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To: Board of Directors
From: John Paul, Interim General Manager
Date: October 20, 2021
Re: General Manager's Report

- **Assessment Vote:** Proxies were mailed to all property owners in good standing on Friday, October 8th to vote on the increase in monthly assessments. This vote is in accordance with the Board's Motion on August 25th, 2021, to ask property owners to increase monthly assessments by the amounts stated in Option 1 of the FRATF recommendations. The Membership Meeting is scheduled for Monday, November 15th from 9:00 a.m. until 4:00 p.m. at the Ouachita Building. We have chosen auditing firm EGP, PLLC to complete the vote process on our behalf. Members have the option to mail in their proxy to the auditing firm or can vote in person at the Membership Meeting if they choose. Results of the vote will be announced on November 15th after voting commences.
- **Balboa Club Update:** The Porte Cochere has been repaired and painted. The water lines are repaired in the kitchen, and the entrance sign has been updated. This completes the planned renovations to the Balboa Club for 2021. The Turn, Balboa Club's new restaurant, plans to expand their menu and operations by utilizing the upstairs kitchen and additional dining space soon.
- **Casa Coronado Update:** HSVPOA has executed a lease agreement with Troy and Patti McKie to operate the Casa Coronado restaurant with an effective date of November 1st. Mulligan's at Ponce will remain open and will be operated by Matt Curtis beginning in November. Once this transition is complete, HSVPOA will continue to operate Magellan Deli, and our seasonal restaurant operation at Waypoint.
- **Gate Security** continues to be a major focus. The Compliance Department is performing studies to determine options to eliminate tailgating at the satellite gates. We have recently reduced the timing on the gates, reducing the amount of time a potential tailgater would have to gain unauthorized entry. We have eliminated the pull-over lanes located directly beside the remote gates by installing safety delineators. We are also developing a plan for enhanced gate signage. These signs will improve the aesthetics at the gates and will comply with the proper verbiage to help us enforce trespassing laws for people entering the gates that are not property owners or sponsored guests.

- **The 2022 Budget** process is wrapping up, with the culmination of the Board's projected vote on the final drafts of the 2022 fee schedule and Budget Version 1 at this month's meeting. We would like to commend our Controller, Coreena Fetterhoff, and our department leaders, as well as the Finance & Planning Committee and Board of Directors, for the countless hours spent to produce an accurate comprehensive annual budget. Budget Version 2, which includes additional capital projects to complete much needed maintenance on roadways, culverts, and water and sewer systems, would be presented to the Board for approval at the November meeting if the assessment vote passes.
- **I.T. Updates:** Our IT Department continues to install new credit card machines at all HSVPOA retail locations. Staff have been able to resolve any minor issues that were experienced during the initial stages of this transition. The new machines are much more user friendly for our members.
- **The Village Men's Member – Guest Tournament** took place September 30th through October 2nd at DeSoto, Isabella, and Granada courses. This is one of our two large annual events we host during the year. 56 teams competed in the tournament.
- **Golf Rounds** continue on an upward trajectory in 2021. Rounds were up by 1,000 over September 2020 and by 14,600 rounds YTD over 2020.
- **Lot Next Door Program:** We have implemented a program to identify POA-owned properties that are located next to homes and to contact these homeowners to inquire whether they would like to purchase the properties before we start marketing them for sale to the public. This new program has currently resulted in two lot sales out of 50 letters sent. This program is part of our overall implementation of lot strategy for POA-owned properties.
- **2021 Discovery Package sales** have been very positive. In September, we sold 23 packages, with a conversion rate of 24%. YTD, we have sold 165 packages, for a total conversion rate of 14%.
- **The Compliance Department** reports that through September, they have issued 1316 permits. The department issued 1282 for all of 2020, so we have already surpassed last year's totals. As of September, they have issued 109 new home permits YTD as opposed to 56 in 2020. We are on track to reach our 2021 goal of 125 new home permits by end of year.
- **First Electric Cooperative** is scheduled to begin the broadband expansion project on the eastern side of Hot Springs Village on November 1st. Once completed, this project will make high speed broadband internet services available to all Saline County residents in Hot Springs Village. Our staff is working closely with First Electric during the essential planning stages of this project to minimize any damage to our underground lines during the installation process. First Electric plans to complete the project in approximately 12 months. There will be a town hall meeting on November 9th at 2:00pm at the Coronado Center to discuss the implementation and to answer questions and concerns.

- **The POA equipment auction** is scheduled to take place Saturday, October 23rd, from 10:00 a.m. until 2:00 p.m. at 104 Deposito Paseo Lane. The auction includes vehicles, equipment, and office furnishings owned by the POA that are no longer of use. We have held these auctions in the past to bring in revenue for items that are no longer in use at the POA. The auction has garnered a good deal of interest with our members.