

LOST BRIDGE VILLAGE COMMUNITY ASSOCIATION, INC.
12477 Lodge Drive, Garfield, AR 72732
Board of Trustees Regular Meeting
November 9, 2015 6:00 P.M.

Trustees Present: Jon Testut Steve Bray
Ellen Rinard Ken Buchheit
Melvin Schoonover John Wilson

Trustees Absent: Randy Haley

Visitor(s) in attendance: Phil Williamson, Debra Cline, and Roxanne & Corey Maish (and daughter)

The Regular Board Meeting was called to order by President Jon Testut 6:01 at p.m.

Approval of Agenda as presented:

M/S/C Ken Buchheit Steve Bray Unanimous

The Minutes of October 12, 2015 were approved as written.

M/S/C John Ellen Unanimous

Member Comments: No member comments.

FINANCIALS - Ellen Rinard, Treasurer: Ellen reported we are ending the year in good shape, thanks to many volunteer hours being donated and a tight rein on the budget. The largest expenses for the balance of the year will be payroll, fill of propane tanks and road maintenance. So far we've spent 80% of our 2015 budget.

Current cash on hand at end of October is \$106,038.

Money Market	\$50,517.22
Checking	\$15,392.05
Capital Improvement	\$12,579.39
Contingency Fund	\$27,547.42

Budget 2016 planning meeting was held November 5th.

Jon asked, "Do we have any secret stashes of cash that are being withheld from the public?" Ellen responded, no there is nothing secret and we have no \$30,000 annuity as rumor has it. The financials are posted each month on the website for public viewing.

Motion was made to approve the Treasurer's report:

M/S/C John Wilson Ken Buchheit Unanimous

OFFICER REPORTS:

President, Jon Testut –

Maintenance Assessment Increase:

The Maintenance Assessment increase campaign ended on what the majority of voters might call a high note. It passed, after 13 years of laboring under an insufficient income.

Thanks to Ted Tidwell and his team for counting the ballots and assuring the accuracy of that count. Some have attributed the success, at least in part, to the VOTE YES signs that were strategically placed around the village. Others point to a growing realization that the financial future of the Village depended on supporting the modest increase. In any case, the LBVCA Board now has the task of apportioning the expected income to best serve the community.

Esplanade/Gazebo

The effort to accept the conveyance of the Esplanade from the Mack family is on track. The survey has been completed and recorded and the title search is underway. In short order we will be drawing up a warranty deed to transfer ownership to LBVCA. Subsequent to that transfer, we will be reclaiming ownership of the Gazebo located on the corner of Lodge Drive and Oak Shadows. It has already been refurbished and the owner of the land upon which it sits has given permission to remove it. We will be moving it to the Esplanade at the entrance end.

Past Presidents

A small dedication ceremony was held on Sunday, Nov. 1st to install the Past Presidents Plaque in the lounge area of the Community building. About 15 people gathered for the unveiling of the plaque dedicated to the 26 community members who, over the 44 year history of the LBVCA, served as President. The entire list of Presidents and Board Trustees have been made available on the lbvca.com website.

Vice President, Steve Bray – Nothing to report.

TA Reports:

ACC, Jon Testut, TA – Jon reported on the ACC's most recent meeting, on November 2nd:

Present: Gary Hearron; Hugh Wagner, Bob Wright, George Naidl, Jon Testut
Absent: Rich Brundage, Wally Ake

- ACC Member resignation: Gary Hearron as of Dec 31, 2015
- Board confirmation of ACC recommended candidate Jim Haguewood effective 1/1/16
- Ongoing narrative with BC Planning Department regarding agreement to inspect LBV building projects at our direction. ACC expects to add a penalty notice prominently on Building Project checklist.
- Added "No Metal Carports" in appropriate places in BS&P for clarification.
- BS&P reorganized in Alpha order with Table of Contents, effective 1/1/16
- Corrected BS&P Swimming Pools article to include Spas to reflect BC/Arkansas Board of Health requirements.
- Absent ACC committee members required to submit reports for inclusion in monthly meetings.

New inquiries:

None

Airstrip, Steve Bray & Melvin Schoonover, TAs – Over the last year, Steve has noticed an increasing number of queries about the airstrip from non-member pilots. He believes this is only going to increase with our marketing initiatives.

Community Building, Melvin Schoonover, TAs – Melvin reported he and his crew of volunteers are in the process of repainting the exterior of the community building. Gutters have been taken down but new ones will be installed soon. Jon asked when Melvin expects to finish. Response, tentatively next week it will all be done.

Covenant Review, Randy Haley, TA – No report.

Legal & Insurance, John Wilson, TA – Nothing to report.

Library, Ellen Rinard, TA – Ellen contacted Pat Testut to advise her of the money remaining in her donations account. She was aware and will spend as needed. Library expenditures are within budget.

