

REGULAR MEETING OF THE
HOT SPRINGS VILLAGE
PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS
9:00 A.M., JULY 16, 2008
OUACHITA BUILDING

A regular meeting of the Hot Springs Village Property Owners' Association Board of Directors was held at 9:00 a.m., Wednesday, July 16, 2008 at the Ouachita Building.

Board members attending: President Bob Shoemaker, Vice President Mike Misch, Jeff Atkins, Dick Breckon, Teri Jackson and Bill Linam. Absent: Paul Day.

Attending from staff were: General Manager Dave Johnston, Treasurer Wayne Copeland, Asst. to the General Manager Linda Mayhood, Attorney Don Schnipper, Dir. of Public Safety Laroy Cornett, Jackie Stewart for Dir. of Recreation Larry Koonse, Dir. of Planning and Inspections Steve White, Dir. of Golf John Paul, Dir. of Public Works David Whitlow, Communications Specialist Stacy Hoover and Secretary Suzette Tadlock.

Also attending were: Holly Daste, Village Voice and Jeff Smith, Sentinel Record.

Approximately 25 people were in the audience.

Call to order: President Shoemaker called the meeting to order at 9:00 a.m.

Prayer/Pledge: Director Bill Linam gave the prayer which was followed by the pledge of allegiance.

Guests: None.

Order of business: The order of business was amended by adding discussion of Balboa Club to Unfinished Business at the request of Director Teri Jackson.

Minutes/Notes: The July 12, 2008 retreat notes, July 18, 2008 regular minutes and July 2, 2008 work notes were approved as submitted.

President's Comments: President Shoemaker commented on Paul Day's recent surgery. He thanked the Villagers for attending the Saline County Quorum Court meeting held at the Ouachita Bldg. last night. Jim Owens who serves on the Governmental Affairs Committee has been appointed to the Saline County Airport Commission. Hot Springs Village was mentioned in the Ideal Living – top 100 Amenity Communities in America and Great Places to Live publications.

Board Comments: President Shoemaker called on Board members for their comments.

- Gen Mgr.'s Report: Dave Johnston gave the General Manager's Report (see attached). He handed out information on yard waste collection. Mr. Johnston advised they were going to compare the composting facility costs of the North Little Rock firm to the existing plan of taking the yard waste to Saline County for disposal.
- Treasurer's Report: Wayne Copeland gave the Treasurer's Report (see attached). Discussion followed.
- Standing Comm. Reports: Keith Brown announced there would be a meeting to discuss the new Garland County jail facility on July 30, 2008, 1:30 p.m. at the Coronado Center.
- Minutes Received & Filed: Common Property & Forest 7-7-08; Golf 6-12-08; Governmental Affairs 6-6-08; Lakes & Water 7-9-08; Public Works 6-19-08; Recreation 6-9-08; Research & Special Projects 6-23-08, 6-24-08, 6-30-08; Trails 6-17-08.
- Architectural Control Com.: 6-19-08, 7-3-08

UNFINISHED BUSINESS:

- Balboa Club: Director Jackson reported on information received from the Architects relative to estimates to renovate the Balboa Club (see attached). Following discussion, it was the consensus of the Board to proceed with the bidding process for the Balboa Clubhouse renovation.
- 2009 Budget Parameters: Director Linam MOVED to adopt the ten budget parameters below as a guide in the development of the 2009 annual operating budget:
1. To have a balanced budget with a \$1.5 million unrestricted balance on 12/31/09.
 2. To use 4% as an inflationary cost guide using the 2008 budget or most recent projected actual expense as a basis for rolling inflationary expense forward (excluding the reduced appropriation for street maintenance that is identified in parameter 8).
 3. The increase in operating expense for 2009 should not exceed the increase in revenue for 2009 from the latest projection of 2008 revenue.
 4. To contribute \$200,000 to the Water Plant Reserve account.

5. To contribute \$150,000 to the Capital Reserve account.
6. Target revenue for golf is \$8,000,000; target revenue for Recreation is \$1,150,000.
7. To appropriate \$1,000,000 to the Street Maintenance Program.
8. To balance resources with expenditures without reliance on any external borrowing.
9. To maintain sufficient funds in restricted and reserve cash accounts at the contractually required or desired levels for each account at the end of the year.
10. The budget amount in 2008 for any capital project which is deferred by Board action and any unrestricted operating funds in excess of \$1.5 million at 12/31/08 will be placed into the Capital Reserve account. Any 2008 capital project deferred by Board action that is re-budgeted in 2009 will be funded from the capital reserve account up to the amount specifically deferred in 2008.

Director Breckon **SECONDED** the motion. The motion was unanimously **APPROVED**.

Delay of Balboa Golf Course
Renovation:

Director Jackson **MOVED** to delay the renovation of the Balboa Golf Course for one year due to economic conditions. Director Linam **SECONDED** the motion. Following discussion, the motion was unanimously **APPROVED**.

Director Jackson brought up the need to include an inflationary factor on capital projects and it was recommended that the Research and Special Projects Committee look at this when developing the Five Year Capital Plan.

Questions from Audience: None.

Adjournment: The meeting was adjourned at 9:55 a.m.

President

Secretary