

A Look at What's Happening in Hot Springs Village

Compiled by Frank Leeming
Updated on April 16, 2019

Hot Springs Village finances for first quarter

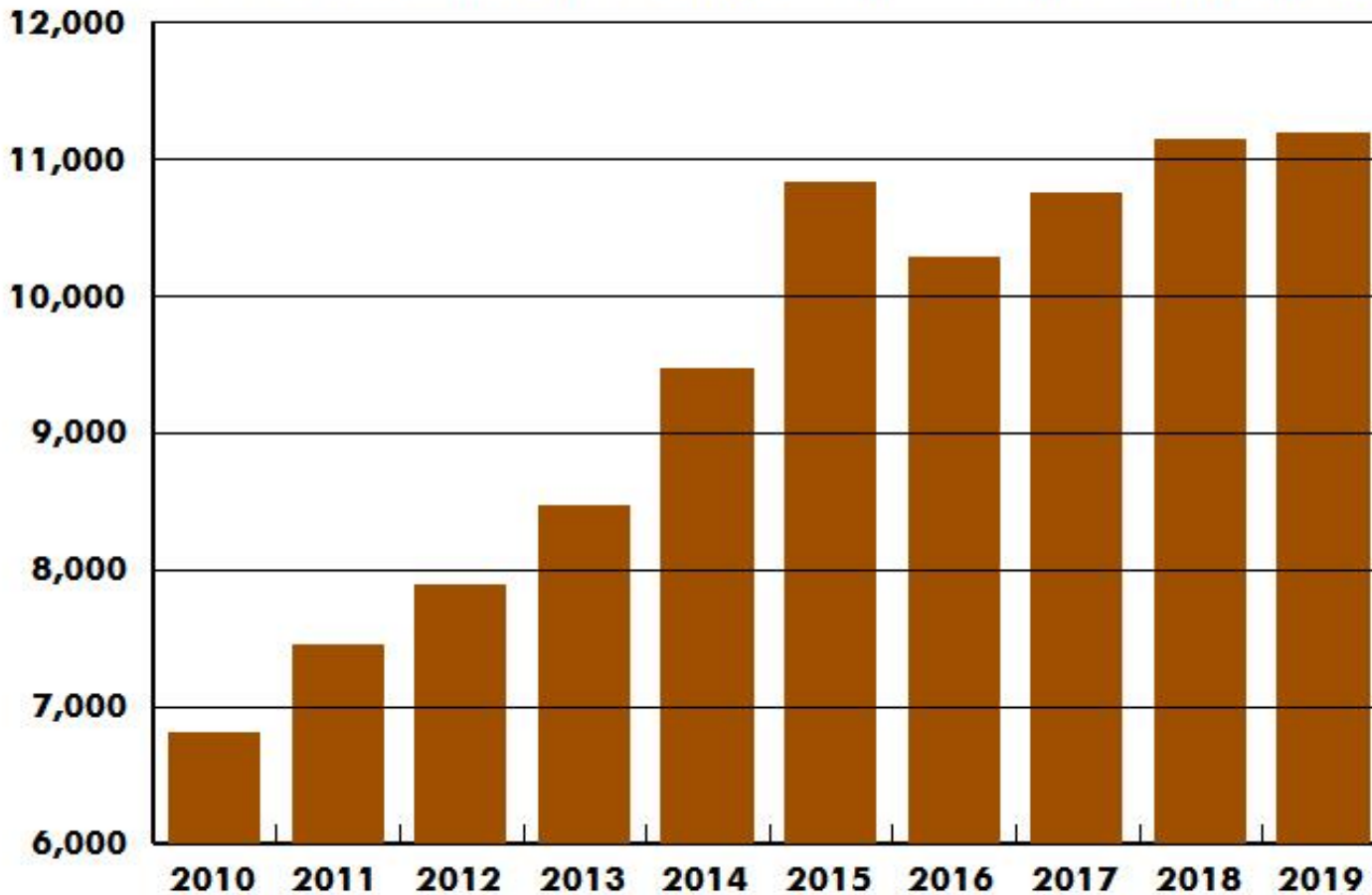
	2018	2019	change	% change
Net assessment revenue	\$3,702,471	\$3,729,445	\$26,974	+0.7
Operational revenue	<u>\$2,643,891</u>	<u>\$2,649,918</u>	<u>+6,027</u>	<u>+0.2</u>
Total revenue	\$6,346,362	\$6,379,363	+\$33,001	+0.5
Operational spending	\$6,974,751	\$6,514,207	(-\$460,544)	(-6.6)
Capital spending	<u>\$388,627</u>	<u>\$480,044</u>	<u>+91,416</u>	<u>+23.5</u>
Total spending	<u>\$7,363,378</u>	<u>\$6,994,251</u>	<u>(-\$369,127)</u>	<u>(-5.0)</u>
Net surplus (loss)	(-\$1,017,016)	(-\$614,888)	+\$402,128	+39.5
Total cash in bank	\$7,920,635	\$6,610,196	(-\$1,310,439)	(-16.4)

Hot Springs Village finances in 2018

	2017	2018	change	% change
Net assessment revenue	\$14,662,811	\$15,077,084	+414,273	+0.3%
Operational revenue	<u>\$17,721,153</u>	<u>\$18,876,420</u>	<u>+1,155,267</u>	<u>+6.5</u>
Total revenue	\$32,383,064	\$33,953,504	\$1,570,440	+4.9
Operational spending	\$28,441,707	\$29,772,054	+1,330,347	+4.7
Capital spending	<u>\$1,590,206</u>	<u>4,002,726</u>	<u>+2,412,520</u>	<u>+151.7</u>
Total spending	<u>\$30,031,913</u>	<u>\$33,774,780</u>	<u>+3,742,867</u>	<u>+12.5</u>
Net surplus (loss)	\$2,351,151	\$178,725	(-2,172,427)	(-108.2)
Cash available for operations	\$7,291,312	\$5,676,695	(-1,614,617)	(-28.4)

Unproductive lots in Hot Springs Village

Lots 61 days or more past due plus those in the POA inventory



Source: Hot Springs Village finance department

At the end of March, there were 7,756 property owners who were 61 days or more past due paying their monthly assessments.

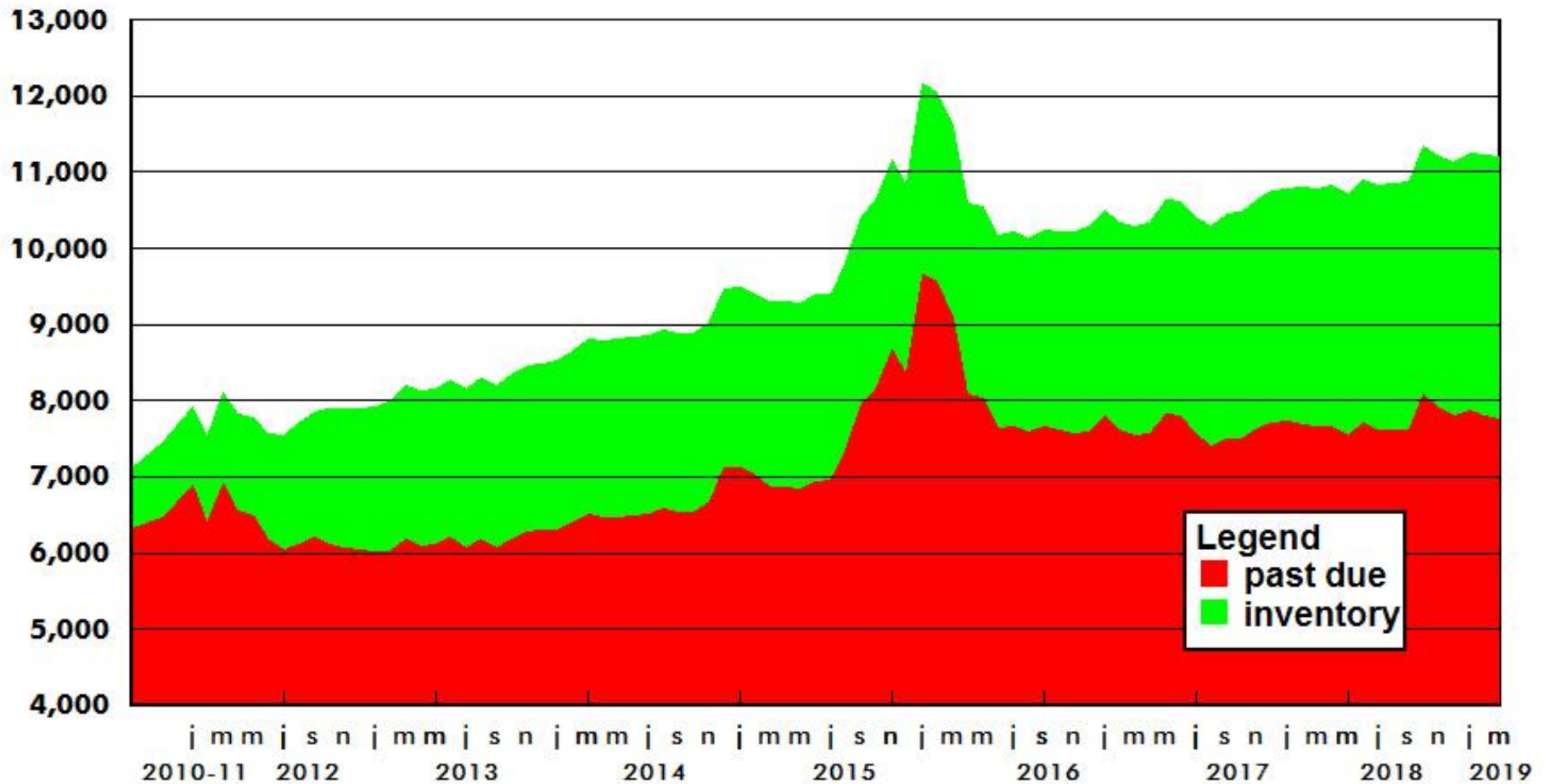
The past-due owners owed \$20,808,819. This was up \$3,401,640 from March 2018.

Seriously delinquent members represent 22.7 percent of the 34,148 lots in the Village which are subject to assessments.

The POA had 3,433 lots in its inventory at the end of March.

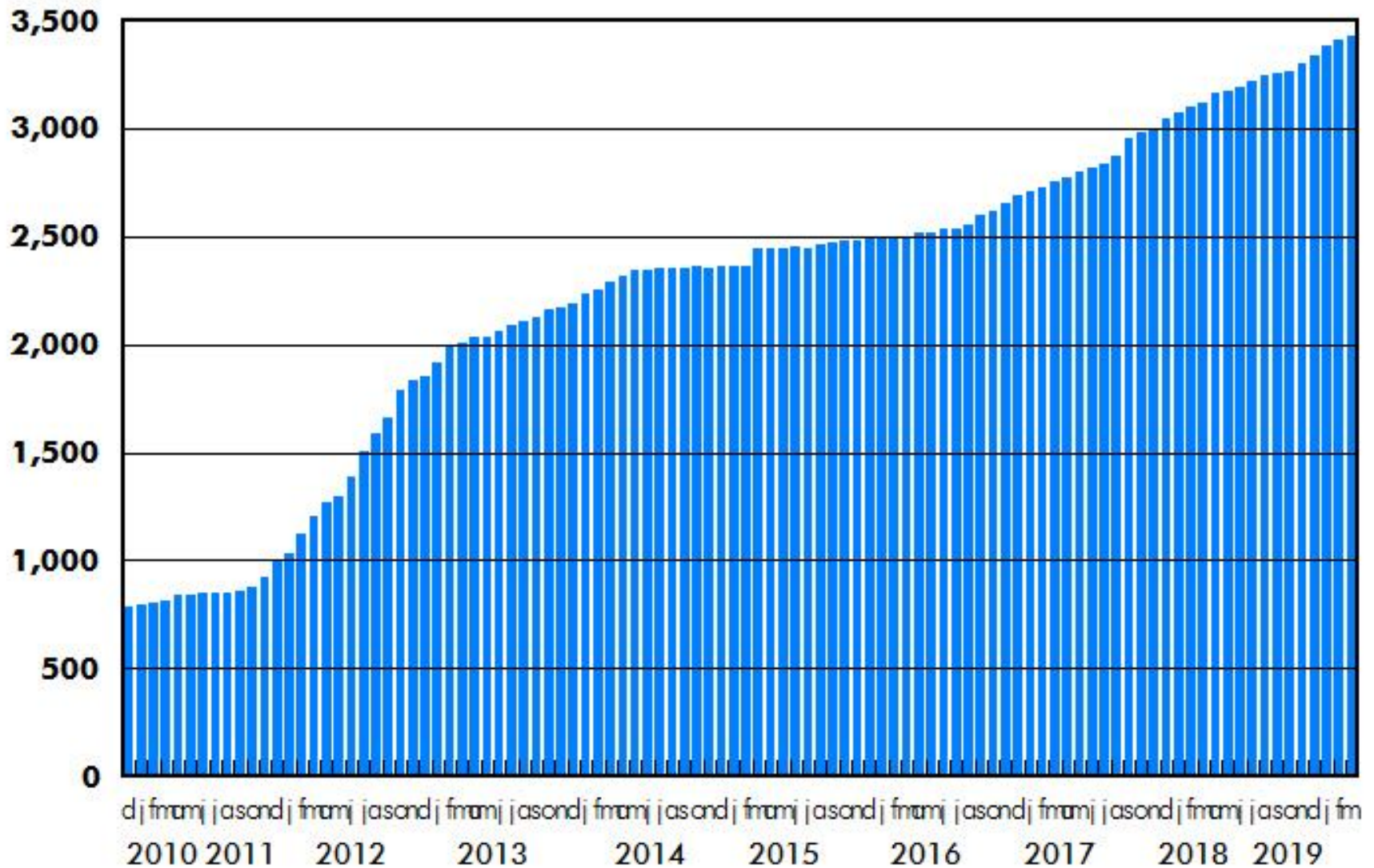
Combined with those seriously past due, it means 11,189 lots – 32.8 percent of the total – were unproductive in terms of generating assessment revenue to support the POA.

Unproductive lots: those in POA inventory plus those 61 days or more past due



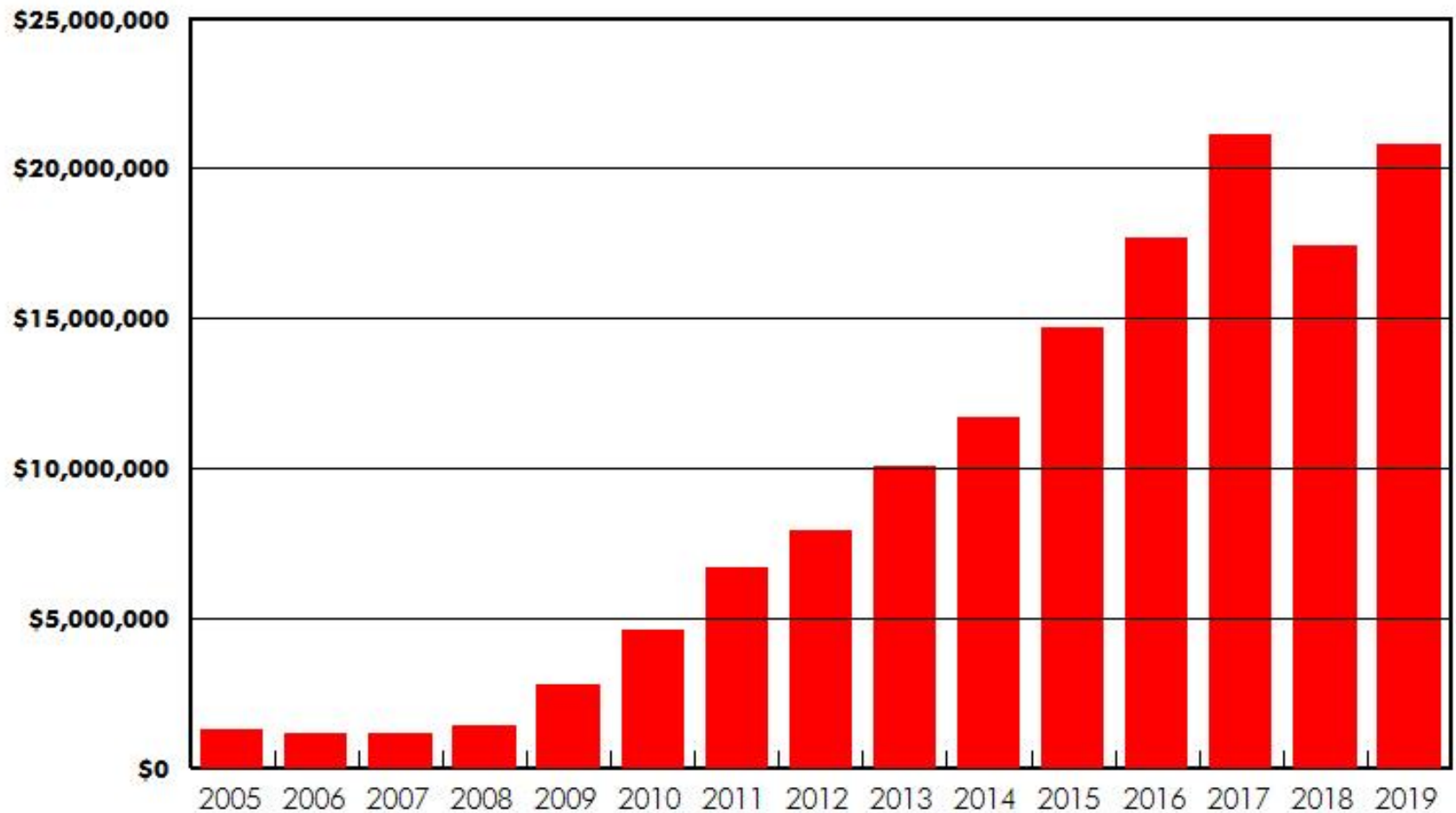
Source: Hot Springs Village finance department

Number of lots in POA inventory



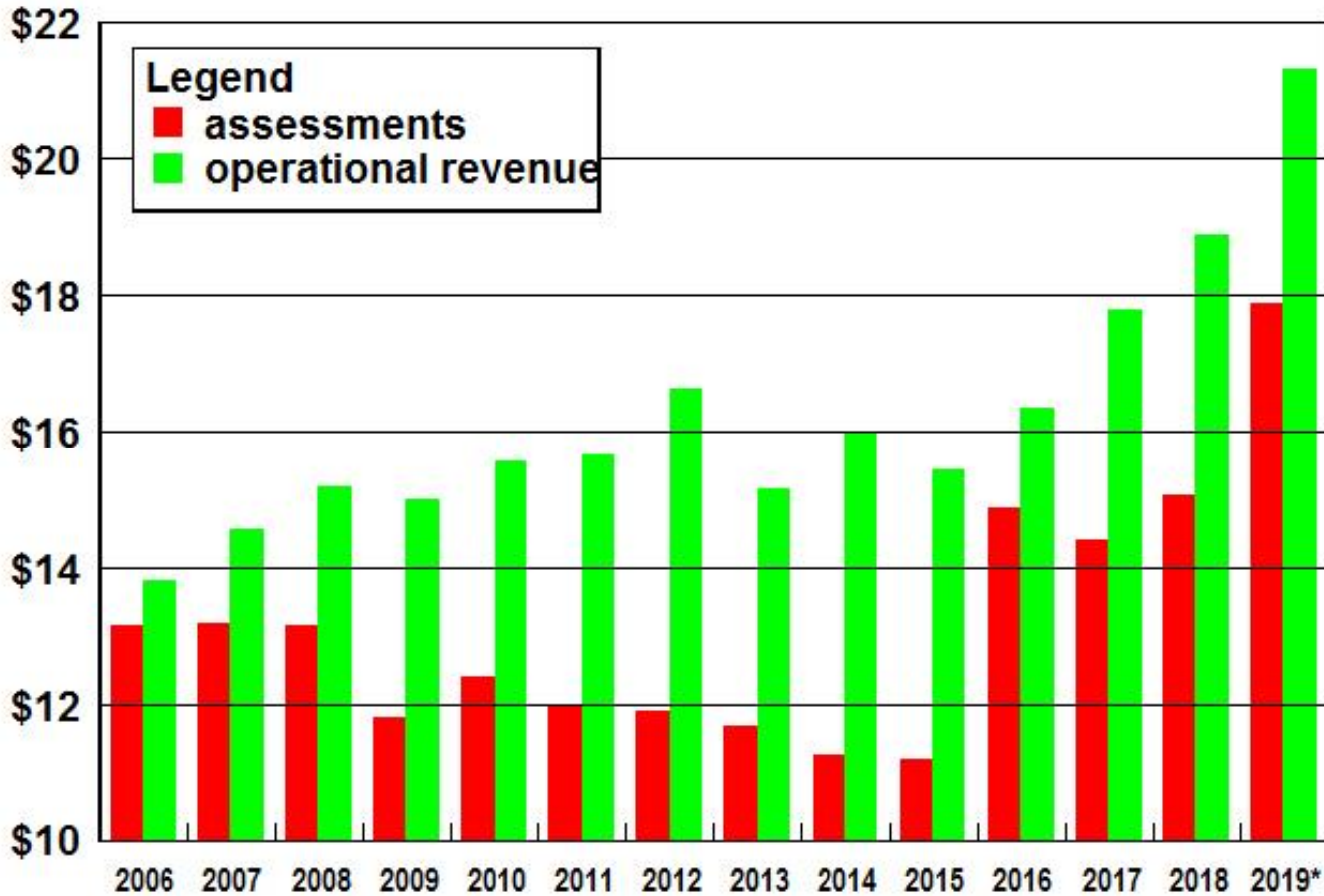
Source: Hot Springs Village finance department

Assessment money owed by POA members who were 61 days or more past due at the end of the first quarter each year



Source: Hot Springs Village POA

POA revenue from operations grows faster than assessment revenue (\$ millions)



Source: Hot Springs Village POA
 * -- 2019 budget

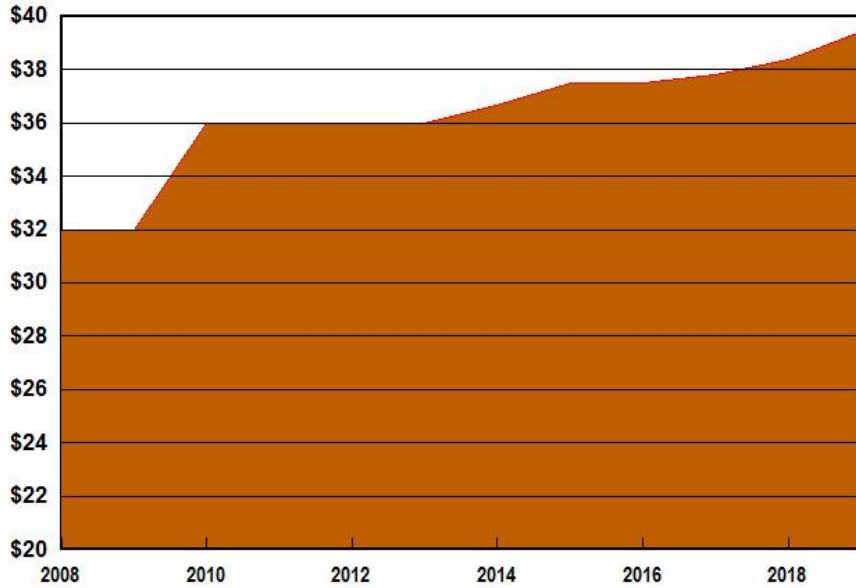
As the number of unproductive lots increased beginning in 2008, assessment revenue declined until the two-tier rate plan was approved in 2016.

To make up for the loss in assessment revenue, the POA has been increasing fees for just about everything – golf, water, trash collection, swimming at the Natatorium, boat registrations.

Together, assessment and operating revenue make up total POA revenue.

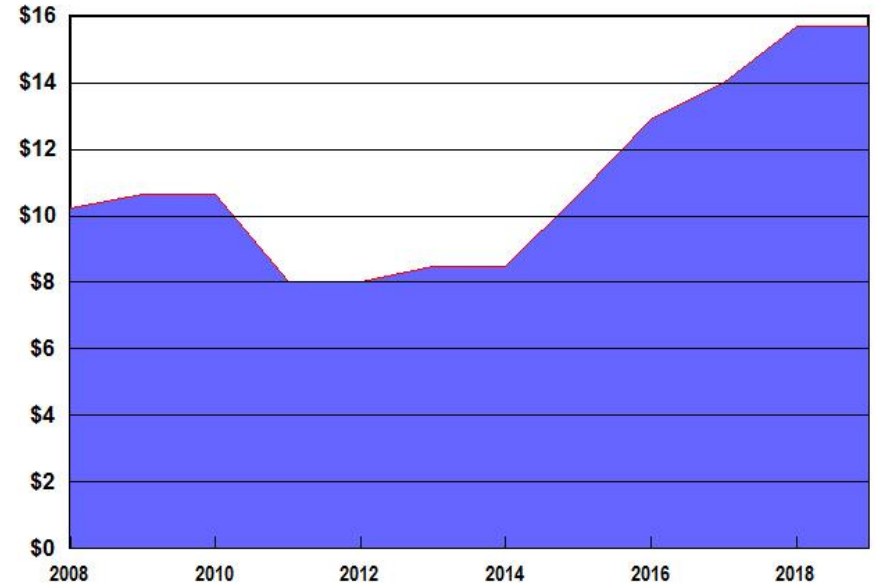
On the following pages are examples of how fees for POA services and amenities have been increased to make up for revenue lost by the growing number of unproductive lots.

