Hot Springs Village Property Owners Association (HSVPOA)
Policy Guide

CHAPTER ONE - GENERAL ADMINISTRATION 1

ARTICLE 1 - PERSONNEL POLICY 1

SECTION 1 - HANDBOOK ADMINISTRATION 1

SECTION 2 - HANDBOOK COMPLIANCE 1

SECTION 3 - DEFINITIONS 1

SECTION 4 - COMPETITIVE MARKETPLACE 1

SECTION 5 - HANDBOOK AMENDMENT 1

SECTION 6 - EQUAL EMPLOYMENT OPPORTUNITY 1

SECTION 7 - EMPLOYEE STATUS 1

SECTION 8 - GM EMPLOYMENT AGREEMENT 1

SECTION 9 - GM ANNUAL PERFORMANCE 2

SECTION 10 - CONFIDENTIALITY 2

ARTICLE 2 - VEHICLE ASSIGNMENT & USE 3

SECTION 1 - HSVPOA VEHICLE USAGE 3

SECTION 2 - VEHICLE ASSIGNMENT 3

SECTION 3 - REIMBURSEMENT FOR PERSONAL VEHICLE USE 3

SECTION 4 - REQUIREMENTS 3

ARTICLE 3 – REFUNDS OF ANNUAL FEES 4

ARTICLE 4 - HSVPOA IDENTIFICATION CARDS 5

SECTION 1 - GENERAL 5

SECTION 2 - DEFINITIONS 5

SECTION 3 - HSVPOA IDENTIFICATION CARD POLICIES 5

SECTION 4 - ASSIGNMENT OF PRIVILEGES 5

Severability: Whenever possible, each provision of this Policy Guide shall be interpreted in such manner as to be effective and valid under applicable law. But if any provision of this Agreement is held to be prohibited by law or otherwise determined to be invalid, illegal, or unenforceable by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other individual, entity, or application of the provisions of this Policy Guide. And this Policy Guide shall be reformed and construed only to the extent necessary to make such provision valid, legal, and enforceable. Furthermore, this Policy Guide shall be enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

SECTION 5 - HSVPOA IDENTIFICATION CARD CLASSIFICATIONS 6
SECTION 6 - MANAGEMENT CONTROLS 7
SECTION 7 - AUTHORITY 7
ARTICLE 5 - MANAGEMENT CONTROL 8
SECTION 1 - GENERAL 8
SECTION 2 - BOARD OF DIRECTORS 8
SECTION 3 - GM MANAGEMENT 8
ARTICLE 6 - COMMUNICATIONS 9
SECTION 1 CENTRALIZATION 9
SECTION 2 - BRANDING AND CONTENT 9
SECTION 3 - FORMATTING 9
ARTICLE 7 - MASS EMAIL 10
ARTICLE 8 - RECORDS AVAILABILITY 11
SECTION 1 - REQUESTS 11
SECTION 2 - AUTHORIZED AGENCIES 11
SECTION 3 - EVALUATION 11
SECTION 4 - DENIALS & APPEALS 11
ARTICLE 9 - RULES VIOLATION, VERBAL/PHYSICAL ABUSE OR ABUSE OF PROPERTY 12
SECTION 1 - GENERAL 12
SECTION 2 - RULES VIOLATIONS 12
SECTION 3 - VERBAL OR PHYSICAL ABUSE 12
SECTION 4 - ABUSE OF PROPERTY 12
SECTION 5 - OBTAINING COMPLIANCE 12
SECTION 6 - PENALTIES AND APPEALS 13
ARTICLE 10 - CONDUCT 15
SECTION 1 - CONDUCT 15
SECTION 2 - MEMBERSHIP & GATE CARDS MISUSE 15
ARTICLE 11 - INFORMATION SYSTEMS 16
SECTION 1 - PURPOSE 16
SECTION 2 - RESPONSIBILITY 16
SECTION 3 - PERSONAL COMPUTER SYSTEMS 16
SECTION 4 - COMPUTER AND TELECOMMUNICATIONS USER RESPONSIBILITIES/RULES 16
ARTICLE 12 - INSURANCE CLAIMS & LITIGATION 18

SECTION 1 - INSURANCE CLAIMS 18
SECTION 2 - LITIGATION 18
ARTICLE 13 - SAFETY 19
SECTION 1 - COMMITMENT 19
SECTION 2 - PROVISIONS 19
SECTION 3 - REFERENCE MANUAL 19
ARTICLE 14 - ADMINISTRATIVE FINES REVIEW & APPEALS 20
SECTION 1 - PURPOSE 20
SECTION 2 - ENFORCEMENT PROVISIONS 20
SECTION 3 - REVIEW PROCESS 20
SECTION 4 - APPEAL PROCESS 20
CHAPTER TWO - FACILITIES & AMENITIES 22
ARTICLE 1 - GENERAL 22
ARTICLE 2 - DESOTO RECREATION AREA, PONCE DE LEON, & CORONADO COMMUNTITY CENTER USE 23
SECTION 1 - SMOKING 23
SECTION 2 - ALCOHOL 23
SECTION 3 - RENTAL, RESERVATIONS, RATES, SCHEDULES, & ENTRY FOR EVENTS 23
ARTICLE 3 - ART DISPLAY 24
SECTION 1 - GENERAL 24
SECTION 2 - DISPLAY CASES AT CORONADO COMMUNITY CENTER 24
SECTION 3 - DISPLAYS IN OTHER FACILITIES 24
ARTICLE 4 - FOOD & BEVERAGE SERVICE 25
ARTICLE 5 - TOURNAMENTS 26
ARTICLE 6 - COMMON PROPERTY, FOREST & WILDLIFE 27
SECTION 1 - PERMITTING 27
SECTION 2 - WILDLIFE MANAGEMENT 27
ARTICLE 7 - SIGNAGE 28
SECTION 1 - GENERAL 28
SECTION 2 - TYPES OF SIGNAGE 28
ARTICLE 8 - LAKES 29
SECTION 1 - AUTHORITY 29
SECTION 2 - PURPOSE & INTRODUCTION 29
SECTION 3 - BUOYS 29

SECTION 4 - HERBICIDES 29
SECTION 5 - LAKE MAINTENANCE 29
SECTION 6 - BOAT/TRAILER REGISTRATION 29
ARTICLE 9 - MEMORIALS ON COMMON PROPERTY 30
SECTION 1 - GENERAL 30
SECTION 2 - AUTHORIZATION 30
SECTION 3 - TYPES OF MEMORIALS 30
SECTION 4 - PLACEMENT OF MEMORIALS 30
SECTION 5 - FUNDING & MAINTENANCE 30
SECTION 6 - REMOVAL AND/OR RELOCATION CLAUSE 30
CHAPTER THREE - PUBLIC SAFETY 32
ARTICLE 1 - INGRESS & EGRESS 32
SECTION 1 - GENERAL 32
SECTION 2 - DEFINITIONS 32
SECTION 3 - AUTHORITY 33
SECTION 4 - ENFORCEMENT 33
ARTICLE 2 - FIRE 34
SECTION 1 - PURPOSE 34
SECTION 2 - REGULATIONS 34
SECTION 3 - ENFORCEMENT 36
ARTICLE 3 - FIRE RESPONSE OUTSIDE HOT SPRINGS VILLAGE BOUNDARIES 37
SECTION 1 - PURPOSE 37
SECTION 2 - USE OF APPARATUS OUTSIDE OF HOT SPRINGS VILLAGE BOUNDARIES 37
ARTICLE 4 - AMBULANCE SERVICE 38
SECTION 1 - PURPOSE 38
SECTION 2 - FEES AND CHARGES 38
ARTICLE 5 - REGULATION AND CONTROL OF PETS 39
SECTION 1 GENERAL 39
SECTION 2 - DEFINITIONS 39
SECTION 3 - CONTROL OF PETS 39
SECTION 4 - AUTHORITY 40
SECTION 5 - ENFORCEMENT 40
ARTICLE 6 - TRAFFIC CONTROL 41

SECTION 1 - GENERAL 41
SECTION 2 - SPEED LIMITS 41
SECTION 3 - NOISE CONTROL 41
SECTION 4 - ENFORCEMENT 41
SECTION 5 - PENALTIES 41
ARTICLE 7 - DOOR-TO-DOOR SOLICITATIONS & DISTRIBUTION OF CIRCULARS HANDBILLS OR SIMILAR ARTICLES 42
SECTION 1 - PURPOSE 42
SECTION 2 - PROHIBITED ACTIVITIES 42
SECTION 3 - DEFINITIONS 42
SECTION 4 - EXCLUSIONS 42
SECTION 5 - ENFORCEMENT 43
SECTION 6 - CORRECTIVE ACTION 43
SECTION 7 - AUTHORITY 43
ARTICLE 8 - REGULATIONS GOVERNING USE OF MOTORIZED VEHICLES, OTHER THAN AUTOMOBILES & TRUCKS, ON HSVPOA ROADS & TRAILS. 44
SECTION 1 - PURPOSE 44
SECTION 2 - DEFINITION 44
SECTION 3 - REGISTRATION 44
SECTION 4 - MINIMUM AGE REQUIREMENT & LICENSE 44
SECTION 5 - SAFETY DEVICES & PROCEDURES 44
SECTION 6 - MOTORIZED VEHICLES PROHIBITED FROM OPERATING ON ROADS 45
SECTION 7 - MOTORIZED VEHICLES PROHIBITED FROM OPERATING ON TRAILS 45
SECTION 8 - ENFORCEMENT 45
ARTICLE 9 - ESTATE & AUCTION SALES 46
SECTION 1 - GENERAL 46
SECTION 2 - DEFINITIONS 46
SECTION 3 - AUTHORITY 46
SECTION 4 - ENFORCEMENT 46
ARTICLE 10 - FIREWORKS REGULATIONS 47
SECTION 1 - ENFORCEMENT 47
SECTION 2 - CORRECTIVE ACTION 47
ARTICLE 11 - CONTROL OF LITTER & TRANSPORTATION OF DEBRIS & REFUSE 48

SECTION 1 - RESPONSIBILITY OF HAULERS 48
SECTION 2 - ENFORCEMENT 48
SECTION 3 - AUTHORITY 48
ARTICLE 12 - REGULATION GOVERNING THE DISCHARGE OF FIREARMS & ARCHERY EOUIPMENT 49
SECTION 1 - REGULATION 49
SECTION 2 - DEFINITIONS 49
SECTION 3 - ENFORCEMENT 49
SECTION 4 - CORRECTION OF VIOLATION 49
SECTION 5 - EXCLUSIONS 49
SECTION 6 - AUTHORITY 49
ARTICLE 13 - FALSE ALARMS 50
SECTION 1 - DEFINITIONS 50
SECTION 2 - FEES & FINES 50
ARTICLE 14 - EMERGENCY OPERATIONS 51
SECTION 1 - EMERGENCY OPERATIONS PLAN 51
SECTION 2 - PLAN CONTENTS 51
SECTION 3 - AVAILABILITY 51
SECTION 4 - CONFORMITY 51
SECTION 5 - BUDGET 51
SECTION 6 - TESTING 51
SECTION 7 - REVISIONS 51
CHAPTER FOUR - PUBLIC SERVICES 52
ARTICLE 1 - PRIVATELY OWNED WASTEWATER COLLECTION SYSTEM 52
SECTION 1 - PURPOSE 52
SECTION 2 - INSPECTING AGENCY 52
SECTION 3 - RESPONSIBILITY OF THE PROPERTY OWNER 52
SECTION 4 - RESPONSIBILITY OF HSVPOA 53
SECTION 5 - FEES & CHARGES 53
ARTICLE 2 - CROSS-CONNECTION CONTROL PROGRAM HSVPOA PUBLIC UTILITIES (ADH PWS # 208) 54
SECTION 1 - INTENT 54
SECTION 2 - PURPOSE 54
SECTION 3 - DEFINITIONS 54
SECTION 4 - OPERATING CRITERIA 55

SECTION 5 - FACILITIES REQUIRING BACKFLOW PREVENTION 55
SEcTION 6 - APPROVAL OF BACK FLOW PREVENTION DEVICES 56
SECTION 7 - NON-COMPLIANCE, SERVICE TO BE DISCONTINUED, NOTICE, CONSENT TO ENTER 56
SECTION 8 - OWNERSHIP 57
SECTION 9 - INSTALLATION & COSTS 57
SECTION 10 - TESTING & MAINTENANCE 57
SECTION 11 - COMPLIANCE 57
ARTICLE 3 - WATER SERVICE & USE 58
SECTION 1 - PURPOSE 58
SECTION 2 - RESPONSIBILITY OF HSVPOA 58
SECTION 3 - RESPONSIBILITY OF MEMBER/OWNER 58
SECTION 4 - FEES & CHARGES 58
SECTION 5 - SECURITY DEPOSIT 58
SECTION 6 - RESPONSIBILITY OF COMMERCIAL OWNER 58
ARTICLE 4 - SOLID WASTE MANAGEMENT 59
SECTION 1 - PURPOSE 59
SECTION 2 - DEFINITION 59
SECTION 3 - GENERAL 59
SECTION 4 - CONTAINERS 59
SECTION 5 - LIMITATIONS 60
SECTION 6 - SERVICE LOCATIONS 60
SECTION 7 - OTHER SOLID WASTE SERVICES 60
ARTICLE 5 - SEWER BACKFLOW PREVENTION PROGRAM 61
BACKFLOW PREVENTION REIMBURSEMENT 61
ARTICLE 6 - ROAD RIGHT-OF-WAY 62
SECTION 1 - PURPOSE 62
SECTION 2 - DEFINITION 62
SECTION 3 - GENERAL 62
SECTION 4 - PROVISIONS 62
ARTICLE 7 - ROAD SIGNAGE 64
SECTION 1 - GENERAL 64
CHAPTER FIVE - ARCHITECHTURAL CONTROL 65
SECTION 1 - AUTHORITY 65
SECTION 2 - APPLICABLE POLICIES 65

SECTION 3 - ARCHITECTURAL CONTROL IMPLEMENTATION....66
CHAPTER SIX – GOLF....67
ARTICLE 1 – GOLF FACILITIES....67
SECTION 1 – MEMBERSHIP PRIVILEGES....67
SECTION 2 – TEE TIME RESERVATION SYSTEMS....67
SECTION 3 – COMPUTER TEE TIME ASSIGNMENT SYSTEM....67
SECTION 4 – GUARANTEED TEE TIMES, CANCELLATIONS, AND NO-SHOWS....67
SECTION 5 – USE OF GOLF FACILITIES BY NON-MEMBERS....68
SECTION 6 – COURSE RULES AND REGULATIONS....68
SECTION 7 – RAIN CHECK POLICY....68
SECTION 8 – GOLF CART POLICIES AND REGULATIONS....68
SECTION 9 – VOLUNTEER PLAYER ASSISTANT PROGRAM....68
SECTION 10 – TOURNAMENTS, LEAGUE PLAY, AND EDUCATIONAL USE....68
SECTION 11 – SUSPENSION OF ACTIVITIES....69
SECTION 12 – ORGANIZED GROUP PLAY PROGRAMS....69
CHAPTER SEVEN - AWARDS PROGRAM....70
CHAPTER EIGHT - COMMITTEES....71
ARTICLE 1 - COMMITTEE SELECTIONS PROCESS....71
ARTICLE 2 - COMMITTEE GUIDANCE....72
ARTICLE 3 - COMMITTEE OPEN MEETINGS....73
CHAPTER NINE - BOARD OF DIRECTORS....74
ARTICLE 1 - OPEN MEETINGS....74
SECTION 1 - PUBLIC MEETINGS....74
SECTION 2 - STATEMENT....74
ARTICLE 2 - BOARD MEMBER DUTIES....75
SECTION 1 PURPOSE....75
SECTION 2 BOARD OFFICER DUTIES....75
ARTICLE 3 - GENERAL MANAGER PERFORMANCE EVALUATION....77
SECTION 1 - EVALUATION PURPOSE....77
SECTION 2 - EVALUATION PROCESS....77
ARTICLE 4 - BOARD OF DIRECTORS ELECTIONS....78
ARTICLE 5 - VOTING REQUIREMENTS FOR NON-BOARD OF DIRECTOR ELECTIONS....79
SECTION 1 PROCESS....79
SECTION 2 - REQUIREMENTS....79

SECTION 3 PROXIES, TABULATION, RETENTION 79
ARTICLE 6 CONSENT AGENDA 80
SECTION 1 PURPOSE 80
SECTION 2 GENERAL 80
SECTION 3 CONSENT AGENDA 80
CHAPTER TEN – FINANCE & ACCOUNTING 81
ARTICLE 1 GAAP ACCOUNTING 81
ARTICLE 2 INVESTMENTS 81
SECTION 1 PURPOSE 81
SECTION 2 DELEGATION OF AUTHORITY 81
SECTION 3 INVESTMENT OBJECTIVES 81
SECTION 4 INVESTMENT INSTRUMENTS 81
SECTION 5 SAFEKEEPING & CUSTODY 82
SECTION 6 INVESTMENT EARNINGS 82
SECTION 7 BANKS 82
SECTION 8 REPORTING 82
ARTICLE 3 - CONTRACTS EXECUTION 83
SECTION 1 - AUTHORITY 83
SECTION 2 - LIMITATIONS 83
ARTICLE 4 - PURCHASING 84
SECTION 2 - DELEGATION OF AUTHORITY 84
SECTION 3 - COMMITMENT AUTHORITY OF APPROVED BUDGETARY SPENDING 84
SECTION 4 - CONTRACTS 84
SECTION 5 - PROJECT APPROVAL 84
SECTION 6 - EXCEPTIONS 84
ARTICLE 5 - FIXED ASSET CAPITALIZATION & DEPRECIATION 86
SECTION 1 - PURPOSE 86
SECTION 2 - FIXED ASSET DEFINITION 86
SECTION 3 - MAINTENANCE OF FIXED ASSET LIST 86
SECTION 4 - CAPITALIZATION THRESHOLDS 86
SECTION 5 - CAPITALIZATION METHOD & PROCEDURE 86
SECTION 6 - USEFUL LIFE 86
SECTION 7 - DEPRECIATION METHOD 87
SECTION 8 - RECORDKEEPING 87

ARTICLE 6 - RECORD RETENTION 88
SECTION 1 PURPOSE 88
RECORD RETENTION REQUIREMENTS 88
ARTICLE 7 EMERGENCY RESERVE FUNDS 89
SECTION 2 - DEFINITIONS & GOALS: 89
SECTION 4 - FUNDING PHILOSOPHY 90
SECTION 5 - INVESTING EMERGENCY RESERVES 90
SECTION 6 - RESERVE SHORTFALLS 90
SECTION 7 - USING EMERGENCY RESERVES 90
ARTICLE 8 - CAPITAL RESERVE POLICY 92
SECTION 1 - PURPOSE 92
SECTION 2 - ESTABLISHMENT 92
ARTICLE 9 – GOLF RESERVE POLICY 93
SECTION 1. PURPOSE 93
SECTION 2. OPERATION OF THE RESERVE 93
ARTICLE 10 - BUDGET POLICY 94
SECTION 1 - BUDGET STRATEGY & GOALS FORMULATION 94
SECTION 2 - ANNUAL BUDGET DEVELOPMENT 94
SECTION 3 - BUDGET APPROVAL 95
SECTION 4 - GM AUTHORITY 95
SECTION 5 - VOTE 95
ARTICLE 11 - AUDIT AND FUNDS CONTROL 96
SECTION 1 - ACCOUNT NAMES 96
SECTION 2 - CASH & CHECK PROCEDURES 96
SECTION 3 - EXTERNAL AUDIT 96
SECTION 4 - QUALITY ASSURANCE 96
SECTION 5 - AUDIT PRESENTATION 96
ARTICLE 12 - DEBT USAGE & MANAGEMENT 97
SECTION 1 - PURPOSES FOR WHICH DEBT MAY BE USED 97
SECTION 2 - DEBT LIMITS & COLLATERAL 97
SECTION 3 - DEBT STRUCTURING 98
SECTION 4 - SERVICE PROVIDER SELECTION 98
SECTION 5 - COMMUNICATION & COMPLIANCE 98
ARTICLE 13 - MEMBER ACCOUNTS/COLLECTIONS/BAD DEBT WRITE-OFF 100

SECTION 1 - ASSESSMENTS 100
SECTION 2 - UTILITY BILLS 100
SECTION 3 - USAGE FEES, COMPLIANCE FINES, ETC. 100
SECTION 4 - LAND FEES 100
SECTION 5 - PAYMENTS 101
SECTION 6 – DELINQUENT ACCOUNTS 101
SECTION 7 – BAD DEBT WRITE OFF 102
ARTICLE 14 - BUDGET PRIORITIZATION 103
SECTION 1 - PURPOSE 103
SECTION 2 - BUDGET ESTABLISHMENT 103
SECTION 3 - BUDGET REVIEW 104
SECTION 4 - COMPELLING NEED 104
SECTION 5 - SPECIAL ACCOUNTING TREATMENT 104
SECTION 6 - CHANGES TO THE POLICY 104
ARTICLE 15 - NEW PROPERTY OWNER BUY IN FEE 105
SECTION 1 - GENERAL 105
SECTION 2 - DEFINITIONS 105
SECTION 3 - POLICY GUIDANCE 105
SECTION 4 - POLICY EXEMPTIONS 105

CHAPTER ONE - GENERAL ADMINISTRATION

ARTICLE 1 - PERSONNEL POLICY

SECTION 1 - HANDBOOK ADMINISTRATION

The HSVPOA shall have a written Manual (Employee Handbook) administered and maintained by the General Manager (GM) that shall provide employees with information regarding their employment with HSVPOA.

SECTION 2 - HANDBOOK COMPLIANCE

The Employee Handbook shall contain provisions intended to comply with all applicable federal and state law.

SECTION 3 - DEFINITIONS

The Employee Handbook shall define and describe personnel rules and regulations including pay treatment, fringe benefit administration and grievance and disciplinary procedures that are intended to be fair and equitable among all employees. The Employee Handbook shall be within HSVPOA's ability to fund in accordance with appropriate budget approvals by the Board of Directors.

SECTION 4 - COMPETITIVE MARKETPLACE

The Employee Handbook shall be competitive in the marketplace to attract and retain employees.

SECTION 5 - HANDBOOK AMENDMENT

The Employee Handbook can be amended by the GM in compliance with the above provisions.

SECTION 6 - EQUAL EMPLOYMENT OPPORTUNITY

In order to provide equal employment opportunities to all individuals, employment decisions at HSVPOA shall be based on merit, qualifications and abilities. HSVPOA does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability, veteran status or any other characteristic protected by law.

