

## HSVPOA 10/19 Leeming Report

### Description

By Frank Leeming, October 15, 2019

## 2020 budget, marketing, updated Village information on the table

There's a lot to go over, so let's get to it:

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The **“What's Happening in Hot Springs Village” package has been updated** to include information for the first nine months of this year. To see it, [click here](#). [PDF is also included at the end of this article.] Highlights:

- Slight improvement in reducing the number of unproductive lots not generating assessment revenue. Still: 11,182 lots – 32.5 percent of the 34,457 total – were unproductive in terms of generating assessment revenue to support the POA.
- The number of new-home permits approved in the first nine months was down 25 percent. This is the most important barometer of Village growth.
- The Village real-estate market remains solid. 516 homes sold in first three quarters. Average sales price (\$197,752) was highest since 2009.
- Golf rounds played in first nine months fell again, nearing one half of what they were in 2005.
- Rainfall was 14.5 inches above average, or 36.3 percent, yet drought conditions are growing in Arkansas.

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The starkest example of why our **desperately needed marketing efforts** remain mired in mediocrity was displayed in the last seven days.

First, the CMP marketing subcommittee (composed of marketing experts who live in the Village) delivered a remarkably good presentation on what the Village needs to do to turn things around.

Then, days later, the POA staff put out its own Marketing Plan. It is woeful and filled with blather and little substance.

We have to face an essential truth: No one on the POA staff has the background or talent to develop and lead a professional marketing program.

[Click here](#) to see the marketing subcommittee's report, and [click here](#) to see the POA's marketing plan. Spend a few minutes to compare the two.

Note: Even the staff plan says we should be spending between \$518,000 and \$1,037,000 for marketing. So how much is expected to be spent this year? \$207,000. How much is to be budgeted for next year? \$395,000. The board needs to take this problem seriously.

Bottom line: The POA must hire a top marketing executive to lead us out of the mess we're in, and the board must create a standing Marketing Committee to provide support and guidance.

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Do not be surprised if this board of directors tries to take some action in the coming months to block Dick Garrison's bid to win back his seat on the board.

\* \* \*

The **fourth version of the 2020 POA budget** will be presented to the board tomorrow for approval. [Click here](#) to get a copy. Think about saving it on your computer for future reference.