Monthly assessment on unimproved lot



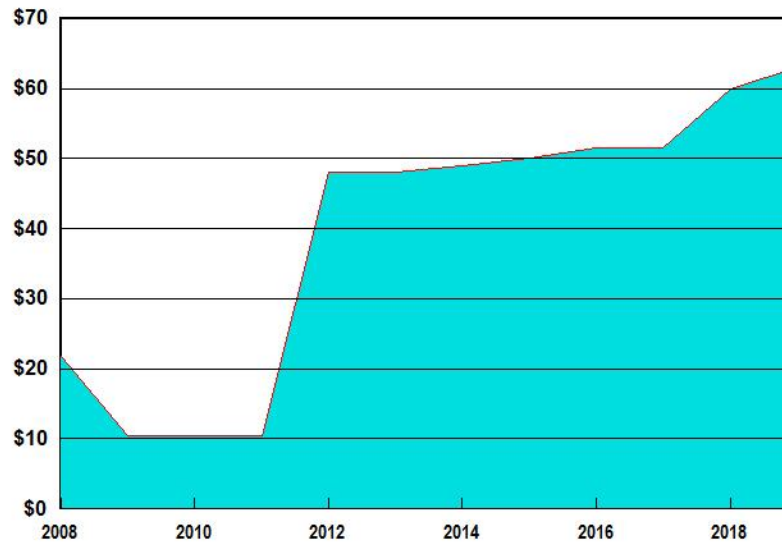
Source: Hot Springs Village POA

Base cost of water each month



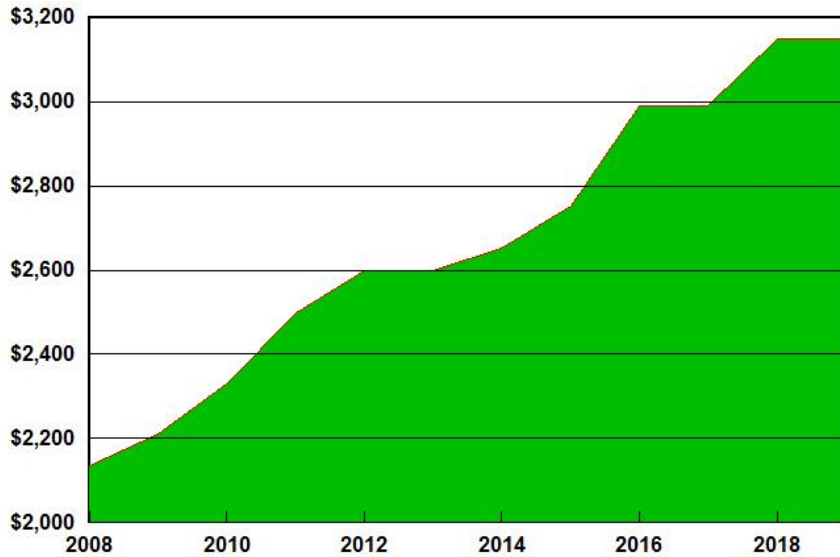
Source: Hot Springs Village POA

Annual fee for boat with motor



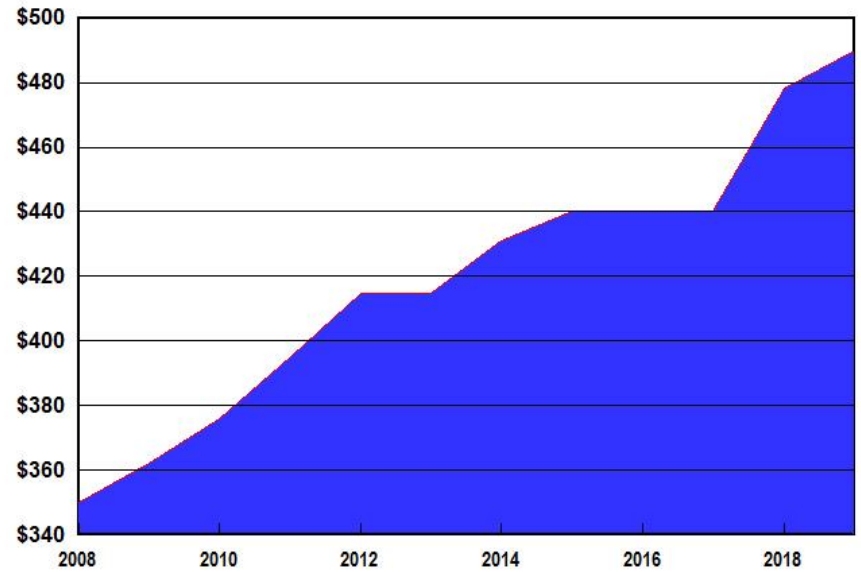
Source: Hot Springs Village POA

Annual fee for unlimited golf and cart



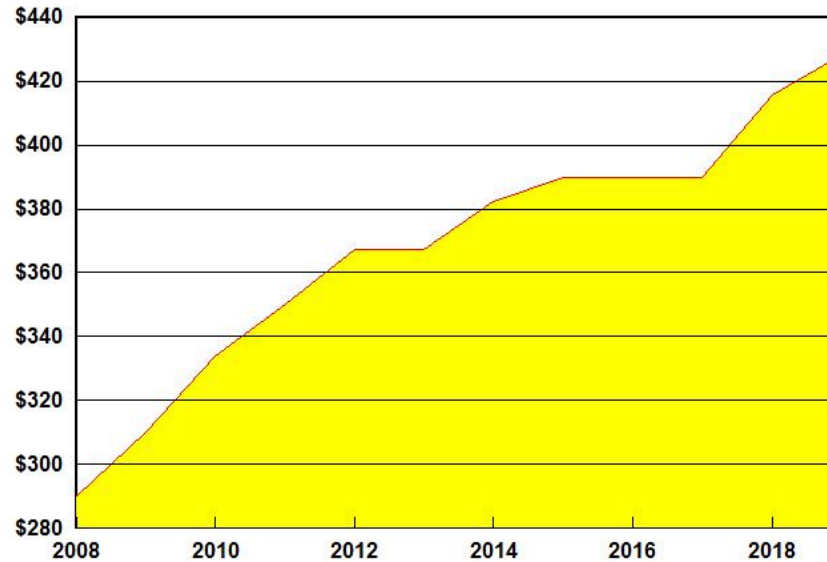
Source: Hot Springs Village POA

Annual fee for fitness center



Source: Hot Springs Village POA

Annual fee for tennis



Source: Hot Springs Village POA

Annual fees paid to the POA each year

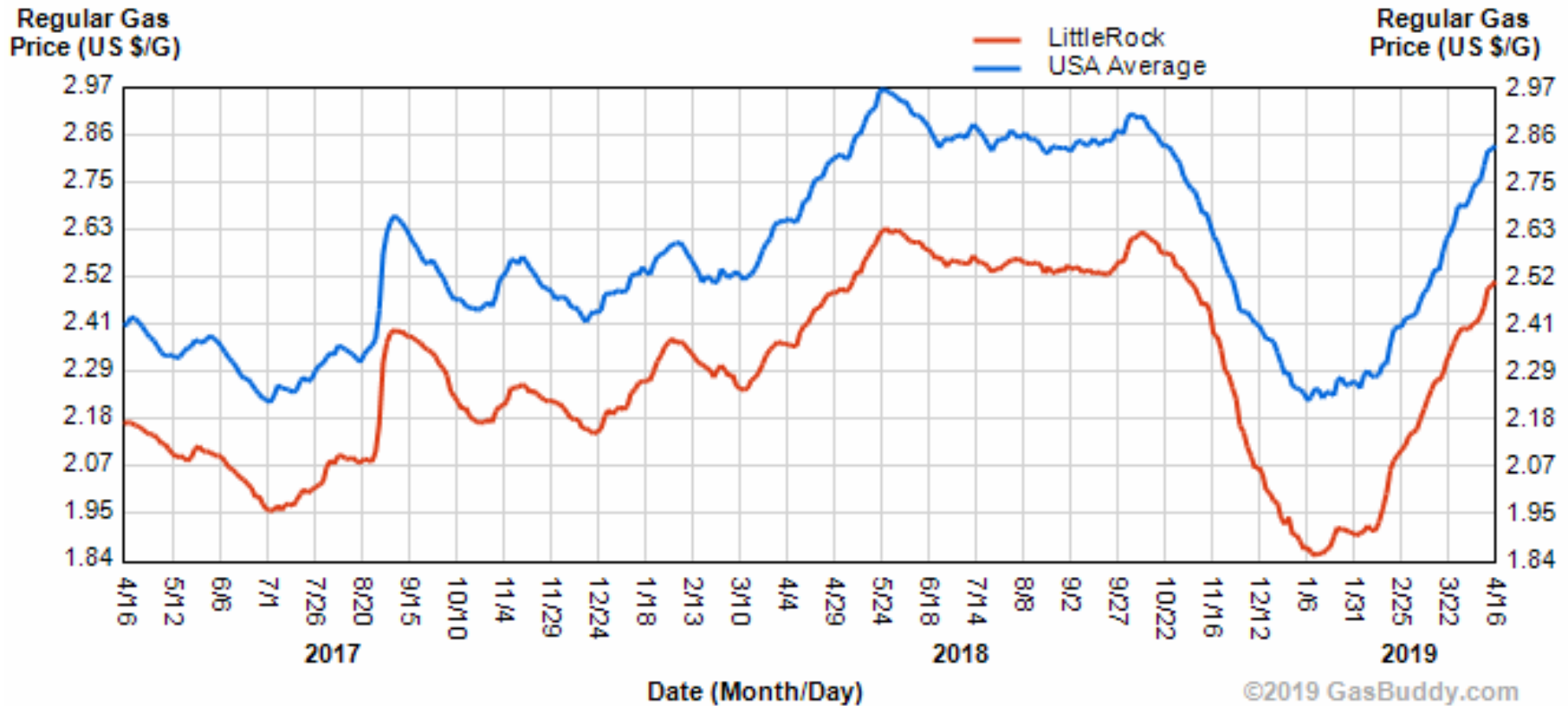
(through the end of February each year)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Annual green fees	635	569	527	491	564	525	391	417	416	455	446
Annual cart leases	432	384	350	332	372	328	254	212	234	174	79
Golf handicap service	2030	1924	1894	1884	1808	1604	1648	1584	1411	1442	1205
Private cart - daily	432	426	440	385	361	344	370	665	620	655	585
Private cart - annual	350	339	303	343	336	329	281				
Coronado fitness center	1206	911	931	731	509	383	298	362	347	383	325
Coronado tennis	215	215	137	122	130	119	83	119	136	133	138
Lawn bowling, pickleball, bocce	184	204	250	268	255	286	253	219	293	285	248
Motorized boats	1469	1457	1402	1325	1270	1182	1179	1188	1152	1522	1160
Non-motorized boats	580	685	736	746	816	837	834	895	1036	1780	1343
Vehicle decals		16678	17021	17100	16371	16272	15124				
Pet registrations						1390	1335	1465	1537	1682	1707

Source: Hot Springs Village Property Owners' Association

Note: The POA began issuing two free vehicle decals in 2016, so the number of vehicles registered in the Village is no longer available.

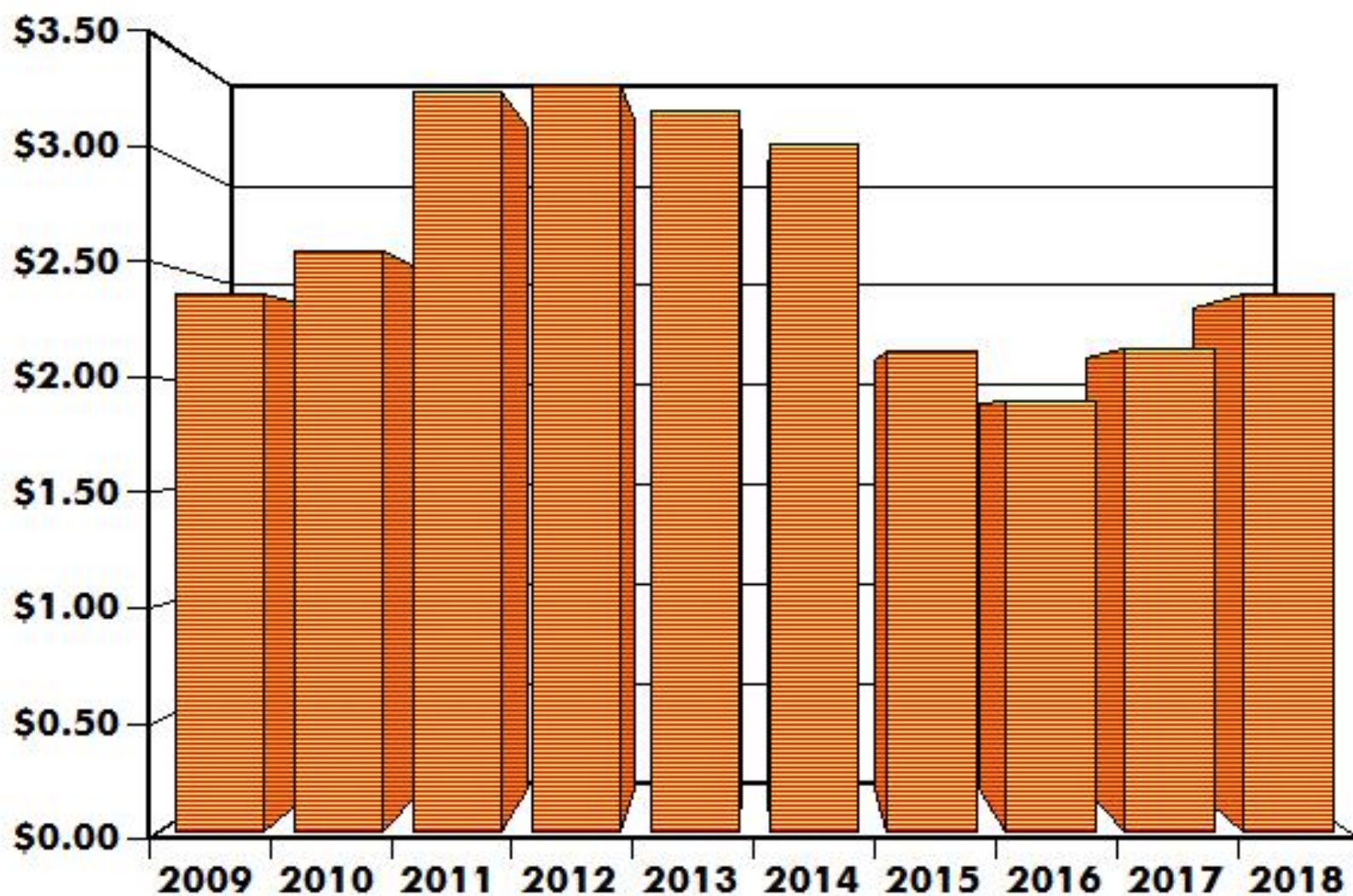
24 Month Average Retail Price Chart



Gasoline prices

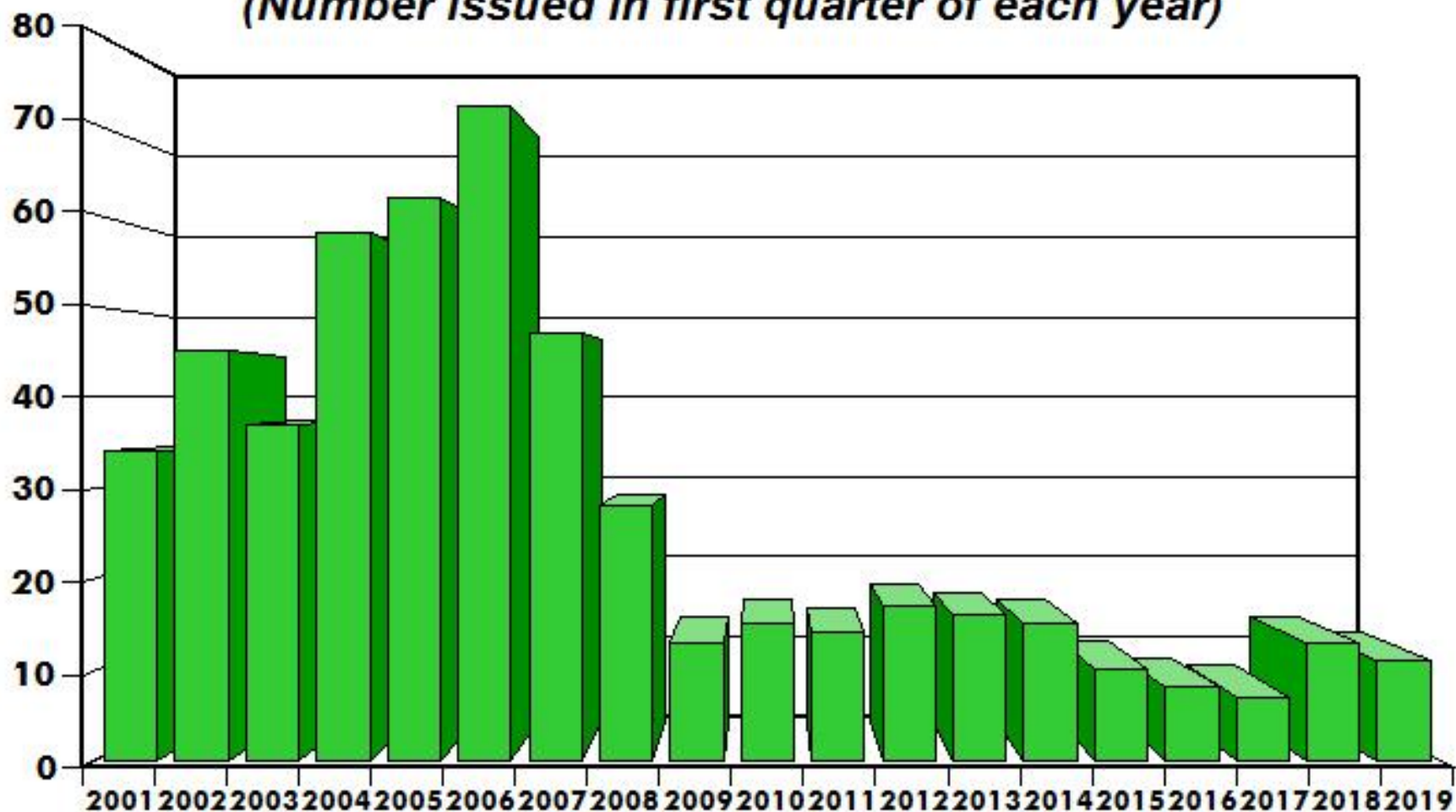
The average price of gasoline in the U.S. was \$2.84 a gallon on Sunday, up 32 cents a gallon from the same time last year, according to GasBuddy.com. This week it was \$2.429 at the Murphy station at the Hot Springs Village Walmart. Prices in central Arkansas are historically 40-45 cents a gallon below the national average.

Cost of each gallon of gasoline purchased in Hot Springs Village



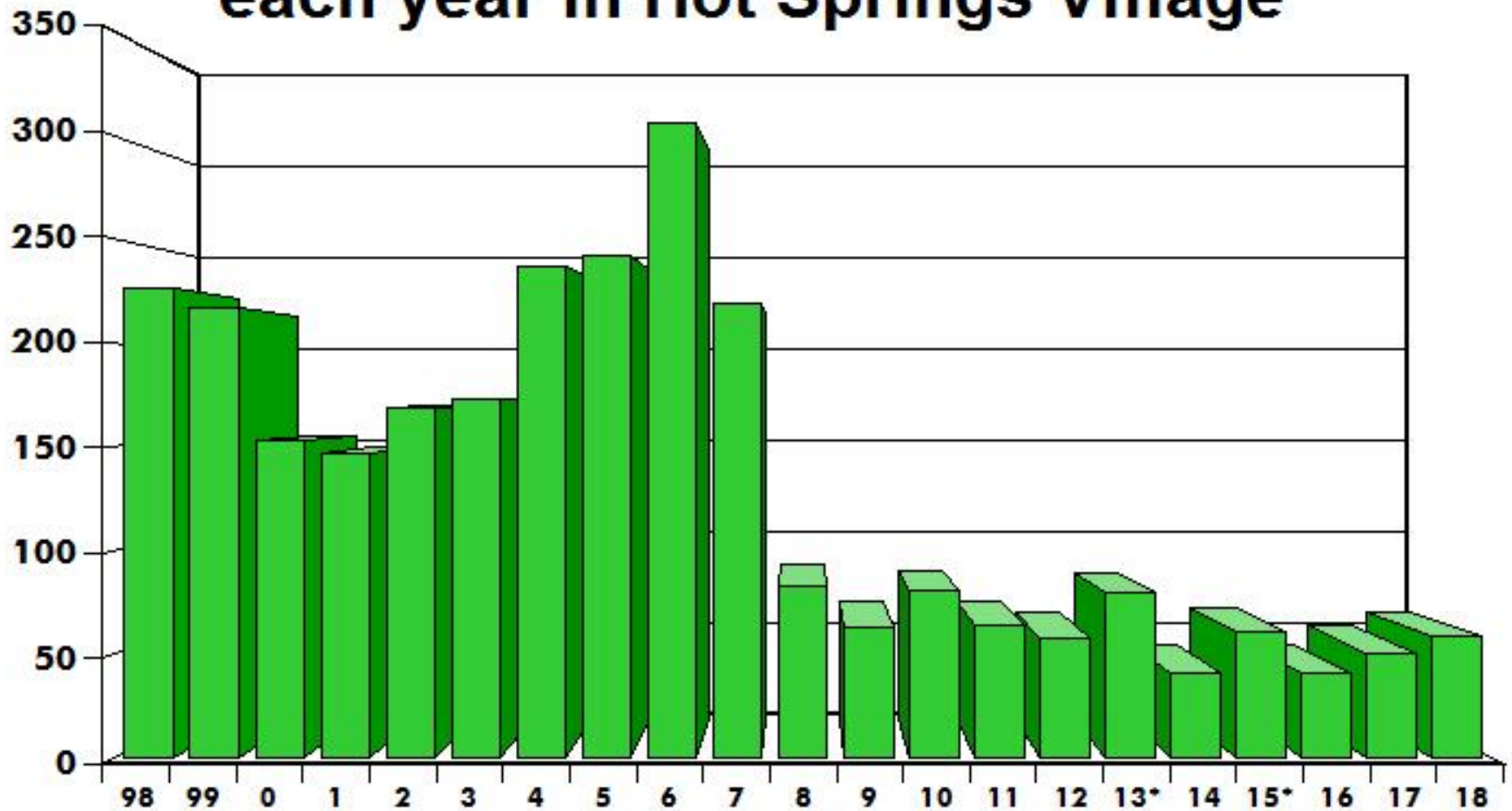
Permits for new homes in Village

(Number issued in first quarter of each year)



Source: Hot Springs Village Property Owners' Association

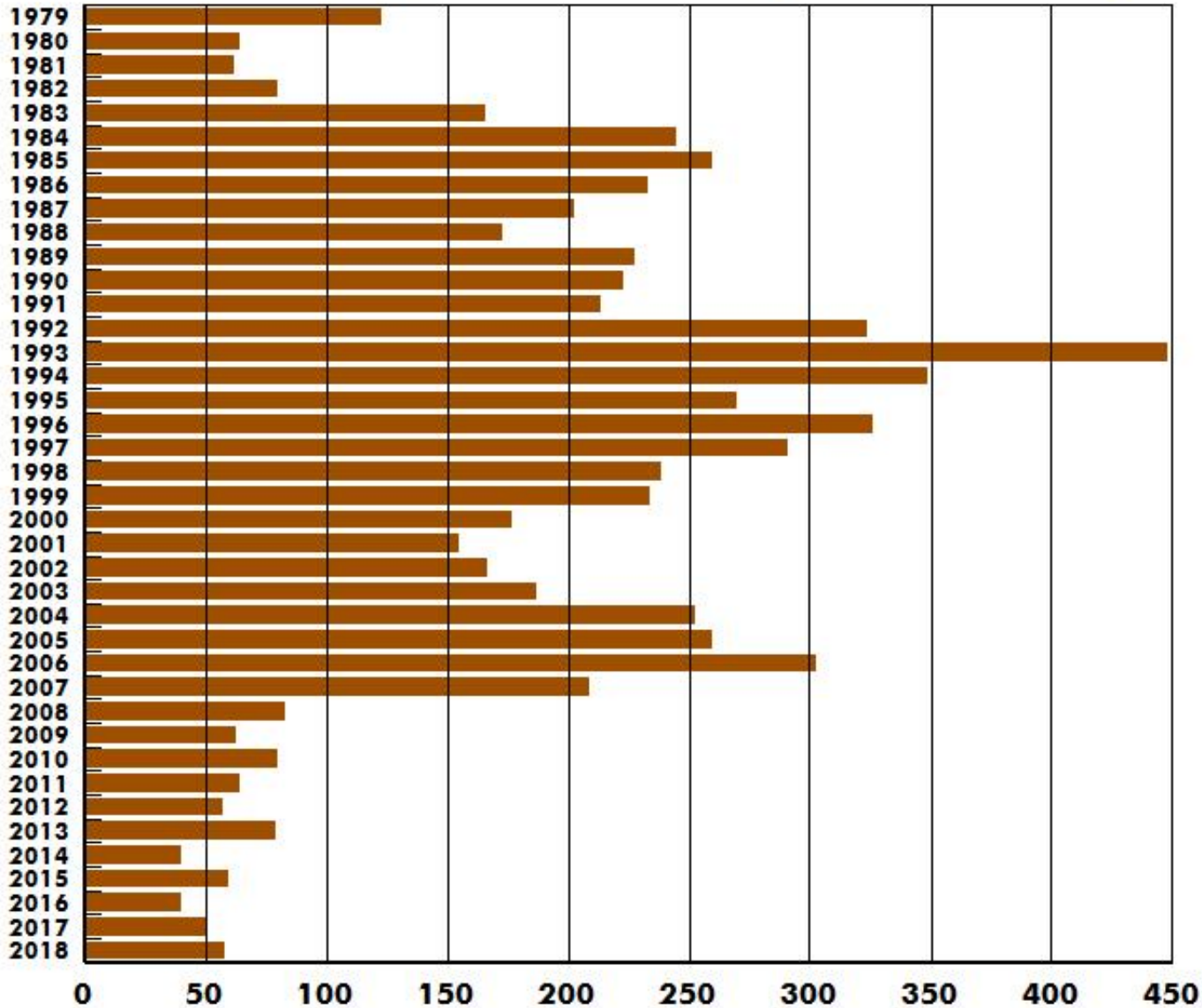
Number of new-home permits issued each year in Hot Springs Village