SECTION 7 - EMPLOYEE STATUS

All hiring and changes in employee status shall be approved by the GM. The GM shall review all terminations of Division Directors with the Board of Directors prior to final action unless immediate action is otherwise warranted. Hiring for newly created positions shall be in accordance with the approved annual budget. Hiring of the GM shall be the responsibility of the Board of Directors.

SECTION 8 - GM EMPLOYMENT AGREEMENT

Compensation of the GM shall comply with the GM Employee Agreement and shall be administered by the Board of Directors.

SECTION 9 - GM ANNUAL PERFORMANCE

The annual performance of the GM shall be administered and maintained by the Board of Directors.

SECTION 10 - CONFIDENTIALITY

Personnel matters shall be considered confidential.

Adopted B.O.D. 2-21-01, Amended 1-21-09, 5-16-12, 12-19-12, 04-18-18, 01-15-20, 06-17- 20, 7-3-24, 04-16-25

ARTICLE 2 - VEHICLE ASSIGNMENT & USE

SECTION 1 - HSVPOA VEHICLE USAGE

HSVPOA personnel required to travel each day in the performance of their job may use or be assigned a HSVPOA owned vehicle for business purposes only. Personal use of any HSVPOA vehicle is not allowed, except for de minimus uses in connection with work related travel.

SECTION 2 - VEHICLE ASSIGNMENT

HSVPOA vehicles or a car allowance may be assigned by the General Manager to an employee for transportation to and from his/her home, when such is a condition of employment or required by their job duties. All appropriate Internal Revenue Service tax codes shall be followed with respect to any benefit received.

SECTION 3 - REIMBURSEMENT FOR PERSONAL VEHICLE USE

Personnel required to use their personal vehicle for business purposes will be reimbursed, using the Internal Revenue Service mileage allowance as a guide, and by established reimbursement procedures.

SECTION 4 - REQUIREMENTS

Personnel will be required to meet the personnel policies, insurance, reimbursement policies, and all other requirements as set forth in the vehicle use and credit card procedures.

Adopted 10-76 B.O.D., Amended 6-21-89, 7-25-89, 1-25-95, 7-20-05, 2-21-18, 06-17-20, 07-03-24, 04-16-25

ARTICLE 3 – REFUNDS OF ANNUAL FEES

(green fee, cart lease, fitness center or Coronado tennis)

A refund will be given in case of death, to be prorated monthly from the month after death and paid to the surviving spouse or estate. A refund will be given in case of a permanent medical disability for duration of fee year with a statement from his/her physician, (medical information will not be stored by HSVPOA) to be prorated monthly from the month after disability. Prorated is defined as annual fee divided by 12 months then multiplied by number of full months to the end of the calendar year.

The permanent medical disability refund is a one-time occurrence and the Property Owner forgoes the ability to purchase the same annual fee pass for any future year.

Disabilities that are not permanent do not qualify for a refund.

A prorated refund will be given to employees of HSVPOA with a hire date after date of purchase of annual fee and within the same calendar year. Refund must be in the form of a credit to employee's HSVPOA account.

New volunteers are not eligible to receive annual refunds.

Property Owner refunds must be requested in writing to the Controller. Prorated refunds will not be considered for anything other than an annual fee listed above.

HSVPOA employee refunds must be requested by the employee's supervisor and approved by the Human Resources Department and General Manager.

BOD approved: 12-16-09, 05-18-16, 06-17-20, 06-15-22, 07-03-24, 04-16-25

ARTICLE 4 - HSVPOA IDENTIFICATION CARDS

SECTION 1 - GENERAL

Identification cards for members, guests, visitors, and others will be issued so as to facilitate entry into Hot Springs Village by those authorized to do so.

SECTION 2 - DEFINITIONS

A. Member, as defined by the Declaration Article III, Section 1
B. Member in Good Standing, as defined by the Bylaws Article I, Section 9
C. Assignee, anyone who is not a Member but assigned limited membership privileges on an "Assigned Privilege Designation Form".
D. Membership Transfer Fee, an administrative service charge for any membership change from a recorded deed
E. Assignment Fee, an administrative service charge for any assignment in membership privileges

SECTION 3 - HSVPOA IDENTIFICATION CARD POLICIES

A. Issued at the HSVPOA Administration office to all having authorization to enter Hot Springs Village.
B. Two types will be issued, a photo, and a non-photo.
C. The issuance of all HSVPOA Identification Cards is contingent upon the Member being in good standing.
D. Membership cards are to be issued to one household per lot or living unit, as described in Section 3(f) of Article VIII of the Declaration.
E. Except where noted, the HSVPOA Identification Cards give unlimited access to Hot Springs Village amenities and facilities owned and operated by HSVPOA at the published rate for the card classification.
F. Privilege Designations may not be changed more often than annually; must comply with Section 3(f) of Article VIII of the Declaration, cannot exceed the one household restriction, and are subject to published rules and regulations of HSVPOA.

SECTION 4 - ASSIGNMENT OF PRIVILEGES

A. The Member's privileges of use of amenities and facilities is assignable. Such delegation of privileges is a matter between the Member and the Assignee. HSVPOA shall not assist the Member in obtaining assignees, nor in the collection of fees and assessments after the initiation of the assignment. HSVPOA will provide the necessary forms and guidelines to complete an assignment.
B. An "Assigned Privilege Designation Form" must be submitted along with an assignment fee charged by HSVPOA for handling such assignments.
C. Assigned Privilege Designations may not be changed more often than annually.
D. The Member's privilege of use of facilities (except ingress and egress to property) shall be suspended during the period of the assignment. An assignment shall be canceled by either party at any time upon proper notification and return of ID cards to HSVPOA.

SECTION 5 - HSVPOA IDENTIFICATION CARD CLASSIFICATIONS

A. Member, issued to those persons who are identified on the recorded deed or on the Privilege Designation Form, eligible for "Member" rate

B. Assignee, issued to those persons who are identified on an Assigned Privilege Designation Form, eligible for "Member" rate

C. Dependent, issued to those persons who meet all of the following criteria

i. are related by blood or by law to the Member/Assignee
ii. are provided living facilities by the Member/Owner
iii. are solely, or partially dependent on the Member/Assignee, and/or mentally, or physically disabled
iv. are accepted by the IRS as a dependent, eligible for "Member" rate

D. Family - Issued, upon request of Member, or Assignee, to the following who are related by blood, or law

i. Sons and Daughters
ii. Sons-in-law and Daughters-in-law
iii. Parents
iv. Grandparents
v. Grandchildren

Eligible for "Family Member" rate

E. Resident/Tenant, issued to residents who do not hold another classification of identification card, are entitled to a Long-Term Renter Card, provided that they are sponsored by a Member, or a Bonafide rental agent, eligible for "Guest" rate

F. Temporary, issued as an interim Membership Card until such time as a regular Membership Card is issued

i. This card is for a limited (dated) duration
ii. To be issued to Los Lagos owners for utilization during their time-share allotment
iii. Eligible for "Member" rate

G. Guest, issued to guests of Members and individuals with a short-term rental arrangement

i. The name of the guest, the sponsoring party and an expiration date must appear on the card
ii. The expiration date will not exceed the length of stay or term of lease and generally should not exceed thirty days
iii. Eligible for "Guest" rate

H. Visitor, issued to persons who are not Members or guests of Members, who seek to enter Hot Springs Village and have proof of authorized entry from an HSVPOA approved entity such as a church, service club, business, professional practice, or ticketed event or activity at which Visitor attendance has been approved.

i. Vendors who provide services to Members and residents are considered Visitors and must have proof of authorized entry

ii. Visitors are eligible for access only to their sponsoring entity and are not eligible for access to HSVPOA recreational amenities (unless included in a purchased event or activity)

I. Employee, issued to persons employed by HSVPOA, eligible for "Employee" rates

J. Volunteer, issued to volunteers serving HSVPOA, eligible for special rates

K. Work, issued to those persons who are working in Hot Springs Village that are not residents or Members, this identification card is only for access to Hot Springs Village, and not for recreational uses.

SECTION 6 - MANAGEMENT CONTROLS

A. HSVPOA Identification Card must be shown to an HSVPOA employee on demand for the purpose of identification and/or access to HSVPOA amenities and facilities. Additional identification procedures may be initiated from time to time by management to facilitate control and equitable use of facilities.

B. Abuse of the Guest or Visitor passes by any sponsoring party or entity could result in the revocation of privileges. These cards are not to be utilized in lieu of a work pass.

SECTION 7 - AUTHORITY

The GM and staff are responsible for the development of a standard operating procedure (SOP) to ensure the most effective and efficient implementation of the policy.

01-18-99, Adopted BOD 01-07-99, 03-24-99, 09-19-01 , Rev.0 9-20-06, Rev 10-17-07, 01-16-19, 01-15-20, 06-17-20, 12-15-21, 02-16-22, 02-21-24, 04-16-25

ARTICLE 5 - MANAGEMENT CONTROL

SECTION 1 - GENERAL

The affairs of HSVPOA shall be governed by a seven (7) member Board of Directors, elected by the Membership, and managed by the General Manager (GM), who shall serve as a non-voting member of the Board.

Management authority for the affairs of HSVPOA shall be delegated to the GM, hired by the Board for that purpose. The GM shall operate within the framework of the policies, general procedures, and budgets approved by the Board.

SECTION 2 - BOARD OF DIRECTORS

After the term expirations of the initial Board, all members are elected by the Membership for three (3) year terms. Members of the Board receive no remuneration for service.

The Board shall exercise budgetary control of HSVPOA funds and approve capital improvement programs for the development of Hot Springs Village. The Board shall review and approve operational policies proposed by management.

The Board shall sit in public session once each month to review current operation of HSVPOA, make decisions on member related requests not within the scope of established policy, and consider budgetary changes.

SECTION 3 - GM MANAGEMENT

The GM is appointed by the Board and serves at the pleasure of the Board. Individual members of the Board shall not normally assume duties in the actual daily management of HSVPOA affairs, nor individually direct any activity specifically delegated to the GM.

Management of HSVPOA is delegated to the GM who shall exercise full management authority over the daily affairs of HSVPOA. The GM, in accordance with Article 1, Personnel Policies, shall organize and employ personnel to effectively perform the functions of HSVPOA, prepare the necessary budgets, and establish controls.

Adopted 11-83, B.O.D., Reviewed 5-17-89, No change, Rev. 04-15-15, 04-18-18, 06-17-20, 4-16-25

ARTICLE 6 - COMMUNICATIONS

SECTION 1 CENTRALIZATION

A. Outward facing communications, verbal or written, shall be submitted only by the person(s) designated by the General Manager. The exception are emergency releases relating to official law enforcement, which shall be created and distributed by the Police and or Fire Department.
B. Communications derive from one account, from a compiled list of subscribed member and non-member email addresses. The subscriber list shall be maintained and updated for addition or deletion, upon the request of the recipient.
C. Normal communications consist of
    i. Weekly Digest
    ii. Public Service Bulletins
    iii. Marketing e-blasts, at the request of each department, and the approval of the GM
    iv. Board Briefs, at the request of the Board President, and created by their designee, published on an as needed basis
    v. Press Releases, as approved by the Board President or GM

SECTION 2 - BRANDING AND CONTENT

A. Outward-facing communications, verbal or written, must align with and be consistent with the branding and messaging established by the HSVPOA Marketing & Business Development, and be approved, in advance, by the General Manager or their designee.
B. Mass e-mails will not be used for political statements, expressions of personal opinion, personal business, unauthorized fundraising, solicitation or commercial promotions.

SECTION 3 - FORMATTING

A. Outward-facing communications must include the current HSVPOA logo at the top of the first page. The logo can be placed right, left or center and should be the correct color version whenever possible. Communications must be approved by the General Manger or his/her designee.
B. All outward-facing communications must include a footer, when applicable, containing, at a minimum, the date the original document was created plus the date of any revision(s).

Adopted: 9-18-24, 04-16-25, Revised 04-16-25

ARTICLE 7 - MASS EMAIL

Purpose: This policy reflects HSVPOA decision to use email as a form of communication with property owners and residents of Hot Springs Village.

To facilitate electronic communication among property owners and residents, HSVPOA offers electronic mailing list services to all property owners, residents and any other recognized group which are issued unique ID numbers.

Mass emails are electronic mailings in which the message is sent to members of various groups. Those property owners wishing to receive information must enter their email address and subscribe to receive the information/email alerts.

Email messages are limited to official HSVPOA communications and must be approved by the General Manager or his/her designee before any messages are sent.

Mass email will only be used for items related to HSVPOA. Mass emails will not be used for political statements, expressions of personal opinion, personal business, unauthorized fundraising or solicitation or commercial promotions.

Adopted 1-21-09 B.O.D., 04-15-15, 01-16-19, 06-17-20, 04-16-25

ARTICLE 8 - RECORDS AVAILABILITY

As stated in the Bylaws, Article XV, Section 1, The Books, records, and papers of the incorporated Association may be inspected by any member for proper purpose at any reasonable time.

SECTION 1 - REQUESTS

Members may request copies of records, for proper purpose, at their expense. Fees will be based on volume and staff availability.

SECTION 2 - AUTHORIZED AGENCIES

Upon proper identification, all federal, state or local agencies authorized by law shall have access to HSVPOA records. If information in excess of contact information is accessed, the affected Member(s) will be notified, if legally allowed, and informed of the identity of the party making the request.

SECTION 3 - EVALUATION

Proper purpose for access to personnel records will be evaluated by the Human Resources director. Access to all non-personnel records will be evaluated for proper purpose by the General Manager (GM).

SECTION 4 - DENIALS & APPEALS

Access denials to HSVPOA records will be evaluated by the GM. Members may appeal the GM's denial decision to the HSVPOA board.

Adopted 10-76, B.O.D., Amended 11-76, 02-21-18, 01-15-20, 06-17-20, 04-16-25

ARTICLE 9 - RULES VIOLATION, VERBAL/PHYSICAL ABUSE OR ABUSE OF PROPERTY

SECTION 1 - GENERAL

All rules, regulations and procedures for the operation of all HSVPOA facilities shall be duly enacted to ensure equitable use by all members, guests and visitors to maintain acceptable standards of operation.

It is the responsibility of all HSVPOA employees to prevent abuse of HSVPOA property and to help ensure that all members, guests and visitors abide by all HSVPOA rules and regulations. Members are responsible for the actions of their guests and visitors.

SECTION 2 - RULES VIOLATIONS

Employees who observe a rule violation shall notify the offending party and explain the correct procedure. All interactions with members, guests, or visitors must be courteous, firm, and reasonable. If the member or guest refuses to follow the direction provided, the employee shall advise that the violation will be referred to the employee's immediate supervisor. The supervisor shall then attempt to secure compliance. If cooperation is not obtained, the supervisor may direct the party to leave the facility. As soon as possible, the supervisor shall notify the General Manager (GM), Human Resources (HR), and the Community Support Manager of the incident and prepare a written report. The GM will make the final decision on whether to issue a warning, suspend the member's privileges, and/or trespass the member from the property. Any warning, admonishment, or trespass notice will be provided to the member or guest in writing by the Community Support Manager and will include an appeal form.

SECTION 3 - VERBAL OR PHYSICAL ABUSE

Engagement in any abusive or harassing behavior, either verbal or physical, or any form of intimidation or aggression directed at HSVPOA employees, Board members, members and all others is prohibited. Employees shall report such incidents to their immediate supervisor, prepare and submit a written HSVPOA Incident Report, and inform the Community Support.

SECTION 4 - ABUSE OF PROPERTY

An employee observing physical abuse of HSVPOA property shall immediately request cessation of such action. Failure to secure cooperation from the offending party shall be pursued in the same manner as rule violations except that expediency is much more critical where destruction or damage to property is involved.

SECTION 5 - OBTAINING COMPLIANCE

An employee shall not attempt to secure compliance by physical force. Neither shall the employee submit to verbal or physical abuse. Should such action appear imminent, the employee or supervisor should leave the area immediately and refer the matter to the Hot Springs Village Police Department (HSVPD) for further action.

Threats of violence or retribution against HSVPOA shall be pursued with all diligence as provided by law. Personal threats against individuals resulting from their performance in carrying out their HSVPOA responsibilities should immediately be reported to the HSVPD and Community Support for a determination of appropriate action.

Repeated violations shall be reported in writing to the GM through Community Support. Repetitive violations shall be sufficient cause for an immediate suspension of privileges.

Any incident or violation involving threats or violence shall be referred to the GM at the earliest possible moment after the HSVPD is notified. All employees (except HSVPD Officers) shall abstain from further contact upon arrival of the HSVPD at the scene. A copy of the HSVPD incident report shall be furnished to the GM upon completion.

SECTION 6 - PENALTIES AND APPEALS

Violation penalties provided in Article VIII, Section 3 (c) and (j) of the Declaration and Article III of HSVPOA Bylaws are referred to the General Manager and may determine that suspension of membership privileges, denial of access to non-members, contractors, and employees or other action is necessary.

A. An Administrative Fines Review or Appeals form will be provided to the Property Owner along with the written notice of the fine. This form must be completely filled out and returned to HSVPOA within 30 days of receipt if the Property Owner wishes to contest the fine.
B. Property Owners may request a review by the General Manager (GM) if they believe fines have been assessed in error.
C. Staff will provide any contributing documentation for GM's review.
D. GM's decision will be communicated in writing to the Property Owner within 14 days of receipt of the form. If the Property Owner wishes to appeal to the Board of Directors (Board) further, they must notify the GM using the Administrative Fines Review or Appeal Form within 10 days from receipt of the GM’s decision.
E. GM will notify the Board Chair of the Appeal and provide the completed Administrative Fines Review or Appeals Form as well as any contributing documentation for the Board's review.
F. The appeal will be decided by the Board no later than 60 days from the initial receipt of the Administrative Fines Review or Appeals form.
G. The Property Owner will be given an opportunity to present their case to the Board in person, or they can rely on the information they have furnished with the Administrative Fines Review or Appeals form.
H. The fine will be upheld unless the underlying complaint was issued improperly, or in error, or unless the appellant had no opportunity for timely compliance.
I. A written letter detailing the decision of the Board will be mailed to the property owner within 5 days of the decision.
J. The Board will state the basis for its decision on the Administrative Fines Review or Appeals form.

K. All notes and file attachments will be retained by the HSVPOA Community Support Manager as part of the official record.

L. The decision of the Board of Directors will be final.

Adopted 10-76, B.O.D., Amended 11-76, 4-25-90, 01-16-19, 06-17-20, 11-18-20, 12-21-22, 04-16-25, 08-26-2026

ARTICLE 10 - CONDUCT

SECTION 1 - CONDUCT

All who enter the gates of Hot Springs Village are expected and required to conduct themselves in a reasonable, lawful and courteous manner at all times. By Policy members are responsible for the conduct of their guests. Conduct contrary to this requirement will subject the person(s) to punishment by suspension of privileges in accordance with Article VIII, Section 3(J) of the Declaration and Protective Covenants and Article III of HSVPOA Bylaws. The requirement shall apply to all household persons of such members or guests.

SECTION 2 - MEMBERSHIP & GATE CARDS MISUSE

Membership cards and cards issued for the operation of the electric entrance gates are for use only by the person to whom the card is issued.

Misuse of a membership card or a gate card is in violation of Article VII Section 3 c) and f) of the Declaration. Violators are subject to possible suspension for a period not to exceed thirty (30) days under Article III of the Bylaws.

The use of electronic gate cards that are attached to a lot that is more than ninety days delinquent will be suspended. When the assessment account returns to good standing the electronic gate cards will be reinstated.

Adopted 3-23-83, B.O.D., Amended 5-17-89, 4-25-90, 6-17-09, 04-16-25

ARTICLE 11 - INFORMATION SYSTEMS

SECTION 1 - PURPOSE

The intent is to safeguard the HSVPOA Information System against loss, damage, misuse, compromise, and system failure. This policy also includes all forms of HSVPOA owned electronic communications and computing devices including, but not limited to, electronic mail, internet services, voice mail, cellular communications, personal computers, network servers, cellular/mobile phones, and all other information technology devices used to communicate or transmit HSVPOA owned information.

SECTION 2 - RESPONSIBILITY

The Information Technology Department is responsible for ensuring proper handling, and maintaining confidentiality, integrity, and availability of all of its network resources and data.

SECTION 3 - PERSONAL COMPUTER SYSTEMS

The departmental users are responsible for the proper handling of computer equipment, maintaining the confidentiality of the information contained within the software and files they use, and ensuring that overall information security is properly maintained in their usage of those computer resources.

SECTION 4 - COMPUTER AND TELECOMMUNICATIONS USER RESPONSIBILITIES/RULES

Computers, and telephones provide access to resources on and off HSVPOA premises, and the ability to communicate with other users. Such open access is a privilege, and requires that individual users act responsibly. Users must respect the rights of other users, respect the integrity of the systems and related physical resources, and observe all laws, regulations, security best practices, and contractual obligations.

Users will protect the confidentiality and privacy of computer data, including personnel information, individual property owner financial information and any other personally identifiable information (PII) protected by applicable law. All electronic communications transmitted, received and stored are the property of HSVPOA, as allowed by applicable law.

HSVPOA management reserves the right to access personal computer files, emails, and other network communications as appropriate and necessary to protect the integrity and confidentiality of the systems. HSVPOA may audit accounts that are suspected of unauthorized use or misuse, or that have been compromised, corrupted or damaged.

Examples of misuse include, but are not limited to, the activities in the following list.

A. Using a computer or user account without authorization
B. Breaking into other user accounts: for example, using password-guessing or other password-stealing programs

C. Using the HSVPOA Network to gain unauthorized access to any computer systems within or outside the HSVPOA network
D. Sabotaging normal operation of computers, terminals, peripherals, or networks
E. Installing, running, or providing to other users malicious software intended to damage computing resources or compromise data security
F. Attempting to circumvent data protection schemes or uncover security loopholes
G. Violating terms of applicable software licensing agreements or copyright laws
H. Deliberately wasting computing and other information resources
I. Using any electronic, or voice communications to slander or harass others
J. Forging electronic communications from other users
K. Masking the identity of an account or machine
L. Posting online materials that violate existing laws
M. Unauthorized monitoring or tampering with another user's electronic communications, or reading, copying, changing, or deleting another user's files or software without the explicit approval of the Information Technology Department, within the limits of applicable laws
N. Use of any HSVPOA information systems in a manner that violates local, state, or federal laws
O. Altering any computer system, network server, networking device or any other computing resource without the explicit permission of the Information Technology Department
P. Using HSVPOA computing and communication resources to attempt to gain unauthorized access to any outside entity, vendor, or partner networks, data, or computers

Adopted 7-28-82, Amended 10-22-97, 9-12-01, 10-17-01, 05-19-21, 04-16-25

ARTICLE 12 - INSURANCE CLAIMS & LITIGATION

Contract execution policy and related spending limits in Chapter 9, Article 2 shall govern decisions to enter into agreement or litigation under this policy.

