



## Time For A Pool?

### Description

**Written by Lloyd Sherman**

#### Timing is questionable

We were told at the recent forum on the pool that next week the Board will have an up and down vote on the pool approval, so as a candidate seeking a position on the Board, I am compelled to provide my input. Personally, I am not opposed to the Village having a pool and I clearly understand we had one, but given that currently nearly every amenity we have is being subsidized, I seriously question the need (pointed out by proforma's presented), support this being yet another subsidized amenity. Given that, anyone looking at this from a financially responsible standpoint has to question the timing of making this investment at this time.

#### Process for projects must change

It also appears from 30,000 feet that we have been courting [only one vendor](#) for this project, which in the business world, would never fly as an acceptable approach. As a Board member, the items I would request to examine are the original Request for Proposal (RFP) and any change orders that had been added to the original RFP. I would also insist that at least three bids be submitted for evaluation. Then I would want to review the complete ROI scenarios to ensure both initial and ongoing costs have been considered. Then I would want to review the final contract prior to any approval of funding. Again, and from 30,000 feet, it appears amounts for projects are being approved by the Board before the final contract is submitted. If this is in fact happening, this process must be changed.

#### Budgets should be fluid

I have heard statements to the effect that "it's approved in the budget". I hope all understand that a budget is nothing but a planning tool and just because something is budgeted does not mean the money can or should be spent. Budgets should be living documents and subject to change based on results. I have been very clear in my disappointment on how this year's budget was produced. We

missed the revenue projections by \$2 million and then projected our 2019 budget off those failed numbers, including costs. I understand this process may change going forward, but that is not the position we find ourselves in today. Also, an investment of this magnitude at the beginning of a year before we know what actuals will be can result in a lack of investable funds later in the year

#### **Better to kick can at this time?**

In summary, having a pool is desirable, but not a necessity. Having drivable roads is a necessity. I heard at this meeting that we may look at financing the “culvert” issue brought up at last month’s Board meeting. If remaining a somewhat debt free organization is desirable, then this thought process needs considered long and hard before that decision is made. The number of \$9 million was not manufactured and the number came from a Board member at the meeting where Jason made the announcement. I understand the desire not to kick the can down the road, but have to ask by not kicking the pool issue down the road until a new Board is seated (five of which will have to live with the decision made by the outgoing Board) is potentially kicking a financial issue down the road that this group will have to deal with. I am not in support of this expenditure at this time until our cash and cash equivalents cease being depleted and our reserves are built to a reasonable level.

My comments are not intended as criticism but the type of input and decision-making I would be bringing to the table if on the Board. The job of the Board is often a thankless job and regardless of what is said, your willingness to serve is appreciated.



**Lloyd Sherman, HSV**

This is an email to the Board of Directors of Hot Springs Village, Property Owners’ Association, written by [Lloyd Sherman](#) March 14, 2019.

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