



HSVPOA Assessment Increase Coming Soon

Description

By Tom Blakeman, November 8, 2019

Whether you realize it or not the recently completed budget fiasco was not about fiscal management of the Village. It was all about setting the stage for increasing our assessments – sooner rather than later. I'd bet there will be an assessment increase push and vote scheduled BEFORE the next board election.

Frankly, I'm sick and tired of hearing that our assessments are too low. "If only we had more lots paying. . . . If only we charged as much as some other communities. . . . If only Cooper. . . . If only. . . . If only. . . ."

But what about smarter, more efficient utilization of what we already have? Think about these analogies:

1. You own an older automobile (golf carts) and it needs a little maintenance. Instead of fixing it up you sell it for some quick cash. Then you spend the cash on dreams and fantasies (CMP). But now you need a car and you have no money. Problem solved. . . you lease a new car (golf carts), right? Yes, and now you have a monthly payment every month – forever.
2. You invent a widget (HSV) with special features no other widget has. You market and advertise. Your widget sells like hotcakes. After a few decades, you decide to GIVE your widget to new owners (POA). But the new owners act carelessly and soon run short of money. Problem solved. . . they stop marketing and advertising and save big, right? Yes, except now all the widget buyers (retirees) go elsewhere.
3. You are a kid with a newspaper route (golf course). Newspapers (green fees & cart fees) sell for 10 cents and you get a penny for every paper delivered. But you need/want more money. Problem solved. . . you increase the price for a newspaper to 12 cents and pocket the extra two pennies, right? Yes, except subscribers (golfers) decide they don't need expensive paper delivery anymore.
4. You run a business (POA). You take a generous salary plus bonus, perks, and benefits. Then you

add cushy “positions” for friends so you all get paid big bucks and live the good life. But eventually, the business runs low on cash. Problem solved. . . you outsource certain functions (gates, crack sealing) and cut hourly workers – less labor, less cost, right? Yes, but now there is no one to do the day-to-day work keeping the business running and contract service costs go up regularly.

5. You are a provider of recreation of all types. Some venues (golf) you can charge for but other venues (swimming) not so much. But customers really like “free stuff” and you need/want happy people. Problem solved. . . you spend big money on more “free stuff” (new pool) – more happy people, right? Maybe, but now there are no funds to fix the revenue-generating venues (Balboa).

6. You like to eat out so you open restaurants (Granada, DeSoto). Few customers come as they get better food, service, and pricing at many other nearby places (Home Plate, Tanners, Debra’s, McDonald’s). So, you lose money – hundreds of thousands a year. Problem solved. . . you hire new managers and chefs, put in new carpet, provide free entertainment and its fixed, right? Actually No. But it doesn’t matter because you don’t really need to make money – just raise fees and taxes (assessments) on all the residents (members).

Anyway, fasten your seatbelts and hold on to your wallet. An assessment increase is coming soon to your Village. In fact, I’d bet that our leaders have already cranked up the PR machine to “sell” it – to you. Stay tuned.

[Tom Blakeman](#), November 8, 2019

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