Parks & Recreation, Steve Bray, TA – Nothing to report. Ellen asked if the decision was made to fill up the propane tank now in order to get it at a cheaper rate. Steve replied that we get it as we need it; Ozark Mountain Propane fills it on their schedule.

Political, All Trustees – Nothing to report yet.

Property & Marketing, Ken Buchheit, TA –

Properties:

Nothing exciting or new to report. Ongoing efforts to resolve the tax / ownership matter with Mr. Calleros: We have an agreement with the Benton County Tax Collector to withhold our name from the delinquent list published in the newspaper after the deadline, Nov 20. We have a few methods to correct this, but we would like to speak with Mr. Calleros before we take any action. We are awaiting a return call at this time, but only for a short time. If we quit claim it back to Calleros we'll still need to pay the taxes (back taxes) because it's in our name. Quit claim would be cheapest way to go. More discussion needed with Mr. Calleros.

During last month's meeting, and in the Properties TA report, Ken asked that any Board member with a concern about the Calleros lots take a few minutes to view them. Discussion might need to take place soon as to the Board's thoughts. Let's hope this is the only time this sort of problem arises.

There's been no response from the new owners of the lots in Posy, but I am sorry I was too busy to pursue that issue. Nothing new yet with the properties in WMT 2; they are still working on water and sewer plans to my understanding.

Nothing else of value to report at this time.

Marketing:

As mentioned during our work session, we have been visiting with realtors and advertisers for some suggestions. One has been a great source of info, and we believe could be a great help to us soon. It has been suggested that the realtors can handle the bulk of the advertising, with the exception of a few well-placed billboard signs. Also, it's been suggested we need someone on staff to answer questions or provide information during later Friday and some Saturday hours. It is my understanding that Jon and Marty are crafting a plan that might fill this need, as well as relieve Marty of some work. This should provide an opportunity for out-of-town owners to visit and bring future owners to the area.

Randy had suggested clearing and cleaning some of our lots to help make them presentable. We agree this will help and will be looking closely at how this can be accomplished.

Roads and Maintenance, Randy Haley & Jon Testut, TA –

- End of mowing season. Mothballed zero-turn and bush hog mower deck
- Completed repair of AG MAXX double action sickle bar mower. Will expect to sell or trade according to Board's decision.
- Completed preparation of snowplow for use. Expect to plow Posy Mountain area this season with newly-ordered snow plow equipment.
- Completed preparation of spreader for use.

- 2 loads of sand and 20 50-lb bags of salt have been delivered to us at no charge from Benton County. Jon requests that we purchase 40 additional bags of salt to have in reserve since BC will only provide 20 bags at a time now, a change from prior years. (Salt is approximately \$7.00 per bag if we have to buy them.) 2-3 bags can go in the truck at one time.
- Submitted recommendation for new equipment to Budget Committee.

Phil Williamson said he called Benton County a few weeks ago regarding the bad condition of Pine. Rick came out and looked but has not called Phil back. Phil will try to follow up with Rick and let Jon know the outcome. Jon said he's been in contact with Jeff Clark, who responds inconsistently.

Per Steve, the cost of 40 bags of salt at \$7/bag would be within the purview of the Trustee's responsibility so does not need Board approval.

Security Patrol, Ellen Rinard, TA – 4 “video surveillance” signs have been purchased (two are here, two more arriving in a couple of weeks). Discussion is taking place between Jon, Phil Williamson and David Myers about placement. There have been no further incidents in the village.

Jon said Phil talked about putting signs up at the Lodge & 127 entrance and 127 & Dogwood entrance. There are Neighborhood Watch signs in both locations already which Jon may pull out and place elsewhere.

Social, Ellen Rinard, TA – The Mike and Marty Show and chili supper will take place November 14th.

Regarding our 2016 Fly In and Classic Car Show, Ellen has put it in ad on the OzarkCarEvents.com website.

The contract for Christmas at the Lodge social was signed November 6th. The event will occur December 12th and will include \$15 heavy hors d'oeuvres, a cash bar, and dessert contest. Starts at 5:00pm to enjoy the sunset on the deck. This event will be a community event and open to non-property owners as well as property owners. Marketing of the event will begin after Mike & Marty Show.

Phil Williamson suggested we have a raffle for one of our lots.

Tech Support, Jon Testut and Steve Bray, TAs – Jon requests approval to purchase new (replacement) computer for LBV Office. (See New Business, below.)