SECTION 1 - INSURANCE CLAIMS

Through its daily operations, the Corporation is subject to claims being filed against a direct liability or a liability against its insurance. The GM or their designee is assigned the responsibility to manage and control the disposition of claims.

SECTION 2 - LITIGATION

A. Delinquent Assessments - All legal action necessary to pursue the collection of assessments is to be administered by the GM under the provisions of applicable federal and state law, the Declaration, Bylaws and Policies.
B. Enforcement of Declaration and Governance Policies - Any legal action required to pursue the enforcement of the Protective Covenants, Bylaws, and Policies of HSVPOA must receive the prior approval of the Board of Directors. Enforcement of Operational Policies shall be administered by the GM.
C. Personnel - All legal action related to personnel under the GM's authority shall be pursued by the GM, in coordination with the HR Director and an Employment Law attorney. Legal matters relating to the GM's employment are pursued by the Board of Directors.
D. Damages - All legal action necessary to pursue the collection of damages is to be administered by the GM under the provisions of applicable federal and state law and within the spending authorities stated in Chapter 10, Article 3.
E. Litigation Defense – Any litigation, naming HSVPOA as a defendant, shall be managed by the HR Director, working in close coordination with the GM and the Board of Directors.

5-15-89, 9-12-01, 10-17-01, 6-11-03, Approved 7-16-03 BOD, 04-15-15, 2-21-18, 1-16-19, 06-17-20, 04-16-25

ARTICLE 13 - SAFETY

SECTION 1 - COMMITMENT

The health and safety of employees, guests, and property owners on HSVPOA. property are of the utmost concern. It is the policy of HSVPOA to strive for the highest level of safety in all activities and operations. HSVPOA is committed to comply with all health and safety laws applicable to our business. Employees will help ensure that public and work areas are free of hazardous conditions.

SECTION 2 - PROVISIONS

HSVPOA will make every effort to provide the safest possible working conditions that are in compliance with industry standards, federal and state laws. Employees are expected to be equally conscientious about workplace safety. This includes proper work methods, reporting potential hazards, and alleviating known hazards. HSVPOA provides its employees required and appropriate personal protective equipment relative to their job.

SECTION 3 - REFERENCE MANUAL

HSVPOA shall have a written safety procedural manual administered and maintained by the General Manager. The procedures shall contain provisions intended to comply with all applicable federal and state laws.

9-14-01, 10-17-01, 04-16-25

ARTICLE 14 - ADMINISTRATIVE FINES REVIEW & APPEALS

SECTION 1 - PURPOSE

The intent of this policy is to provide a process by which members may contest administrative fines assessed by HSVPOA or its authorized representatives for infractions as provided in Article VIII, Section 3, paragraph (j) of the Hot Springs Village Declaration; Protective Covenants; published policies**,** rules and regulations.

SECTION 2 - ENFORCEMENT PROVISIONS

It is the intent of HSVPOA to use all available remedies at its disposal to seek correction of violations. Any Property Owner having been notified in writing of being charged any monetary penalty shall have the right to contest such by written notification to the Community Support Manager within 30 days of receiving the written notice.

SECTION 3 - REVIEW PROCESS

A. An Administrative Fines Review or Appeals form will be provided to the Property Owner along with the written notice of the fine. This form must be completed and returned to HSVPOA within 30 days of receipt, if the Property Owner wishes to contest the fine.
B. Property Owners may request a review by the General Manager (GM) if they believe fines have been assessed in error.
C. Staff will provide any contributing documentation for GM's review.
D. GM's decision will be communicated in writing to the Property Owner within 14 days of receipt of the form.

SECTION 4 - APPEAL PROCESS

A. If the Property Owner wishes to appeal to the Board of Directors (Board), they must notify the GM using the Administrative Fines Review or Appeal Form within 10 days from receipt of the GM’s decision.
B. GM will notify the Board Chair of the Appeal and provide the completed Administrative Fines Review or Appeals Form as well as any contributing documentation for the Board's review.
C. The appeal will be decided by the Board no later than 60 days from the initial receipt of the Administrative Fines Review or Appeals form.
D. The Property Owner will be given an opportunity to present their case to the Board in person, or they can rely on the information they have furnished with the Administrative Fines Review or Appeals form.
E. The fine will be upheld unless the underlying complaint was issued improperly, or in error**,** or unless the appellant had no opportunity for timely compliance.
F. A written letter detailing the decision of the Board will be mailed to the property owner within 5 days of the decision.
G. The Board will state the basis for its decision on the Administrative Fines Review or Appeals form.

H. All notes and file attachments will be retained by the Community Support Manager as part of the official record.
I. The decision of the Board of Directors will be final.

Adopted 3-18-2020; 06-17-20, 04-16-25

CHAPTER TWO - FACILITIES & AMENITIES

ARTICLE 1 - GENERAL

A. The properties and facilities of HSVPOA are maintained for the use, benefit and enjoyment of members and guests.
B. Members in good standing of HSVPOA may request the use of designated facilities.
C. The use of HSVPOA facilities for commercial activities is permitted upon approval of the appropriate facility manager. HSVPOA reserves the right to deny rental/use of HSVPOA facilities for any activity deemed not appropriate or in the best interest of the membership.
D. All users must abide by the rules and regulations of each HSVPOA facility. All HSVPOA operated facilities are non-smoking.
E. Except for official business meetings of HSVPOA, all individuals/ organizations conducting activities at HSVPOA facilities will pay a fee in accordance with rates and schedules established by the HSVPOA Board of Directors.
F. Use of profane, obscene, threatening, or inappropriate gestures or language is prohibited within HSVPOA facilities.
G. HSVPOA staff members have authority to enforce all HSVPOA Rules and Regulations.

12-19-84. 1-28-97, 2-25-87, 2-6-02 , 2-20-02, 4-16-14, 5-18-16, 02-17-21, 04-16-25

ARTICLE 2 - DESOTO RECREATION AREA, PONCE DE LEON, & CORONADO COMMUNTITY CENTER USE

SECTION 1 - SMOKING

All HSVPOA facilities are non-smoking.

SECTION 2 - ALCOHOL

Arkansas State Liquor laws regulating DeSoto Recreation Area, Ponce De Leon and Coronado Community Center require all alcoholic beverages to be sold and dispensed by the facility. There will be no exceptions to this policy.

SECTION 3 - RENTAL, RESERVATIONS, RATES, SCHEDULES, & ENTRY FOR EVENTS

Advance reservations and a signed contract are required for rental of all facilities. All users must abide by the rules and regulations of each facility and sign a liability waiver.

Except for official business meetings of HSVPOA, all individuals/organizations conducting activities at the DeSoto Events Center, Ponce De Leon or Coronado Community Center will pay a fee in accordance with rates and schedules established by the HSVPOA Board of Directors.

Tickets purchased for events held at HSVPOA facilities may be used for security gate access.

12-19-84, 7-27-88, 8-20-91, 8-21-91, 8-28-91, 9-25-91, 10-7-91, 10-18-91,10-21-91, 10-23-91, 12-18-91, 6-26-96, 2-6-02, 2-20-02, 4-16-14, 04-16-25

ARTICLE 3 - ART DISPLAY

SECTION 1 - GENERAL

All artists/groups must contact the appropriate facility manager to request display space. There is no fee for the display, however, artists/groups must abide by all rules and regulations governing this activity.

HSVPOA disclaims any liability related to art and plaques displayed at HSVPOA facilities.

SECTION 2 - DISPLAY CASES AT CORONADO COMMUNITY CENTER

Groups will be allowed to continue their display until such time that they no longer meet at least monthly at the Coronado Community Center or until a major remodeling of the existing facility is done.

SECTION 3 - DISPLAYS IN OTHER FACILITIES

No new permanent displays of any kind will be allowed in any HSVPOA facility.

No memorabilia other than HSVPOA items will be displayed on a permanent basis at any facility.

7-24-91, 3-25-92, 4-22-92, 5-26-93, 2-6-02, 2-2-02, 3-16-05, 9-21-05, 1-19-11, 4-16-14, 5-18-16, 04-16-25

ARTICLE 4 - FOOD & BEVERAGE SERVICE

HSVPOA shall provide, under HSVPOA management or through private firms or individuals, food and beverage services at HSVPOA owned facilities.

Any HSVPOA owned facility managed through a private firm or individual will be independently operated under a separate food and beverage agreement.

These facilities are for the use and enjoyment of the membership, their guests and visitors.

Adopted 8-15-01, 1-19-11, 4-16-14, 5-18-16, 04-16-25

ARTICLE 5 - TOURNAMENTS

(Golf excluded, See Chapter Six)

A. HSVPOA will permit tournaments, leagues, meets and practices as they relate to tennis, swimming, fishing or any other applicable recreational activity. The Director of Parks and Recreation is responsible for approval of the request(s).
B. All tournaments, leagues, meets and practices will be scheduled to minimize disruption of services to the membership.
C. All tournament members and guests must abide by the rules and regulations of each HSVPOA facility. All HSVPOA operated facilities are non-smoking.
D. All fees, deposits and charges shall be in accordance with rates and schedules established by the HSVPOA Board of Directors.
E. HSVPOA reserves the authority to delay, change or cancel any activity by giving twenty- four (24) hour notice.

Adopted 6/24/81, Revised 10/23/85 B.O.D, Rev. 12/26/89, Rev. 4/25/90 Rev. 6/12/90, Rev. 6/20/90, 8/22/90, 8/30/93, 9/22/93 B.O.D., Rev. 3/23/94 B.O.D., 2-6-02, 2-20-02, 4-16-14, 04-16-25

ARTICLE 6 - COMMON PROPERTY, FOREST & WILDLIFE

SECTION 1 - PERMITTING

The Public Services Department has oversight responsibilities of all activities on common property within the boundaries of Hot Springs Village. Permitting & Inspections (P&I) issues permits and collects fees as set annually by HSVPOA Board of Directors, for the activities on common property. Issues, plans and programs related to Forestry and Wildlife Management will be forwarded to the Director of Public Services and GM for final approval. The adopted procedures and regulations comply with current HSVPOA Covenants and Restrictions.

The Common Property, Forest and Wildlife Committee reviews the following activities:

A. Class 1 Permits: General clean-up; removal of vines and shrubs; pruning and cutting of seedlings and small trees less than three inches in diameter; cutting of large trees that are hazardous, unhealthy, diseased or dead; and limited landscaping
B. Class 2 Permits: Selective cutting and/or pruning of large healthy trees
C. Class 3 Permits: Shaping under and around boat docks and lakefront property line. Should Rip-Rapping or Sea Wall construction be needed on Common Property, permits and approvals by Lakes Management and ACC is required
D. Class 4, Maintenance Permits: Removal of weeds, vines, excess leaves, debris, and shrubs; pruning and cutting of seedlings and saplings that have accumulated on common property for which the applicant has already received an approved Class1 or 2 permit or a previous maintenance permit within the preceding 12 months

SECTION 2 - WILDLIFE MANAGEMENT

Deer and Canada Geese populations need to be monitored and managed to maintain acceptable healthy levels for the protection of the herd and flock, and to protect Hot Springs Village residents, their pets, and our environment (Lakes & Golf Courses).

The feeding of Canada Geese in and around Hot Springs Village lakes and golf courses is prohibited. The feeding of deer and bears is also prohibited except during sanctioned hunts or trapping for safety reasons.

Any violations of Common Property will be governed by Community Support Department Procedures and fees, posted in the annual fee schedule.

Adopted: 2-27-96, 5-28-97, 10-22-97, 6-24-98, 9-23-98, 11-15-00, 2-6-02, 2-20-02, 10-15-03, 7-20-05, 1-16-08, 6-19-13, 2-19-15, Policy Revoked 8-15-18, Adopted 5-20-20, 7-15-20, 6-17-21, 04-16-25

ARTICLE 7 - SIGNAGE

SECTION 1 - GENERAL

HSVPOA will approve and have authority for placement of all signs and enforcement of rules and regulations for same.

All approved signs will be charged a fee and must meet the criteria set forth in the rules, regulations governing this activity.

SECTION 2 - TYPES OF SIGNAGE

A. Temporary (examples include garage sale, yard sale, estate sale, real estate sale)
B. Permanent (examples include commercial ground signs, commercial wall signs)

5-23-89, 9-9-92, 6-16-93, 6-23-93, 2-6-02, 2-20-02, 04-16-25

ARTICLE 8 - LAKES

SECTION 1 - AUTHORITY

The authority for this Lake Use Policy is the Declaration, Protective Covenants and the Bylaws of HSVPOA. All state and federal boating and fishing regulations apply to Hot Springs Village lakes. All of the rules and regulations of the Arkansas Game and Fish Commission apply to anyone fishing the lakes and streams of Hot Springs Village. The Arkansas Natural Resources Commission inspects and makes recommendations on the dams and spillways. The lakes of Hot Springs Village are private and for the enjoyment of its members, sponsored guests, renters, and eligible employees. Unauthorized usage is strictly prohibited.

SECTION 2 - PURPOSE & INTRODUCTION

A. The HSVPOA maintains the recreational lakes for the use and enjoyment of all membership and as reservoirs for irrigation of golf courses.
B. Lake Lago, the water supply lake, is the only reservoir lake in which swimming, boating and fishing are not permitted.

SECTION 3 - BUOYS

A. HSVPOA will place lake navigational aids (with or without lights, flags, etc.) to assist boaters in recognizing no wake, shoal, no ski, swim, and danger areas.
B. Property owners along the lake shore may place one (1) marker each on geothermal and irrigation lines within 28 feet from the shore to warn lake users of shallow water obstructions.

SECTION 4 - HERBICIDES

Herbicides must meet State and Federal regulations for use on waterways and be approved by the Director of Public Services. Application of herbicides to the lakes of Hot Springs Village will be supervised by the Lakes Superintendent.

SECTION 5 - LAKE MAINTENANCE

A. HSVPOA will maintain the lakes and its navigational aids on an ongoing basis.
B. All member construction activities on lakefront property require proper permitting from the Permitting and Inspections Department of the HSVPOA.

SECTION 6 - BOAT/TRAILER REGISTRATION

Boats and trailers must be registered by HSVPOA.

Adopted B.O.D. 4-26-95, Rev. 11-20-96, 11-15-00, Rev. 12-19-01 BOD, Rev. 5-17-06, 9-17-08. 10-21-09, 3-16-11, 6-15-16, 08-19-20, 04-16-25

ARTICLE 9 - MEMORIALS ON COMMON PROPERTY

SECTION 1 - GENERAL

This policy provides for the construction and maintenance of memorials by members of HSVPOA, honoring deceased members of the immediate family.

Construction and maintenance of "Memorials" on common property may be permitted under the conditions and guidelines stated below.

SECTION 2 - AUTHORIZATION

Authority for approval shall lie with the General Manager of HSVPOA.

Each project shall be considered on its merits, design and location and shall not be considered as setting a precedent.

SECTION 3 - TYPES OF MEMORIALS

Memorials shall be of such design and construction so as to enhance the aesthetics of Hot Springs Village and/or be functional, examples:

A. Benches on trails
B. Flag poles; with appropriate flag
C. Foot bridges
D. Trees
E. Flowering shrubs
F. Furnishings — picnic tables, benches, playground equipment
G. Plaques

Statues, fountains, and items requiring continuing maintenance and/or operating cost should be avoided.

SECTION 4 - PLACEMENT OF MEMORIALS

Memorials may be located on the following common properties

A. Trails
B. Parks
C. Golf courses; Memorial Trees only with the location approved by the Director of Golf.

SECTION 5 - FUNDING & MAINTENANCE

Funding shall be the responsibility of the donor of the honoree as their agent(s) and should be sufficient to cover the cost of construction, on-going maintenance and/or replacement.

Design shall be such as to require minimal maintenance by HSVPOA Beyond this, responsibility for maintenance shall be agreed upon, in writing, before commencement of the project.

SECTION 6 - REMOVAL AND/OR RELOCATION CLAUSE

Should the "Memorial" become unsightly from lack of maintenance or from deterioration, HSVPOA reserves the right of removal.

Should the "Memorial" ultimately be in the way of HSVPOA amenity expansion or new construction, HSVPOA will be responsible for relocation.

Adopted 3-27-85 B.O.D., Amended 10-29-01, 11-14-01, 2-6-02, 2-20-02, 5-18-16, 04-16-25

CHAPTER THREE - PUBLIC SAFETY

ARTICLE 1 - INGRESS & EGRESS

SECTION 1 - GENERAL

HSVPOA maintains gated entrances to Hot Springs Village to assist members, guests, visitors, and others. The number of gates, the type of gate (electronic, keyed, staffed), and the locations for each gate will be determined by operating procedures.

After properly entering gates, Hot Springs Village property owners have the unimpaired right to ingress and egress to property owned by the member.

All registered guests of members and visitors to businesses and other HSVPOA approved entities entering Hot Springs Village will be issued an appropriate temporary vehicle identification pass.

Access accommodation will be made for a person, not a Hot Springs Village property owner, whose only egress and ingress to his property is through Hot Springs Village.

SECTION 2 - DEFINITIONS

A. Member – any person owning property within Hot Springs Village. The property owner's spouse and all dependents. (Dependents defined in HSVPOA ID card policy).
B. Member in good standing – any Hot Springs Village property owner who is current in the payment of all assessments, service and use charges (no more than 60 days delinquent) and not under any suspension of privileges.
C. Guest – any Member sponsored person granted access to Hot Springs Village. Members, residents and any other entity authorized by HSVPOA may sponsor guests. The conduct and actions of a guest are the responsibility of the party declaring such person to be their guest.
D. Visitor – any person who is not a member or a guest sponsored by a member but is seeking access to Hot Springs Village and has proof of authorized entry from an HSVPOA approved entity such as a church, service club, business, professional practice, or ticketed event or activity approved for Visitors. Vendors providing services to Members and residents who do not have a Work Pass or other entry authorization are considered Visitors and must have proof of authorized entry. The conduct and actions of a Visitor are the responsibility of the entity or member granting access to the visitor. Visitors are eligible for access to their sponsoring entity only and are not eligible for access to HSVPOA recreational amenities and facilities.
E. Others – any person required by law to inspect, perform duties, oversee official activities, regulate or control facilities, personnel, or equipment in Hot Springs Village. This includes individuals required to obtain a Hot Springs Village work pass, deliver goods, or provide services.
F. Gates
    i. Electronic – any gate activated by use of an access card issued by HSVPOA
    ii. Staffed – those having personnel on duty to assist members, guests, visitors

G. Decals/Passes/Electronic Gate Cards – decals, passes, member ID and electronic gate cards are devices for controlled ingress into Hot Springs Village.

SECTION 3 - AUTHORITY

The General Manager and staff are responsible for the development of a standard operating procedure (SOP) to ensure the most effective and efficient implementation of the policy.

SECTION 4 - ENFORCEMENT

A. Any misuse, or abuse, of the privileges to use Decals/Passes/electronic Gate Cards may result in confiscation of the Decal/Pass/electronic Gate Card and/or suspension of the privilege for all Decals/Passes/electronic Gate Cards issued to the party for a period of 30 days for the first offense, and indefinitely for any subsequent abuse.
B. Tailgating another vehicle through an electronic gate is prohibited and will be considered an abuse of the card privilege. Only one car per gate activation is permitted.
C. HSVPOA shall be the enforcing agency.

1-18-99, Adopted BOD 1-27-99, 7-17-02, 6-17-09, 7-25-13, 8-21-13, 5-18-l6, 01-16-19, 06-17-20, 12-16-20, 04-16-25

ARTICLE 2 - FIRE

SECTION 1 - PURPOSE

This policy establishes guidelines for the use of construction warming fires, permanent recreational fire pits, portable outdoor fireplaces/ fire pits, and open burning to ensure safety and compliance with fire prevention standards.

SECTION 2 - REGULATIONS

A. Permits
    i. Burn permits must be obtained from the Fire Department following established procedures.
    ii. Construction warming fires must have a permit before use.
    iii. Permanent recreational fire pits require approval by the ACC, a building permit from HSVPOA, and an initial inspection by the Fire Department before being constructed. A final operating permit from the Fire Department must also be obtained prior to first use.
    iv. Portable outdoor fireplaces/ fire pits must be inspected and permitted annually.
    v. Education materials on the HSVPOA Fire Policy will be handed out with each permit issued.

A. Construction warming fires
    i. Warming fires shall not be located within 25 feet of any combustible structure or within 10 feet of a roadway. Warming fires must be contained in a noncombustible container with a spark screen arrestor.
    ii. Only vegetation and nontreated lumber will be allowed to be used for fuel. Burning of building debris, such as roofing materials, vinyl, PVC, carpet, paper, or other synthetic products, is prohibited.
    iii. Warming fires are strictly for warming purposes only. Warming fires shall be allowed when temperatures are below 32 degrees Fahrenheit.

B. Permanent recreational fire pits
    A. Permanent recreational fire pits shall not be constructed or conducted within 25 feet of a structure or combustible material.
    B. Permanent recreations fire pits are constructed of steel, brick or masonry, etc.
    C. No larger than 3 feet in diameter or 2 feet in height
    D. Protected by a spark screen arrestor
    E. Stacking of rocks is not allowed as a permanent recreational fire pit.

C. Portable outdoor fireplaces/ fire pits
    A. Portable outdoor fireplaces/ fire pits shall be used in accordance with the manufacturer's instructions and shall not be operated within 15 feet of a structure or combustible material.
    B. Portable outdoor fireplaces/ fire pits are designed to burn solid fuel, and these types of units are available at retail locations. These units are not fixed and are able to be moved.

D. Open Burning

i. Open burning (any fire not contained within a barrel or fire pit) is prohibited without a written permit from the Fire Department.
ii. Burning residential yard waste, leaves, or debris is prohibited within Hot Springs Village.

E. Attendance
i. Construction warming fires, permanent recreational fire pits, portable outdoor fireplaces/ fire pits, and open burning (where a fire is not contained) shall be constantly attended until the fire is extinguished.
ii. Not fewer than one portable fire extinguisher complying with a minimum 4-A rating or other approved on-site fire-extinguishing equipment, such as dirt, sand, water barrel, garden hose or water truck, shall be available for immediate utilization.

