARIES OF BELLA VISTA

PURPOSE:

The purpose of this policy is to set forth proceduresguidelines for the conduct of business by the Association outside the geographic boundaries of Bella Vista.

I. AUTHORITY

The Chief Operating Officer is vested with the authority to permit the participation of Association entities in operations beyond the geographic boundaries of Bella Vista. Such permission will be based on responsible business practice coupled with an evaluation of the benefit that will accrue to the Members.

II. RESPONSIBILITY

The Chief Operating Officer may, at his or her discretion, devise standard operating procedures, forms or other means by which the requirements of sound business practice and benefit may be demonstrated; any such requirements should be designed so as to facilitate use by Members and staff.

AUTHORITY TO APPROVE EMPLOYMENT AGREEMENTS

PURPOSE:

The purpose of this policy is to set forth the proceduresguidelines for entering into employment agreements by the Association.

I. GENERAL GUIDELINES

All employment agreements are to be approved by the Board prior to their execution. Upon approval by the Board, the Chief Operating Officer is authorized to enter into such employment agreements on behalf of the Association. The Chief Operating Officer's employment agreement shall be approved solely by the Board.

January 9, 1982
September 19, 2002
October 16, 2008
February 18, 2010
April 20, 2017

P 9.01

BELLA VISTA LOGO

PURPOSE:

The purpose of this policy is to set forth the proceduresguidelines for use of Association logos.

I. GENERAL GUIDELINES

The Association utilizes various logos which are typically filed with the State of Arkansas for protection against unauthorized use. The Association's registered service marks may only be used with the written permission, and then only to the extent of and within the scope of the permission granted. Any use of an Association service mark that does not comply with such permission and this policy is not authorized. The Association restricts the use of its name and service marks to avoid confusion that can arise when the name and service marks are used so as to create the false impression of a connection to or endorsement of the Association.

Changing the appearance of a service mark or adding something to it does not grant authorization to use the revised service mark without the Association's permission.

To request permission to use a service mark, please email the Marketing Department at info@bvvpoa.com. If permission is granted, the Association will provide written notification of the scope of permission and what use of the service mark is allowed.

The appropriate use of these logos shall be at the discretion of the Chief Operating Officer in conjunction with the Marketing Department manager.

BELLA VISTA
PROPERTY OWNERS ASSOCIATION

From: Tom Judson, COO

To: Board of Directors

Date: September 1, 2020

Subject: Policy 9.03 Revision – Second Reading

The Board of Directors made changes to the Rules & Regulations Committee's recommended changes to Policy 9.03. The word "Guidelines" has been removed and/or replaced with "Procedure", and "Community Involvement" has been removed from the Policy.

Suggested Motion:

I motion to approve the Board of Directors and Rules and Regulations Committee recommended changes to Policy 9.03 as noted in the attached document. This is the second of two required readings.

October 18, 2007
April 20, 2017
October 26, 2017

P 9.03

VOLUNTEERISM

PURPOSE:

The purpose of this policy is to set forth the proceduresguidelines for providing volunteer service to the Association.

I. GENERAL ~~GUIDELINES~~

Volunteering provides Members with an opportunity to share their expertise and interest in serving their community and promoting the legacy of Bella Vista.

1. The community benefits by receiving a service or expertise that saves time and money, and enhances the attributes of the Association.

2. The volunteer benefits by gaining a voice, involvement, empowerment, ownership, self-satisfaction, and socialization.

II. OPPORTUNITIES FOR VOLUNTEER SERVICE

1. Board of Directors – Elected by Members.

2. Joint Advisory Committees (JAC's) – Interested Members volunteer and the Chief Operating Officer and Chairperson select Members for the Recreation, Golf, and Lakes~~, and Community Involvement~~ committees.

3. Task Forces and Other Committees – Appointed by Chairperson or Chief Operating Officer.

III. VOLUNTEER RIGHTS AND RESPONSIBILITIES

1. Volunteers are viewed as an altruistic and valuable resource, not entitled to remuneration.

2. Volunteers will be treated as co-workers with the right to effective training and supervision.

3. Volunteer position descriptions with an application process and consistent assignment procedures will be followed.

4. Volunteers will not replace paid employees.

5. The health and safety of volunteers will be a priority, and they will not perform hazardous duties.

6. Volunteers will be expected to perform to the best of their ability and remain loyal to the goals and procedures to the end date of service.