Source: Hot Springs Village Architectural Control Committee

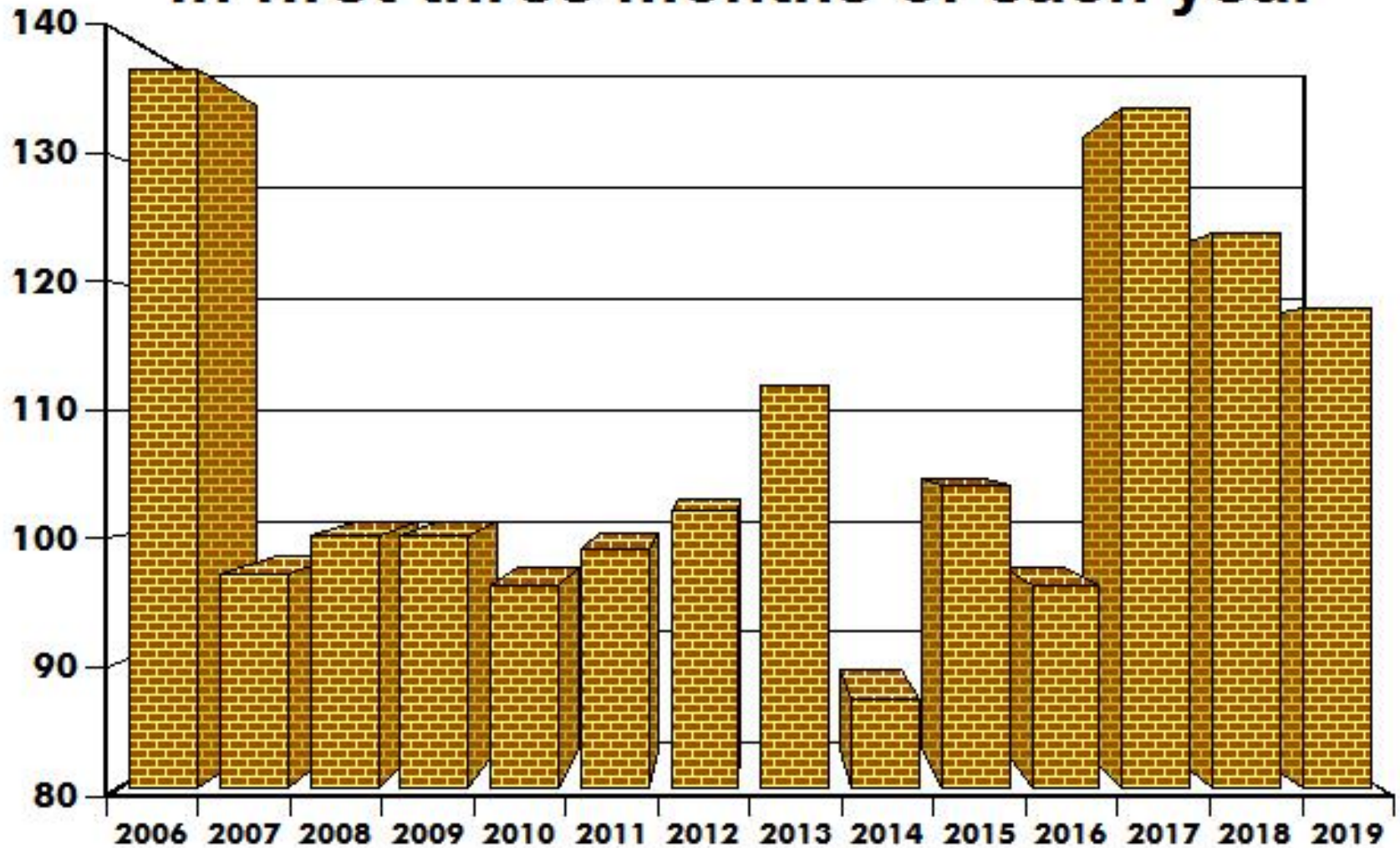
(*) Includes 16 garden units at Mount Carmel in 2013, and 22 in 2015

Permits for new housing units issued each year in Hot Springs Village



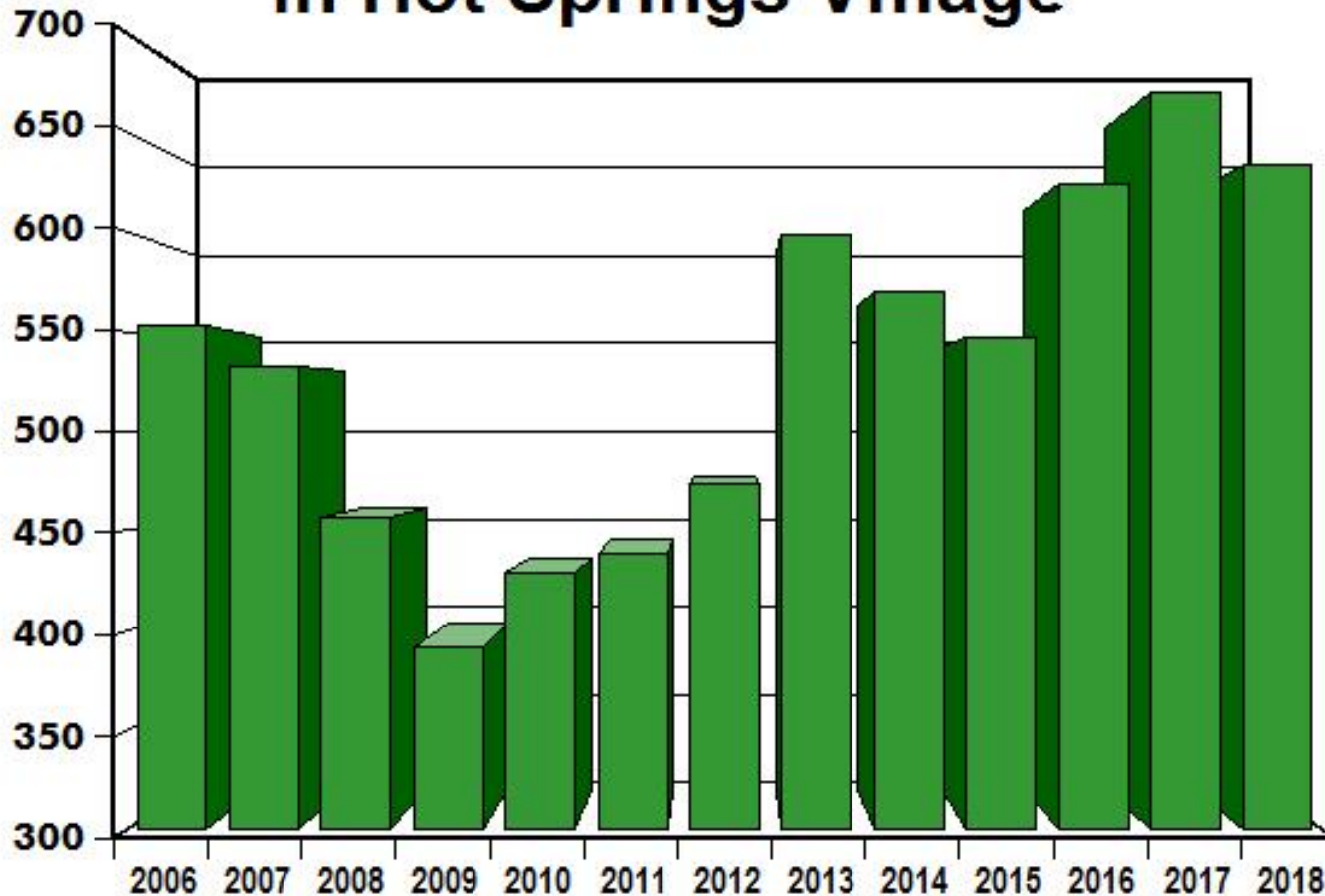
Fifty-eight permits for construction of new housing units in Hot Springs Village were approved in 2018, up eight – 16 percent – from the year before. Home building in the Village remains well below levels seen prior to the nationwide collapse of the housing market in 2006-7.

Number of homes sold in Village in first three months of each year



Source: Hot Springs Village POA

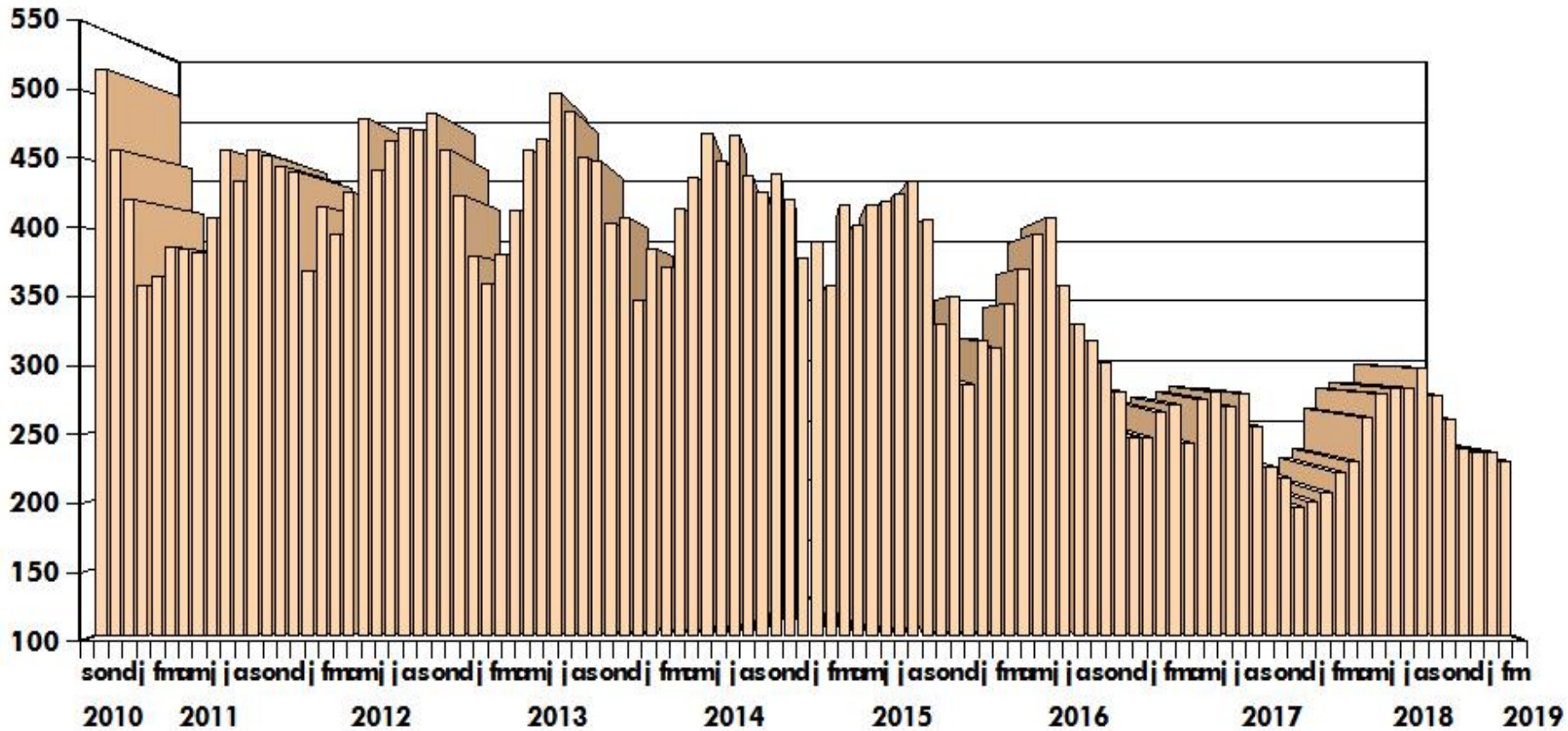
Number of homes sold each year in Hot Springs Village



Source: CARMLS from Clara Nicholosi at ReMax of Hot Springs Village

The CARMLS service tracking real-estate sales in Hot Springs Village shows there were 633 homes sold last year at an average price of \$197,033. Homes sold for between \$30,000 and \$842,894. The highest sales price for a home in the Village in 2017 was \$725,000. The average sales price was \$10,157 higher than in 2017, an increase of 18.5 percent. The average home sold was on the market for 70 days, compared to 90 days in 2017 and 103 days in 2016.

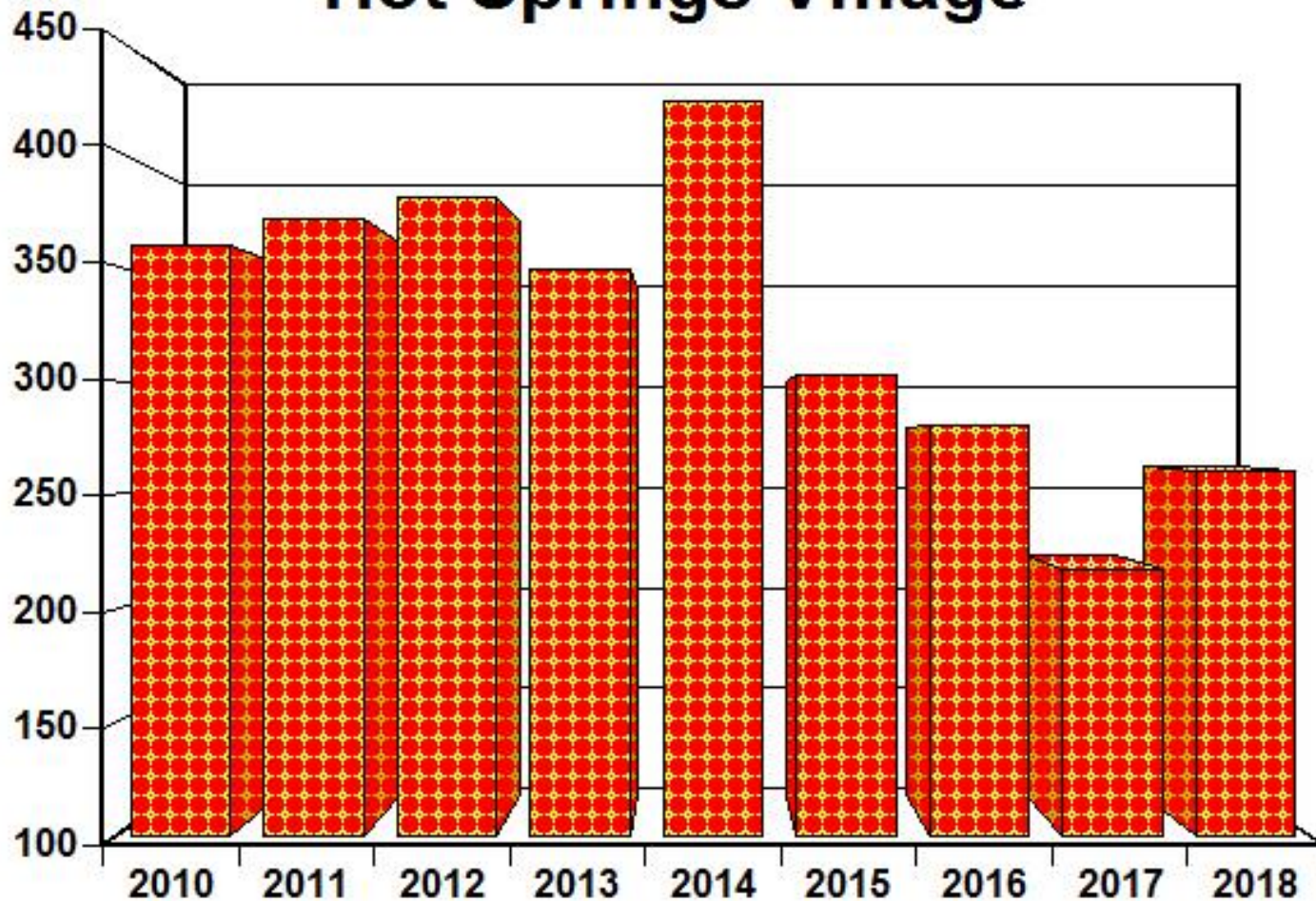
Number of homes listed for sale in Hot Springs Village



Source: Hot Springs Village Property Owners' Association

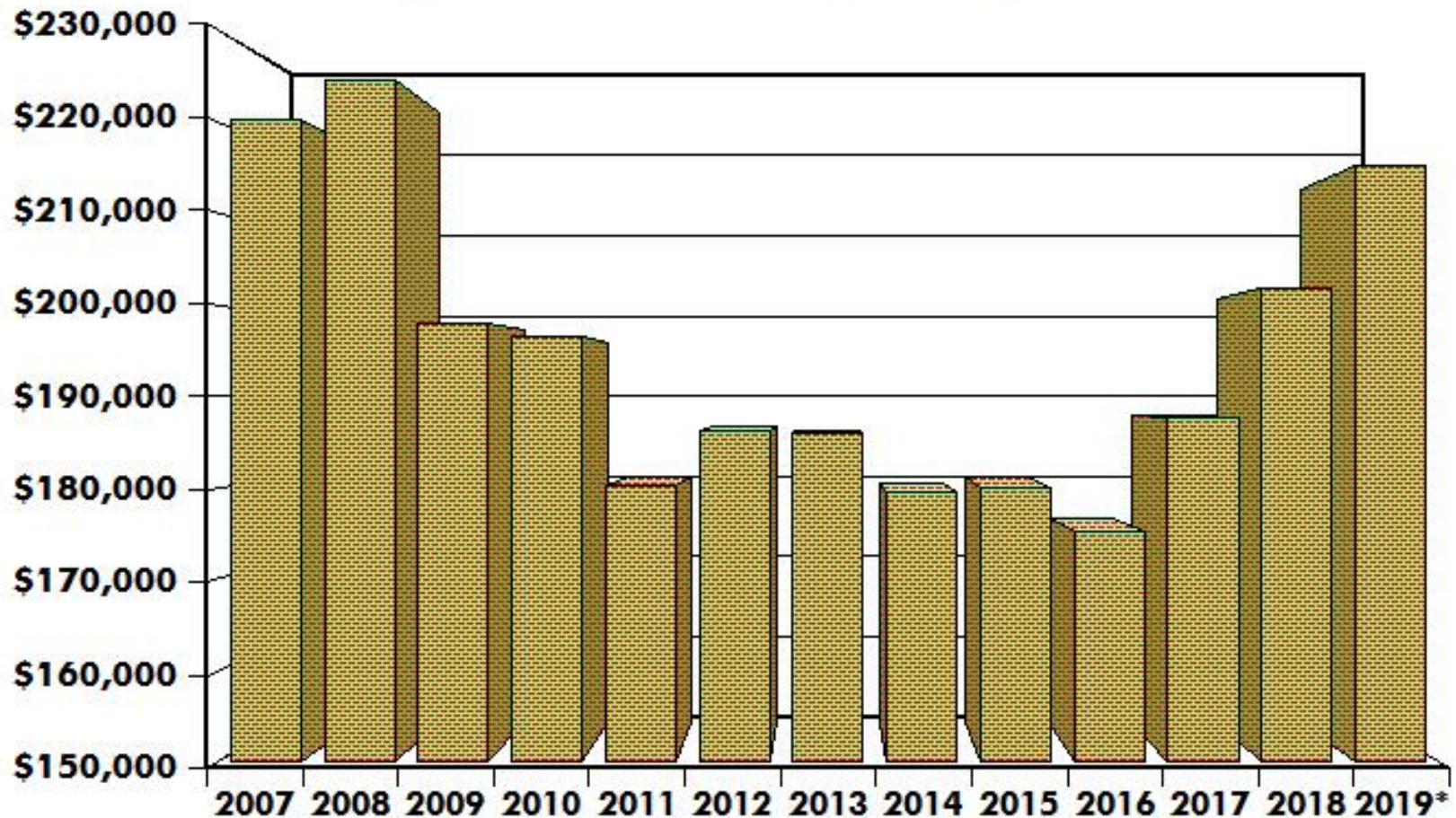
There were 229 homes listed for sale in Hot Springs Village at the end of March, up 7, or 3.2 percent, from the same time last year. Zillow estimates the median home value in the Village to be \$177,900, and expects values to rise 3.1 percent in the next year.

Number of homes listed for sale at the end of each year in Hot Springs Village



Source: Hot Springs Village Property Owners' Association

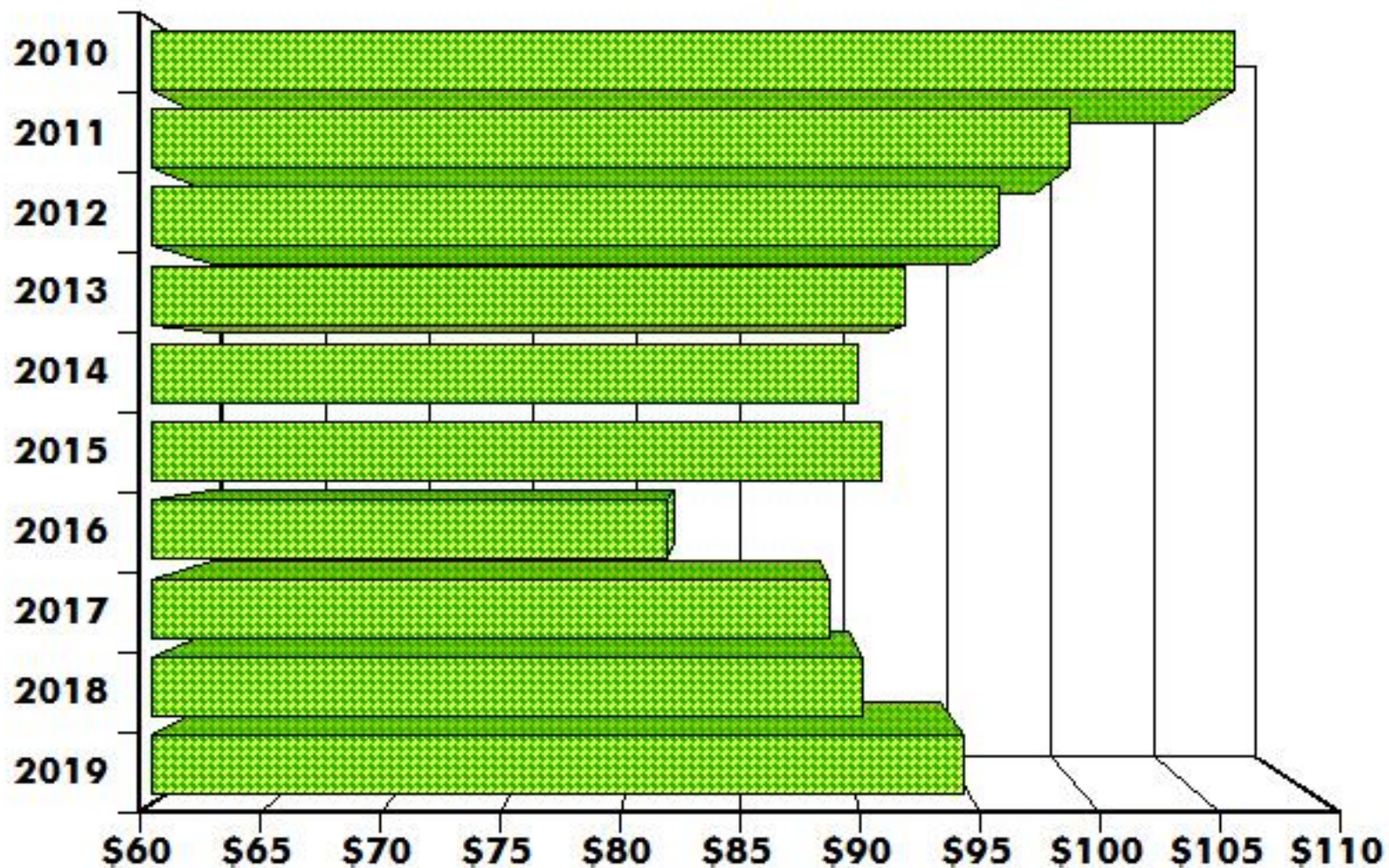
Average price of homes sold each year in Hot Springs Village