F. Burn Bans
i. No burning is allowed during a "burn ban" declared by the county judge of Garland or Saline Counties, or by a Hot Springs Village fire official. Burn permits will not be issued or renewed during these periods.
ii. When a “burn ban” is declared by the county judge of either Garland or Saline Counties, or by a Hot Springs Village fire official, the entire Hot Springs Village will be under a “burn ban” until the ban has been released.
iii. Fire department responses to any fire set intentionally during a burn ban may result in the issuance of a citation by the Hot Springs Village Police Department as well as a Fire Department service fee, as set by the HSVPOA Board of Directors.

G. Extinguishment authority
Where burning creates or adds to a hazardous situation, or a required permit has not been obtained, the Hot Springs Village Fire Department is authorized to order the extinguishment of the burning operation.

H. Compliance and Enforcement
i. First Violation: Any Fire Department response caused by a violation of this policy will result in a warning to the party responsible, as well as the owner (member) of the property involved. Education, as well as any outstanding required permitting will be required. The party responsible, as well as the property owner (member) of the property involved, may be subject to a service fee and/or applicable fines by HSVPOA.
ii. Second Violation: Any Fire Department response caused by a repeat violation of this policy may subject the party responsible, as well as the property owner (member) of the property involved, to all applicable fines and service fees as outlined by HSVPOA.
iii. Failure on the part of a property owner (member) to pay the service fee may result in appropriate sanctions as determined by the Board of Directors.
iv. Failure on the part of a non-property owner to pay any service fee or fine may result in cancellation of work pass privileges and/or gate card privileges.

SECTION 3 - ENFORCEMENT

A. HSVPOA Community Support is authorized to
    i. Issue warning letters to enforce compliance.
    ii. Impose all fees and/or fines for violations of this policy and the need for a Fire Department response.
B. The Board of Directors authorizes the Hot Springs Village Fire Department to enforce this policy and respond to violations.

Adopted 04-16-25

ARTICLE 3 - FIRE RESPONSE OUTSIDE HOT SPRINGS VILLAGE BOUNDARIES

SECTION 1 - PURPOSE

The purpose of this policy is to give guidance to the General Manager (GM) and Chief of the Fire Department, relative to the dispatching and use of firefighting equipment and personnel outside the boundaries of the Hot Springs Village Fire District and Hot Springs Village.

SECTION 2 - USE OF APPARATUS OUTSIDE OF HOT SPRINGS VILLAGE BOUNDARIES

Normally HSVPOA firefighting equipment and personnel shall not be dispatched outside the boundaries of Hot Springs Village/District, with exception of the following, and at the discretion of the HSVPOA Fire Chief and/or GM:

A. Forest Fires – in the event a forest fire outside Hot Springs Village is threatening Hot Springs Village property, and/or at the request of the Fire Department responding**,** or the Forest Service
B. Auto Accidents – when requested by any surrounding emergency service, HSVPOA fire personnel and equipment may respond.
C. School Buildings – HSVPOA equipment and personnel may respond to Fountain Lake and Jessieville Schools.
D. Natural Disasters – in the case of large-scale natural disaster(s), HSVPOA personnel and equipment may be dispatched to assist neighboring communities.
E. Structure Fires – HSVPOA Personnel and equipment may be dispatched when requested by responding department needing assistance.
F. Landlocked property – fires occurring on property "landlocked" by or completely surrounded by Hot Springs Village.
G. In the event a Mutual Aid fire protection pact is agreed upon by the HSVPOA Fire Chief, GM, HSVPOA Board of Directors, and neighboring Governing Boards.

7-15-92, 7-16-92, 7-22-92, 6-18-14, 01-16-19, 06-17-20, 04-16-25

ARTICLE 4 - AMBULANCE SERVICE

SECTION 1 - PURPOSE

To provide ambulance service to the residents of Hot Springs Village by contract with an Emergency Medical Service (EMS) provider that is licensed under the Arkansas Department of Health.

SECTION 2 - FEES AND CHARGES

An annual fee necessary to support the availability of at least three (3) Advanced Life Support Ambulance units at all times shall be established by the Board of Directors of HSVPOA and shall be collected on the residential HSVPOA utility bill.

The collection of fees shall be in accordance with HSVPOA utility bill collection procedures.

11-14-07, Rev. 7-21-10, 04-16-25

ARTICLE 5 - REGULATION AND CONTROL OF PETS

SECTION 1 GENERAL

The Board of Directors for HSVPOA recognizes the need for specific regulations relative to pets in Hot Springs Village and therefore agrees that a specific policy concerning unfettered movement, annoying activity; nuisance activities and animal control is hereby established.

SECTION 2 - DEFINITIONS

The following words and phrases shall have the following meaning for purposes of these regulations:

A. Animal — any description of vertebrate, excluding Homo Sapiens.

B. Animal Control Authority — the person or persons employed by HSVPOA and designated by Garland County and Saline County, as the animal control enforcement officer(s).

C. Annoying Activity — actions on the part of an animal, or pet that desecrate, destroy or damage the property of one who is not the owner.

D. At Large — any pet shall be deemed to be at large when he is off the property of his owner, and not under control of a competent person.

E. Detention Shelter — any premises designated by action of HSVPOA Board of Directors, for the purposes of impounding and retaining all animals found running at large in violation on this regulation.

F. Humane Manner — care of an animal to include, but not limited to, adequate heat, ventilation and sanitary shelter, and wholesome food and water, consistent with the normal requirements and feeding habits of the animal's size, species and breed.

G. Nuisance Activity — actions on the part of an animal that causes the peace and tranquility of the surrounding area to be disturbed, even though the animal is on the owner's premises.

H. Owner — any person, group of persons, or entity owning, keeping or harboring pets.

I. Pet — any animal owned or cared for, for pleasure or companionship or for domestic utilitarian use.

J. Restraint — a pet is under restraint within the meaning of Garland and Saline County ordinances, specific to Hot Springs Village. Any animal classified by either County District Court as Vicious shall be restrained at any time the owner of, custodian, or person with authority to control a vicious dog permits such dog to go beyond the premises of said owner with a restraint having a minimum tensile strength of 300 pounds and not exceeding three feet in length.

SECTION 3 - CONTROL OF PETS

All dogs shall at all times be under the restraint and control of the owner or a responsible person by leash while on Hot Springs Village Common and Limited property. All dogs shall be on a leash while on the Hot Springs Village trails. Dogs riding in the open bed of any vehicle are required to be controlled from exiting the

bed. Dogs are subject to being leashed upon exit from a vehicle outside the legal property limits/boundaries of the dog owner or keeper.

Restraint on Trails — Any pet on Hot Springs Village Trails shall be on a leash and under the control of their owners at all times so as to not be a nuisance or hazard to others.

SECTION 4 - AUTHORITY

The General Manager and staff are responsible for operating the shelter within the spirit of guidelines established by the Humane Society of the United States and for working with the Hot Springs Village Animal Welfare League in accordance with the then current signed Memorandum of Understanding that exists between the two organizations.

SECTION 5 - ENFORCEMENT

All federal, state and county laws and ordinances will be enforced where applicable, and charges filed in the appropriate jurisdiction. In absence of a law or ordinance, this policy will prevail and the Board of Directors will have enforcement authority as established by the Declaration.

Adopted 11-76, B.O.D., Rev. 3-20-90, 11-2-96, 7-28-99, 10-21-09, 10-17-12, 5-21-14, 5-18-16, 01-16-19, 06-17-20, 04-16-25

ARTICLE 6 - TRAFFIC CONTROL

SECTION 1 - GENERAL

Roadways of HSVPOA are private property. Traffic control shall be administered through the HSVPOA Police Department. All traffic enforcement is in accordance with the Arkansas Motor Vehicle and Traffic Laws and State Highway Commission regulations.

SECTION 2 - SPEED LIMITS

Speed limits on the streets of Hot Springs Village are established as follows, unless otherwise posted

A. Primary Roads	40 M.P.H.
B. Subdivision (Residential) Roads	25 M.P.H.
C. Unpaved Roads	25 M.P.H.
D. Main Entrance & Townhouse Areas	15 M.P.H.
E. Parking Lots- HSVPOA	5 M.P.H.

The General Manager (GM), on the recommendation of the Director of Public Services, Chief of Police and/or the Public Services Committee, may impose temporary changes in speed limits and traffic control devices. The GM or his/her designee shall notify the Board of Directors of any such change. Upon such notice, the temporary change shall become permanent after 90 calendar days, unless the Board of Directors votes to override the change during the 90-day period.

SECTION 3 - NOISE CONTROL

No vehicle with an excessively loud muffler, etc. shall be permitted to travel on the streets of Hot Springs Village. The community concept of a quiet, rural setting shall be preserved to the extent possible.

SECTION 4 - ENFORCEMENT

The Arkansas Motor Vehicle Traffic Laws and State Highway Commission Regulations have been adopted by the HSVPOA and will be enforced by the HSVPD.

SECTION 5 - PENALTIES

Violators referred to the Board of Directors shall be considered for suspension of membership privileges, denial of access (non-members, contractor, employees) or other action.

Violations referred to the Municipal Court shall be resolved at the discretion of the Municipal Judge.

Adopted 10-76, B.O.D., Amended 8-24-83, 5-2-86, 5-28-86, 7-23-86, 11-28-90, 4-27-94, 8-27-97, 7-28-99, 9-26-01, 11-14-01, 1-19-11, 7-20-11, 5-18-16, 01-16-19, 06-17-20, 04-16-25

ARTICLE 7 - DOOR-TO-DOOR SOLICITATIONS & DISTRIBUTION OF CIRCULARS HANDBILLS OR SIMILAR ARTICLES

SECTION 1 - PURPOSE

To establish guidelines restricting door-to-door solicitations and to prevent the potential of litter from random distribution of unsolicited circulars, advertising flyers and other like material.

SECTION 2 - PROHIBITED ACTIVITIES

The door-to-door solicitation for the purpose of collecting contributions; selling of goods or services; collecting data for non-government surveys; or similar activities is prohibited.

The random depositing of circulars, newsletters, advertising material, placards, business cards and similar printed products is prohibited at homes, businesses and on vehicles parked within Hot Springs Village.

SECTION 3 - DEFINITIONS

A. Advertising material, Circulars, and Placards — printed material intended for distribution to a large, unaddressed population.
B. Business cards — personalized cards commonly used by individuals engaged in business and professional endeavors.
C. Door-to-door — refers to the canvassing or contacting residents in a random, unannounced, unscheduled manner for any purpose.
D. Goods — products of all types.
E. Newsletters — those prepared and distributed by special interest groups for their members or prospects.
F. Random — having no specific pattern.
G. Services — duties or works performed for another.
H. Solicitation — the act of approaching another for the purpose of selling a product or services, eliciting information for a survey, or collecting donations, or similar activities.
I. Surveys — compilation of data pertaining to individual preferences concerning a topic, product or subject matter.

SECTION 4 - EXCLUSIONS

A. Scheduled appointments
B. Neighbors communicating with their neighbors concerning community or public service-related activities within their neighborhoods.
C. Nationally affiliated service clubs serving Hot Springs Village may make application to obtain written permission for a waiver to this policy for each requested distribution. The application must be submitted to the General Manager (GM) on the form provided by HSVPOA. All conditions imposed and decisions of the GM shall be final.

SECTION 5 - ENFORCEMENT

The GM will determine proper enforcement guided by Section 6 herein.

SECTION 6 - CORRECTIVE ACTION

A. Property owners failing to comply with the provisions of the regulation are subject to appropriate enforcement action.
B. Non-property-owning residents failing to comply with the provisions of this regulation are subject to appropriate enforcement action.
C. Persons employed within Hot Springs Village failing to comply with the provisions of this regulation are subject to appropriate enforcement action, which may include denial of access to Hot Springs Village, and forfeiture of all fees and deposits.
D. HSVPOA employees failing to comply with the provisions of this regulation are subject to appropriate enforcement action, which may include termination of employment.
E. Visitors and guests failing to comply with the provisions of this regulation are subject to appropriate enforcement action, which may include denial of access to Hot Springs Village.

SECTION 7 - AUTHORITY

HSVPOA Declaration and Protective Covenants.

11-1-00, Rev. 11/8/00, Adopted BOD 11-15-00, 3-16-11, 5-18-16, 01-16-19, 06-17-20, 04-16-25

ARTICLE 8 - REGULATIONS GOVERNING USE OF MOTORIZED VEHICLES, OTHER THAN AUTOMOBILES & TRUCKS, ON HSVPOA ROADS & TRAILS

SECTION 1 - PURPOSE

To provide regulations governing the equipping and operation of motorized vehicles other than automobiles and trucks within Hot Springs Village; to enhance safety of operators of all kinds of motorized vehicles; and to provide safety for pedestrians.

SECTION 2 - DEFINITION

For purposes of this regulation a motorized vehicle is presumed to include but not limited to the following:

A. Golf Cart
B. Motorcycle, Trail Bike, Racing Bike
C. All-Terrain Vehicle
D. Moped
E. Motor Scooter
F. Go Cart

SECTION 3 - REGISTRATION

A. Motorized vehicles regulated herein shall bear a HSVPOA Registration Decal. The decal shall be numbered and a record of registration kept in an appropriate HSVPOA office.
B. Registration period is annually (January 1st to December 31**st**).
C. Registration fee is part of HSVPOA's fee schedule as adopted by the Board of Directors.

SECTION 4 - MINIMUM AGE REQUIREMENT & LICENSE

A. Golf Carts: A person must have a valid Driver's license to operate a golf cart on Hot Springs Village roads and multi-purpose trails.
B. Motorcycles and Mopeds: State statutes apply.

SECTION 5 - SAFETY DEVICES & PROCEDURES

All motorized vehicles operated on the roads and trails of Hot Springs Village shall be equipped and operated as follows:

A. Golf carts shall be equipped with at least two front mounted headlights, white in color.
B. Golf carts shall be equipped with a pennant or colored flag of high visibility and fastened to a pole at least seven (7) feet above the ground, when operated on Hot Springs Village roads.
C. Golf carts will turn on lights when operated on the roads of Hot Springs Village.

D. All other vehicles shall be equipped with at least one front mounted headlight, white in color; and each shall be equipped with at least one rear mounted taillight, red in color.
E. Each vehicle will be equipped with a rear-view mirror.
F. Vehicle passengers should not exceed those recommended by the vehicle manufacturer.
G. Pedestrians have the right-of-way over all motorized vehicles.
H. Automobiles and trucks have the right-of-way over golf carts.
I. Motorized vehicles will turn on lights when operated on the roads of Hot Springs Village.

SECTION 6 - MOTORIZED VEHICLES PROHIBITED FROM OPERATING ON ROADS

A. Go Carts
B. Motorized vehicles not equipped as specified in Section 5 (above) or not having mufflers (i.e. trail bikes, racing bikes)
C. All-Terrain Vehicles
D. Golf carts shall not be operated on roads or sections thereof, designated by "Golf Cart Prohibited" signs.

SECTION 7 - MOTORIZED VEHICLES PROHIBITED FROM OPERATING ON TRAILS

A. Motorized vehicles of any type are prohibited from operating on any nature/walking trail.
B. Motorized vehicles having motors with a displacement of 50 cc or greater are prohibited from operating on multi-purpose trails. (Note: This does not apply to golf carts.)

SECTION 8 - ENFORCEMENT

Enforcement of the provisions of the foregoing rules and regulations will be by either or both of the following methods

A. Arkansas Motor Vehicle Traffic Laws
B. The Declaration and Protective Covenants, Article VIII, Section 3(c)

Adopted 8/22/84, Rev. 9-26-84, 7-22-87, 8-19-87, 8-26-87, 6-26-90, 7-6-90, 8-22-90, 9-16-09, 04-16-25

ARTICLE 9 - ESTATE & AUCTION SALES

SECTION 1 - GENERAL

HSVPOA shall maintain a policy of controlling estate and auction sales within Hot Springs Village. Ingress and egress of visitors to Hot Springs Village for such sales shall be regulated according to Chapter 3, Article l. The HSVPD shall control traffic issues in violation of state statutes in and around such sales, as well as vehicle parking in the vicinity.

SECTION 2 - DEFINITIONS

A. Estate or Auction Sale - Any sale involving a commercial venture in which an individual or company has been contracted for the purpose of the sale or auction, and the person or company is paid for such services.
B. Permit - A written authorization to conduct an estate or auction sale, shall be issued by the Chief of Police or his/her designee to the person or company representative conducting the sale.

SECTION 3 - AUTHORITY

The General Manager and staff are responsible for the development of a standard operating procedure to ensure the most effective and efficient implementation of the policy.

SECTION 4 - ENFORCEMENT

All federal, state, and county laws will be enforced where applicable. In absence of a law or ordinance, this policy will prevail, and the Board of Directors will have enforcement authority as established by the Declaration. Any estate or auction sale being conducted without a permit will be subject to immediate suspension.

9-17-08, 5-18-16, 01-16-19, 06-17-20, 04-16-25

ARTICLE 10 - FIREWORKS REGULATIONS

SECTION 1 - ENFORCEMENT

A. HSVPOA shall be the enforcing agency.
B. The Board of Directors empowers the HSVPD to enforce this regulation.

SECTION 2 - CORRECTIVE ACTION

Violators failing to comply with the provisions of the regulation are subject to appropriate enforcement action.

Adopted 7-28-93 BOD, 6-18-14, 04-16-25

ARTICLE 11 - CONTROL OF LITTER & TRANSPORTATION OF DEBRIS & REFUSE

SECTION 1 - RESPONSIBILITY OF HAULERS

A. To cover, or otherwise secure all contents of all vehicles in such a manner so as to prevent its load from dropping, blowing, falling off, shifting, leaking or otherwise escaping from the vehicle while traveling on HSVPOA roadways.
B. To stop immediately and pick up and remove any material that may fall along the route.

SECTION 2 - ENFORCEMENT

A. Any person, firm or corporation found violating this regulation is subject to being charged with a misdemeanor in the appropriate judicial court.
B. In addition to (A) above, the Board of Directors of HSVPOA, may, after due process, restrict the hauler from the use of HSVPOA roadways and/or restrict access to HSVPOA.
C. In addition to (A) and (B) above the Board of Directors empowers the officers and security personnel of the HSVPOA Police Department to deny access to Hot Springs Village any vehicle containing a load which is not properly secured so as to prevent the load from blowing, dropping, falling off, shifting, leaking or otherwise escaping until the load is properly secured. In addition, any vehicle bearing an unsecured load on any roadway within Hot Springs Village will be given the option of securing the load immediately or being escorted from Hot Springs Village.

SECTION 3 - AUTHORITY

A. State Statute MP/ 82-3901 ET-SEQ.
B. HSVPOA Declaration and Protective Covenants.

Adopted 9-25-85, B.O.D., Amended 7-13-94 B.O.D., Adopted 7-27-94 B.O.D., 9-26-01, 11-14-01, 04-16-25

ARTICLE 12 - REGULATION GOVERNING THE DISCHARGE OF FIREARMS & ARCHERY EOUIPMENT

SECTION 1 - REGULATION

The discharge of a firearm or archery equipment within Hot Springs Village is specifically prohibited.

SECTION 2 - DEFINITIONS

A. Firearm — any device which will expel a projectile by the action of an explosion.
B. Archery equipment — a long bow, cross bow, compound bow, or a standard bow which will propel an arrow or dart.

SECTION 3 - ENFORCEMENT

A. HSVPOA shall be the enforcing agency.
B. The Board of Directors empowers the officers of the HSVPD to enforce this regulation.

SECTION 4 - CORRECTION OF VIOLATION

All persons failing to comply with the provisions of this regulation are subject to appropriate enforcement action.

SECTION 5 - EXCLUSIONS

A. The discharge of a firearm or archery equipment in defense of life or property.
B. The discharge of a firearm or archery equipment at a public or private shooting range or gallery, including the Fenix Drive archery range.
C. The discharge of a firearm by law enforcement officers in the performance of official duties.
D. The discharge of a firearm by animal control officers in the performance of official duties.
E. The discharge of archery equipment during a HSVPOA sponsored hunt.

SECTION 6 - AUTHORITY

HSVPOA Declaration and Protective Covenants

8-8-97, Adopted 8-27-97 BOD, 5-18-16, 04-16-25

ARTICLE 13 - FALSE ALARMS

SECTION 1 - DEFINITIONS

A. Alarm — any electronic or mechanical alert system that is designed to elicit immediate response to police or fire department emergency situation.
B. False Alarm — any alarm that is activated when no emergency exists.
C. Human Error — any action, or activity on the part of a person that causes an alarm to be activated when no emergency exists.
D. Weather — any adverse climatic condition that produces effects that activate an alarm. Examples of such conditions are lightning, flooding, rain, hail, or high winds.
E. Circumstances Beyond Human Control — any act of nature such as earthquakes or ground shifts.

SECTION 2 - FEES & FINES

HSVPOA will bill businesses and private residents for police or fire department response to false alarms at their business or residence upon notification by the Department that the false alarm was not weather related or due to circumstances beyond human control. The fee schedule will allow a no charge fee for the first false alarm. The second and third false alarm fees will be according to the published fee schedule for the subject year. A 12-month period without a false alarm at a business or residence will make the business or residence eligible for another no-charge fee and the fee process will begin anew.

Adopted 12-15-99 BOD, Rev. 11-19-08, 04-16-25

ARTICLE 14 - EMERGENCY OPERATIONS

SECTION 1 - EMERGENCY OPERATIONS PLAN

HSVPOA shall have a written Emergency Operation Plan (EOP) administered and maintained by the General Manager (GM), or his/her designee, that will provide HSVPOA employees with guidance, instructions and information necessary to effectively discharge their duties during any emergency.

SECTION 2 - PLAN CONTENTS

The EOP will contain individual standard operating procedures (SOPs) for each critical area of responsibility which will contain at a minimum the following:

A. Specific instructions as to the location, activation, composition and function of an emergency operation center (EOC) ensuring the availability of emergency power and appropriate interface with amateur radio operators.

B. Designation of key staff personnel and other emergency related offices with telephone numbers.

C. Priority listing of radio/television stations that Hot Springs Village residents can rely on for HSVPOA specific information.

D. A list of equipment owned by HSVPOA that would most likely be needed and used during any emergency, a list of contractors/volunteers who could augment HSVPOA.

