



## Board Work Session Meeting

April 21, 2022 – 9:00 a.m.

Boardroom at the Country Club and via Livestream

### Agenda

- I. Call to Order
- II. Open Forum – Property Owner comments. Comments are limited to three minutes per property owner.
- III. Non-performing lots report
- IV. Update on Northstar installation
- V. Budget calendar 2023
- VI. **ANNOUNCEMENTS:**
  - a. **Board of Directors Regular Session** – Thursday, April 28<sup>th</sup> at 6:00 p.m. in the Boardroom at the Country Club and via Livestream.
  - b. **Recreation JAC Meeting** – Monday, May 9<sup>th</sup> at 4:00 p.m. in the Boardroom at the Country Club and via Livestream.
  - c. **Lakes JAC Meeting** – Wednesday, May 11<sup>th</sup> at 2:00 pm. in the Boardroom at the Country Club and via Livestream.
  - d. **Golf JAC Meeting** – Wednesday, May 11<sup>th</sup> at 4:00 p.m. in the Boardroom at the Country Club and via Livestream.
  - e. **Rules & Regulations Committee** – Thursday, May 12<sup>th</sup> at 1:30 p.m. in the Boardroom at the Country Club.
  - f. **Board of Directors GM Meeting** – Thursday, May 12<sup>th</sup> at 2:30 p.m. in the Boardroom at the Country Club (CLOSED MEETING).
  - g. **Annual Meeting/Election Results-** Tuesday, May 17<sup>th</sup> at 6:00 p.m. at Riordan Hall and via Livestream.
  - h. **Board of Directors Work Session** – Thursday, May 19<sup>th</sup> at 9:00 a.m. in the Boardroom at the Country Club and via Livestream.
  - i. **Election of Officers and Board Committee Assignments** - Thursday, May 26<sup>th</sup> at 4:00 p.m. in the Boardroom at the Country Club (CLOSED MEETING)

- j. **Board of Directors Regular Session** – Thursday, May 26<sup>th</sup> at 6:00 p.m. in the Boardroom at the Country Club and via Livestream.
- k. **Board Orientation-** Friday, May 27<sup>th</sup> at 9:00 a.m. in the Boardroom at the Country Club (CLOSED MEETING) Note: This meeting is starting one hour earlier than originally planned.
- l. **Board Tour of Amenities** – Friday, June 3<sup>rd</sup> at 9:00 a.m., meet in the lobby at the Country Club (CLOSED MEETING)