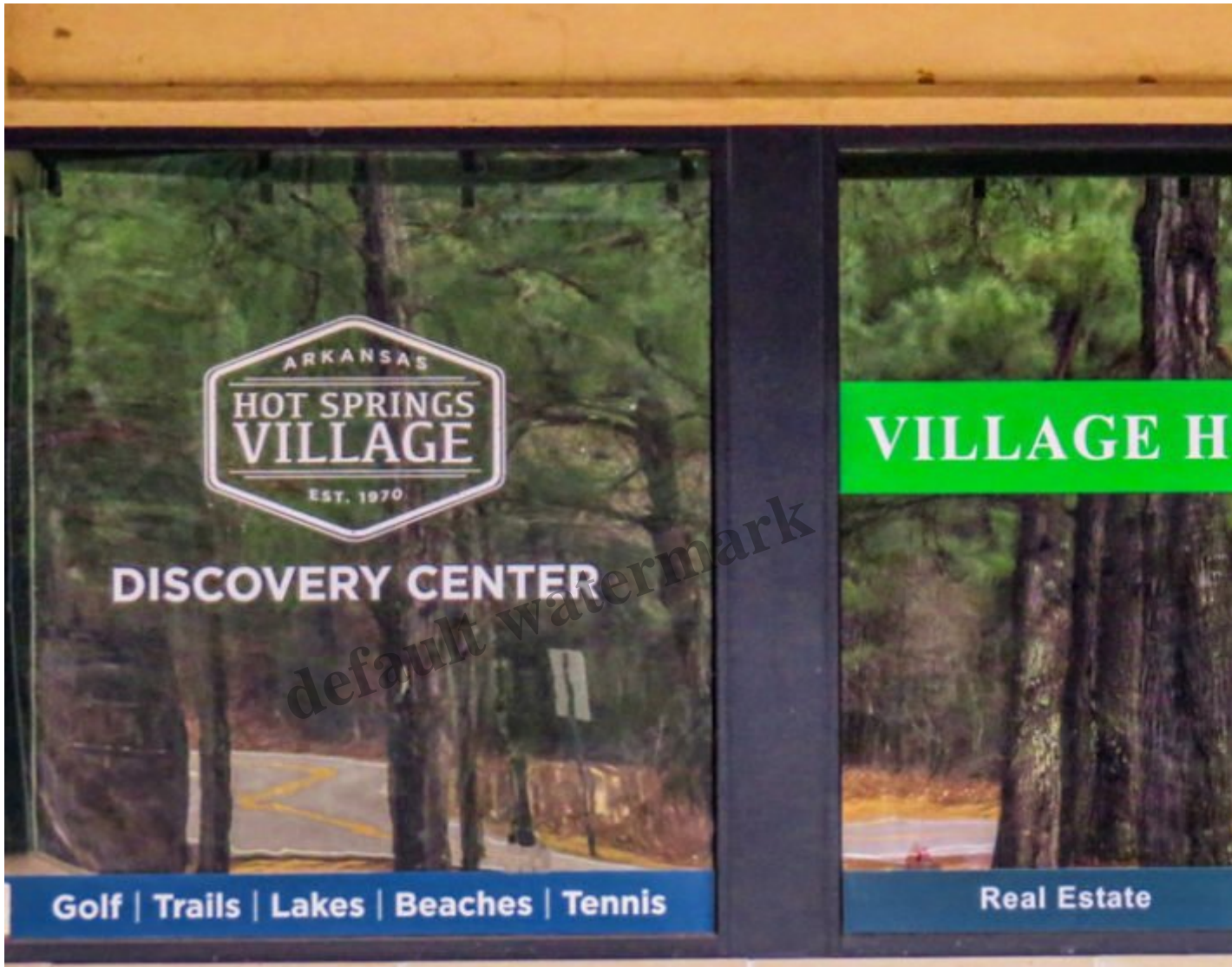
Important: An ad hoc committee made excellent recommendations for improving the budget process. [Click here](#) to see a story on what they're recommending. The committee is another example of what talented Villagers can do for the POA if given a chance.

As expected, the committee urges the board to create a standing Finance Committee to provide Villager input and support.

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Good news: The **POA is getting out of the real-estate business**. In the first nine months this year, the POA's land acquisitions and real-estate sales operations had \$89,706 in revenue and spent

\$269,403. That, folks, is a business which lost \$179,697, or 200.3 percent, in the first three quarters of the year.



### HSVPOA is closing Village Homes and Land

Nevertheless, CEO Lesley Nalley said: “Along with our area Realtors and builders, these efforts directly resulted in improved property values, additional recurring revenue for the POA and a foundation for synergy surrounding growth and community marketing.”

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At tomorrow’s POA board meeting, directors are expected to **approve spending \$162,500 for sealing cracks in Village roads**. The work will be done through next April.

But: Looks like 2019 will slide by as another year with no major road resurfacing. We need to be resurfacing 30 miles of roads a year, at a cost of about \$1 million a year. This is a ticking time bomb because all of a sudden the Village will realize it has hundreds of miles of roads that have to be fixed.

It's hard to sell a community with roads falling apart.

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Some relief in the board's agenda: We won't have to listen to the COO and CMEO give oral reports (they're available online), and property owners will be invited to comment on the budget before (shock!) the board votes on it.

By [Frank Leeming](#), October 15, 2019

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[what\\_s\\_happening\\_10\\_19](#)

**To View the HSVPOA Proposed 2020 Budget Click on the PDF Below**

[9a2020-Proposed-Budget-V4](#)

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1. Uncategorized

### Tags

1. hot springs village
2. hot springs village board of directors
3. hot springs village bod
4. hot springs village dick garrison
5. hot springs village frank leeming
6. hot springs village marketing
7. Hot springs village people
8. hot springs village poa
9. hot springs village property owner
10. hot springs village property owners
11. Hot Springs Village Property Owners' Association
12. hsv dick garrison
13. hsv frank leeming
14. hsv marketing
15. hsv POA
16. hsv poa hot springs village poa
17. hsvbod
18. what's happening in hsv
19. whats happening in hsv frank leeming

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