E. Priority listing of major roads that will be cleared.

F. Designation of primary and alternate emergency shelters with Red Cross certification including training of staff and volunteers and the identification of backup power.

SECTION 3 - AVAILABILITY

The HSVPOA will make available Village specific and general emergency self-preparedness information to Village residents.

SECTION 4 - CONFORMITY

The EOP shall conform to all Federal, State and County law.

SECTION 5 - BUDGET

The EOP shall be within the HSVPOA's ability to fund in accordance with budget approvals by the Board of Directors.

SECTION 6 - TESTING

The EOP shall be tested periodically through disaster drills or tabletop exercises.

SECTION 7 - REVISIONS

The EOP can be amended and updated by the GM in compliance with the preceding provisions. The EOP shall be reviewed and updated in October at a minimum of each year. Any amendments will be submitted to members of the Board of Directors.

3-27-01, Adopted BOD 4-18-01, 5-18-16, 01-16-19, 06-17-20, 04-16-25

CHAPTER FOUR - PUBLIC SERVICES

ARTICLE 1 - PRIVATELY OWNED WASTEWATER COLLECTION SYSTEM

SECTION 1 - PURPOSE

To establish policy and fiscal responsibility relative to the installation, maintenance and repairs of any type of pumping system aka "privately owned residential or commercial Wastewater Collection System" required to connect from a property owner's lot improvement to the "HSVPOA wastewater system" in the adjoining roadway.

SECTION 2 - INSPECTING AGENCY

All installation and equipment referred to herein must be inspected and approved by inspectors of HSVPOA under provisions of state and local plumbing code.

SECTION 3 - RESPONSIBILITY OF THE PROPERTY OWNER

A. The property owner owns all components of the wastewater collection system on their property. This includes the tank, the pump, the alarm and control panel, and all piping required to deliver their wastewater to the HSVPOA common sewer system, and any other components. The property owner shall be responsible for ensuring proper alarming of their privately owned wastewater collection system. Periodic testing (HSVPOA recommends yearly) of the system alarm by a licensed plumber or electrician is recommended. It is also recommended that property owners contact a licensed plumber about the possibility of installing a sewer popper cleanout on the line connecting their residence or building to their privately owned wastewater collection system. Any damage done to any property owner's home, building, or property as a result of a system failure of their privately owned wastewater collection system is the sole responsibility of the property owner.

B. Physical installation of any privately owned wastewater collection system shall be performed by the property owner or its designated agent, based upon specifications provided by HSVPOA.

C. The property owner of any newly constructed home shall be responsible for one (1) year from the issuance of certificate of occupancy for all parts and labor for any new privately owned residential wastewater collection system including all lines connecting from the privately owned residential wastewater collection system to the HSVPOA wastewater collection system within the adjacent right of way and shall be responsible for the pump for three (3) years after issuance of certificate of occupancy. The property owner of any privately owned commercial wastewater collection system shall be responsible for the costs of any repairs as set forth in the HSVPOA fee schedule.

D. The property owner of any privately owned residential wastewater collection system shall be responsible for any repair costs as a result of repeated damage done to the wastewater collection system due to the negligent acts of the property owner. Negligent acts include but are not limited to repeated flushing of non-

soluble wipes, rags, or excess grease into their privately owned residential wastewater collection system after receiving a written warning from HSVPOA.

SECTION 4 - RESPONSIBILITY OF HSVPOA

A. Provide specifications required for the installation of any new privately owned wastewater collection system by property owner or its designated agent.
B. Inspection and approval of the installation of any privately owned wastewater collection system by a property owner or its designated agent.
C. Repairs or replacement of any privately owned residential wastewater collection system after the expiration of any warranty period from the privately owned residential wastewater collection system to the HSVPOA wastewater system in the adjacent right of way. The HSVPOA will not be responsible for any lines connecting from the property owner's improvement to the privately owned residential wastewater collection system.
D. HSVPOA is NOT responsible for any privately owned commercial wastewater collection system.

SECTION 5 - FEES & CHARGES

Fees and charges shall be established by the Board of Directors of HSVPOA to cover necessary inspections during installation of newly constructed privately owned wastewater collection systems, for any repairs to privately owned commercial wastewater collection systems, or for any repairs required on privately owned residential wastewater collection systems due to negligent acts by the property owner.

Adopted 8-24-83 B.O.D., Rev. 9-20-89, Rev. 9-27-89, Rev. 6-28-90, Rev. 12-19-01, Rev. 08-17-22, 01-18-23, 08-16-23, 04-16-25

ARTICLE 2 - CROSS-CONNECTION CONTROL PROGRAM HSVPOA PUBLIC UTILITIES (ADH PWS # 208)

SECTION 1 - INTENT

In compliance with the State of Arkansas Rules and Regulations Pertaining to Public Water Systems, Section VII.E, the Hot Springs Village Public Utilities (PWS 208) finds it necessary for the health, safety and welfare of the people served by the water division of HSVPOA to adopt cross-connection control standards which establish the requirements for the design, construction and maintenance of connections to the public water supply.

These standards are supplemental to and do not supersede or modify the Arkansas State Plumbing Code (ASPC) and its latest revisions under which Hot Springs Village operates. This ordinance pertains to commercial and industrial establishments only. Single-family, residential dwelling units, unless involved in commercial operations, are exempt from the requirements of this ordinance except where they fall under the purview of the Arkansas State Plumbing Code (ASPC). Residential lawn irrigation is NOT exempt.

SECTION 2 - PURPOSE

A. To provide for the protection of the public potable water supply,
B. To isolate at the service connection any actual or potential pollution or contamination within the consumer's premises and
C. To provide a continuous, systematic, and effective program of cross-connection control.

SECTION 3 - DEFINITIONS

A. Backflow shall mean a hydraulic condition, caused by a difference in pressures, in which non-potable water or other fluids flow into a potable water system.
B. Backflow preventer shall mean a testable assembly to prevent backflow.
C. Double-Check Valve Assembly (DC) means a complete assembly meeting AWWA Standard C510 and the requirements of the Arkansas State Plumbing Code consisting of two internally loaded, independently operating check valves between two tightly closing resilient-seated shutoff valves, with four (4) properly placed resilient seated test cocks.
D. Reduced-Pressure Principle Backflow Prevention Assembly (RP) means a complete assembly meeting AWWA Standard C511 and the requirements of the Arkansas State Plumbing Code consisting of a hydraulically operating, mechanically independent differential relief valve located between two independently operating, internally loaded check valves that are located between two tightly closing resilient seated shutoff valves with four properly placed resilient-seated test cocks. Air Gap (AG) means a physical separation between two piping systems.

SECTION 4 - OPERATING CRITERIA

HSVPOA Cross-Connection Control Program: Handbook of Policies and Procedures is hereby incorporated into this policy by reference. It is the primary responsibility of the water purveyor to evaluate the hazards inherent in supplying a consumer's water system; i.e., determine whether solid, liquid or gaseous pollutants or contaminants are, or may pe, handled on the consumer's premise in such a manner as to possibly contaminate the public water system. When a hazard or potential hazard to the public water system is found on the consumer's premise, the consumer shall be required to install an approved backflow prevention assembly (BFP), or an air gap, at each public water service connection to the premise in accordance with this policy's requirements. The type of BFP shall depend on the degree of hazard involved. The degree of hazard shall be as described in AWWA M-14 manual or as described below.

A. Auxiliary water supplies, (wells and lake pumps) are prohibited from being connected to the HSVPOA water system.
B. In the case of any premise where substances are handled that are objectionable, but not hazardous to human health, and the likelihood exists of it being introduced into the public water system by virtue of a backflow occurrence, the public water system shall be protected by an air gap or an approved double check valve assembly (DC).
C. In the case of any premise where there is any material, hazardous to human health, which is handled in such a fashion as to create an actual or potential threat to the public water system by virtue of a backflow occurrence, the public water system shall be protected by an air gap or an approved reduced pressure principle backflow prevention assembly (RP).
D. In case of any premise where there are unprotected cross-connections, either actual or potential, the public water system shall be protected by an approved reduced-pressure principle backflow prevention assembly (RP) or an air gap at the service connection.
E. In the case of any premise where, because of security requirements or other prohibitions or restrictions, it is impossible or impractical to make a complete cross-connection survey, the public water system shall be protected by the installation of an approved reduced-pressure principle backflow prevention assembly (RP) or an air gap at the service connection.

SECTION 5 - FACILITIES REQUIRING BACKFLOW PREVENTION

The following is a partial list of facilities which ordinarily will require a reduced-pressure principal backflow prevention assembly (RP) or an air gap in accordance with the ASPC.

Requirements are based upon the degree of hazard afforded the public potable water system.

A. Automatic car washes
B. Auxiliary water systems (interconnected with the public water system) are prohibited.
C. Exterminators and veterinary clinics
D. Facilities with boilers, condenser water or chilled water systems

E. Fire systems containing chemical additives
F. Hospitals, medical clinics, dental clinics, health clinics, sanitariums, morgues, mortuaries, autopsy
G. facilities, nursing and convalescent homes
H. Irrigation systems and lawn sprinkler systems connected to potable water
I. Laboratories (industrial, commercial, photography, medical and school.
J. Commercial laundries
K. Radiator, battery shops and gas stations
L. Restricted, classified or other facilities closed to inspection
M. Sand, gravel and concrete plants
N. Wastewater treatment plants and pump stations
O. Marinas and dockside facilities
P. Commercial swimming pools

The following is a partial list of facilities which ordinarily will require a minimum of a double check valve assembly (DC) or an air gap in accordance with the ASPC

A. Tall buildings (over four stories) or any buildings with water booster pumps.
B. Beauty parlors and barber shops.
C. Hotels and motels.
D. Restaurants, cafeterias, fast-food marts and other food handling facilities.
E. Fire sprinkler systems (without chemicals).
F. Others (with suspected medium hazards).
G. Animal shelter

SECTION 6 - APPROVAL OF BACK FLOW PREVENTION DEVICES

Any backflow prevention assembly required herein shall be an approved type which is in compliance with requirements of the Arkansas State Plumbing Code.

SECTION 7 - NON-COMPLIANCE, SERVICE TO BE DISCONTINUED, NOTICE, CONSENT TO ENTER

A. In emergency situations when the public potable water supply is being contaminated or is in immediate danger of contamination the water service shall be discontinued by the water purveyor, HSVPOA.

B. No water service connection shall be installed on the premises of any consumer unless the public potable water system is protected as required by this policy.

C. Delivery of water to premises of any consumer may be discontinued by the water purveyor and if any protective device required by this article has not been installed, or is defective, or has been removed or bypassed. Discontinued water service shall not be resumed until conditions at the consumer's premise have been abated or corrected to the satisfaction of the water purveyor, HSVPOA.

D. Upon discovery of a violation of this policy, written notice shall be given to the consumer. If violations are not corrected by date and time as stated on the

notice, the water supply will be discontinued, and the violation may be referred to the administrative authority for action.

E. For the purpose of making any inspections or discharging the duties imposed by this article, the water purveyor, HSVPOA, the State Health Department, and/or plumbing inspector shall have the right to enter upon the premises of any consumer. Each consumer, as a condition of the continued delivery to his/her premises of water from the public water supply, shall be considered as having stated his/her consent to the entry upon his/her premise of the water purveyor, HSVPOA, and/or superintendent, the State Health Department, and/or Assembly Test Technician for the purpose stated herein.

SECTION 8 - OWNERSHIP

Backflow prevention assemblies installed downstream of the water meter are owned by and are the responsibility of the customer of the water utility.

SECTION 9 - INSTALLATION & COSTS

Customers of the water system requiring backflow prevention assemblies shall pay all costs associated with installation and testing of the appropriate size and type of backflow preventer under private contract. For newly constructed facilities, backflow preventers shall be installed prior to the final inspection so that the device can be included as part of the inspection. Backflow prevention assemblies shall be installed in accordance with the requirements of the Arkansas State Plumbing Code.

SECTION 10 - TESTING & MAINTENANCE

The consumer will be responsible for the testing of the backflow prevention assembly by contract with a certified Assembly Test Technician within 10 days of installation and annually thereafter. The consumer shall furnish HSVPOA Public Utilities with a certificate of satisfactory testing by the anniversary date of the installation of the assembly. In instances where HSVPOA Public Utilities and/or the plumbing inspector deems the hazard to be great enough, testing may be required at more frequent intervals. Failure to comply may result in disconnection of service.

All costs of testing shall be paid by the consumer. Any repairs required as a result of inspections or testing shall be arranged for and paid by the consumer through private contract with a certified Assembly Repair Technician. Records of inspections, testing and/or repairs to backflow preventers shall be kept by HSVPOA Public Utilities and made available to the State Health Department upon request.

SECTION 11 - COMPLIANCE

All new construction within the HSVPOA Public Utilities (PWS 208) shall be effected upon the passage of this policy. All existing consumer premises shall be in compliance with this policy in accordance with the notification by the water utility.

BOD Adopted: 08/18/2021, Rev. 04-16-25

ARTICLE 3 - WATER SERVICE & USE

SECTION 1 - PURPOSE

To establish policy relating to the provision and use of potable water via a central transmission system to residential and commercial entities.

SECTION 2 - RESPONSIBILITY OF HSVPOA

A. Only employees of HSVPOA shall shut off, turn on, repair or install water meters with the exception that an owner/resident may turn off the water supply in cases of emergency or for a short period of time to make plumbing repairs.
B. All treatment, transmission, and metering systems including:
   i. Source
   ii. Pumping Facilities
   iii. Treatment Plants
   iv. Storing Facilities
   v. Transmission Lines
   vi. Service Connections
   vii. Meters
C. Sole responsibility of installation of all of (B) above.
D. Maintenance of all of (B) above.
E. A separate meter shall be installed for each user unit.

SECTION 3 - RESPONSIBILITY OF MEMBER/OWNER

A. Cost of installation of the service line from the main to the meter.
B. Installation of service line from the meter to the residence (point of use).
C. Leaks from the meter to the point of use.
D. Interior plumbing.
E. Easy access to the meter box.
F. Easy access to all easements and right-of-way. (G) Responsible for delinquent account of tenants.

SECTION 4 - FEES & CHARGES

Fees and charges will be established by the Board of Directors of HSVPOA.

SECTION 5 - SECURITY DEPOSIT

All new accounts, including homes under construction, will be charged a deposit (no interest paid on deposit) as security against non-payment for service with HSVPOA

The security deposit will be refunded, less any final utility billings due, when the property changes ownership.

SECTION 6 - RESPONSIBILITY OF COMMERCIAL OWNER

The responsibility of HSVPOA on commercial property water leaks ends at the property line.

Adopted 6-22-83, B.O.D., Amended 4-25-84, 9-25-89 A.J.K., 12-17-90, 6-16-94, 6-22-94, 4-14-99, 4-28-99, Rev. 12-19-01, 04-16-25

ARTICLE 4 - SOLID WASTE MANAGEMENT

SECTION 1 - PURPOSE

To establish policy for solid waste collection and disposal within Hot Springs Village. Refer to the General Rules and Regulations under section 4.0 entitled "Solid Waste Management" for additional details.

SECTION 2 - DEFINITION

A. Solid Waste means all normal household trash, as well as any other non-hazardous trash or materials including yard waste that is generated by residents or businesses within HSVPOA Solid Waste Service Area.
B. Solid Waste Service Area means the area within the boundaries of the gated community of Hot Springs Village, Arkansas and any additional areas beyond those boundaries in which HSVPOA Board of Directors authorizes the collection of solid waste.
C. HSVPOA container means any residential or commercial trash can or container owned or collected by the HSVPOA.

SECTION 3 - GENERAL

A. HSVPOA shall have the exclusive right within the Solid Waste Service Area to collect, dispose of, and bill for any such services offered to residents or businesses within the Solid Waste Service Area. No individual or entity may provide any type of solid waste collection, hauling, or disposal services without written authorization of HSVPOA.
B. HSVPOA Board of Directors has the authority to impose a fee associated with the authorized third-party collection, hauling, or disposal of solid waste within the Solid Waste Service Area.
C. All residents, businesses, and rental facilities within the Solid Waste Service Area are required to subscribe to HSVPOA solid waste services unless granted written authorization by the HSVPOA.

SECTION 4 - CONTAINERS

A. Residences within the HSVPOA Solid Waste Service Area will be provided one (1) trash can that will remain the property of the HSVPOA. One (1) additional trash can may be requested from the HSVPOA for an additional monthly fee. Trash cans will be emptied weekly per a schedule provided by the HSVPOA.

B. Commercial customers within the HSVPOA Solid Waste Service Area will be provided with an appropriate commercial container that will be collected weekly per a schedule provided by the HSVPOA. Larger or additional commercial containers or additional collection days may be requested from the HSVPOA for an additional monthly fee.

C. Property owners will be responsible for the replacement cost of trash cans that are intentionally damaged beyond repair, or if the property owner removes the trash can from the property without approval. The replacement cost of the trash can will be determined per the current fee schedule.

SECTION 5 - LIMITATIONS

A. Hazardous materials will not be collected by the HSVPOA and must not be dropped off at any HSVPOA location or in any HSVPOA trash can or container.
B. HSVPOA reserves the right at any time to refuse to collect or receive any type of solid waste, if in the sole judgment of the HSVPOA, such collection is deemed to be harmful, hazardous or in violation of HSVPOA, State, or Federal regulations governing the type of solid waste involved.

SECTION 6 - SERVICE LOCATIONS

Solid waste to be collected must be placed at the times and locations outlined in the General Rules& Regulations for Solid Waste Management.

SECTION 7 - OTHER SOLID WASTE SERVICES

The HSVPOA may provide, for a fee, other solid waste services beyond that described in this policy by special arrangement per the General Rules & Regulations under Section 4.0 entitled "Solid Waste Management".

Adopted 6-22-88, Rev. 12-19-01, 2-16-11, 4-20-16, 01-26-22, 01-18-23, 02-15-23, 04-16-25

ARTICLE 5 - SEWER BACKFLOW PREVENTION PROGRAM

A. It is the responsibility of the property owner to maintain sewer service lines to the sewer main in the gravity system and to the interceptor tank or grinder tank in the pumped effluent and pressure sewer systems, respectively.

B. Backflow prevention devices are not required except where a plumbing fixture in a structure is below the grade of a manhole and above the grade of the sewer main.

BACKFLOW PREVENTION REIMBURSEMENT

Anyone who has experienced a sewer backup into their house regardless of cause will be eligible to be reimbursed by the HSVPOA for the actual cost of installing a backflow prevention device up to a maximum reimbursement of $50.00.

Adopted B.O.D. 4-18-01; Revised 01-18-23, 04-16-25

ARTICLE 6 - ROAD RIGHT-OF-WAY

SECTION 1 - PURPOSE

To establish policy relating to Road Right-of-Way and its uses to promote road and shoulder safety and proper drainage.

SECTION 2 - DEFINITION

Road right-of-way is defined as that area of common properties in recorded subdivisions dedicated to vehicle traffic, utility development, surface water drainage, and other possible uses as defined in the individual recorded subdivision record plats and the HSVPOA Covenants and Restrictions dated April 20, 1970 (Rev. 10/13/88).

The width of Road right-of-way is determined by the type of road use.

ROAD USE	WIDTH OF R-O-W	PAVED WIDTH
Arterial	140-200 feet	22 feet
Major Collector	100 feet	20 feet
Minor Collector	75 feet	20 feet
Residential	40 and 50 feet	16 - 20 feet
Frontage	30 feet	12 feet

The right-of-way on a typical road consists of a paved street with shoulders on each side, a ditch for drainage of surface water and a back slope to the existing individual lot property line.

SECTION 3 - GENERAL

The road right-of-way is owned as common property by the HSVPOA and has responsibility for road maintenance, drainage and vegetative control.

Utilities are placed upon or contained within road right-of-way and consist of water and wastewater lines, underground and overhead electrical lines, telephone utility systems, cable television facilities and appropriate equipment containers.

Property owners may construct driveways and install landscaping to the pavement edge in conformance to provisions of this policy.

SECTION 4 - PROVISIONS

A. Utility construction will require a Utility Installation Permit — issued by HSVPOA. In all instances of construction or maintenance of utilities, proper drainage must be restored, and obstructions must not be created in the road right-of-way.

B. Work in right-of-way by property owners, or their contractors - paved driveways may be constructed through road right-of-way to connect with the existing paved street area, provided the location is shown on the plot plan and is approved by the Architectural Control Committee. New driveway storm water culverts shall be of an approved material and size to ensure proper drainage along the road right of way. Consideration on sizing shall include the drainage area upstream of the proposed location as well as the largest storm water culvert upstream of the proposed installation, The builder/homeowner is ultimately responsible for

ensuring the storm water culvert size is adequate to accommodate upstream storm water runoff. In no case shall the culvert size be less than 15" in diameter. The property owner shall be responsible for maintaining and/or replacing any driveway storm water culvert to ensure proper drainage in the affected area of the right-of-way.

C. Any construction or utility maintenance within the road right-of-way must make provisions to maintain safe traffic flow and allow for emergency traffic. Damage to the road pavement or shoulders shall be repaired by HSVPOA and the actual cost shall be charged to the one causing the damage. Utility companies and the HSVPOA will return the road right-of-way to the previous existing grade. Property owners will be responsible for the replacement of private improvements, extended parking surfaces or landscaping within the road right-of-way which is removed during utility construction or maintenance. Property owners will also be responsible for removal of that which is identified as a hazard by HSVPOA.

3-31-91 , Adopted 3-26-91 B.O.D., Amended 3-27-96 B.O.D. Rev. 12-19-01, 5-18-16, 09-16-20, 01-18-23, 08-16-23, 04-16-25

ARTICLE 7 - ROAD SIGNAGE

SECTION 1 - GENERAL

The Public Services Department and the Public Services Committee have oversight responsibility for all road, traffic control and informational signage located within the road rights-of-way in Hot Springs Village.