Source: Clara Nicolosi - RE/MAX of Hot Springs Village

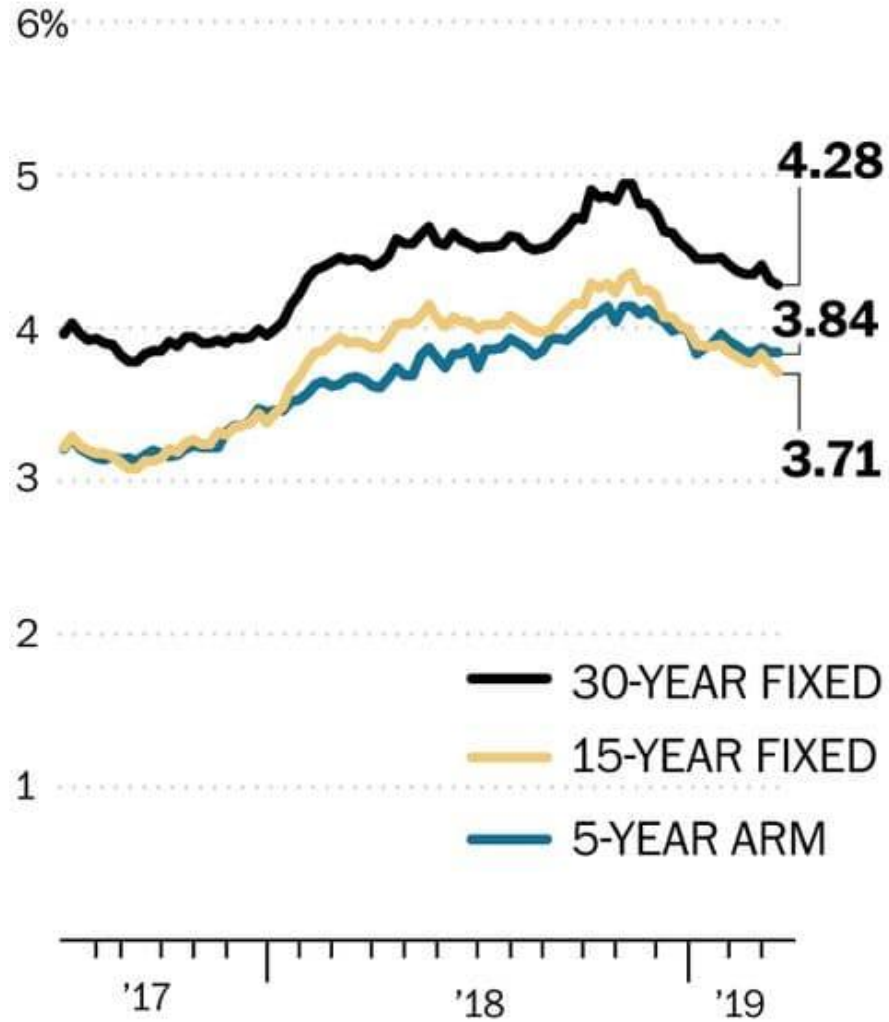
* – first three months of 2019

Per-square-foot cost of homes sold in Hot Springs Village



Source: Clara Nicolosi - RE/MAX of Hot Springs Village

Weekly averages for popular mortgage types

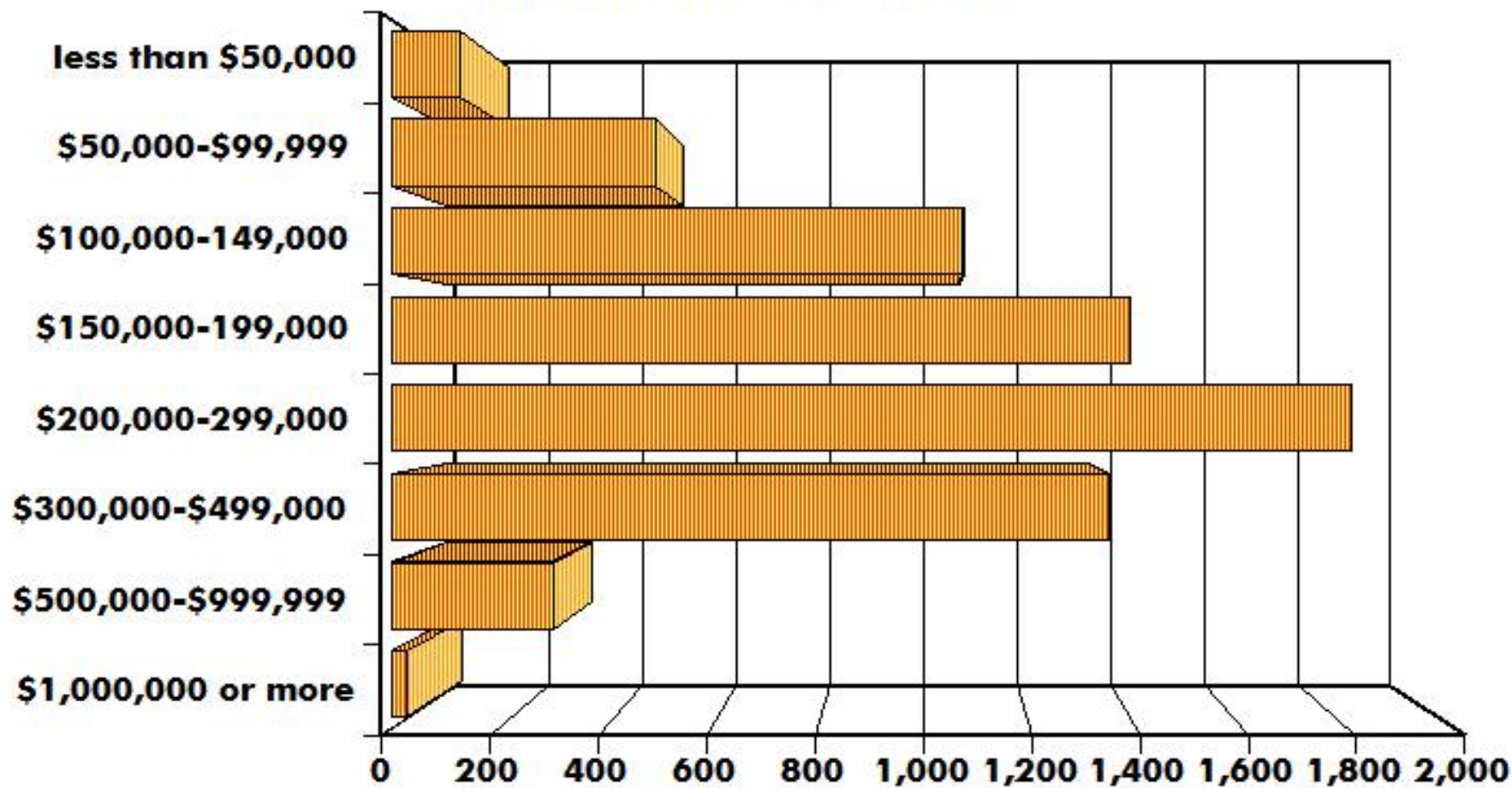


Source: Freddie Mac

THE WASHINGTON POST

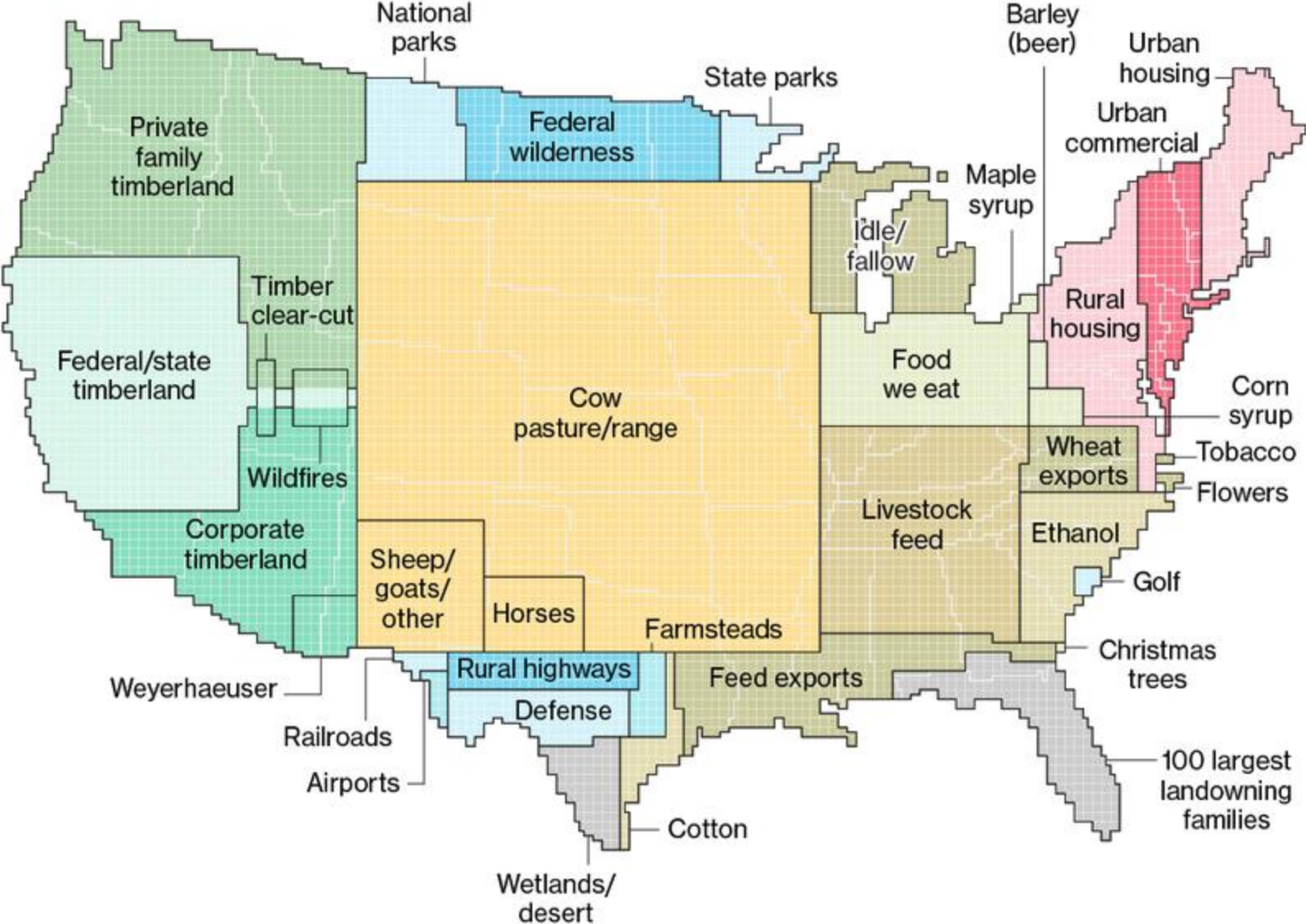
Number of Village homes in price groups

(median price = \$210,100)



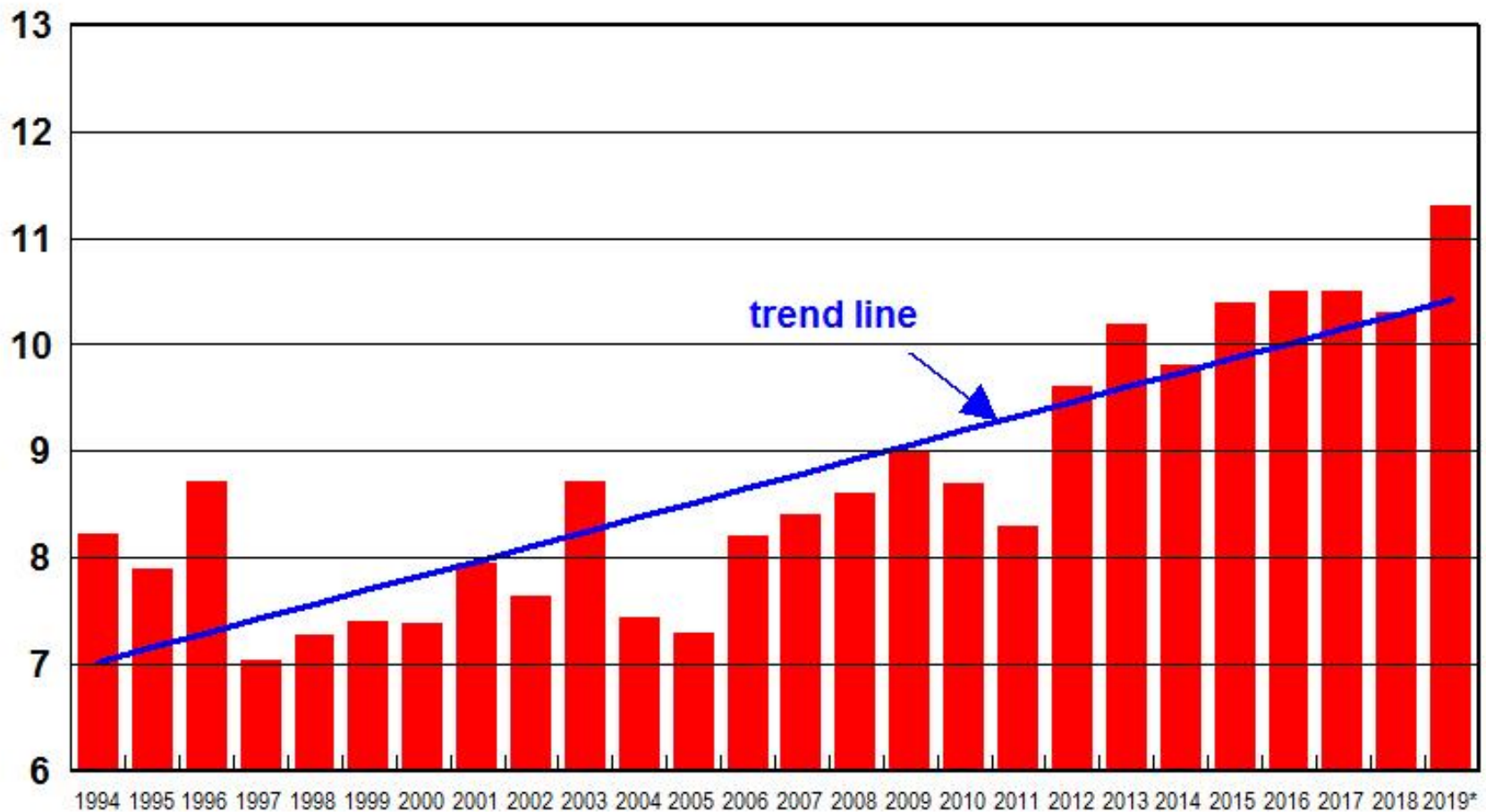
Source: U.S. Census Bureau, 2008-2012 American Community Survey

Here's how America uses its land



Cost of electricity in Hot Springs Village

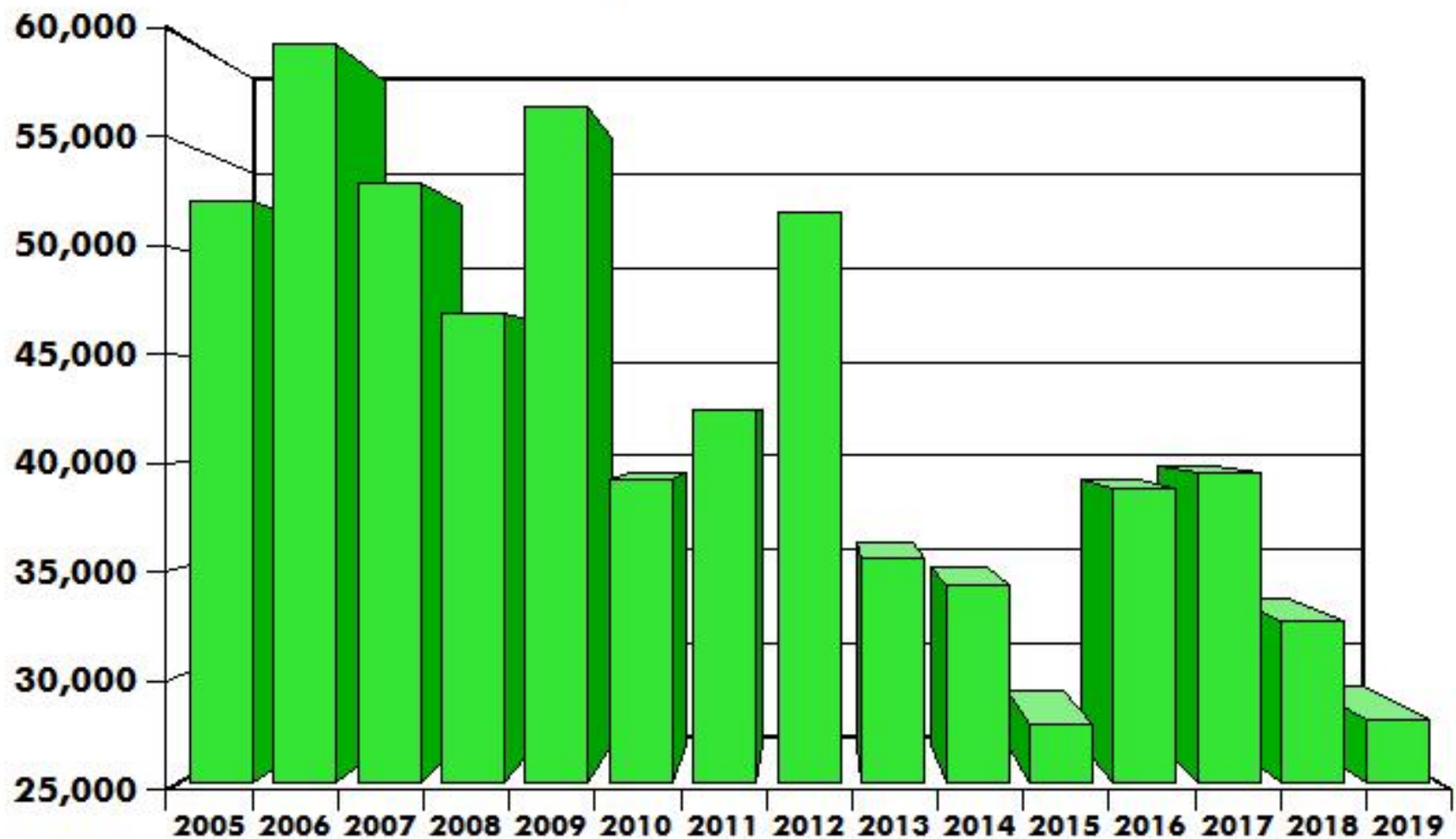
(cents for each kilowatt hour (kWh), including all taxes and add-on fees)



* -- first 3 months of 2019

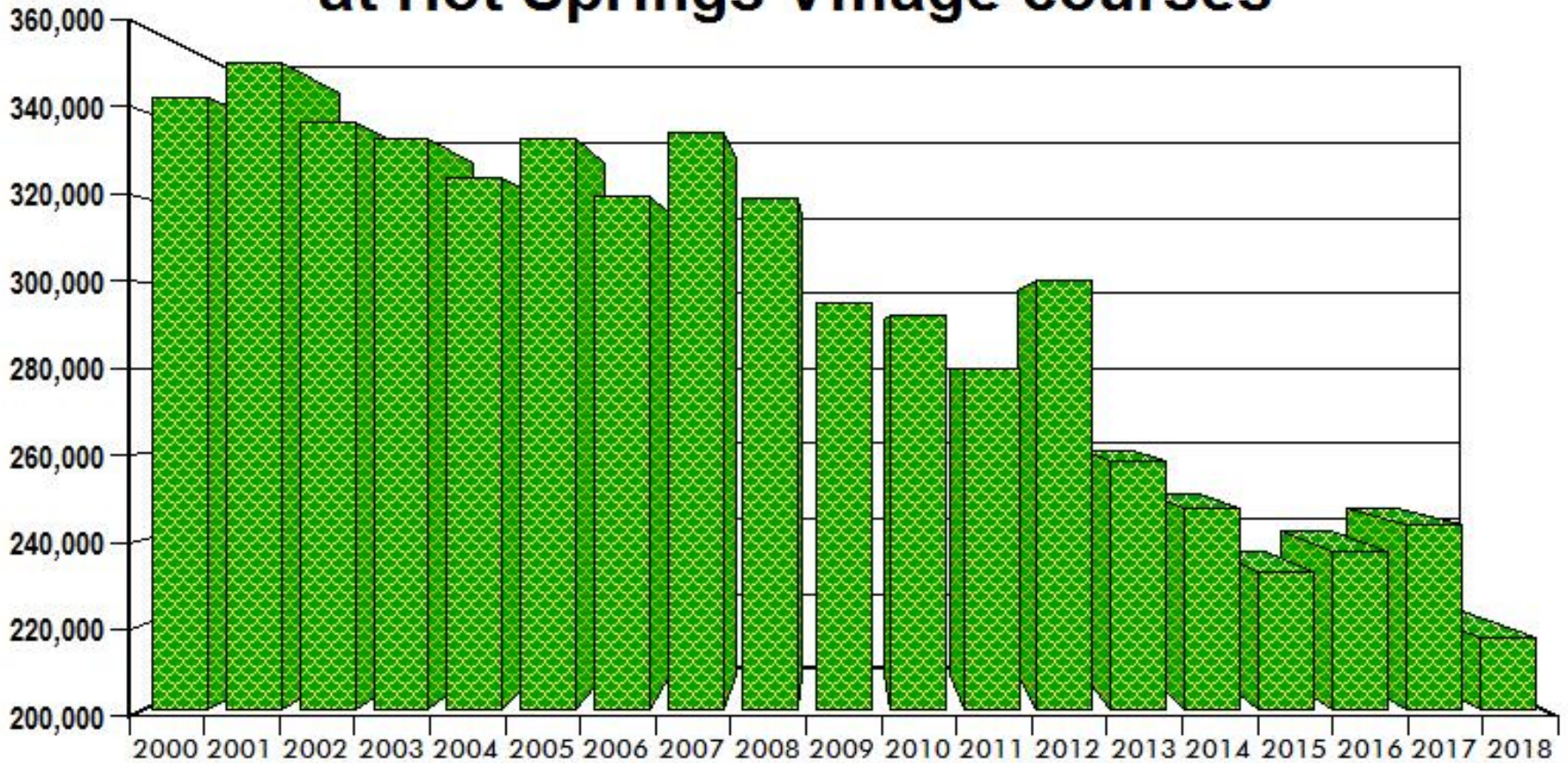
The cost of electricity in Hot Springs Village in the first three months of 2019 was 12.0 cents for each kilowatt hour, down 5.8 percent from the first quarter last year. The costs with Entergy were for a home using a time-of-use savings plan and one enrolled in the utility's program allowing it to shut down service for brief periods in peak seasons.