Steve reported on Office Systems Integration:

Development of the integration of the Access Database and QuickBooks is going well on the back office PC. Additional Access screens have been created to support the creation of 2016 (and beyond) assessment invoices in QB using the property information in Access. Individual and bulk assessments can be run in either a dry mode (no invoices actually stored in QB, but details reported) or wet mode (invoices are created in QB). A wet mode test has been run and 2016 assessment invoices are ready for Marty to examine and review. These features have not yet been installed on Marty's PC and will not be “live” until verified at which time the QODBC driver and new screens will be installed and made ready for production use. One difference in how the assessments will go out this year is that we will be sending Invoices specifically for the 2016 assessments containing a detailed breakdown of the total 2016 assessment for the member vs. previous years in which Statements were sent listing all outstanding charges. This should make it very clear how the tiered assessment structure is applied to each and every property owned by a member.

Steve presented a sample invoice. There was some discussion regarding “information” that would be included on the invoice and that no past due amounts will be on the invoice. It was suggested we consider putting a postmark deadline instead of a receipt deadline.

Jon reported that the Office has filled up the external hard drive and he has purchased and installed a new one.

Water & Sewer Liaison, Melvin Schoonover, TA – Melvin reported that the W&S Board don't want to raise the water/sewer rates and made the decision to keep rates as they are.

Related to the order of topics on the Agenda, John Wilson asked if it would not make more sense to have the reports by person and let them cover all their topics at the same time instead of bouncing between topics, in an interest of speeding the meeting up. Marty stated that currently the topics are in alphabetical order but can be arranged however the Board chooses.

OLD BUSINESS:

- Lot Sales and Lot Sales Procedures – Ken Buchheit. Last meeting it was decided that whomever the marketing TA is at the time, along with the office manager and the Board president can make lot sales decisions to avoid involving the full Board unnecessarily, in an interest of streamlining the process.

Jon asked for an update on the LBVCA Facebook page. Ken is working on it. Ken asked Ellen for a copy of the Xmas social flyer for posting on the Facebook page. She will provide it to him.

- Perpetual non-exclusive easement agreement for the Shaffners (CCA B1 41 & MOU S3 73) – Jon Testut – still pending. Waiting for attorney to finish the agreement for us.
- Status of notice to Health Department regarding people living in 12x24 shed on Aster Drive in PMR – Ken has the information but seems unable to do anything with it, however, the DHS might be able to do something but we may need our attorney to look at it. Jon responded that this should go to our Covenant Compliance Committee. Jon asked that Ken send him the name(s) of the person(s) living in the shed, but Ken said Randy has the name. Ken reported that the people there had been cited for burning on the property but the dwelling was acceptable. Per Ken, Joyce Higgins says there are hundreds of people living in the County in similar situations. As long as the dwelling has no water and is under a certain size an Occupancy Permit is not needed.
- Board of Trustee Candidates for 2016 – Jon reported that a call has been put out to the members of the Board to find possible candidates for the Board. Steve and Ellen will not be running but Melvin will. Jon asks board members to talk to friends and neighbors.
- Security and Security Cameras (for Village roads) – Phil Williamson is working on a connection for the security cameras.
- Viability of 2 older village gazebo structures – Jon reported that one gazebo is in excellent condition and ready to be moved. The 2nd one is on Luther Black's property at 127 and Slate Gap and Luther may be interested in having the gazebo refurbished and leaving it on his property which would be cleared of undergrowth around the gazebo so it would be visible as part of the village. If nothing else, Melvin asks, can we get permission from Mr. Black to tear it down since it's an eyesore right now? Jon is checking to see if the property owner across Slate Gap would be interested in hosting the gazebo. We might also consider putting it on Village common property at the edge of the Deerwood Subdivision.
- Procedure for Enforcement of Covenants – approving finalized procedure policy. John Wilson passed out an updated Procedures document stating he had removed references to the pushpins. Jon suggests that the letter mentioned in the narrative be a standard letter so it can be used as needed and not need creating or re-creating as needed. Ken stated that the attorney would also recommend that we have a standardized letter to avoid the appearance of favoritism. Jon asked if letters go out under President's signature. John responded yes or under the Covenant trustee's signature. Ken pointed out that the responsibility would reside with the President so it should perhaps be his signature on the letter.

Jon presented a question for Steve: we've talked about revising the Covenants (for grammar, punctuation, etc., beyond the assessment increase) -- how would that affect this document? Steve responded that the Covenant Enforcement Procedure is just a process that the Board would agree to follow so changes to the covenants would not impact it. Suggest making reference in the document to just "the Covenants" with no date parameter.

John Wilson will make one more revision to the Covenant Enforcement Procedure document, to remove the date 2015 of the Covenants.

M/S/C Steve Bray

Ken Buchheit

Unanimous

Jon will get together with Randy Haley and apply the Covenant Enforcement Procedure to Aster Drive. Jon thanked John Wilson for his efforts on this document, which has had 10 revisions. (John will also remove all the "revision" references and make it Nov. 2015.)