Adopted 9-21-05; Revised 01-18-23, 04-16-25

CHAPTER FIVE - ARCHITECHTURAL CONTROL

SECTION 1 - AUTHORITY

The Architectural Control Committee (ACC) and the Permitting & Inspections (P & I) Department, have oversight responsibilities of all construction and landscaping activities within the boundaries of Hot Springs Village. The P & I Department, under the direction of the Director of Public Services, issues permits, assesses fees, and schedules inspections of construction and landscaping activities per the adopted, Rules and Regulations, and Protective Covenants. These documents are available in the P & I office and on the Hot Springs Village website at www.explorethevillage.com. The ACC, with support from P & I Department, has developed procedures, which comply with the following:

SECTION 2 - APPLICABLE POLICIES

A. HSVPOA Protective Covenants, dated April 20, 1970, and revised 10-13-1988, 4-5-201, 5-21-2014, 04-18-2018, 05-20-20, and 12-16-2020
B. HSVPOA/ACC Procedures
C. International Residential Code
D. International Building Code
E. Arkansas Fire Prevention
F. Arkansas Plumbing Code
G. National Electrical Code
H. Arkansas Mechanical Code
I. Arkansas Propane Code
J. Environmental Protection Agency (EPA)
K. Arkansas Department of Environmental Equality (ADEQ) American's with Disabilities Act (ADA)

The ACC and P & I Department adhere to the following Policies:

A. Architectural Control Policy (Chapter 5 Article 1)
B. Administrative Fines and Review Policy (Chapter 1 Article 14)
C. List of Required Permits:
D. Event Permits, such as Garage Sales, Yard Sales, Estate Sales, Temporary Event Signage, and Temporary Event Parking
E. Building Permits, such as, New Home Construction, New Commercial Construction, Existing Building Alterations or Additions including Roofing, Siding, Windows, Doors, Porches, Decks and other elements attached to buildings, storage sheds and outbuildings, and temporary structures
F. Signage
G. Landscaping
H. Retaining Walls
I. Fences

J. Stormwater
K. Special Permits, such as Propane Cylinders and Buried Tanks, Seawalls, Rip Rap, Docks and Lake Decks, Swimming Pools and Hot Tubs, Electrical, Plumbing, HVAC, Sprinkler Systems and Irrigation Systems, Driveways, Solar Power Systems, Emergency Generators, Geothermal Systems, and Ham Radio Antennas

SECTION 3 - ARCHITECTURAL CONTROL IMPLEMENTATION

Staff and members of the ACC will operate on a pro-active basis in the administration of the HSVPOA Governing Documents.

Permits are required as listed in this policy for new projects and modifications to existing installations.

Buildings occupation requires a Certificate of Occupancy from the Permitting and Inspections Department of HSVPOA.

Unpermitted changes or alterations to a building, structure, or land is subject to immediate or ongoing fines and removal or modification following ACC review as per the HSVPOA Declaration Article VIII Section 3 (j).

10-26-01, 11-14-01, Approved 7-16-03 BOD, Revised 11-17-04, Rev. BOD 4-20-05, Rev. 6-21-06, 6-2-11 ACC, BOD 2-18-15, Revoked 8-15-18, Approved 06-17-20, Revised 02-21-2024, 04-16-25

CHAPTER SIX – GOLF

ARTICLE 1 – GOLF FACILITIES

SECTION 1 – MEMBERSHIP PRIVILEGES

HSVPOA maintains and operates its golf facilities primarily for the use and enjoyment of property owners and other persons entitled to property ownership privileges. Eligibility for such privileges is defined in Chapter One, Article 5, HSVPOA Identification Cards.

SECTION 2 – TEE TIME RESERVATION SYSTEMS

HSVPOA maintains computerized tee time reservation systems, including advanced, current, and lottery-based reservations, to provide fair and equitable access to golf facilities.

The Director of Golf is authorized to establish procedures, limitations, classifications, booking windows, participant eligibility requirements, and guarantee standards governing the use of these systems.

SECTION 3 – COMPUTER TEE TIME ASSIGNMENT SYSTEM

The Computer Tee Time Assignment System is available to individuals entitled to property owner privileges.

Access to the system requires member registration through the HSVPOA online portal, including the creation of a username and password, and is limited to members in good standing. Eligibility to access the system is contingent upon maintaining required membership status and payment of any applicable annual assessments or fees associated with membership in good standing.

Abuse or misuse of the system may result in suspension of system access and/or suspension from HSVPOA amenities, as determined by the Director of Golf.

SECTION 4 – GUARANTEED TEE TIMES, CANCELLATIONS, AND NO-SHOWS

HSVPOA maintains policies requiring certain tee time reservations to be guaranteed. Failure to cancel within established timeframes or failure to appear for scheduled play may result in charges or sanctions.

Specific cancellation timelines, no-show definitions, and penalties are established, administered, and enforced by the Department of Golf and published within the Rules and Regulations.

SECTION 5 – USE OF GOLF FACILITIES BY NON-MEMBERS

Non-member use of HSVPOA golf facilities is permitted under classifications established by the Department of Golf, including Family Members, Accompanied Member Guests, and Sponsored Public Play.

Eligibility, rates, and conditions of play are governed by HSVPOA policy and approved fee schedules.

SECTION 6 – COURSE RULES AND REGULATIONS

The Department of Golf establishes and enforces Rules and Regulations governing conduct, safety, dress, equipment, play, and use of golf facilities.

Use of golf facilities is subject to POA Animal Control rules and Golf Department policies regarding pets, animals, and pedestrian access, as outlined in the Rules and Regulations.

SECTION 7 – RAIN CHECK POLICY

HSVPOA authorizes the issuance of rain checks when inclement weather results in discontinuation of play, in accordance with procedures established by the Department of Golf and published within the Rules and Regulations.

SECTION 8 – GOLF CART POLICIES AND REGULATIONS

HSVPOA establishes policies governing the registration, operation, and use of golf carts on its golf course premises to promote safety, protect course conditions, and ensure consistent use of facilities.

Golf cart usage, including restrictions related to weather, course conditions, and maintenance needs, shall be determined and enforced by the Department of Golf. All players must comply with posted cart rules of the day and any instructions provided by golf staff.

Privately owned golf carts operated on HSVPOA golf courses must be registered annually, display a current registration decal, and meet equipment standards established by HSVPOA. Registration fees are set by the Board of Directors.

The Director of Golf retains full authority to regulate golf cart access and operation to preserve course integrity and ensure safe play.

SECTION 9 – VOLUNTEER PLAYER ASSISTANT PROGRAM

HSVPOA provides a Volunteer Golf Course Player Assistant Program to support pace of play, rule compliance, player assistance, and the overall golf experience.

The program operates under the direction of the Director of Golf. Player Assistants are granted enforcement authority, in coordination with Golf Professional and Golf Department staff, as defined in the Rules and Regulations.

SECTION 10 – TOURNAMENTS, LEAGUE PLAY, AND EDUCATIONAL USE

HSVPOA authorizes the use of its golf facilities for tournaments, league play, and educational institution activities under policies established by the Director of Golf.

The Director of Golf retains authority over scheduling, allocation of tee times, duration of play, course selection, and operational requirements for all organized golf activities.

SECTION 11 – SUSPENSION OF ACTIVITIES

HSVPOA, through the Director of Golf, reserves the right to delay, modify, or cancel golf-related activities due to weather conditions or other unforeseen circumstances.

SECTION 12 – ORGANIZED GROUP PLAY PROGRAMS

HSVPOA may establish organized group play programs, including but not limited to the Village Golf Pool (VGP), to accommodate structured member play while preserving equitable access to golf facilities.

Participation in such programs is subject to eligibility criteria, operational requirements, and ongoing compliance with policies established by the Director of Golf.

Program-specific procedures, booking standards, and enforcement measures shall be set forth in separate policy and procedure documents administered by the Department of Golf. By choosing to participate in VGP, players must read, understand, and abide by the requirements of that separate document.

12-15-99, 9-20-00, 12-19-01, 4-17-02, 6-18-03, 4-23-04, 5-19-04, 7-21-04, 8-17-05, 2-15-06, 1-17-07, 12-16-09, 2-16-11, 3-19-14, 5-18-16, 04-16-25, 02-25-2026

CHAPTER SEVEN - AWARDS PROGRAM

HSVPOA has four awards it may offer annually to individuals or groups within Hot Springs Village. An Awards Coordinator from the Board of Directors shall be appointed by the President to ensure anyone nominated for an award meets the requirements as specified below.

A. The ***President's Award*** is given to an individual, or under extraordinary circumstances to an organization, who has performed outstanding service in support of HSVPOA or Hot Springs Village. There shall be only one such award given each year, if any, and only non HSVPOA employees or organizations are eligible. Current HSVPOA Board members are not eligible. The award shall be a suitable engraved plaque, tray, or medallion and is to be presented by the President at the Annual meeting. The coordinator will review past recipients of the President's award and be responsible for recommending possible recipients, if any, to the President, who shall make the final selection.

B. The ***Recognition Award*** is given by the President or designee if the recipient is a property owner, or by the General Manager (GM), if the recipient is an employee. Recognition Awards are given to individuals, committees, or groups who have provided outstanding service in support of HSVPOA or Hot Springs Village. Current POA Board members are not eligible. These may be multiple awards in the form of framed certificates and are to be presented at the Annual meeting. Any Property Owner may nominate another property owner or employee for the Recognition Award by submitting a name to the Board of Directors or the GM. The Award Coordinator is responsible for administering the property owner recognition program. The GM is responsible for administering the employee recognition program. Awards are generally based on the twelve months preceding each annual meeting.

C. The ***Incentive Award*** is given to an employee who has developed a process, procedure, or policy that results in significant savings of money or human energy. The GM and Treasurer are not eligible. These may be multiple awards in any given year and are to be cash awards to be determined by the GM and Board. The, awards are to be presented by the GM at the annual meeting. Anyone may nominate an employee by submitting a name to the GM, who is responsible for administering the program. Awards are generally based on the twelve months preceding each annual meeting.

D. A ***Certificate of Appreciation*** is presented at the Annual Meeting to each standing and ad hoc committee member whose term on a committee has ended, or who has resigned during the year, prior to the annual meeting.

7-31-89, Rev. 8-8-89, 9-8-89, 9-20-89, 1 1-1-89, 7-28-99, 2-6-02, 2-20-02, 10-17-07, 1-1518, 06-17-20, 04-16-25

CHAPTER EIGHT - COMMITTEES

ARTICLE 1 - COMMITTEE SELECTIONS PROCESS

The Board of Directors will use the following process in reviewing applications for POA Committees prior to making recommendations for appointment.

A. Any person interested in serving on a specific Committee should complete an application form and file it with the office of the Corporate Secretary.
B. A determination will be made whether the applicant is a member in good standing of HSVPOA at the time application is submitted. If the applicant is not a member in good standing, the application will be rejected, and a written explanation will be mailed to the applicant.
C. Copies of applications of all eligible applicants will be sent to the committee chairperson and the HSVPOA Board Director Liaison and staff member serving on the committee. They shall jointly make recommendations on committee vacancies, which will be advanced to the Board through the Board Director Liaison serving on the committee.
D. Prior to submitting any applicant/nominee for recommendation to the Board, there will be a personal interview conducted on all applicants under consideration for appointment. The interview team will consist of the committee chairperson, the Board member and staff member serving on the committee; criteria for conducting the interview and procedures to be used will be adopted in advance.
E. Letters confirming appointment to a committee will be prepared and mailed by the office of the Corporate Secretary.
F. The office of the Corporate Secretary will keep applications for a period of one year in the event further vacancies occur on the committee.
G. When a vacancy occurs on a Committee, on-file applications will be forwarded to the committee chairperson.
H. With respect to mid-term vacancies, no property owner who has been appointed to another Committee during the current term-year may be eligible to be appointed to fill the vacancy.

Revised and Adopted 8-26-98 BOD, 10-28-98, BOD, 11-20-98, 10-17-07, 01-16-19, 04-15-20, 04-16-25

ARTICLE 2 - COMMITTEE GUIDANCE

A. The Board of Directors of HSVPOA has established Committees which serve in an advisory capacity to the Board Refer to Bylaws Article XII, Section 1.
B. The Board Director Liaison is responsible for ensuring the committee adheres to the charter's purpose, organization and appointment.
C. A member of the Board of Directors is elected by the Board to serve as a Board Director Liaison on each committee.
D. A member of HSVPOA staff is appointed by the General Manager to serve as a committee member on each committee, as appropriate within the charter' s purpose.
E. Each Committee Chair will attend all POA-sponsored committee training.
F. Committee Chairs are encouraged to attend meetings of the Board of Directors to remain knowledgeable of current and future areas of focus.
G. A Chair, Vice Chair and Secretary of each committee shall be chosen annually by majority vote of the new committee in accordance with the Bylaws. The chairperson shall be elected for a term of one year and may not succeed himself/herself unless the Board grants special approval.
H. General Committee Chair responsibilities
    i. Notify the Corporate Secretary of any committee vacancy as soon as possible and coordinate annual term expirations
    ii. Encourage committee members to contact property owners they believe would make productive committee members and encourage them to complete an application to POA Administration. Refer to POA Operating Policies, Chapter 7, Article 2 for the Committee Application Form.
    iii. Prepare an annual report of committee activities in accordance with Bylaws Article XII Section J
    iv. Coordinate meeting agenda topics and resource needs with Board or Staff Committee members, in accordance with charter's advisory focus.
    v. Distribute copies of the committee's charter to each member and ask them to review.
    vi. Review Bylaws Article XII and the committee's charter; ensure all committee members understand their purpose, duties, and limitations.
    vii. Ensure the timely submittal of approved minutes and reports to the Corporate Secretary' s office.
I. Forwarding a committee recommendation requires a majority vote of the committee.

10-17-07, Rev. 1-16-08, 4-15-09, 01-16-19, 04-15-20, 06-17-20, 07-20-22, 04-16-25

ARTICLE 3 - COMMITTEE OPEN MEETINGS

A. Except as otherwise specifically provided herein, all meetings of HSVPOA committees shall be public meetings.
B. The time and place of each regular meeting of a committee shall be published in advance in a generally accepted manner and furnished to anyone who requests the information. If it is necessary to change the date, time or location of a meeting, the committee chairperson shall notify the Corporate Secretary and request a notification to be posted in *The Village Digest*.
C. Subcommittees or individual members of committees may conduct business at times that are not announced to the public, providing that all work done by the subcommittees or individual members is reported to the full committee in a public meeting.
D. The following statement will be read by the attending Board member or other designated individual prior to the beginning of all official HSVPOA Board and committee meetings.
E. Official recordings, videos or transcriptions of HSVPOA Committee meetings and/or Board meetings will be done by authorized personnel only and can be viewed on the HSVPOA YouTube channel and explorethevillage.com. Any other recording, video or transcription of HSVPOA Committee meetings and/or Board meetings is not considered the Official record of the HSVPOA Committee meetings and/or Board meetings.
F. Unless granted in their charter, committees, derivative sub committees and ad hoc committees have no decision-making authority that binds HSVPOA, and instead serve as Advisory Committees.
G. Audit Committee-executive sessions will only be permitted under the circumstances as specified in their charter.

BOD 03-18-15, 01-16-19, 04-15-20, 04-16-25

CHAPTER NINE - BOARD OF DIRECTORS

ARTICLE 1 - OPEN MEETINGS

SECTION 1 - PUBLIC MEETINGS

Except as otherwise specifically provided herein, all meetings of the HSVPOA Board of Directors shall be public meetings.

In the event of emergency or special meetings, the Secretary shall notify the public and media in a generally accepted manner of the time, place, and date of the meeting. Notification shall normally be made at least two (2) hours before the meeting takes place in order that the public and media may have representatives at the meeting.

SECTION 2 - STATEMENT

The following statement will be read by the attending Board member or other designated individual prior to the beginning of all official HSVPOA Board and committee meetings.

Official recordings, videos or transcriptions of HSVPOA Committee meetings and/or Board meetings will be done by authorized personnel only and can be viewed on the HSVPOA YouTube channel and explorethevillage.com. Any other recording, video or transcription of HSVPOA Committee meetings and/or Board meetings is not considered the Official record of the HSVPOA Committee meetings and/or Board meetings.

Unless granted in their charter, Committees, derivative sub committees and ad-hoc committees have no decision-making authority that binds HSVPOA, and instead serve as Advisory Committees.

Adopted 7-18-12; Revised 12-20-17 (Changed from Chap. 1, Article 24 to Chap. 8, Article 3); 04-15-20, 06-17-20, 04-16-25

ARTICLE 2 - BOARD MEMBER DUTIES

SECTION 1 PURPOSE

To Govern consistently with the Declaration and Protective Covenants, to assure the viability of Hot Springs Village by establishing and managing goals and objectives and to ensure that the voice of the property owner is represented.

SECTION 2 BOARD OFFICER DUTIES

A. **The President** shall be selected from among the members of the Board of Directors and is expected to provide leadership to HSVPOA's Board of Directors and the Board committees. The Board Chair facilitates communication and decision-making within the board. Specific responsibilities include, but are not limited to

   i. Works with the GM in preparing an agenda for Board meetings, considering requests made by all Board members and company officers
   ii. Convening and facilitating board and executive session meetings.
   iii. Facilitates any disciplinary actions for Board members, in accordance with HSVPOA Bylaws and Democratic Rules of Order.
   iv. Ensures that Board Committees are focused on pursuing the strategic needs of HSVPOA.
   v. Works in partnership with the GM to make sure that Board resolutions, directives and policies are carried out and support the organization's mission.
   vi. Ensuring that there is a quarterly performance review of the GM and an annual Effectiveness Assessment of the Board.
   vii. Helps guide and mediate Board actions with respect to organizational priorities and governance concerns.
   viii. Acts as an ambassador of HSVPOA and advocates for its mission to internal and external stakeholders.
   ix. Oversees the recruitment, evaluation, and discipline of the GM.
   x. Ensures the Board Vice Chair is apprised of Board activities and prepared to fulfill the roles and responsibilities of the Chair in the case of her or his inability or absence.
   xi. Acts as liaison with GM on behalf of the Board to ensure majority wishes are understood and executed.
   xii. Acts as official spokesperson for the Board on governance matters.

B. **The Vice President** shall be selected from among the members of the Board of Directors and is expected to provide leadership to the HSVPOA Board of Directors. The Vice Chair shall also perform such other duties as the Chair or Board of Directors may assign to him or her from time to time. Specific responsibilities include, but are not limited to

   i. Fulfill the roles and responsibilities of the Chair in the case of her or his inability or absence.

ii. Fulfill the roles and responsibilities of the Secretary in the case of her or his inability or absence.

C. **The Secretary** may be a member of the Board, provided, however, that such member of the Board may not be salaried. In the event someone other than a member of the Board is appointed to serve as Secretary, then such person may be salaried and need not be a member of HSVPOA. The Board Secretary is expected to establish and oversee sound practices for documentation and effective procedures for Board communication. Specific responsibilities include, but are not limited to
   i. Overseeing the recording and timely distribution of Board and Executive Session meeting minutes.
   ii. Keeping records of all official and/or legal organizational documents, such as articles of incorporation, Declaration, Protective Covenants, Bylaws, policies, legal advice, and other key documents, ensuring that all board resolutions are duly integrated in the appropriate governing document.
   iii. Ensuring notices are duly given in accordance with the provisions of HSVPOA Bylaws or as required by law.
   iv. Recording all votes.
   v. Signing organizational documents as needed.

D. **The Corporate Treasurer** shall be elected by the members of the Board of Directors. If the Treasurer is not a Director, he/she is a corporate officer and is an Ex- officio/non-voting Board member with all the duties, responsibilities, and commitments of a Director/Board Member. The Treasurer is the Officer who has primary responsibility for financial well-being of the corporation but does not take day-to-day responsibility, but focuses on "the financial big picture". Included in the Corporate Treasurer's responsibilities are the duties to
   i. Monitors and reviews financial policies for the board and assist in the development of financing strategies.
   ii. Reviews accounting policies in place for proper segregation of duties.
   iii. Works closely with the Controller for investment strategy and activity.
   iv. Is a member of the Audit Committee.
   v. Is the Board Liaison for the Finance & Planning Committee.

The Corporate Treasurer should have a working knowledge of Generally Accepted Accounting Principles. Professional certificate designation is desirable but experience and education commensurate with certification is acceptable.

Performs all of the duties related to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the chair or by the Board of Directors.

Approved: 03-21-18, 05-20-20, 06-17-20, 10-21-20, 07-20-22, 04-19-23, 04-16-25

ARTICLE 3 - GENERAL MANAGER PERFORMANCE EVALUATION

SECTION 1 - EVALUATION PURPOSE

The General Manager (GM) Performance Evaluation policy serves as a mechanism to ensure consistent and predictable practices between the Board of Directors and the GM in the setting of expectations, evaluating performance and enhancing professional development.

SECTION 2 - EVALUATION PROCESS

A. Performance period – the performance year is January 1 – December 31, annually.
B. Developing the performance standards. The purpose of this stage of the process is to determine for the GM what is important to accomplish over the next performance period and to define what the GM will be evaluated on. Development of the performance standards should be a collaborative process between the GM and the full Board, with 2/3 of the Board needed for approval.
    i. The performance standards, which include revenue, expense, and enhancing property owner value, should be completed and approved prior to the start of the performance period.
    ii. The Board will evaluate the GM compensation as outlined in the GM's Offer of Employment.
C. Preparing the evaluation. This step involves gathering performance information. Documents that may be helpful include monthly GM reports to the Board, revenue and expense information, audit findings, any relevant discussion and/or meeting outcomes between the Board and the GM, and the GM job description. If needed, the Board Chair with assistance by a human resource professional, will update as needed the GM job description during this process. At this point, each Board Member will rate the GM's performance on predefined performance standards. The GM is required to complete a self-assessment which shall encompass and include all accomplishments and shortfalls during the year, and provide such to each Board member annually.
D. Tabulating and preparing the overall evaluation. The Board will tabulate the individual Board evaluations and the GM self-assessment and summarize them as a unified evaluation of the GM's performance. A composite matrix will be developed that displays the Board's rating, per performance standard, as compared to the GM's self-assessment.
E. Conducting the Evaluation. The final performance evaluation will be discussed with the GM, one-on-one, by the Board Chair and the Board Vice Chair in February.
F. The GM will be provided the opportunity to draft written comments for attachment to the final evaluation. They must be submitted to the Board Chair within 15 days of the final evaluation. The Board Chair is responsible for forwarding the final evaluation to HSVPOA's Human Resource Director for inclusion in the GM's personnel file and administration of the GM performance increase and shall remain confidential in accordance with Bylaws Article IX, and Policies, Chapter 1, Article 8.

Approved: 12-19-18, 06-17-20, 01-26-22, 04-16-25

ARTICLE 4 - BOARD OF DIRECTORS ELECTIONS

As stated in the Bylaws, one ballot per lot or living unit shall be mailed to the current address on record for all members of HSVPOA in good standing, at least eighteen (18) days in advance of the date so designated by the Board of Directors as the date for the election. An accounting of number of ballots printed and mailed will be provided by the third-party election services vendor to the HSVPOA designated representative.