Total golf rounds at Village courses in the first quarter of each year



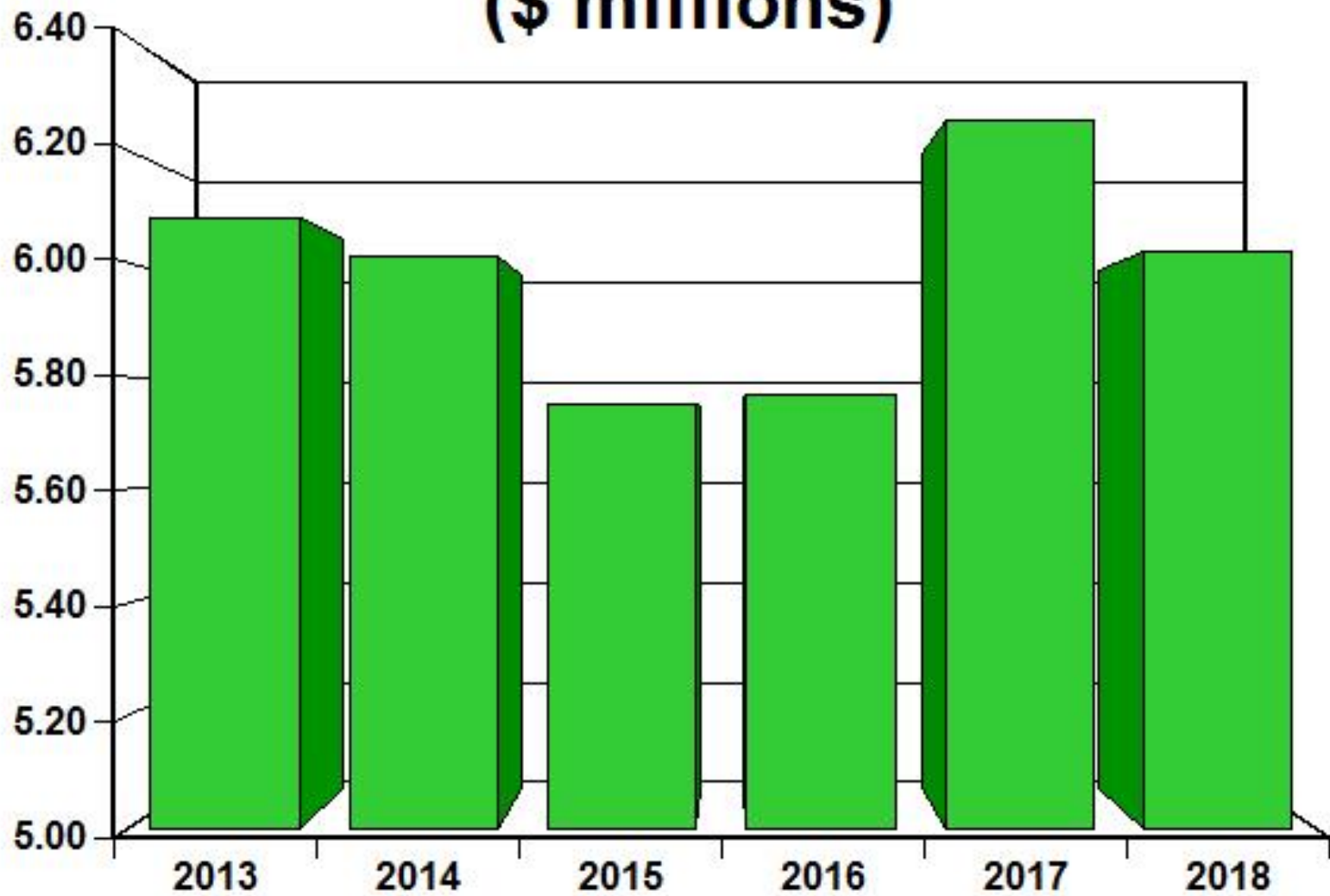
Source: Hot Springs Village Golf Department

Total golf rounds played each year at Hot Springs Village courses



Source: Hot Springs Village Golf Department

Total golf revenue at Village courses (\$ millions)



Source: Hot Springs Village POA

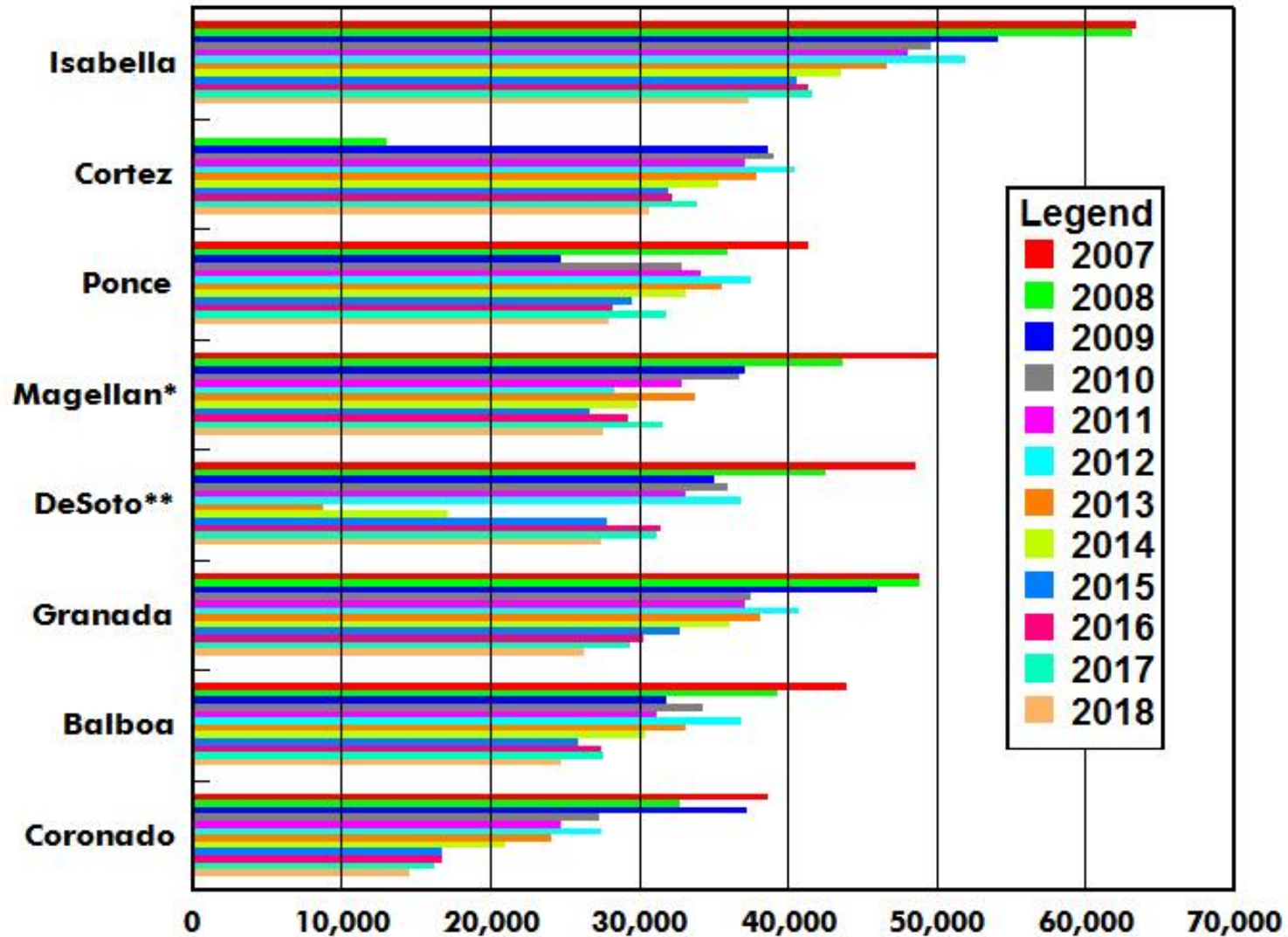
Revenue for each round played at Village courses in 2018



Source: Hot Springs Village Golf Dept.

An average of \$27.79 was collected for each round of golf played in 2018 at the eight Property Owners' Association courses in Hot Springs Village. That was up \$2.12, or 8.2 percent, from the year before. Total rounds last year were down 26,803, or 11.0 percent, from 2017.

Golf rounds played at Village courses



Source: Hot Springs Village golf department

(*) Magellan was closed from June 4-Aug. 27, 2012, so new Bermuda greens could be installed.

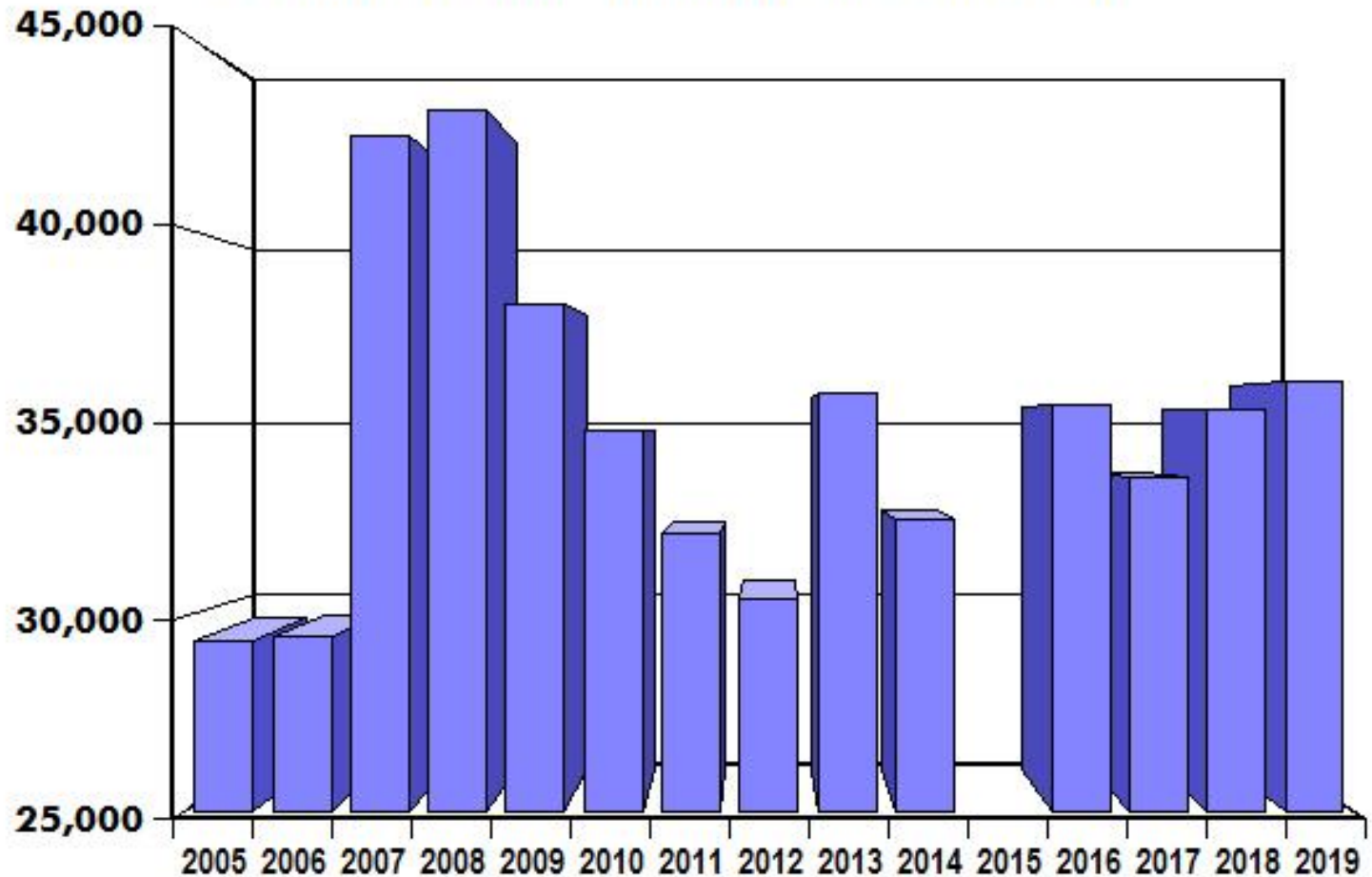
(**) DeSoto was closed for most of 2013 for refurbishing and re-opened on May 22, 2014.

Hot Springs Village income, costs and subsidies as a percent of revenue in 2018

Department	Revenue	Spending	Profit/loss (subsidy)	% subsidy
Public safety	\$ 834,295	\$4,556,287	-\$3,634,842	-435.7%
Public works	2,222,238	2,756,177	-533,939	-24.0%
Public utilities	6,729,530	4,4332,878	2,296,652	34.1%
Permitting & Inspections	232,350	158,199	64,151	27.6%
Food & beverage	1,041,523	1,557,617	-516,094	-49.6%
Golf	6,021,966	7,980,904	-1,958,939	-32.5%
Recreation	1,017,826	2,375,801	-1,357,975	-133.4%
Sales and marketing	137,110	1,170,376	-1,033,266	-753.6%

Source: POA finance department

Attendance at Coronado Fitness Center for the first three months of each year

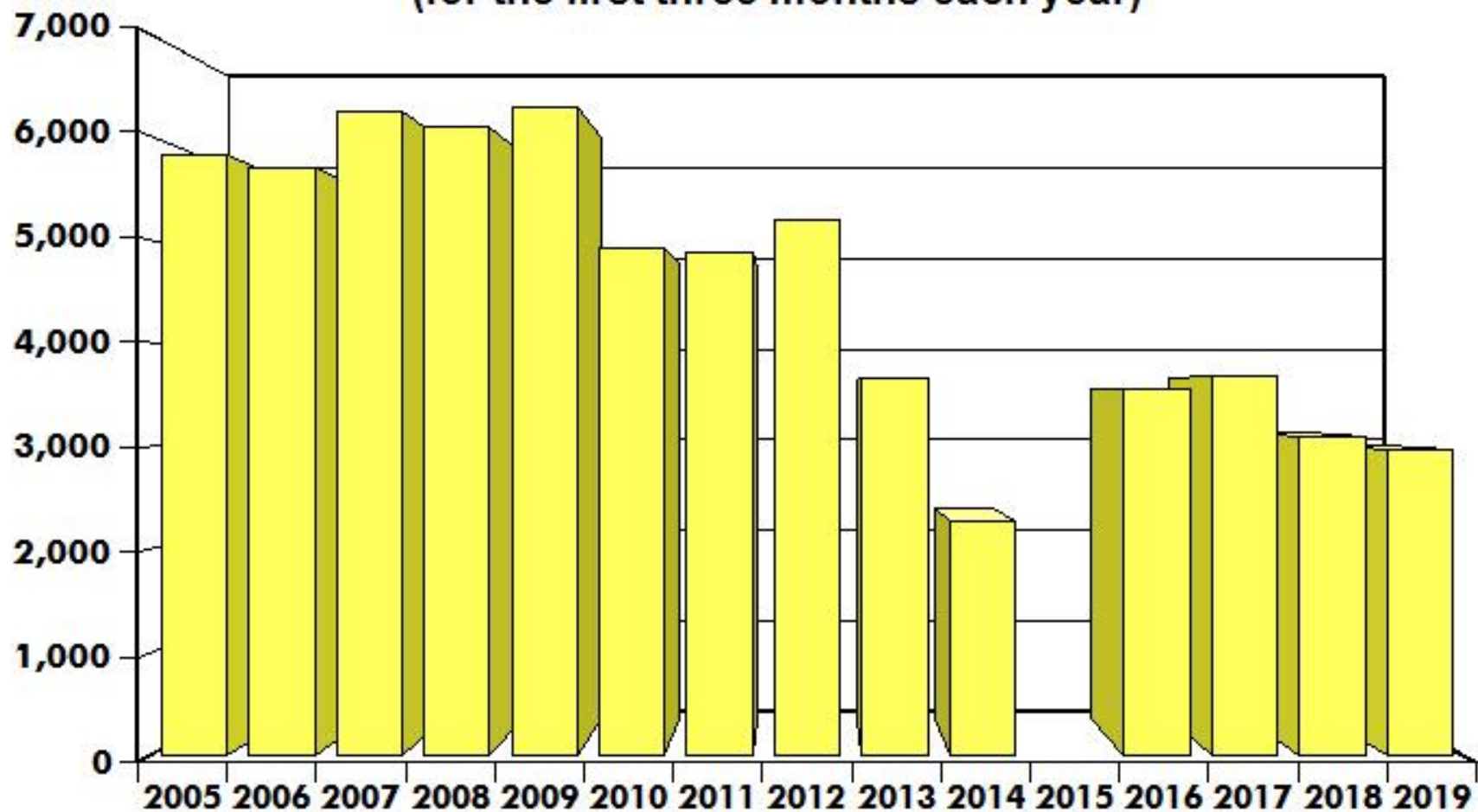


Source: POA Recreation Dept.; 2015 data not available

Attendance at the Coronado Fitness Center peaked in 2007-08 following the center's expansion in 2006. Use declined before rebounding in 2013 when the center began accepting Silver Sneakers and other insurance cards from members who have them as part of their health plans.

Coronado Tennis Center attendance

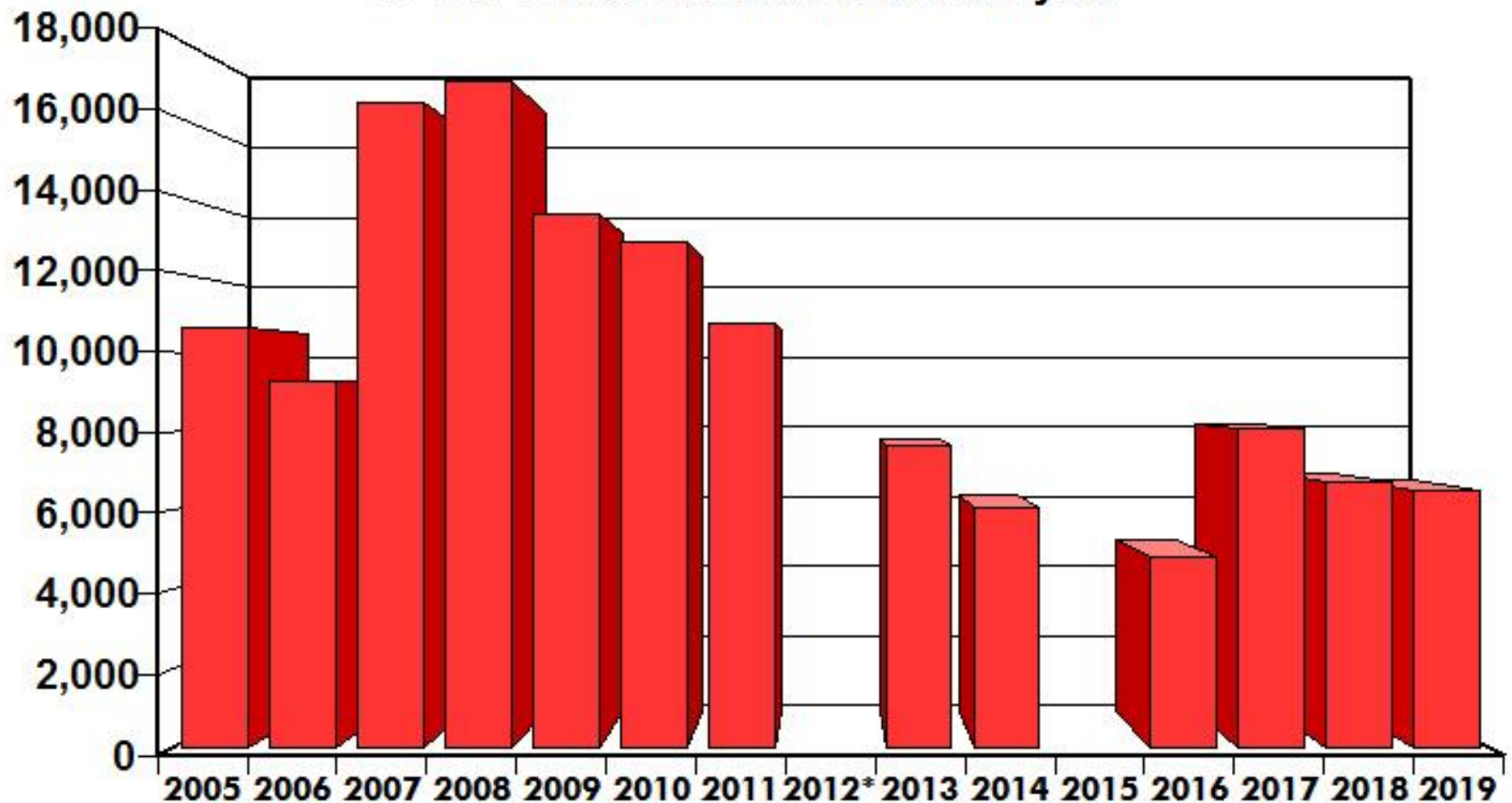
(for the first three months each year)



Source: POA Recreation Dept.
2015 data not available

Attendance at Woodlands events

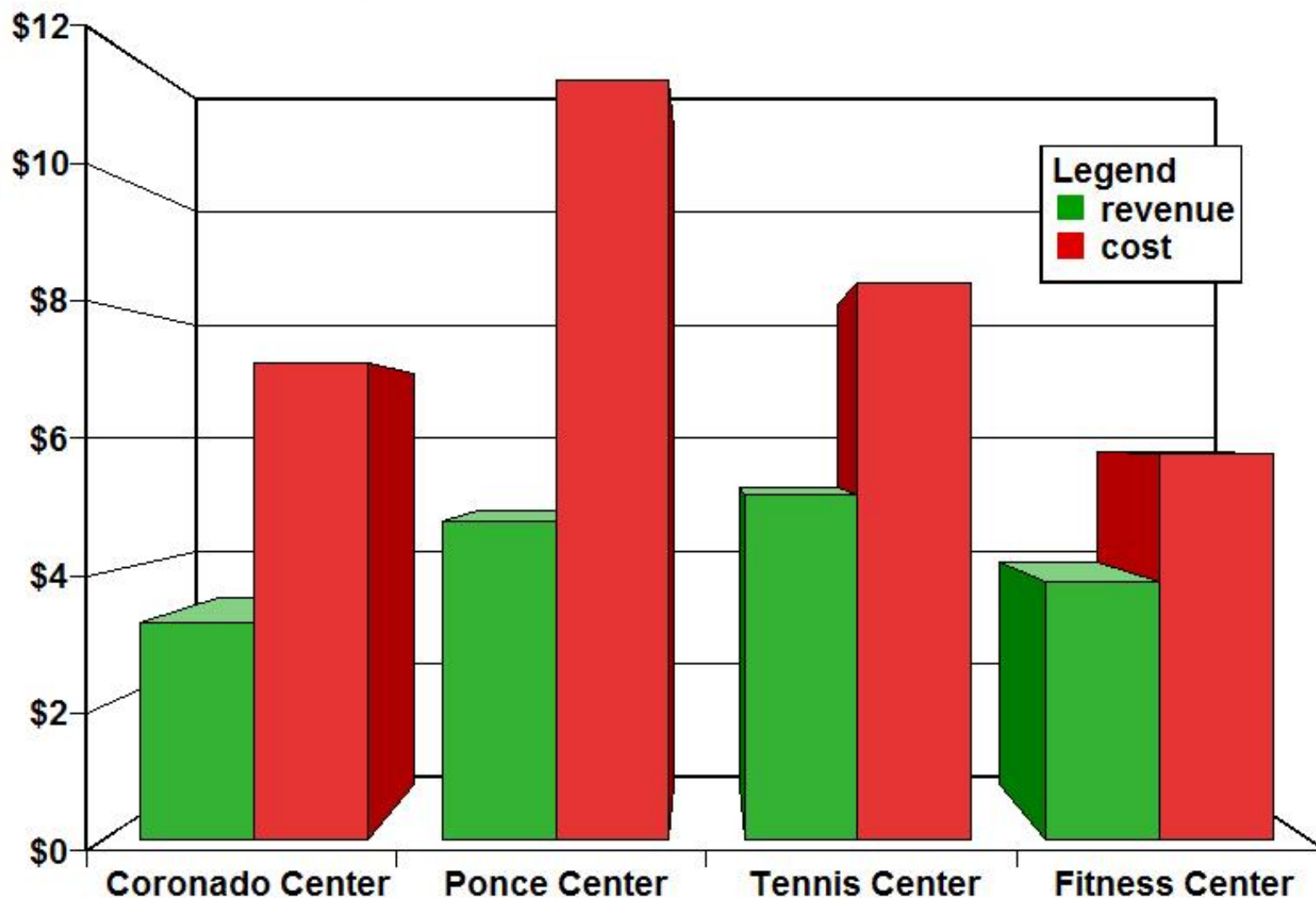
for the first three months each year



Source: POA Recreation Dept.