7. No person who has a conflict of interest with any activity or program whether personal, philosophical or financial shall be accepted as a volunteer.

8. Volunteers performing certain duties may be required to sign a waiver and indemnification agreement with the Association.

9. Volunteers performing certain duties that require working with children will be asked to undergo a background check prior to volunteering.

Areas not covered by this policy or other governing documents shall be brought to the Board for resolution based on the specifics of the situation.

BELLA VISTA
PROPERTY OWNERS ASSOCIATION

From: Tom Judson, COO

To: Board of Directors

Date: September 1, 2020

Subject: Bylaws, Article III – Second Reading

The Rules and Regulations Committee recommended the attached changes to the Bylaws, Article III.

Suggested Motion:

I motion to approve the Rules and Regulations Committee recommended changes to Bylaws, Article III as noted in the attached document. This is the second of two required readings.

ARTICLE III
Board of Directors: Qualifications, Number, Term of Office, Governing Power, Removal and Vacancies

Section 1. Qualifications. A Director must be a Member or Associate Member in good standing, cannot be a paid employee of the Association, an independent contractor of the Association, or an elected officer of the City of Bella Vista while serving on the Board, and must have been duly elected as provided in the Declaration, Articles of Incorporation, and these Bylaws. Convicted felons and those required to register as a sex offender may not serve on the Board of Directors. A Director who has been removed from the Board of Directors for cause is prohibited from serving on or running for the Board of Directors for a period of three years. Directors are elected volunteers and are not to receive a salary or remuneration for their service.

Section 2. Number. The Board shall be composed of nine (9) members. The President and Chief Operating Officer of the Association shall be ex-officio non-voting members of the Board.

Section 3. Term of Office. The term of office of a Director shall be a period of three (3) years. The term shall begin on June 1 following the election of the Director at the annual meeting of Members held on the third Tuesday of May. The term shall expire at midnight on May 31 at the end of the third year of service. The existing Board shall continue to perform their duties until May 31 but shall not participate in Board-elect activities unless the existing Director is also a Board-elect member. The newly constituted full Board (Board-elect) shall take office and assume their duties on June 1.

Section 4. Governing Power. An individual Director shall have no powers of governance or administration, derived from the fact that each Director was elected to office. Such governing powers shall come only from actions of the Board as a whole, approved by a majority thereof.

Section 5. Removal. A Director may be removed from office for cause by a 2/3 majority vote of the Board. Cause as used in these Bylaws may include, but is not limited to:

A. Being absent from three (3) consecutive regular monthly Board meetings (as described in Article VI, Section 1 herein) or four (4) regular monthly Board meetings during the organizational year.

B. Mental or physical conditions rendering the Director incapable of performing normal duties.

C. Interfering directly in the management of the Association operation.

D. Violation of Association governing document(s), including the Declaration, Protective Covenants, Articles of Incorporation, Bylaws, Policies, Rules, or Board Member Manual.

Section 6. Vacancies. If a Director does not complete a term of office, the Board may elect an interim director to serve until the next succeeding meeting of Members. Pursuant to Article XII of the Articles of Incorporation, any Member in good standing may request to be considered for service as an interim director by submitting a resume and being interviewed by the remaining Directors. Upon selection, the interim director will serve until the next succeeding meeting of Members at which time the pendency of the vacant term (if any) shall be filled by a vote of the membership.

If the vacancy is not filled by the Board, it shall be filled at the next succeeding election by Members voting on candidates, said candidates being nominated as set out in Article V hereof. Any Director elected by a vote of the membership to fill a vacancy, shall serve as Director until the expiration of the term of the Director whose position he/she was elected to fill.

However, if the vacancy occurs between the time the ballots for the election have been printed and the annual meeting of Members for that year, the vacancy will be filled pursuant to these Bylaws and Article XII of the Articles of Incorporation by the newly elected Board after the annual meeting.