Tabled Items from Previous Meeting(s)

- Property surveys for new home construction – This topic was handled in a prior meeting.
- ACC project process and Benton County – Per Jon, as of this afternoon, he has received a copy of the primary document that shifted control of inspections from LBV's ACC to Benton County. It was done in 2013 under Gary Hearron's chairmanship. The document says we were giving up the inspection process to Benton County. However, once the process is started at Benton County's level we have no way to interrupt the process (e.g., if someone is not in compliance with LBVCA), and BC can issue an Certificate of Occupancy ("CO") as long as the owner has met BC inspection criteria. Our only recourse is to withhold the Performance Deposit (\$5000 on a new home) and apply it to legal fees to obtain satisfaction from the owner. The ACC is proposing that a new document be part of the initial process saying that legal penalties may be imposed if the owner is in non-compliance with the ACC inspections. Note: LBVCA is no longer doing our own inspections because 1) we have no volunteers willing to do it and 2) we no longer wish to be put in a liability position. John Wilson pointed out that if the lender were to know there were a covenant violation or lien on the property we could perhaps spend \$100 and have the attorney write a letter to the mortgage holder in order to get things going. Jon agrees we could take that route but the hope is that we would not have to take that step. Most people do comply and they get their performance deposit back. The lien option is probably one of the options we'll include in the penalty document that Jon is asking the attorney to prepare. John pointed out that the forfeiture of the \$5000 deposit would be more than enough money to take a legal step at that point. Ken suggests that the penalty document could be good to have at the initial ACC/Owner meeting. John – if a homeowner hasn't complied this goes to the Covenant Enforcement Procedures.
- Quorum Court attendance – Tabled until next meeting.
- Refurbishing targeted Covenant Violation properties – Jon will meet with Randy and John W to select some targeted properties and make plans to move forward next year.

New Business:

- Appointment of new ACC member, Jim Haguewood – Jon reported that the Board needs to accept or reject the candidate. Motion was made that Jim Haguewood be accepted as a new member to the ACC:

M/S/C

John Wilson

Ken Buchheit

Unanimous

- ACC's inability to conform to CCR&R (LBV Covenants) final inspection requirements pertaining to the issuance of Certificate of Occupancy – Jon pointed out that the ACC is now in violation of the covenants in that they're now no longer able to issue the Certificate of Occupancy because that

is now the responsibility of Benton County. Steve pointed out that the Covenants are subservient to governmental agencies. It's moot because the County has taken on that responsibility. John W – the ACC could still issue a compliance document for owners who comply. Steve: the Covenants cannot override a governmental agency. There was further discussion on this with reference to the Covenants. Steve says we handed this responsibility over to the County and the County is now our agent. Ellen – probably not something that needs to be handled urgently but could be incorporated in next Covenant change/updating. Ken and John W will look into this for clarification.

- Request for purchase of new office computer – This was addressed at the Budget Meeting so needs no further discussion.
- Approval of Budget for 2016 – Steve asked if all board members had seen the reorganized accounts that he sent out. Jon has not seen it yet. Steve will resend this his email. Ellen suggests we need some clarity as to what specific equipment we intend to purchase. Melvin suggests another workshop meeting. John W suggests that since the financial numbers are the same as what was discussed in the budget workshop those who need clarity on the new account format could meet separately. Jon, Ellen, Steve & Marty will meet on the format issue and present them at the next Board meeting, Dec. 14th at which time the Board will approve the Budget.

Recognition of Visitors & Visitor Comments (5 minutes allotted): No comments. Ken asked the visitors, who are all from Posy Mountain, if they had any thoughts about how things are out in Posy. Corey Maish says as long as more money is coming out to Posy Mountain he doesn't need to list out complaints. Corey also understands that Rome wasn't built in a day. Debra Cline asked what roads are being worked on right now. Ken said the Maish's road is on Randy's schedule, Honeysuckle was done recently, the park area on Charolis, and down near Debra's place down by Buckeye, they are clearing some of the trees to make it look like someone's taking care of things down there. Debra commented that the Sheriff has been out several times. Corey's been watching that area as well.

Steve stated Beaver Lake Watershed is now taking requests for participation in their free tree program. Contact Courtney, who actually will be leaving BLW. Also, a reminder that it's not too early for board members to start thinking about their presentations for the Annual Meeting.

Motion to adjourn meeting: 7:46 PM.

M/S/C John Wilson Ken Buchheit Unanimous

The next Board Meeting will be December 14, 2015.

Respectfully submitted by Marty Sauer, Office Administrator.

Jon Testut, President

Steve Bray, Vice President

Ellen Rinard, Secretary/Treasurer

Randy Haley (Absent)

Melvin Schoonover

John Wilson

Ken Buchheit