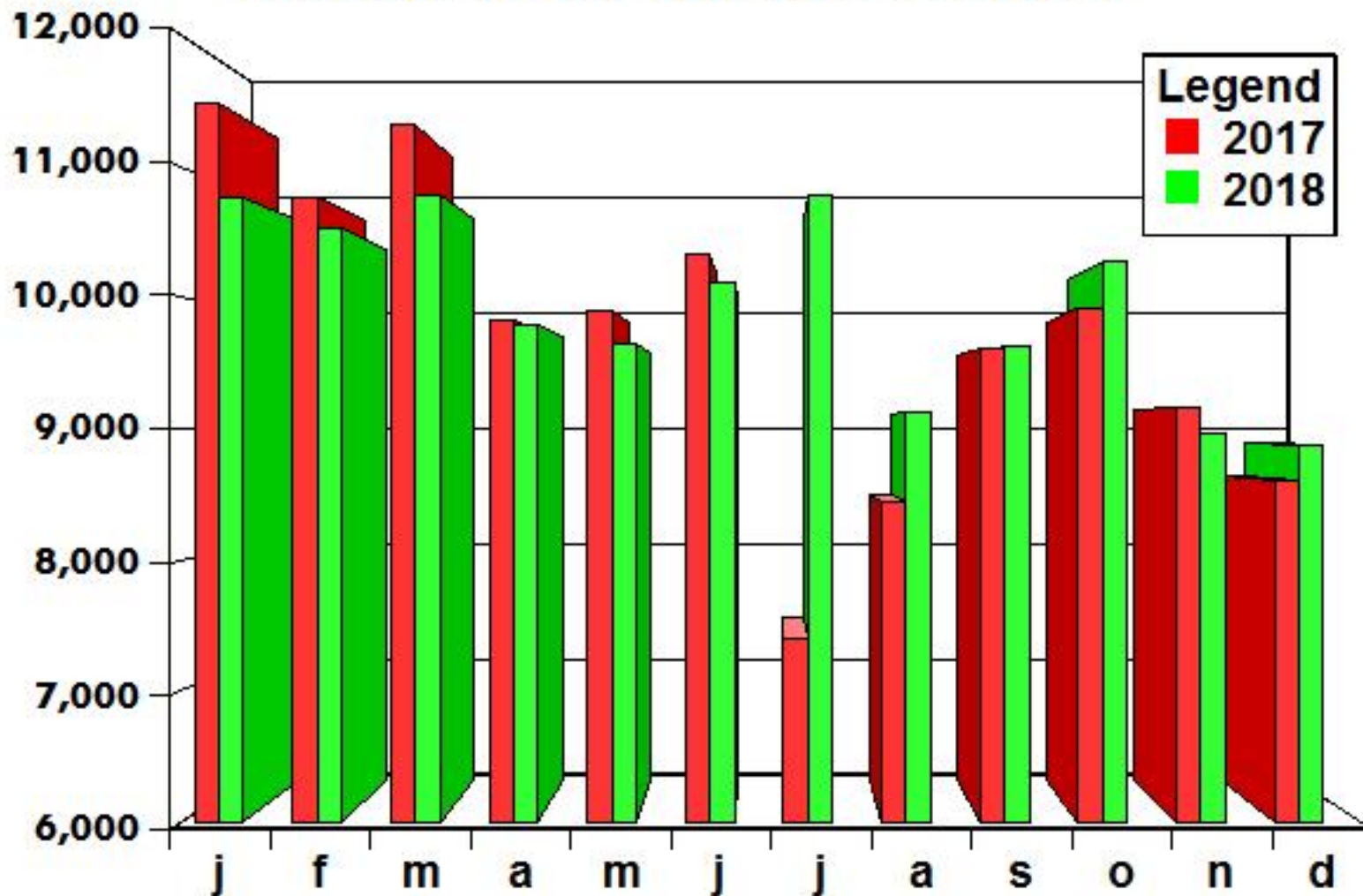
* - attendance was not recorded in 2012; 2015 data not available

Revenue/cost for each person using Village recreation sites in 2018



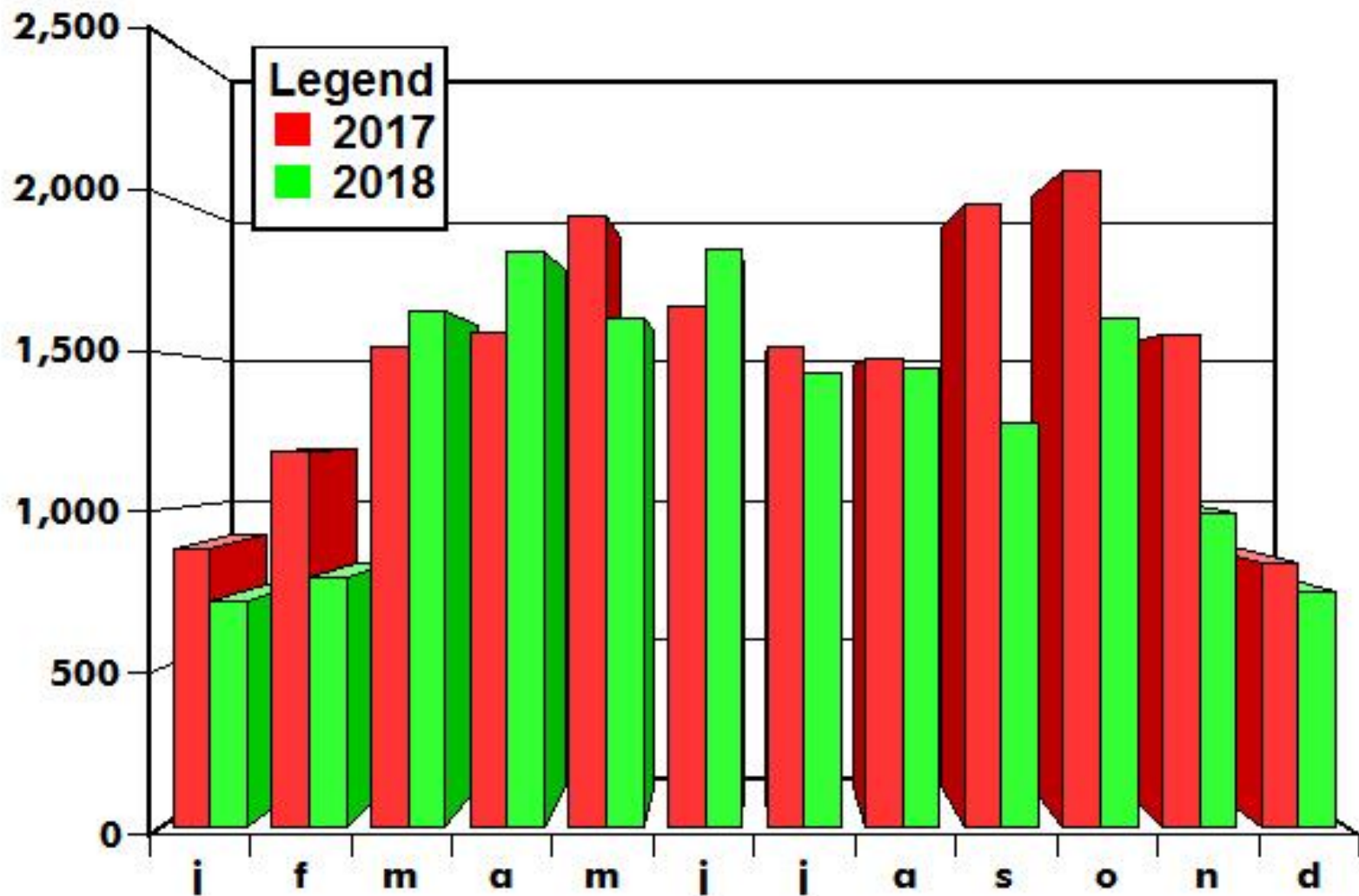
Source: POA finance dept.

Monthly visits to Coronado Fitness Center



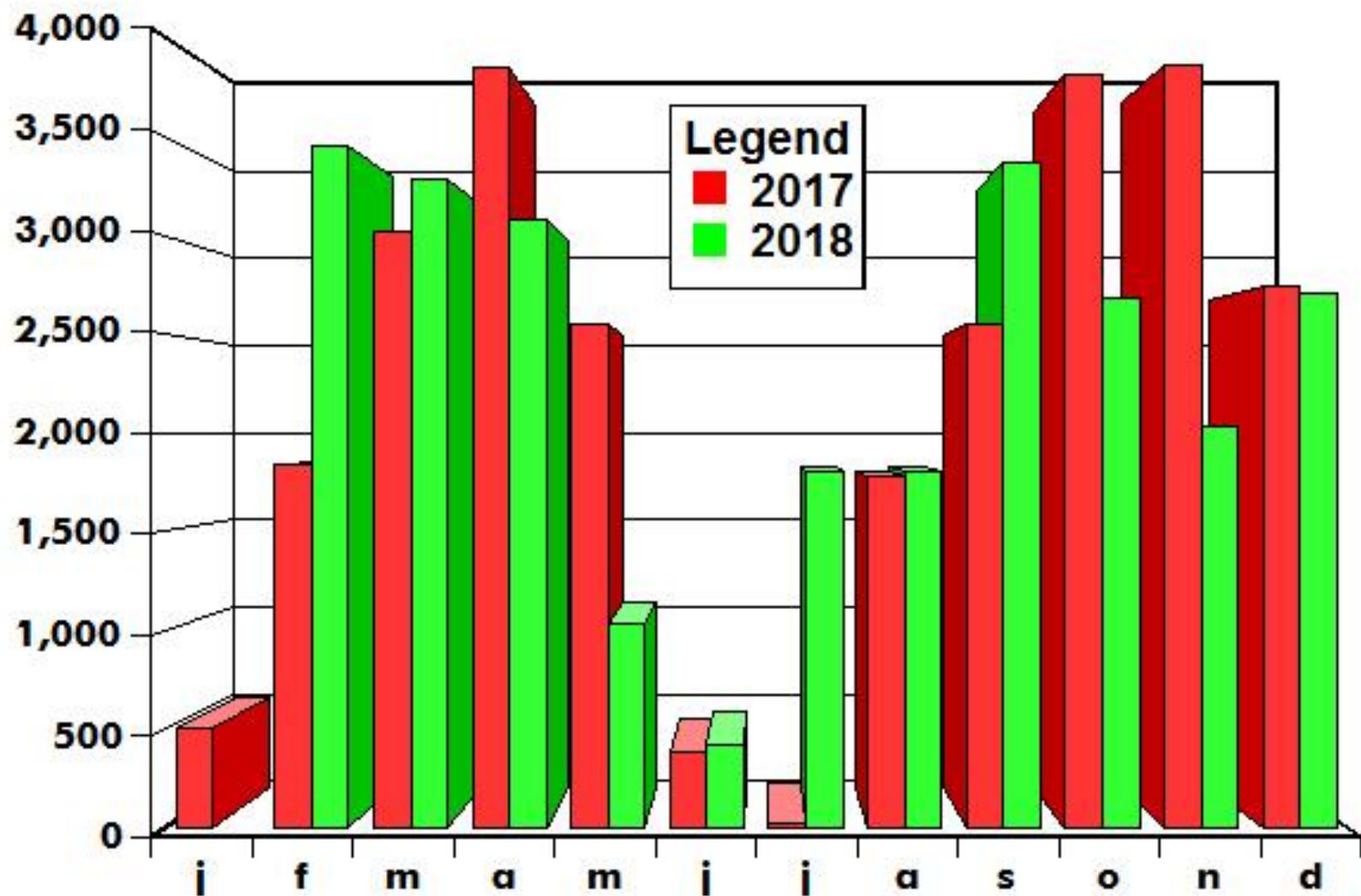
Source: POA Recreation Department

Monthly use of Coronado Tennis



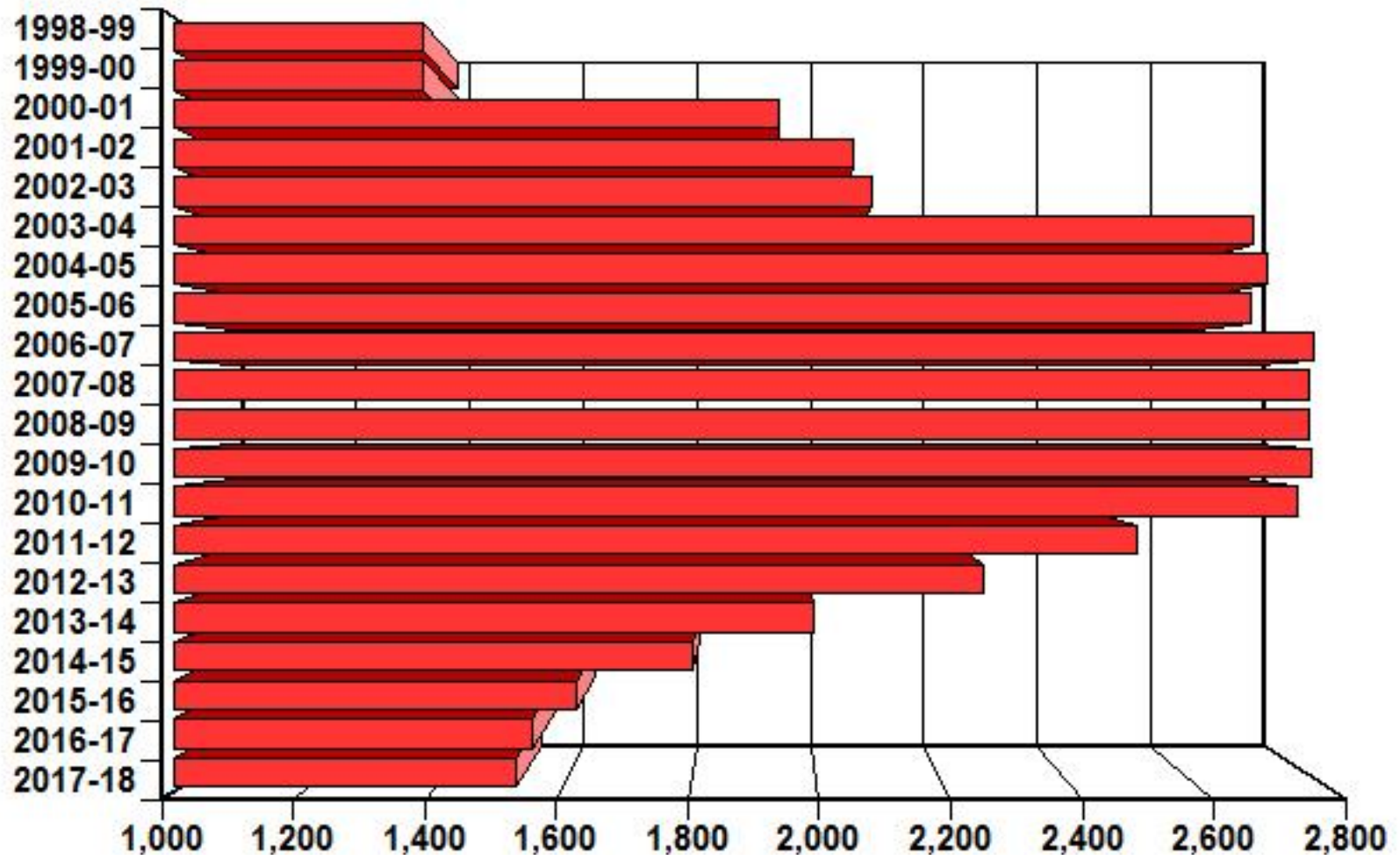
Source: Hot Springs Village Recreation Dept.

Monthly attendance at Woodlands



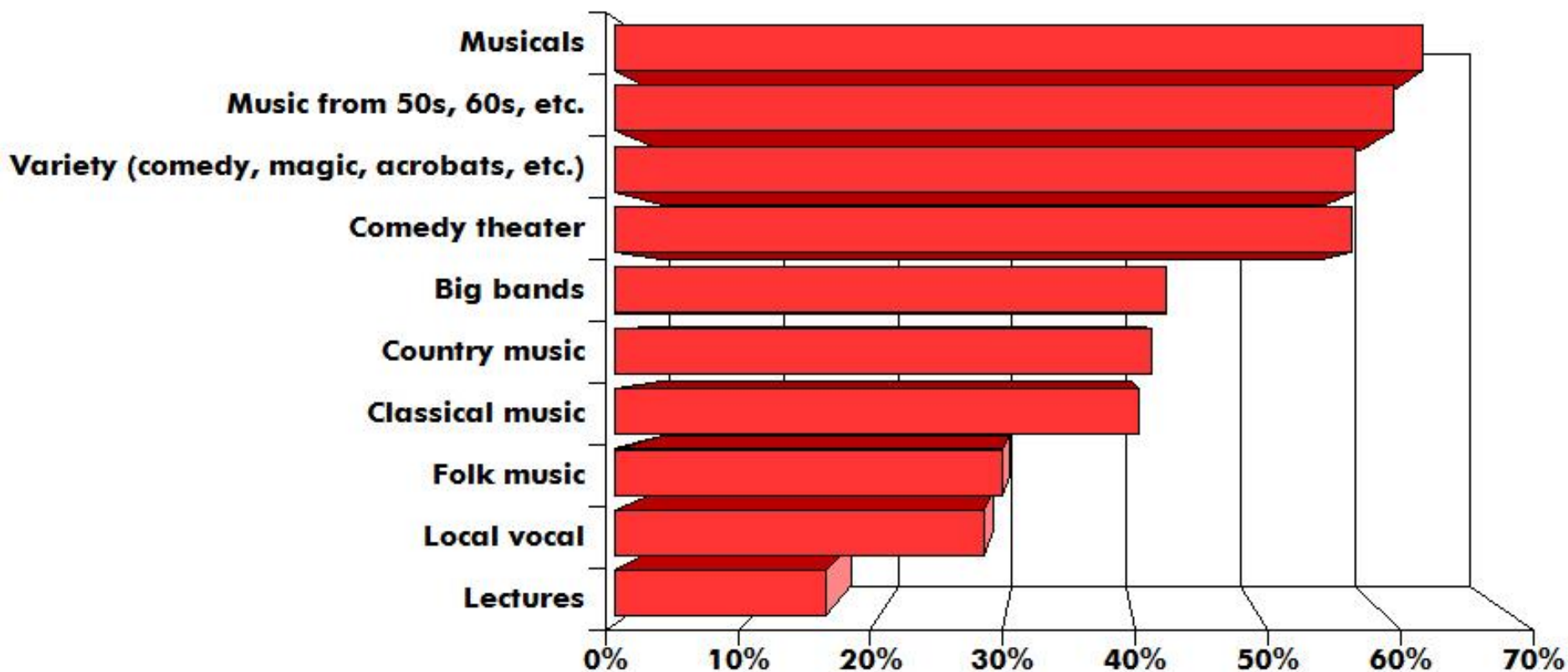
Source: Hot Springs Village Recreation Dept.

Membership in Hot Springs Village Concerts Association



Note: Series III began in 2000-01. Series IV was added in 2003-04, and dropped beginning with the 2016-17 season.

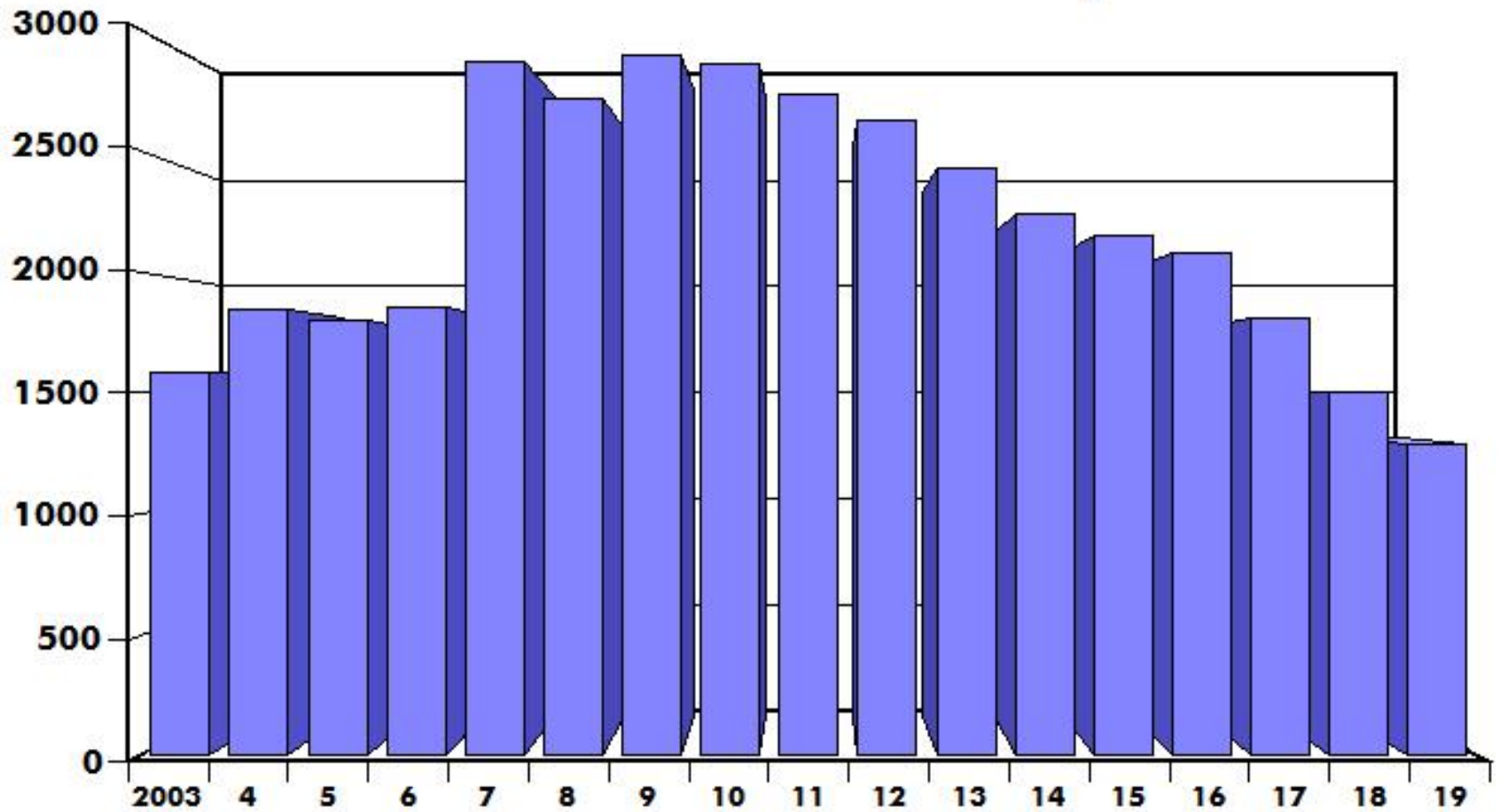
Types of shows Villagers prefer at the Woodlands



Source: Village recreation committee

In a recent on-line survey, 346 respondents said they would most like to see musicals and performances of music from the past, such as the 1950s and 1960s. The survey was taken as part of an effort to determine why attendance at the Woodlands has been dropping. Nearly a third of those responding to the survey said they'd attended fewer shows in the last year.

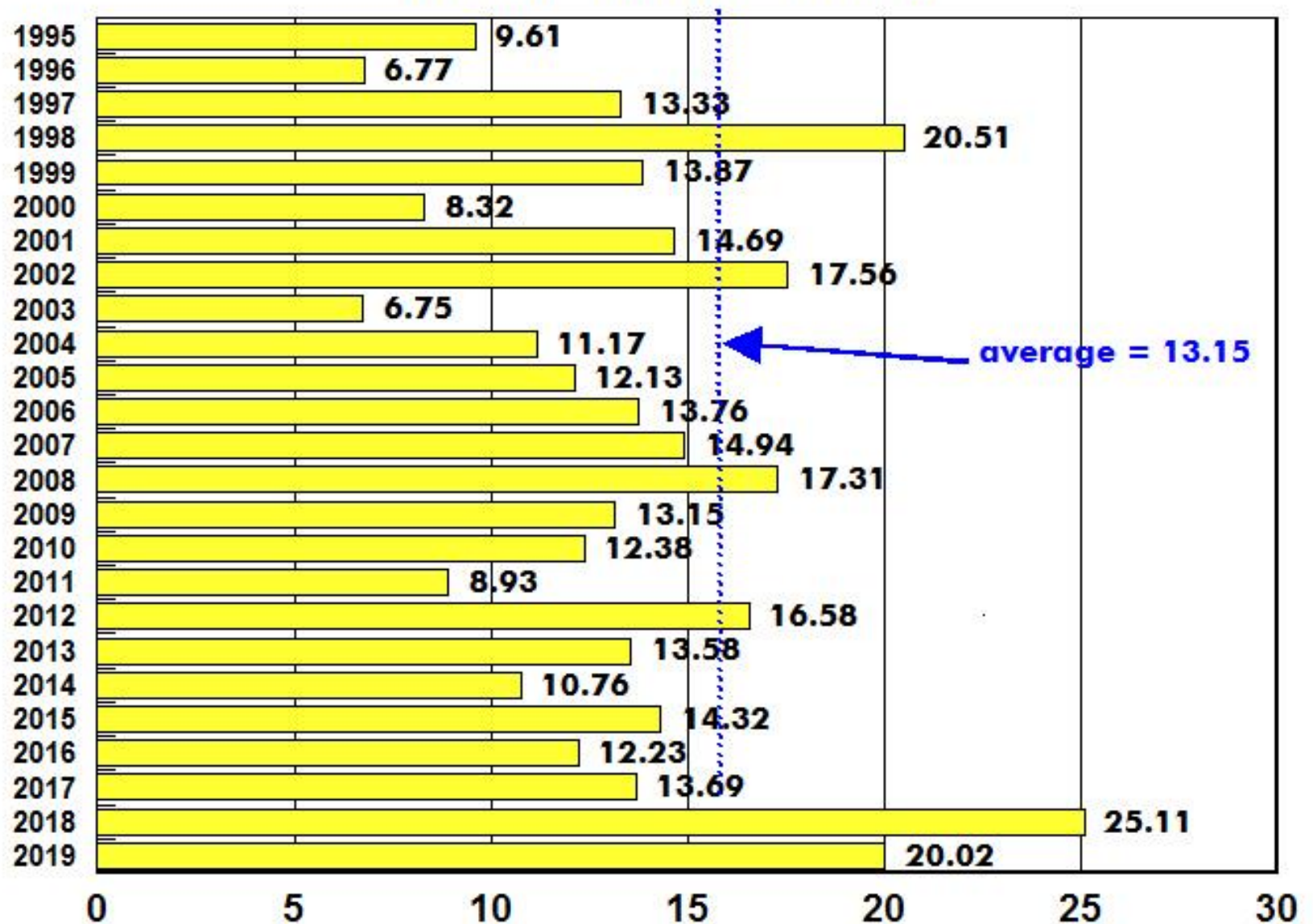
Number of library cards issued by Coronado Center Library