## VII. Adjournment

# Non-performing lots, a success story

## Definition

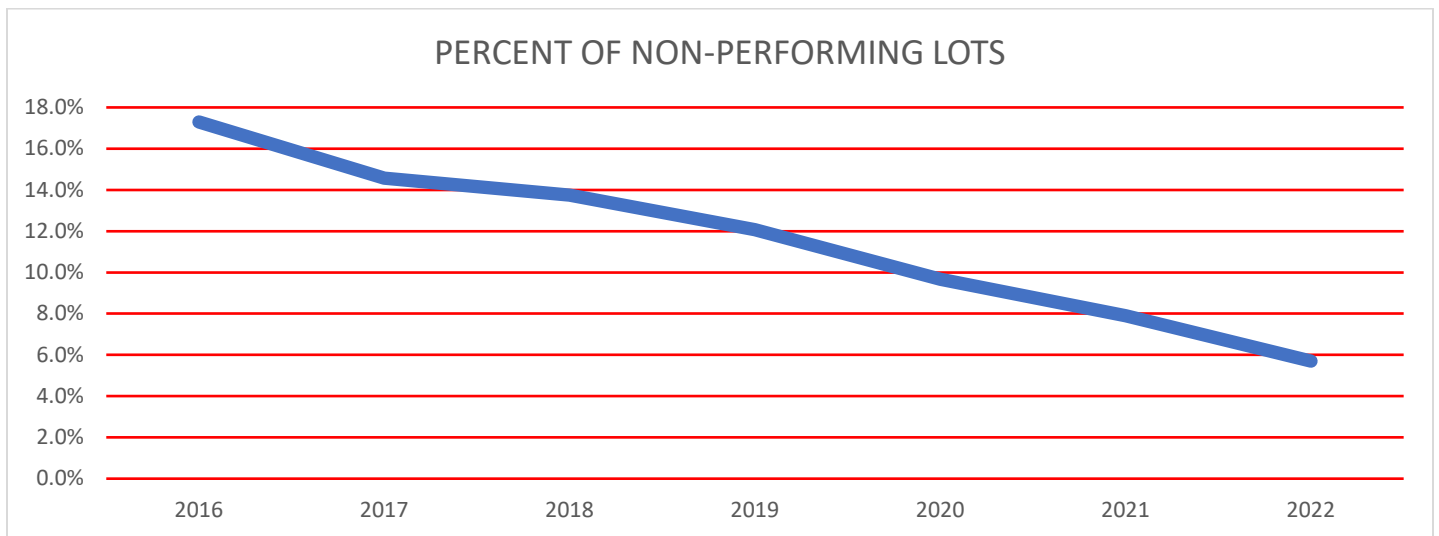
Non-performing lots includes lots that are delinquent (more than 90 days past due on assessments), combined with lots owned by the POA. Since neither category pays assessments, these lots are considered non-performing. We regularly compare the number of non-performing lots to the total number of lots in the Association, to calculate a percent. The lower the percent, the better.

## History

In early 2016, Management determined we had a significant problem, with 17.3% of our lots non-performing (6,038 delinquent lots and 702 owned by the POA).

## Trend

Through the efforts of our Accounting and Legal teams, we have seen a steady reduction in the percent of non-performing lots. We have gone from 17.3% in 2016 down to 5.7%, as of the end of March 2022.



## Comparison

By comparison, the percent of non-performing lots at Hot Springs Village was 34.4%, as of the end of February 2021. Nationally, large-scale property owners associations such as ours have historically seen non-performing lots average approximately 20%.

## Impact

Since 2016, the number of performing lots paying their assessments has increased by 4,526 lots. Last year I was very encouraged how we had lowered the percent of no-performing lots to below 8.0% (actual 7.9%). At the time, I was under the impression it would be very challenging to make any further improvements. To their credit, our Accounting and Legal teams stepped up to the challenge and lowered the percent for 2022 to below 6.0% (actual 5.7%).

# 2023 BUDGET CALENDAR

| DATE  | BUDGET                          | DESCRIPTION  |
|-------|---------------------------------|--|
| 5/20  | Operating/Capital               | Notification sent out to the Committees for them to work on their recommendations on capital projects and operational changes for the coming year. Committee recommendations are due to Management by 8/25.  |
| 8/25  | Operating/Capital               | Due date for the recommendations from the Committees.  |
| 8/25  | General                         | Roll out meeting and training. Department heads begin working on their Operating and Capital budgets.  |
| 10/5  | Operating/Capital               | Operating and Capital budgets completed by the department heads. CFO and COO review process begins.  |
| 10/11 | Fee Schedule                    | 2023 Fee Schedule completed.   |
| 10/13 | General                         | Department head practice presentations.  |
| 10/14 | Operating/Capital<br>/Financial | Draft of the Operating, Capital, Financial Budgets submitted electronically to the Board.  |
| 10/19 | Operating/Capital<br>/Financial | Presentation to the Board of the Operating and Capital Budgets by each respective department head. This presentation will take place at 9:00am. The Board will provide feedback and observations which will get incorporated into the next draft. Note the date of this meeting is taking place earlier than normal. |
| 11/10 | Operating/Capital<br>/Financial | All three budgets presented to the Board in open session. This meeting will be held at 6:00pm in the Boardroom at the Country Club.  |
| 11/17 | Operating/Capital<br>/Financial | All three budgets finalized by the Board at the monthly Regular meeting. This meeting will take place at 6:00pm.   |