When applicable, ballots (written or electronic) will be returned, and stored at a pre-selected secure election service, accounting firm, bank and/or armored service. All ballots mailed will be returned via USPS postal mail only to the pre-selected location. Provisions will be made for replacement ballots.

The results of the election will be calculated by the third-party election service vendor who shall prepare an Official Certification Report for the Election and provide the election results on the election day to the Board of Directors Chair and Designated HSVPOA Representative. The Board President will contact first, the Board, second the GM, and third, all the candidates in the field. The GM will issue a press release of the results on the designated election date.

All election paperwork, ballots, returned registration envelopes and all other relevant documents shall be bound, sealed, and stored at the third-party election services vendor' s secured storage area for a period of not less than one-year from the election day, after which time the documents will be securely destroyed. Online information will be electronically stored for a period of three years.

The Board of Directors shall certify those so elected during the regular April meeting.

Approved 01-15-2020, 06-17-20, 07-15-20, 12-16-20, 04-16-25

ARTICLE 5 - VOTING REQUIREMENTS FOR NON-BOARD OF DIRECTOR ELECTIONS

SECTION 1 PROCESS

A. As set forth in Article XIV, Section 1, of the Bylaws of HSVPOA, in all elections requiring official meeting, votes may be cast in person (by ballot) or by proxy.
B. Where no official meeting is required, votes can be cast by ballot (proxy is permitted) but there is no requirement for an in-person vote.
C. A proxy is a form used to allow a vote cast on one's behalf for a member who will not be present at the official meeting. The proxy is voted by the President or Vice-President of the Board of Directors who are the appointed proxy by default.
D. A ballot is a document used for casting a member's vote.
E. Ballots and proxies will only be supplied by mail as herein provided.

SECTION 2 - REQUIREMENTS

A. Actions requiring a vote of the membership are stated in Article IV Section 2 of the Bylaws.
B. Quorum requirements — as set forth in Declaration Article X, Section 6.

SECTION 3 PROXIES, TABULATION, RETENTION

A. Proxies and/or ballots shall have property identifiers. One proxy (if applicable), or ballot shall be mailed to the current address on record for all members of HSVPOA in good standing on the date designated by the Board of Directors in accordance with the Declarations, for said election. The proxy, or ballot, shall be mailed by the third-party printing vendor on the date so designated.
B. Proxies will be returned, stored and counted, by a pre-selected secure third-party election service, accounting firm, bank and/or armored service. All ballots will be returned via USPS postal mail only to the pre-selected location. No provision will be made for replacement ballots. Ballots may be cast in person only from 8:00 a.m. until 10:00 a.m. on the day of and at the site of the special called meeting.
C. The results will then be announced at the conclusion of the duly called meeting for said vote.
D. All tabulations, summaries, proxies, ballots and summary of results shall be stored in sealed boxes within HSVPOA's official record-storage area for a period of not less than one-year from the official meeting day, after which time the documents will be securely destroyed.

Board approval: 03-18-2020; 04-16-25

ARTICLE 6 CONSENT AGENDA

SECTION 1 PURPOSE

The purpose of this policy is to allow the use of a consent agenda.

SECTION 2 GENERAL

To expedite the conduct of routine business during HSVPOA monthly Board of Directors meetings, the HSVPOA board can elect to use a consent agenda for the passage of noncontroversial items or items of a similar nature.

SECTION 3 CONSENT AGENDA

A. The General Manager or designee, in consultation with the board president, may place items on the consent agenda. By using a consent agenda, the Board has consented to the consideration of certain items as a group.
B. Consent items are those which do not require discussion or explanation prior to Board action, are noncontroversial and/or similar in content, or are those items which have already been discussed and/or explained and do not require further discussion or explanation. Such agenda items include, but are not limited to, routine matters that require Board action, such as, the approval of the agenda, approval of previous board minutes, committee minutes, initial appointments to committees, committee and staff reports, updates or reports, governing policies, correspondence requiring no action, routine contracts that fall within policies and guidelines, purchase items discussed and reviewed by the board in the previous month.
C. Reappointment of committee members after initial 3-year term is not included in consent agenda.
D. All supporting materials for the consent agenda will be sent to board members at least one week in advance of regular board meetings.
E. Items can be removed from the consent agenda by a request by an individual board member for independent consideration. A request must be made prior to the vote on the consent agenda. The request does not require a second or a vote by the board. An item removed from the consent agenda will then be moved to Current or New Business and acted on separately.
F. The consent agenda items shall be separately recorded in the minutes.

B.O.D. approved 5-18-16, 01-16-19, 06-17-20, 04-16-25

CHAPTER TEN – FINANCE & ACCOUNTING

ARTICLE 1 GAAP ACCOUNTING

HSVPOA follows Generally Accepted Accounting Principles for internal financial statements and annual independent auditor's reports. As such, HSVPOA books are full accrual basis of accounting. Due to the timing of the internal financial year end closing process, the accounting department will present the December year-end financial statement at the regular HSVPOA Board Meeting in February of each year. This same financial statement will be provided to the external auditors for their annual review

ARTICLE 2 INVESTMENTS

SECTION 1 PURPOSE

This policy strives to provide the necessary guidance for management to invest HSVPOA funds in a manner which maximizes the safety and security of funds while seeking a return on investment and meeting daily cash flow demands.

SECTION 2 DELEGATION OF AUTHORITY

Bylaws, Article XI Section 5, states "The Treasurer is the Officer entrusted with, and the Custodian of the funds of the Association."

The Treasurer, who will be a volunteer, will provide oversight of short-term investments for the Board. The daily management of investments will be the responsibility of the General Manager or their assignee. The Treasurer will still retain the fiduciary duty to monitor that the designated employee is adhering to the investment policy and the Prudent Investor Rule.

SECTION 3 INVESTMENT OBJECTIVES

A. Ensure the safety of funds
B. Maintain adequate liquidity for operations and capital spending. Investment maturities should be timed to coincide with cash expenditures and no greater than 5 years to maturity.
C. Maximize income from investable funds subject to Sections 1 and 2 as stated.

SECTION 4 INVESTMENT INSTRUMENTS

The following is a list of approved investment instruments:

A. Treasury Bills, Notes or Bonds issued by the United States Government
B. Certificates of Deposits in any financial institution not to exceed the guaranteed limit which shall include the accumulated Interest to be earned. Investments shall not to exceed the insurance offered by the FDIC or the SIPC If the financial institution offers additional insurance above the amount guaranteed by the U.S. Government, careful consideration should be given to what the additional insurance will cover.
C. Bank money management funds or sweep accounts in approved banks.
D. Money Market Funds focusing mainly on U.S. Government Treasury Instruments, Banker's Acceptance and Commercial Paper and other accepted instruments with a low volatility ratio.

The following is a list of investment instruments which should be avoided:

A. HSVPOA will not purchase securities that could expose HSVPOA to foreign currency risk.
B. HSVPOA will not purchase derivatives.
C. HSVPOA will not purchase Cryptocurrency.

SECTION 5 SAFEKEEPING & CUSTODY

A. Any Bank authorized under the laws of the United States, or any State to exercise corporate trust powers, including but not limited to the bank from which the investment is purchased.
B. A Primary reporting Broker Dealer and custodian in the United States, must be regulated by the Securities and Exchange Commission.

SECTION 6 INVESTMENT EARNINGS

Interest earnings will be credited to the source of the funds invested, unless other Board Policy redirects.

SECTION 7 BANKS

A. Bank's and holding companies' financial condition will be assessed using national rating agencies. The minimum ratings are noted in the chart below and should be updated quarterly.

Agency	Minimum Rating
Fitch	BBB+
Moody's	BAA1+
S&P	BBB+

B. Should ratings drop below the minimum, the Board should be notified, and a decision should be made as to the course of action.

SECTION 8 REPORTING

A. Annually, staff will report to the BOD our holdings and descriptions. These may include safety ratings, purchase and market values, and original yields to maturity. A description of cash and sweep accounts is to be included.
B. The report will include a statement of validation and compliance with requirements of this article.

Approved: 07-15-20, 04-16-25, 12-03-2025

ARTICLE 3 - CONTRACTS EXECUTION

SECTION 1 - AUTHORITY

The authority to execute contracts and/or agreements shall be vested in the officers of HSVPOA as stated in Article XI, Section 6 of the Bylaws.

SECTION 2 - LIMITATIONS

Any and all contracts and/or agreements obligating HSVPOA to an expenditure over $50,000 for the life of the contract must be approved by the Board of Directors. The General Manager approves contract expenditures below this amount or contracts allowing for termination at any time and with a maximum annual obligation not to exceed $50,000.

12-13-76, Rev. 7-19-89, 11-16-94, 9-19-01, 04-15-15, 09-21-16, 2-21-18, 06-17-20, 1021-20, 04-16-25

ARTICLE 4 - PURCHASING

SECTION 1 - PURPOSE: To obtain maximum value when acquiring materials and services for the benefit of the HSVPOA. This policy shall extend to all levels of procurement activity. The General Manager (GM) or designated staff are herein referred to as the purchasing authority (P.A.), as determined by commitment authority levels.

SECTION 2 - DELEGATION OF AUTHORITY

The board of directors delegates the purchasing responsibility to the GM who shall extend subordinate authority to staff as defined in established procedures.

SECTION 3 - COMMITMENT AUTHORITY OF APPROVED BUDGETARY SPENDING

A. Board – operating expenses and capital items over $50,000
B. GM – up to $50,000 for operating expenses
C. GM – up to $50,000 for budgeted capital items previously approved and noted in the budget.
D. Controller – up to $25,000
E. Division Directors – up to $10,000
F. Managers – up to $2,500
G. The Board of Directors approves any expenditures not delegated to the GM as noted above.
H. Cumulative spending in a budget year to a single vendor in excess of $50K should be reported to the Board.

SECTION 4 - CONTRACTS

Board approval of the annual budget is not to be presumed as sufficient authorization for the GM or staff to enter into contractual agreements obligating HSVPOA beyond this policy. Advance notice of contract awards over $50,000 is prohibited until approved by the board of directors and related purchasing procedures have been completed. Additional policies on contracts are found in Chapter 10, Article 3, Contracts Execution.

SECTION 5 - PROJECT APPROVAL

Projects, unlike general ongoing maintenance efforts, shall be defined as repurposing or procuring buildings, amenities, or other infrastructure and capital.

The GM shall approve all expenditures over $50,000 that have been authorized within a board approved project. At any time that project costs are projected to exceed the original project authorization, such increase must be presented to the Board for approval before expended.

SECTION 6 - EXCEPTIONS

The following expenditures are exceptions to this policy: utilities, taxes, insurance premiums, or legal fees incurred to enforce current policies or to pursue board approved litigation. The GM has authority to redirect line item spending up to the GM's commitment authority. The Board retains approval authority for spending in excess of the approved total annual budget.

Adopted BOD 1-15-14; 12-16-15, 2-21-18, 06-17-20, 10-21-20, 06-15-22, 04-16-25, 12-03-2025

ARTICLE 5 - FIXED ASSET CAPITALIZATION & DEPRECIATION

SECTION 1 - PURPOSE

This accounting policy establishes the method of maintaining fixed asset information and the minimum cost (capitalization amount) that shall be used to determine the fixed assets that are to be recorded in HSVPOA's financial statements.

SECTION 2 - FIXED ASSET DEFINITION

A Fixed Asset is defined as a unit of property that: (1) has an economic useful life that extends beyond 12 months; and (2) was acquired or produced for a cost of $10,000.00 or more. Fixed Assets must be capitalized and depreciated for financial statement purposes.

SECTION 3 - MAINTENANCE OF FIXED ASSET LIST

A Fixed Asset List shall be maintained by the Controller / Treasurer and shall be reviewed annually by the close of fiscal year, to ensure the document is accurate and up to date. The following information will be captured in the Fixed Asset tracking program for each item on the Fixed Asset List

A. Assigned asset number
B. Description of the asset
C. Asset Category (example: computer equipment)
D. The date the asset was placed in service
E. The asset's cost or acquisition value
F. The asset's salvage value, if any
G. The asset's estimated useful life

SECTION 4 - CAPITALIZATION THRESHOLDS

HSVPOA establishes $10,000.00 as the threshold amount for minimum capitalization. Any items costing below this amount should be expensed in HSVPOA's financial statements.

SECTION 5 - CAPITALIZATION METHOD & PROCEDURE

Fixed assets shall be recorded at historic cost as of the date acquired or, if the cost is not readily determined, at estimated historic costs. Cost shall include applicable ancillary costs (i.e. shipping & delivery cost, installation cost, other costs associated to the asset).

Tangible assets costing below the aforementioned threshold amount are recorded as an expense for HSVPOA's financial statements. Alternatively, assets with an economic useful life of 12 months or less are required to be expensed for financial statement purposes, regardless of the acquisition or production cost.

SECTION 6 - USEFUL LIFE

The useful life of an asset is that period during which the asset provides benefits. Estimates of useful life consider factors such as physical wear and tear and technological changes that bear on the economic usefulness of the asset according to IRS guidelines.

SECTION 7 - DEPRECIATION METHOD

The organization has established the straight-line methodology for depreciating all fixed assets. Depreciation will begin in the month the asset is placed in service. Under the straight-line depreciation method, the basis of the asset is written off evenly over the useful life of the asset. The amount of annual depreciation is determined by dividing an asset's cost reduced by the salvage value, if any, by its estimated life. The total amount depreciated can never exceed the asset's historic cost less salvage value. At the end of the asset's estimated life, the salvage value will remain.

Lease depreciation will be calculated using the straight-line methodology at either the useful life of the asset or the term of lease in accordance with guidelines defined in FASB ASC 842.

SECTION 8 - RECORDKEEPING

Invoice substantiating an acquisition cost of each unit of property shall be retained permanently in accordance with the HSVPOA records retention policy.

Adopted BOD: 05-19-21, 04-16-25, 12-03-2025

ARTICLE 6 - RECORD RETENTION

SECTION 1 PURPOSE

The Record Retention and Destruction Policy identifies the record retention responsibilities of staff and members of the board of directors for maintaining and documenting the storage and destruction of the organization's documents and records.

RECORD RETENTION REQUIREMENTS

The following retention schedule is for all computer records and/or paper records. Record retention – Arkansas provides for lawsuits to be retained for 3 years on oral contracts and 5 years on written contracts.

ITEM	Retention Period
Accounts payable by ledgers and schedules	7 Years
Audit Reports	Permanently
Bank Reconciliations	7 Years
Bank Statements	7 Years
Checks (for important payments and purchases	Permanently
Contracts, mortgages, notes, and leases (expired)	7 Years
Contracts (still in effect) Contract period correspondence (general)r	7 Years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	7 years
Deeds, mortgages, and bills of sale Permanently Depreciation schedules	Permanently
Employment applications	3 years
Expense analyses/expense distribution schedules	7 years
Year-end financial statements	Permanently
Insurance records, current accident	Permanently
Internal audit reports	3 years
Inventory records for products, materials, and supplies	3 years
Invoices (to customers, from vendors)	7 years
Minute books, bylaws, and charter	Permanently
Patents and related papers	Permanently
Payroll records and summaries	7 years
Personnel files (terminated employees)	10 years
Retirement and pension records	Permanently
Tax returns and worksheets	Permanently
Timesheets	7 years
Trademark registrations and copyrights	Permanently
Withholding tax statements	7 years

Adopted BOD: 05-19-21, 04-16-25. Revised 12-03-2025

ARTICLE 7 EMERGENCY RESERVE FUNDS

SECTION 1 - PURPOSE

To establish Emergency Reserve Funds (Emergency Reserves). Emergencies are defined as significant unplanned events such as acts of God, compliance with a State or Federal mandate, or the failure of a critical piece of HSVPOA infrastructure like a dam that cannot be addressed using normal operating funds.

This policy was formerly referred to as "Reserve Funds" last adopted July 19, 2017- It is expanded herein to clarify the purpose of this policy and establishes guidelines for use of and replenishment of Emergency Reserve Funds and confirming/adjusting Emergency Reserve targets.

SECTION 2 - DEFINITIONS & GOALS:

The Emergency Reserves are defined as funds set aside by action of the Board of Directors. Ongoing management of Emergency Reserves is delegated to the HSVPOA General Manager. HSVPOA shall maintain two separate reserve funds, as follows.

A. Utility Emergency Reserves. To be funded through net utility earnings (water and wastewater) and used for Emergency water or wastewater repairs and replacements. The minimum funding levels are designated by the Board of Directors from time to time as detailed in Section 3 and Section 4.
B. General/Operational Emergency Reserves. To be funded through net earnings (excluding water and wastewater operations). To be used for Emergency asset repairs and replacements, priority operational needs during a short-term cash shortage. The minimum funding levels are designated by the Board of Directors from time to time as detailed in Section 3 and Section 4.

SECTION 3 - FUNDING EMERGENCY RESERVES

The Board of Directors has designated the following minimum amounts for Emergency Reserves as of 12-03-2025 each of the Reserves of existing accumulated unrestricted net assets as the beginning balance of the fund as of 12/31/2020:

	Date Last Set	Minimum Amount	Funded as of April 30, 2025
Utilities Emergency Reserves	6/01/2025	$2M	$2,388,470
General/Operating Emergency Reserves	6/01/2025	$4.5M	$4,982,980
These do not include the $2M line of credit currently secured.			

Reserve contributions (if applicable) shall be deposited, at a minimum, annually into the accounts at the direction of the Board of Directors.

The value of the emergency funds are noted on the financial statements as member's equity "Designated – Emergency Reserves".

SECTION 4 - FUNDING PHILOSOPHY

HSVPOA recognizes the duty to adequately fund both current operations and save for future needs. As such, related annual budgets will balance spending and saving decisions.

At least biennially, the Board of Directors in conjunction with the General Manager, Corporate Treasurer and Controller will review and confirm/adjust the Emergency Reserve Fund targets looking forward 3-7 years. Upon Board approval of a change in targeted minimum fund levels, the table in Section 3 will be updated to reflect Board decision. The Board of Directors may from time to time direct that a specific source of revenue other than net earnings be set aside for these Emergency Reserve Funds. Examples may include onetime gifts, special grants or special appeals.

SECTION 5 - INVESTING EMERGENCY RESERVES

The Emergency Reserves will be funded and maintained in a bank account or investment fund in accordance with the HSVPOA Investment Policy. Interest earned on the Utility Emergency Reserve and the General/Operating Emergency Reserve will remain within those funds, and be applied after the annual financial audit.

SECTION 6 - RESERVE SHORTFALLS

If any of the Emergency Reserves is less than the minimum targeted funding level, the Board of Directors will adopt an operational budget sufficient to fund the Emergency Reserves to its minimum targeted funded level over a planned number of years.

SECTION 7 - USING EMERGENCY RESERVES

The General Manager, working with the Controller and POA staff, will identify reasons for accessing the Emergency Reserves and confirm the use is consistent with the purpose as described in this policy. The General Manager will perform the following:

A. Analyze the reason for the needed funds.
B. Assess the availability of any other sources of funds.
C. Evaluate the time period that the funds will be required and then replenished.
D. Submit to the Board a project request including a description of the project, necessary resources, a listing of needed funds and appropriate timelines. Upon approval, the General Manager is then authorized to spend funds in accordance with Policy Chapter 9 Article 3 (Purchasing Policy).
E. Provide quarterly reporting of disposition of Emergency Reserves, status of replacements/repairs and outlook for replenishment.
F. Assets in any of the above funds may only be used for the purpose of that fund and shall not be withdrawn, borrowed against, or transferred to any other fund without Board of Director approval.

BOD Adopted: 02/16/2022, Revised: 08/17/2022, 04-16-25, 12-03-2025

ARTICLE 8 - CAPITAL RESERVE POLICY

SECTION 1 - PURPOSE

This policy establishes a future Capital Reserve to sustain and maintain HSVPOA year over year using the OMT forecast to identify Capital requirements. The Reserve amount will adjust each year based on the Capital portion of the Board approved budget.

SECTION 2 - ESTABLISHMENT

A. HSVPOA will establish a designated Capital Reserve equal to the Capital portion of the annual budget approved by the Board.
B. No interest earnings will be allocated to this Reserve.

Adopted: 02-16-2022, Revised 04-16-25, 12-03-2025

ARTICLE 9 – GOLF RESERVE POLICY

SECTION 1. PURPOSE

The purpose of the Golf Reserve (Reserve) is to set aside and make available funds for future golf course projects. These funds are available only after the Board approves the selected projects.

SECTION 2. OPERATION OF THE RESERVE

A. The Golf Reserve will be funded by charging $2.50 per round played. This can only be changed with Board approval.
B. Reserves are decreased by expenditure on golf course projects that have been Board approved.

Adopted 12-03-2025

ARTICLE 10 - BUDGET POLICY

PURPOSE: To establish a structure for HSVPOA's budgeting process and provide a process for making amendments to the budget once approved.

SECTION 1 - BUDGET STRATEGY & GOALS FORMULATION

A. Strategy formulation is the process by which HSVPOA chooses the most appropriate courses of action to achieve its defined goals. This process is essential to HSVPOA's success, because it provides a framework for the actions that will lead to the anticipated results.
B. Prior to the Budget creation, a 7-Year Operations and Maintenance (OMT) projection will be prepared by staff. The results and key findings of the OMT are to be presented to the Board.
C. The strategy formulation process will include inputs from the OMT from each Division and Department, and using committee input.
D. These processes require Board consensus to be reached during the second quarter of each calendar year to permit a budget to be prepared for the following calendar year. As part of the strategy formulation, specific and measurable goals should be established as inputs to the Budget. They include, but are not limited to:
    i. Revenue
    ii. Infrastructure maintenance
    iii. Marketing
    iv. Reserves
    v. Subsidization
    vi. New commercial, operational, and residential development
    vii. Land acquisitions and divestiture
    viii. Debt addition/reduction

SECTION 2 - ANNUAL BUDGET DEVELOPMENT

A. The General Manager (GM) will prepare an annual operating and capital Budget aligned with the most recent OMTs.
B. The budget, along with the fee schedule, is to be reviewed in October prior to approval in November each year by the Board of Directors, prior to the budget year.
C. Pursuant to Section 1, Strategies & Goals, the Budget will be guided by Strategies and Goals that have been established.
D. The Budget should strive to be realistic and achievable. Assumptions that are notably conservative or aggressive should be identified and discussed. Unusual or one-time events should be discussed.
E. Next year’s Budget should consider current year to date actual and projected results, as well as the current year Budget.
F. The Budget should consider current cash and reserve levels, as well as targets for the end of the Budgeted year.
G. The Budget should discuss major revenue and expense drivers, such as actual and budgeted head counts, compensation trends, golf rounds, new housing starts, etc.
H. The Board will identify candidate aspects of the Budget for which special accounting treatment will be required (reference Chapter Ten, Article 14).

SECTION 3 - BUDGET APPROVAL

A. Budgets are approved at the Board level and executed at the staff level.
B. Budget Variances
    i. Policy, Chapter Ten, Article 4 (Purchasing) describes spending limitations by Management Level and requirements for Board notification and approval for items in excess of limitations.
    ii. Increased spending not constituting "redirection of line item spending up to the GM's commitment authority" requires Board approval. Examples may include non-budgeted items, significant emergencies, project expansion, special opportunities, or significant cost increases.
    iii. The Board should be notified of significant revenue potential shortfalls or excesses that materially impact revenues as soon as possible.
    iv. Spending shortfalls covered under Chapter Ten, Article 14 (Budget Prioritization) are not covered by this Chapter Ten, Article 8, Section 3.
C. Any Budget variance that increase or decrease the Budget must follow established procedures and coincide with purchasing authority levels.
D. Bottom Line (Excess (Deficit) before Depreciation) Impact – any decrease of revenue or increase of expenditures that impact the overall budget bottom line (Excess (Deficit) Before Depreciation) by 2% requires the notification or approval of the Board of Directors.

SECTION 4 - GM AUTHORITY

Once the budget is approved by the Board of Directors, the GM shall have full authority to align personnel and resources to best execute the approved budget, except as noted in Section 3.

SECTION 5 - VOTE

To amend the budget requires a majority vote from the Board of Directors.

Replaced Guidelines for the Development of the Three-year Financial Plan 2-25-87, 1-12-88, 1 20-88, 4-26-89, 2-6-02, 3-6-02, 3-20-02, 2-21-18, 01-16-19, 03-20-19, 06-17-20, 10-20-21, 11-17-2021, 04-16-25, Revised 12-03-2025

ARTICLE 11 - AUDIT AND FUNDS CONTROL

PURPOSE: To safeguard HSVPOA assets and financial transactions.

AUTHORITY: Article XI, Section *5* of the Bylaws grants certain authorities and responsibilities to the Treasurer related to the funds of HSVPOA. The Audit Committee's authority is detailed in Article XII of the Bylaws.

SECTION 1 - ACCOUNT NAMES

The General Manager (GM) and Treasurer shall be named on all HSVPOA bank accounts. Additionally, the Fire Chief and one Captain shall be named on the Act 833 account.

SECTION 2 - CASH & CHECK PROCEDURES

All cash and checks received are to be deposited promptly in HSVPOA's deposit bank accounts. POA facility managers are charged with the responsibility to ensure cash is safeguarded and managed according to established procedures. The HSVPOA Controller is responsible for developing and issuing cash receipt reporting procedures for HSVPOA.

SECTION 3 - EXTERNAL AUDIT

HSVPOA's books and 401k plan shall be audited annually by an independent firm of Certified Public Accountants as approved by the Audit Committee, and as ratified by the Board of Directors. Audit and tax services shall be advertised for bids by the Treasurer and Audit Committee every five years, at a minimum, using the purchasing policies outlined in Chapter 9, Article 3.

SECTION 4 - QUALITY ASSURANCE

Internal accounting procedures shall be directed by the Controller to ensure transactions align with generally accepted accounting principles (GAAP), using the accrual basis of accounting. Any irregularity revealed through quality assurance procedures may be reported immediately to the GM and Board of Directors for additional research and follow-up.

SECTION 5 - AUDIT PRESENTATION

The final independent audit reports for HSVPOA shall be presented in a public Board meeting.

Adopted 10-76, B.O.D., Rev. 5-17-89, 7-22-98, 9-12-01, 10-17-01, 07-15-15, 2-21-18, 01-16-19, 06-17-20, 04-16-25, 12-03-2025

ARTICLE 12 - DEBT USAGE & MANAGEMENT

PURPOSE: This policy serves as HSVPOA's guiding philosophy for analyzing and using debt to ensure adequate funding from which to fulfil its obligations to current and future property owners. As such, it should be periodically reviewed and updated to reflect current market options, best practices, business needs, and regional or national benchmarks.

AUTHORITY: As directed in Article VI, Section 1.6 of the Bylaws, the HSVPOA Board of Directors retains authority to approve debt usage.

The following guidelines shall be used by management to bring forward recommendations, and likewise by the Board, for scrutinizing the debt arrangements.

SECTION 1 - PURPOSES FOR WHICH DEBT MAY BE USED

A. Short term debt such as credit cards, lines of credit, or vehicle and equipment leasing programs may be considered to smooth operational cash flow.
B. Leasing programs may be considered for equipment and vehicles required for routine operations when traditional bank financing options are less favorable. Safety, reliability, and total cost of ownership will guide such decisions.
C. Credit card balances must be paid in full each month or their usage suspended.
D. Long term debt should be considered when constructing or improving fixed assets and not to support operating expenses.

SECTION 2 - DEBT LIMITS & COLLATERAL

A. When analyzing HSVPOA's long term debt capacity, the viability ratio shall be calculated. The viability ratio equals (=) expendable net assets divided (l) by total long-term debt. Expendable net assets equals (=) total assets minus (-) total liabilities minus (-) net property, plant, and equipment plus (+) long term debt. This ratio is used to determine whether sufficient assets exist to cover debt and should not fall below 1.1.
B. When considering whether HSVPOA can afford to pay debt service from current operational cash, the debt service coverage ratio (DSCR) shall be calculated. The DSCR equals (=) 3-year average net operating income before depreciation divided by (l) total current debt service for one year. This calculation is meant to represent current results, using established or known data. It should be carefully studied and scrutinized to ensure the best course of action is taken before choosing a long-term debt arrangement. When significant shifts in net income or additional debt service are readily known, both a current result and a projected calculation should be considered. HSVPOA will strive for a DSCR of 1.25 or higher, but will not fall below 1.1.
C. Both revenues and assets may be used for collateral, as follows:
    i Assessments, water, wastewater and sanitation fees may be pledged. The total pledged amount shall not exceed 25% of the current year's budgeted or projected revenues, whichever is less. When calculating available assessment revenue, it shall be net of the allowance for doubtful accounts.
    ii Although revenues are the preferred collateral, assets may be used as collateral when required by the institution or more favorable terms are granted, as a result.

SECTION 3 - DEBT STRUCTURING

A. HSVPOA recognizes there are many financing and funding sources available, each with specific benefits, risks, and costs. Bonds, notes, mortgages, and other customarily used financial instruments may be considered, with the most appropriate instrument chosen for the project goals. Cost and benefits have various meanings in debt. Therefore, the goals of a particular debt arrangement shall be clearly understood; i.e. 1) to fund construction while minimizing monthly debt service, 2) to fund construction while expediting repayment, 3) to refund bonds in order to take advantage of favorable net present value savings; 4) other business needs
B. Bonds may be issued under public or private offerings.
C. Refinancing or refunding without additional debt issuance may be considered for economic or legal reasons. In the case of economic reasons, the associated fees should be less than the interest saved, without extending the maturity date, unless sufficient evidence supports economic benefits received by extending maturity.
D. When refinancing or refunding includes additional debt issuance for new projects, or when new standalone debt is considered, the overall project goals shall drive the meaning for and decisions surrounding cost and benefits.
E. The repayment of principal shall be set up such that interest expense is minimized.
F. The repayment period shall be as short as economically feasible and, at a minimum, correlate to the asset's useful life.
G. Payoff terms shall be scrutinized to determine cost and benefit of either allowing or not allowing principle to be repaid early.
H. Impacts to the organization's credit rating must be considered for the purpose of maintaining or improving HSVPOA's credit rating and, when prudent, using credit enhancements.

SECTION 4 - SERVICE PROVIDER SELECTION

A. Either competitive sourcing or direct negotiation with known local or regional industry leaders may be used to identify the appropriate debt solution. Depending upon the instrument chosen, various service providers may comprise associated fees, such as attorneys, underwriters, trustees, investors, CPAs, financial advisors, and other professionals or experts.
B. Professionals chosen by direct negotiation and internal research shall be subject to competitive sourcing every 3-5 years to ensure the organization continues receiving the highest level of service, most qualified professionals, and competitive pricing.

SECTION 5 - COMMUNICATION & COMPLIANCE

A. Debt recommendations will be made in a public forum with the appropriate external professional presenting and answering questions. Afterwards, summary information to include provider credentials, total fees, interest rates, and repayment terms will be posted on the HSVPOA website. Full details will be provided confidentially to the Board prior to the meeting and may be reviewed afterwards by members in good standing in accordance with the Declaration and Bylaws.

B. Although the Declaration grants the Board ultimate authority for debt approval, keeping property owners apprised on matters impacting the organization's overall net worth is important. Therefore, a member comment period between recommendation and Board approval will occur, with the length between the two determined by market conditions and urgency of need.
C. A local or regional legal firm possessing industry leading experience in the debt instrument under consideration shall be engaged to develop related documents and guide the organization on related laws governing its issuance and future management.
D. Arbitrage and other financial analysis or audit requirements will be performed by the audit firm engaged at the time of such requirement, as prescribed by Article 6 of the General Administration policies.

BOD 07/18/07; 01/20/16, 2-21-18, 04-16-25,

ARTICLE 13 - MEMBER ACCOUNTS/COLLECTIONS/BAD DEBT WRITE-OFF

PURPOSE: To outline policy regarding member payments and delinquencies on member accounts.

AUTHORITY: The authority for this policy section is granted by the Hot Springs Village governing documents.

SECTION 1 - ASSESSMENTS

A. All assessment accounts become due on the 1st day of the month due and shall become past due on the 16th day of the month.
B. Past due accounts are subject to approved collection procedures as listed herein in Article 13, Section 6.

SECTION 2 - UTILITY BILLS

A. Any unpaid balances on utility bills are considered past due 21 days after the billing date and a late payment penalty established by the General Manager and approved by the Board will be assessed. The utility bill includes, but is not limited to, charges for water, sewer, sanitation, ambulance, and streetlight fees.
B. If not paid within 30 days of the billing date the water service may be subject to a shut-off order. Reinstatement of the water service will require payment in full, including any applicable late penalty, as well as any assessed disconnect and re-connect fee then in effect.
C. Past due accounts, in addition to shut-off orders as stated herein above, are also subject to approved collection procedures as listed herein in Article 13, Section 6..

SECTION 3 - USAGE FEES, COMPLIANCE FINES, ETC.

A. Any unpaid balances of other receivables, including late fees, fines, lease payments, compliance fines or any other fee or charge established by HSVPOA will be considered past due 31 days after the billing date or the date the charge was originally incurred.
B. Past due accounts are subject to approved collection procedures as listed herein in Article 13, Section 6.

SECTION 4 - LAND FEES

A. For purposes of this section, a transfer is deemed to have occurred when a valid deed is officially recorded in the appropriate county; or, in some cases, such as a beneficiary deed, the transfer is deemed to have occurred when all steps necessary to complete the transfer have been completed and officially made as a matter of public record.
B. Transfer Fees – Land transfer fees shall be immediately due and owing by the Grantee and considered past due 31 days after the date of transfer.
C. Buy-in Fees – Buy-in fees, when applicable, shall be immediately due and owing and shall be considered past due 31 days after the due date.
D. No membership cards shall be issued, and the accompanying property ownership privileges shall not be available, until such time as all Land Fees listed herein are paid in full, notwithstanding any other provisions contained herein.

E. Past due accounts are subject to approved collection procedures as listed herein in Article 13, Section 6.

SECTION 5 - PAYMENTS

A. All payments made to the HSVPOA for any indebtedness addressed in this Article 13 of the Policy Guide, whether said payment is for an indebtedness which is past due, delinquent, currently owed, or has a future due date, shall be subject to this Section.
B. All payments shall be deemed remitted to the HSVPOA on the date said payments are actually received by the HSVPOA during its normal business hours.
C. Any payment made by being deposited into the HSVPOA drop box shall be deemed remitted on the day it is physically collected from the drop box.
D. All payments made using a credit card may be subject to a surcharge as listed in the current Fee Schedule of the Governing Documents of HSVPOA, regardless of whether that payment is made in person, over the phone, electronically, or otherwise.
E. All payments made over the phone may be subject to an additional surcharge as listed in the Fee Schedule.
F. For any and all payments made, time is of the essence.

SECTION 6 – DELINQUENT ACCOUNTS

A. Collection procedures will be established by the General Manager and are subject to review and approval of the Board. Collection procedures may include, to the extent allowed by law, and the governing documents of Hot Springs Village:
    i. A late payment penalty
    ii. Interest up to and including the maximum rate allowed by law on the amount past due; with said rate to be published in the annual Fee Schedule of the HSV Governing Documents
    iii. Suspension of property owner privileges
    iv. Acceleration of the annual assessment amount as allowed by the Declarations
    v. Recording a notice of lien on the subject or ("affiliated" or "member owned" – for compliance and utility debts) property with the appropriate county
    vi. Assignment of the debt to a 3rd party collection agency
    vii. Reporting the delinquency to credit reporting agencies
    viii. Foreclosure
    ix. Any other legal recourse available to HSVPOA
B. HSVPOA will not sell any HSVPOA owned lots to property owners or corporate entities that are not in good standing as defined in Article XIV, Section 1 of the Declaration.
C. Any forbearance of any action available herein to HSVPOA shall not constitute a forgiveness of said indebtedness or a future waiver or relinquishment of any right by HSVPOA to pursue any action in the future that HSVPOA has available to it.

.

SECTION 7 – BAD DEBT WRITE OFF

A. In accordance with GAAP and accrual accounting, a provision for bad debt shall be included as a separate line in the approved annual budget. It shall be calculated and recorded monthly as percentage deemed by Auditor for balances less than 3yrs and 100% of all balances that are more than 1,095 days (3 years) past due.

B. The Controller shall prepare and review an aged trial balance of accounts receivable monthly and provide summary balances during the monthly financial presentation to the Board.

C. The GM will evaluate delinquent accounts no less than twice annually to identify accounts reasonably deemed to be uncollectable. An account may be considered uncollectable only after all the reasonable efforts towards collection have been taken. Any amount3 years past due shall be considered uncollectable. The GM will then prepare a detailed accounting of the debts considered to be uncollectable and present this to the Board for approval to write off these amounts.

D. At the option of the GM, an additional charge to any delinquent account may be ceased if there has been no activity on the account within the last 3 years.

E. Any cessation of charges or write-off from any amount due is for the purpose of HSVPOA internal accounting only and is not intended to dismiss the obligation of the delinquent part of any past or future amounts due.

Adopted B.OD. 2-21-01, 8-5-09, 1-18-12, 10-15-14, 02-21-18, 01-16-19, 06-17-20, 04-20-22, 04-16-25, Revised 12-03-2025

ARTICLE 14 - BUDGET PRIORITIZATION

SECTION 1 - PURPOSE

This policy establishes a commitment by the Board of Directors to focus the resources of Hot Springs Village on those items needed to maintain and sustain our existing infrastructure, keep our equipment maintained, keep our existing amenities viable, and ensure that our salary levels are adequate to attract and retain a skilled workforce. In addition, property owners need visibility into how community funds are being expended, particularly in areas that are critical to the long-term future of the community.

SECTION 2 - BUDGET ESTABLISHMENT

A. A critical aspect of this approach is to tie the rolling 7-year Operations and Maintenance (O&M) budget forecasts to the calendar year budget to ensure that priorities are understood and that the budget amounts provided are focused on critical needs.
B. The staff will use the rolling 7-year O&M budget forecast and the budget guidance provided by the Controller to establish the high priority items that require focus and funding in the next calendar year.
C. The HSVPOA General Manager recognizes the following priority capital needs as of 12-03-2025. These accounts shall be considered minimum annual commitments by HSVPOA until this Policy is revised.
D. The table below sets annual minimum spending to maintain assets in the noted categories beginning in 2025. “Maintenance” may include repairing and replacing aging assets in anticipation of or after failure; normal activities associated with connecting new housing; larger expenses to maintain the functionality of HSVPOA facilities. It generally does not include activities associated with expanding capabilities. It may include both capital and operational expenses
E. The list below represents high priority areas to maintain and sustain HSVPOA infrastructure for which special accounting treatment is required.

Street Preservation Program	$2,500,000
Culvert Maintenance	$500,000
Public Utility Maintenance	$2,500,000
Building Maintenance	$500,000
Lakes Management/Common Property	$500,000
Golf Course Equipment/Equipment Maintenance	$500,000
Fleet Maintenance	$500,000

F. There should be no new additions to the HSVPOA property holdings or amenities until such time as the available revenues exceed the funding levels needed to service those items identified in Section 2, Paragraph B.
G. The high priority areas will be reviewed each year with the establishment of the new rolling 7-year O&M and adjustments to high priority items must be briefed to the GM, F&P Committee, approved by the HSVPOA Board of Directors.
H. The rolling 7-year O&M budget forecast will be the basis used to produce a draft budget.

SECTION 3 - BUDGET REVIEW

A. Once the draft budget is developed it will undergo the following reviews:
    i. Internal review with the General Manager, the Controller, the Department Heads and the Human Resource Manager.
    ii. Review with the Finance and Planning Committee
    iii. Review with the Board of Directors
B. The Board of Directors will validate that the budget aligns to critical needs prior to approving the budget for the calendar year.
C. The Board of Directors will confirm those budget line items for which special accounting treatment will be required to demonstrate commitment to the intent of this policy.
D. Board approval establishes the budget baseline for the calendar year.

SECTION 4 - COMPELLING NEED

A. Changes to the budget baselines for items that have been identified for special accounting treatment will only be permitted if the board declares a compelling need.
B. Examples of compelling need are, but are not limited to, safety issues, security issues, acts of God, compliance with State and Federal laws and/or mandates, or significant unplanned failures in the infrastructure such as a dam collapse.
C. If a compelling need is identified the Board of Directors can redirect budgets to address the direct or indirect impacts of the compelling need as necessary to ensure the safety and security of the community and its residents.
D. Any budget adjustment resulting from the declaration of a compelling need will require a super majority vote of the board to take effect.

SECTION 5 - SPECIAL ACCOUNTING TREATMENT

For all items identified for special accounting treatment per Section 3 .C the Controller will

A. Specially identify each line item in the CY budget.
B. Provide a short summary of each line item in the monthly financial statement.
C. Minimum information associated with each line item will be:
    i. The budgeted amount of this line item in the CY budget
    ii. Actual expenditures year to date against this budget.
    iii. A short summary of the activity to date against this line item.
    iv. Future expenditures in the year against this budget.

SECTION 6 - CHANGES TO THE POLICY

Changes to this policy will require a Mega Majority as defined in Bylaws, Article X, Section 6(d).

BOD Adopted: 10-06-2021; Revised: 11-17-2021, 04-16-25, 12-03-2025

ARTICLE 15 - NEW PROPERTY OWNER BUY IN FEE

SECTION 1 - GENERAL

Effective 1 January 2022, all individuals or legal entities purchasing property for the first time in Hot Springs Village shall be subject to a "New Property Owner Buy-In Fee".

SECTION 2 - DEFINITIONS

Buyer – Any individual or legal entity with a Federal Tax ID.

Household – Those who dwell under the same roof and constitute a family (from the Hot Springs Village Declaration, Article I, Section I(u).

New Property Owner – Any Buyer acquiring legal title to an improved or unimproved parcel of land within Hot Springs Village

A. for the first time, or
B. a previous property owner who divested themselves of their title(s) to property more than 1 year prior to acquiring the current title.

SECTION 3 - POLICY GUIDANCE

A. Any Buyer who meets the definition of a new property owner shall be subject to the New Property Owner Buy-In Fee.
B. The New Property Owner Buy-In Fee shall be set annually by the Board of Directors.
C. The New Property Owner Buy-In Fee shall be published in the HSVPOA Fee Schedule.
D. The New Property Owner Buy-In Fee shall be payable upon closing or, if not feasible, when the Buyer registers themselves as the owner of the property in question with HSVPOA.

SECTION 4 - POLICY EXEMPTIONS

A. This section addresses situations whereby a transfer in title or beneficial use will not invoke the assessment of a buy-in fee.
    i. This section applies to individuals and trusts.
    ii. This section shall not include entities which are formed as a corporation or limited liability company (LLC).
B. For purposes of this section, the following definitions shall apply:
    i. **Transferee** – Shall mean the person or trust to which the HSV property has been legally deeded and properly recorded, whether or not there was a purchase price.
    ii. **Beneficial Owner** – Shall mean the individual or entity who derives the current beneficial use of the HSV property in question pursuant to the terms of the trust; or is so designated by the exercise of the trustee's powers of administration.
    iii. **Inheritance** – Shall mean the transference of either deeded ownership or Beneficial Ownership of property in HSV to the beneficiary by virtue of the death of another.

iv. **Owner** – Shall mean the individual or trust to which either legal, deeded ownership or beneficial ownership has been transferred.

C. The Owner may not be charged the New Property Owner Buy-In Fee under the following conditions.

i. Demonstrating legal vestment (ownership) or Beneficial Ownership in a parcel of land in Hot Springs Village within 1 year prior to the date of acquisition of the parcel in question.

ii. Legal vestment in, or beneficial use of, a parcel of land through inheritance. The Owner shall provide documentation that they have acquired the title or beneficial ownership by a transfer made through a will, trust, or other legal mechanism as established by applicable state law. Proof of said inheritance shall require a copy of a court order, or, where no court order is required by applicable state law, sufficient documentation to effectuate the transfer of title or change in the Beneficial Owner, and a recorded deed of transfer where applicable.

iii. The transfer between an individual(s) and a trust, or between two trusts, in which the Beneficial Owner of the property does not change. However, should any transfer be to an additionally included person who does not fit within the criteria set forth in this subsection, or any other exemption contained in the HSV POA governing documents, then this exemption shall not apply and a buy in fee shall be assessed.

iv. Marriage Exemption. The transfer to an individual, whether in their own right or as a Beneficial Owner, where that transferee is legally recognized by the state of Arkansas to be the spouse of the transferor or the spouse of a previously established Beneficial Owner.

v. HSVPOA reserves the right to require any and all documentation from the Transferee or Beneficial Owner it deems pertinent to its' decision of whether an exemption to the buy-in fee is granted. Any perceived bad faith abuse of this policy may result in the denial of the exemption by the HSVPOA. The decision of HSVPOA shall be final as to whether the exemption is granted.

BOD Adopted 04-16-25, Revised 03-25-2026