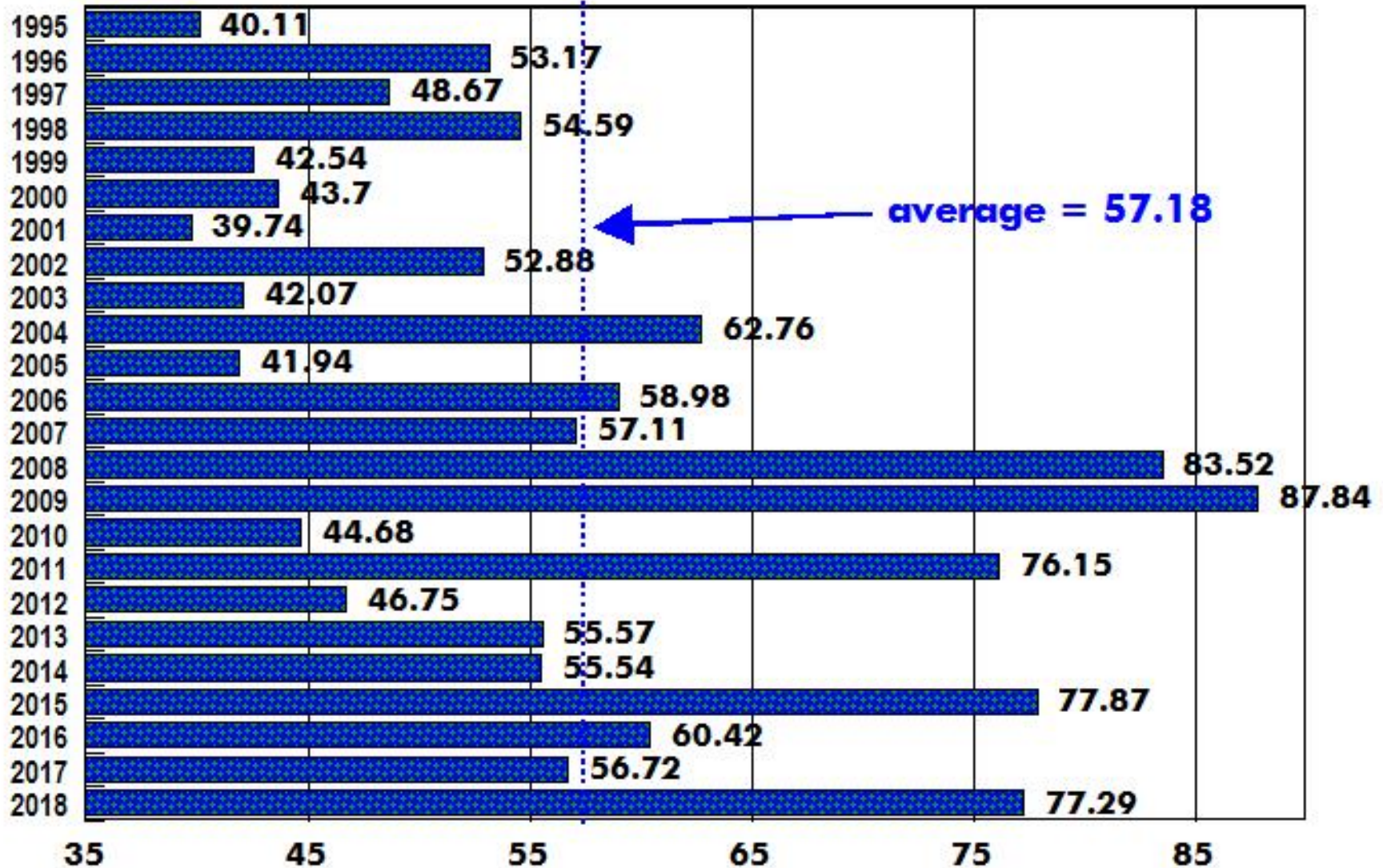
Source: Hot Springs Village POA

Hot Springs Village precipitation

first three months (inches)

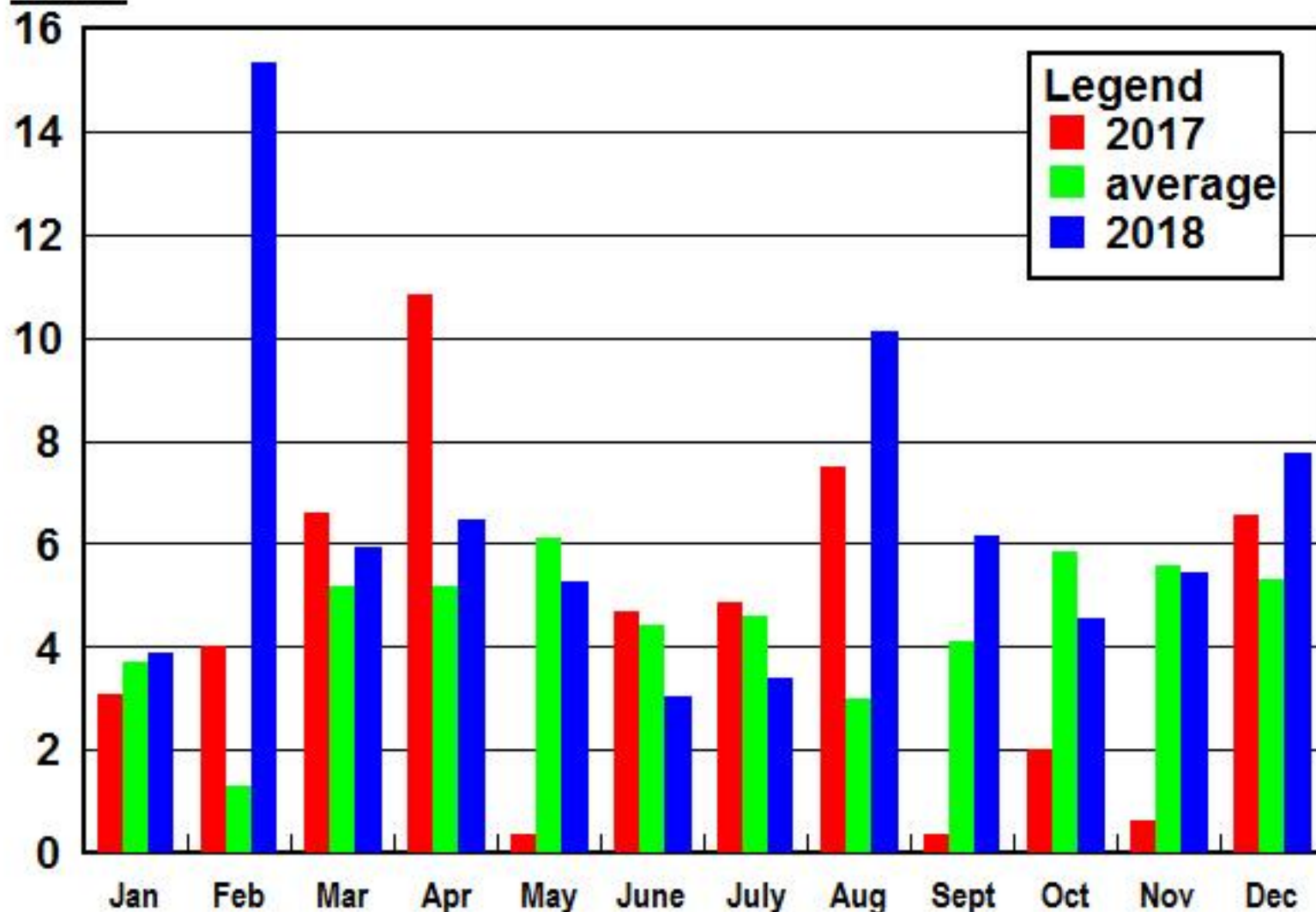


Annual precipitation in Hot Springs Village (inches)

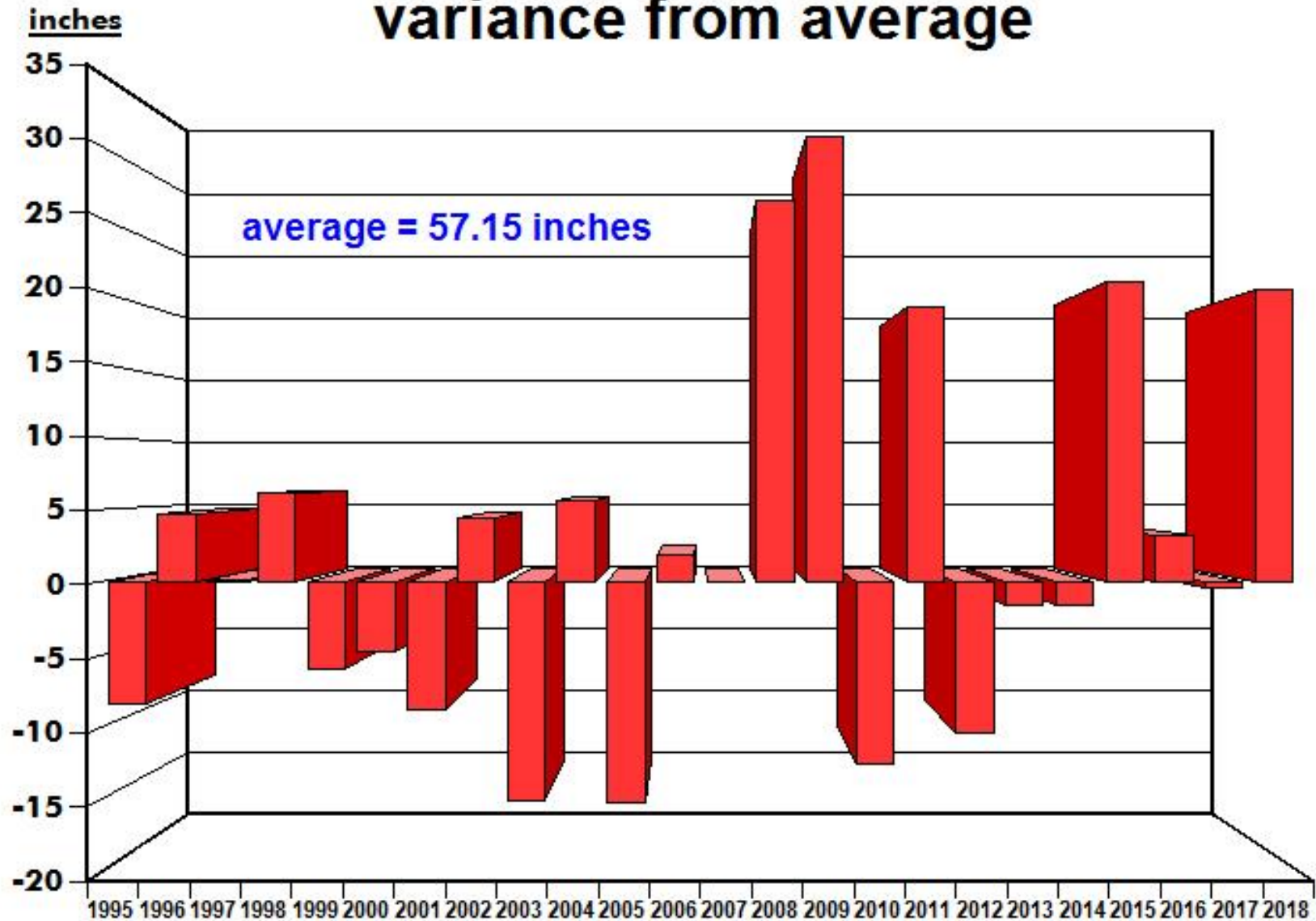


Monthly rainfall in Hot Springs Village

inches

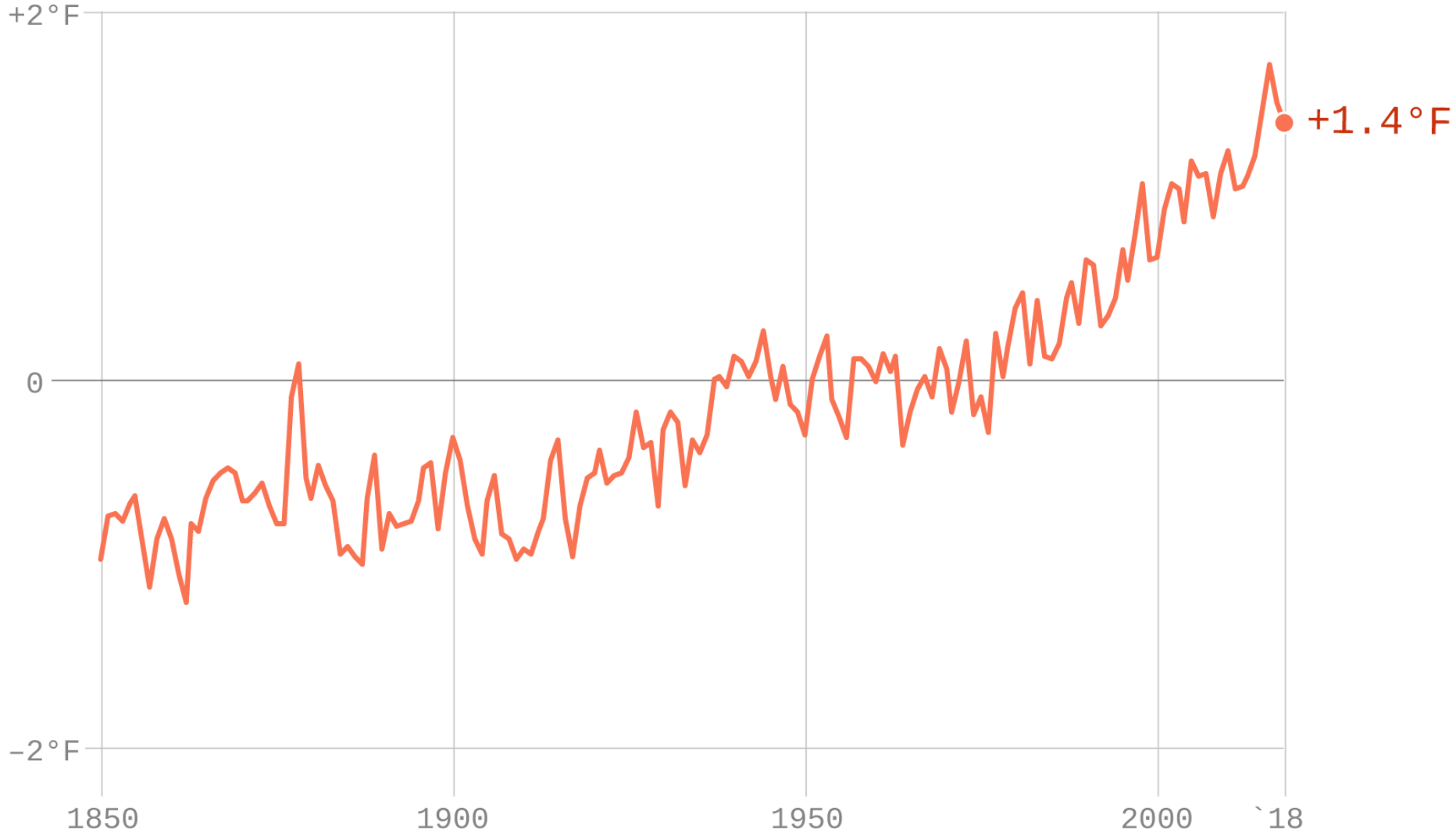


Annual Village precipitation — variance from average



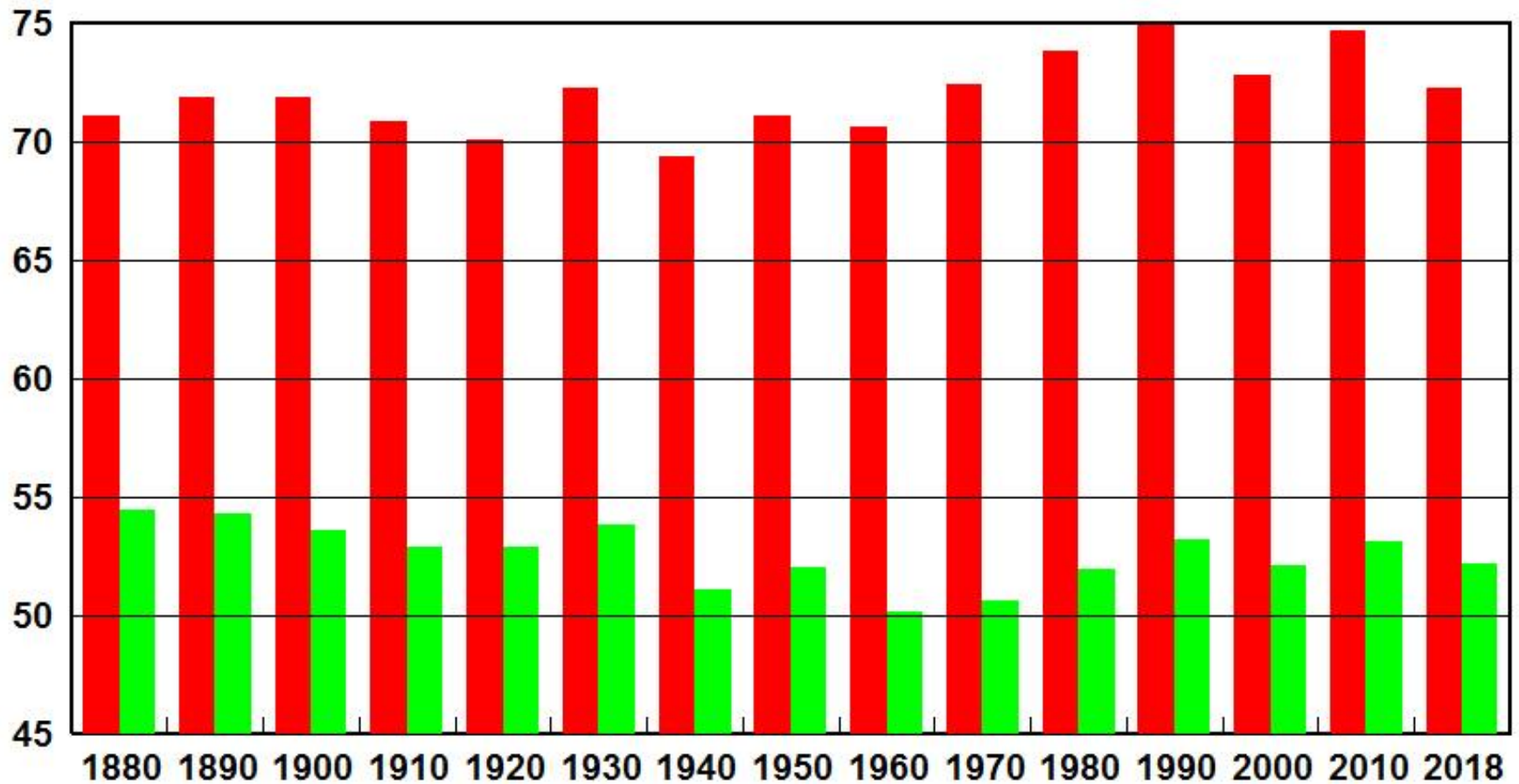
Annual temperature anomaly, 1850 to 2018

Degrees Fahrenheit compared to 1951-1980 baseline



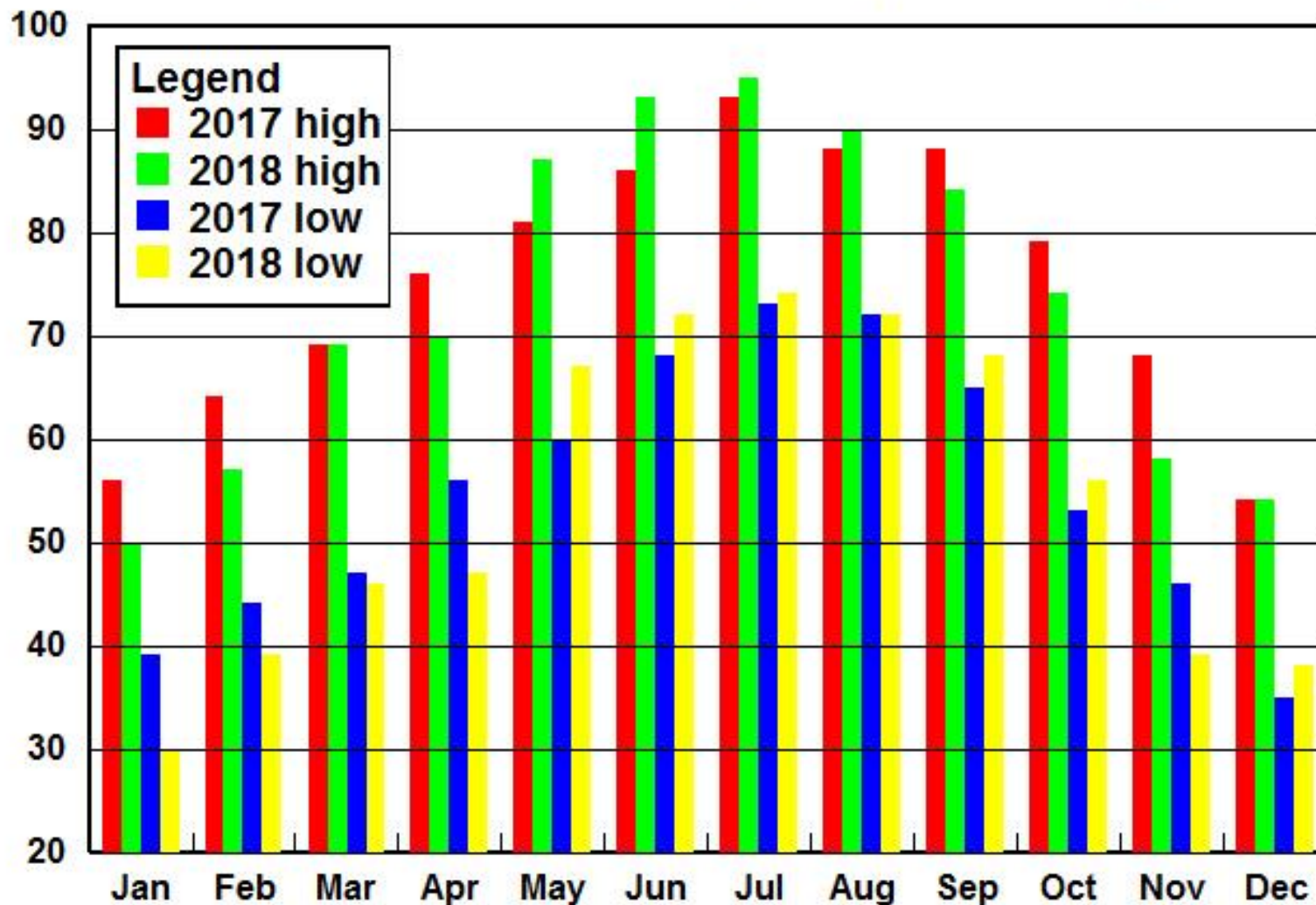
Global average temperature anomalies through 2018. Data: Berkeley Earth

Annual mean high, low temperatures in Little Rock



Source: National Weather Service

Average high/low temperatures in 2017-18 in Hot Springs Village

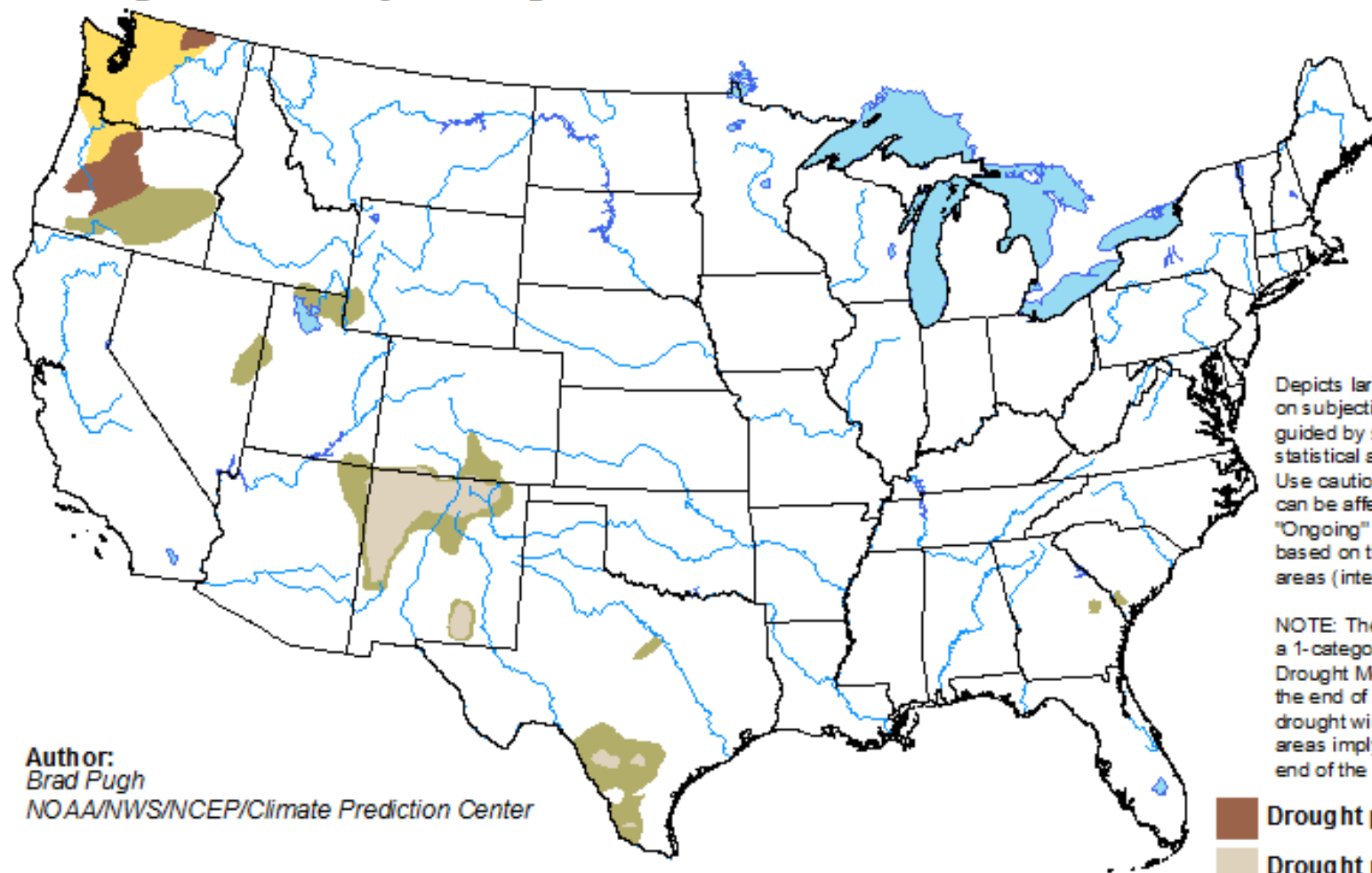


Source: Weather Underground

U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period





Valid for March 21 - June 30, 2019
Released March 21

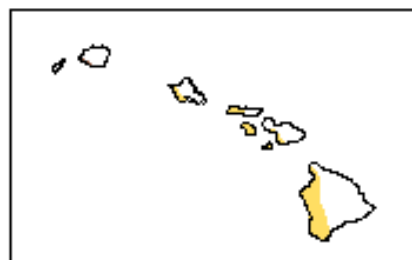
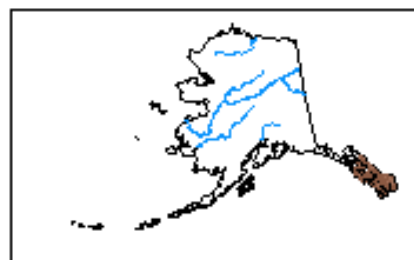


Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

Author:
Brad Pugh
NOAA/NWS/NCEP/Climate Prediction Center

-  Drought persists
-  Drought remains but improves
-  Drought removal likely
-  Drought development likely



<http://go.usa.gov/3eZ73>

U.S. Drought Monitor Arkansas

April 9, 2019

(Released Thursday, Apr. 11, 2019)

Valid 8 a.m. EDT



Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	100.00	0.00	0.00	0.00	0.00	0.00
Last Week <i>04-02-2019</i>	100.00	0.00	0.00	0.00	0.00	0.00
3 Months Ago <i>01-08-2019</i>	100.00	0.00	0.00	0.00	0.00	0.00
Start of Calendar Year <i>01-01-2019</i>	98.79	1.21	0.00	0.00	0.00	0.00
Start of Water Year <i>09-25-2018</i>	93.15	6.85	2.59	0.00	0.00	0.00
One Year Ago <i>04-10-2018</i>	100.00	0.00	0.00	0.00	0.00	0.00

Intensity:

- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

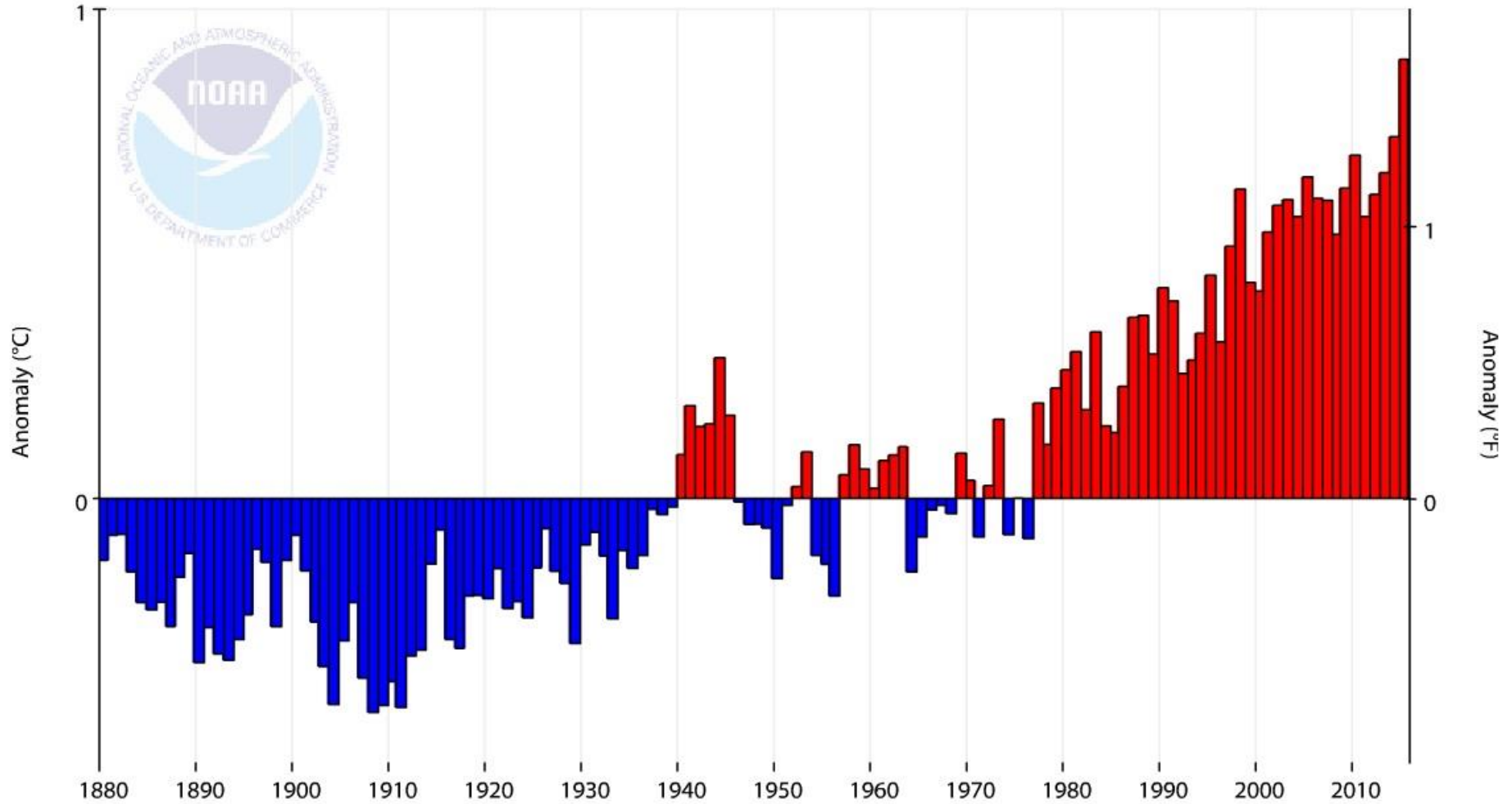
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:

Deborah Bathke
National Drought Mitigation Center

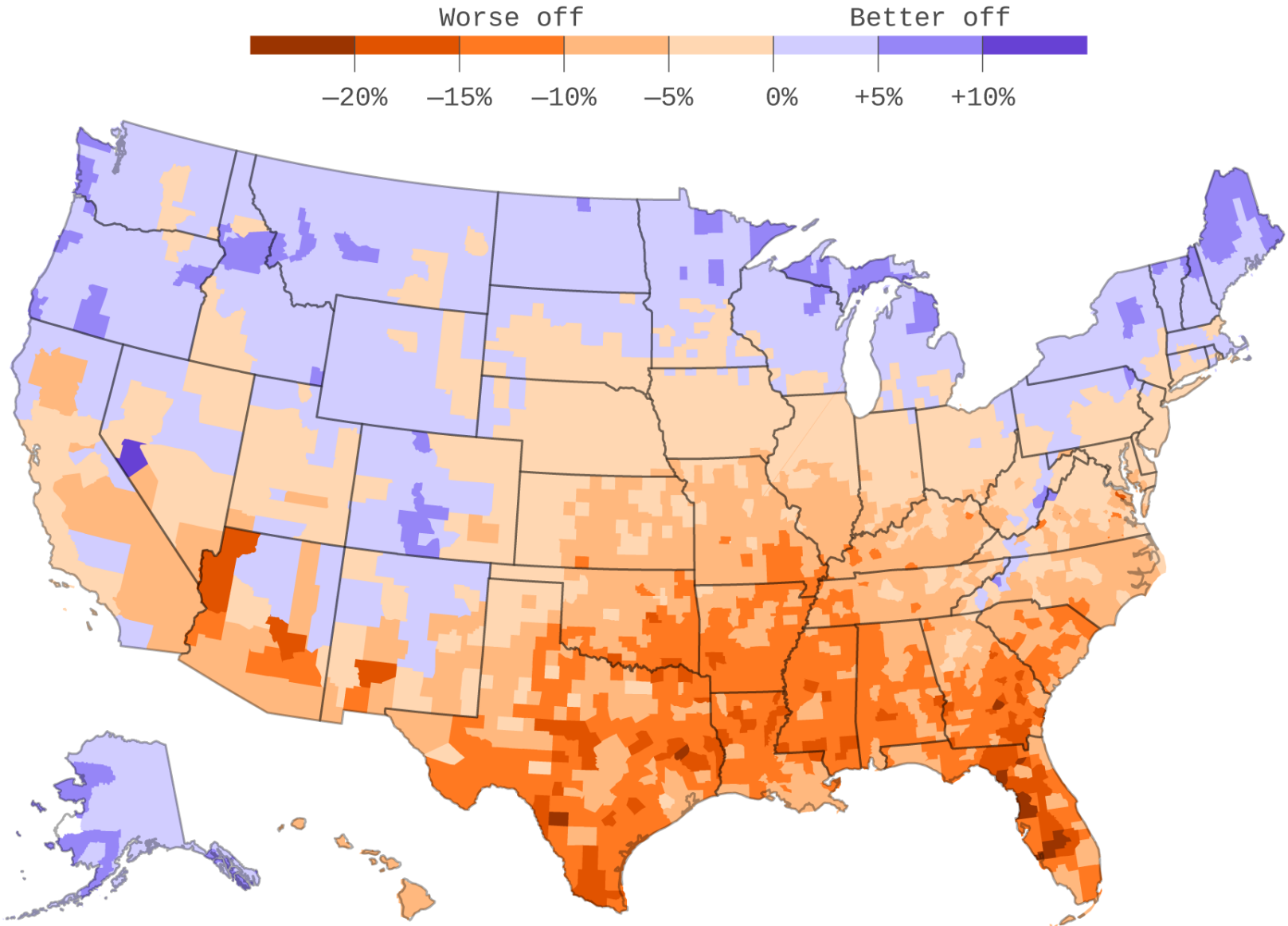


Global Land and Ocean Temperature Anomalies, January-December



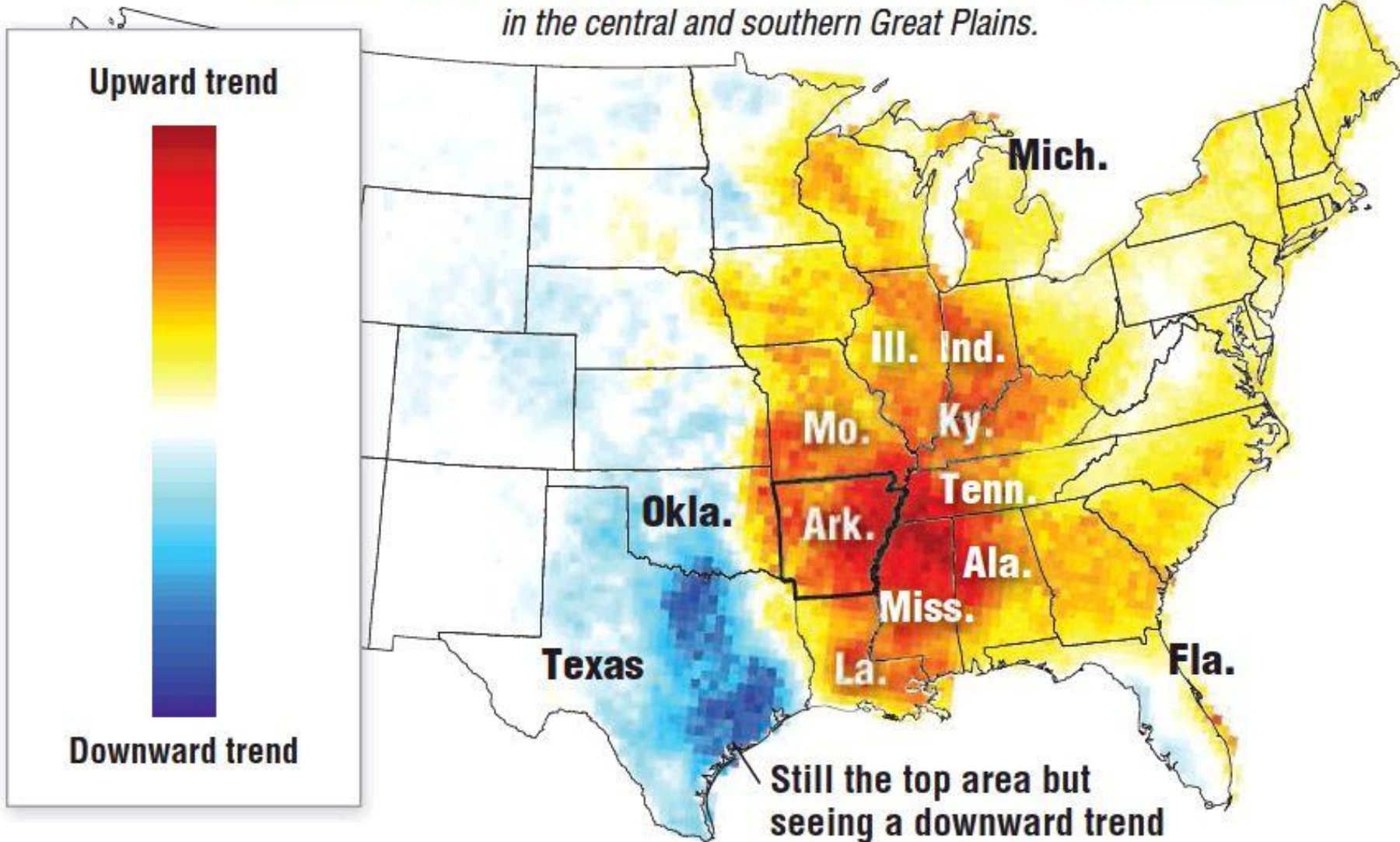
Climate-related costs by 2080-2099

Estimated income change compared to 2012, by county



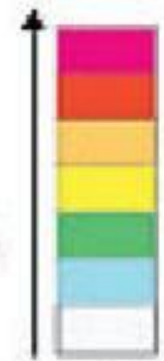
A shifting Tornado Alley

Tornado frequency has increased in the Midwest and Southeast and decreased in the central and southern Great Plains.

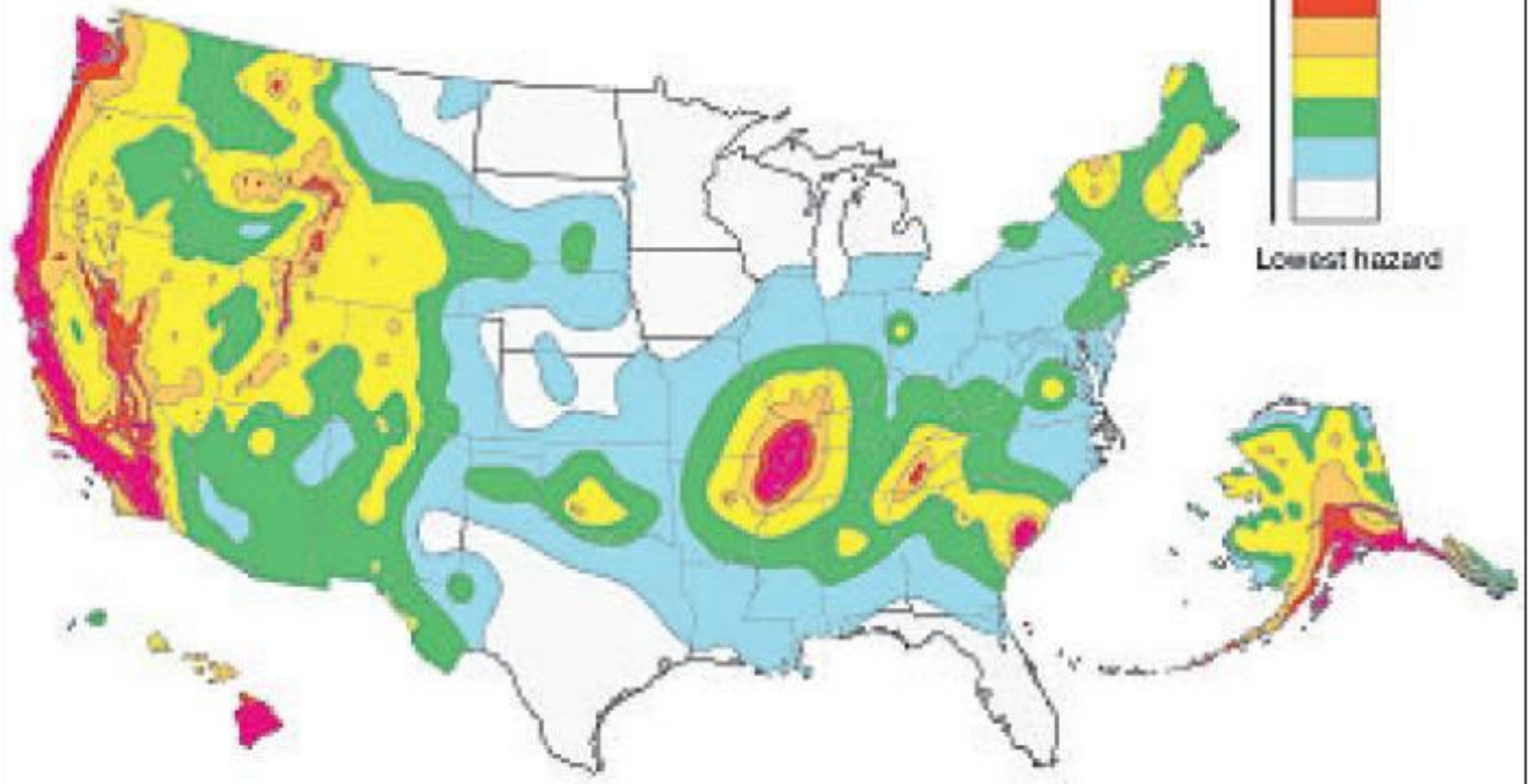




Highest hazard

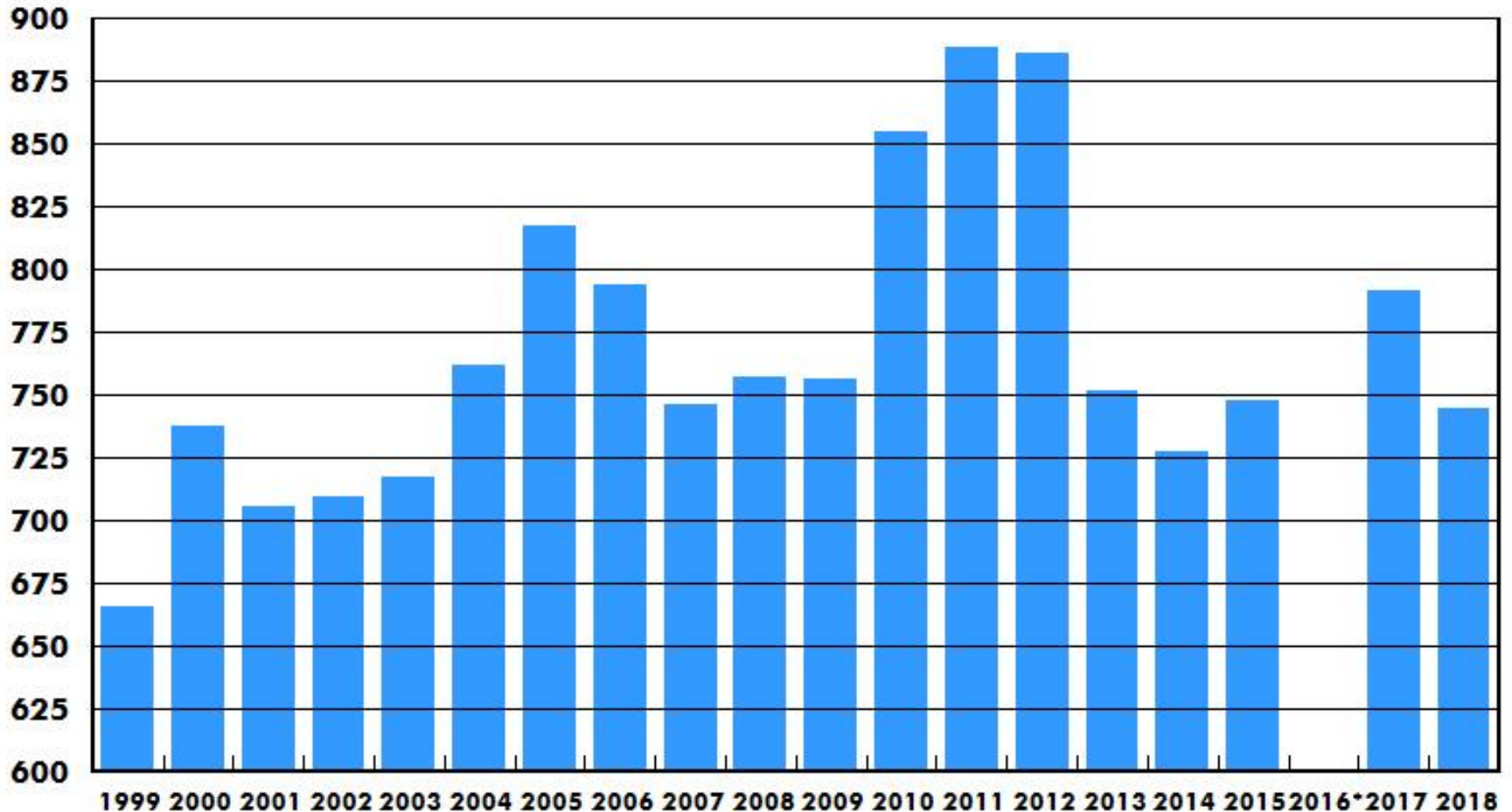


Lowest hazard



Annual fresh water production in the Village

(millions of gallons)

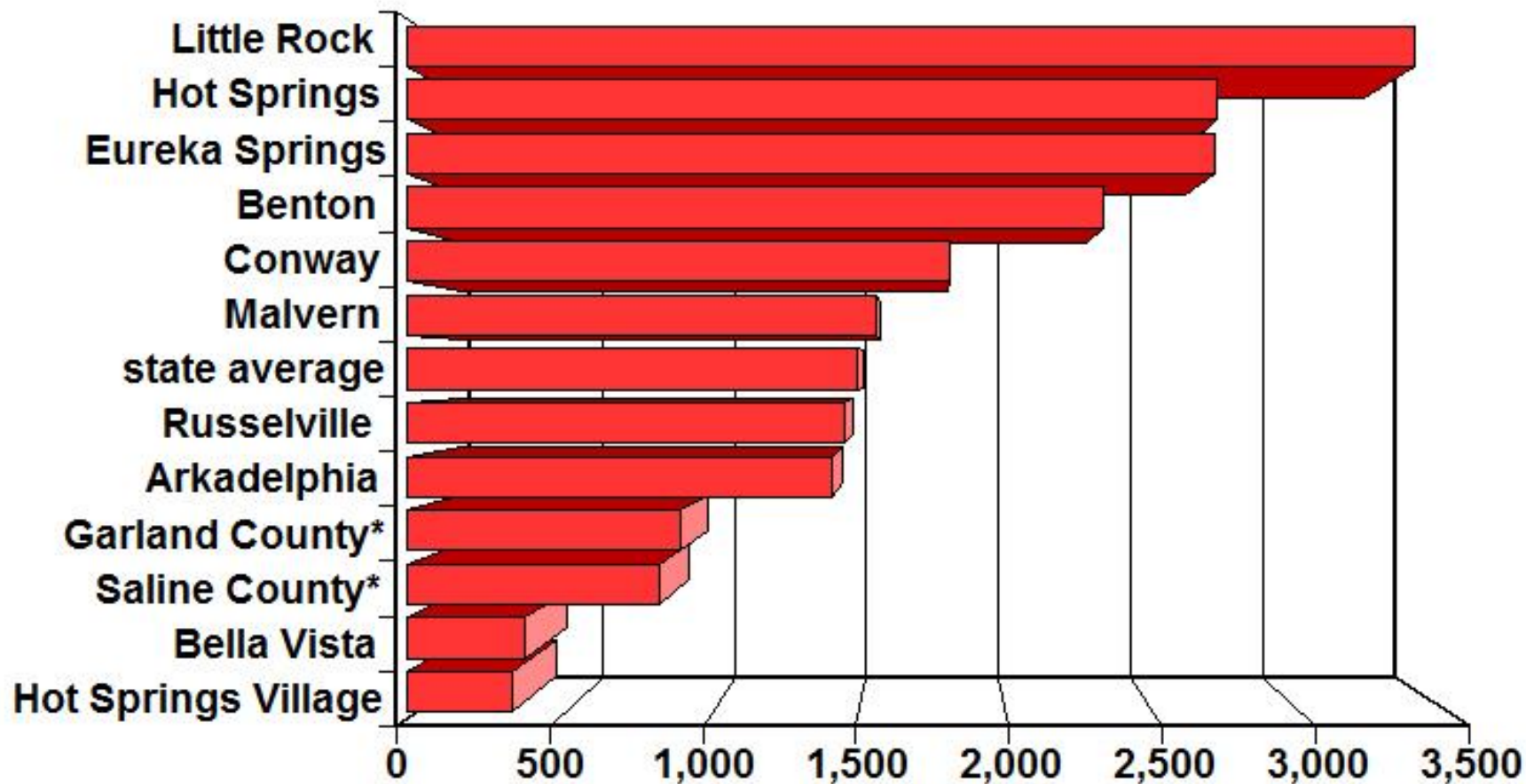


Source: Hot Springs Village public-works department

* - Data for 2016 is not available.

Crime rate in Village, other areas

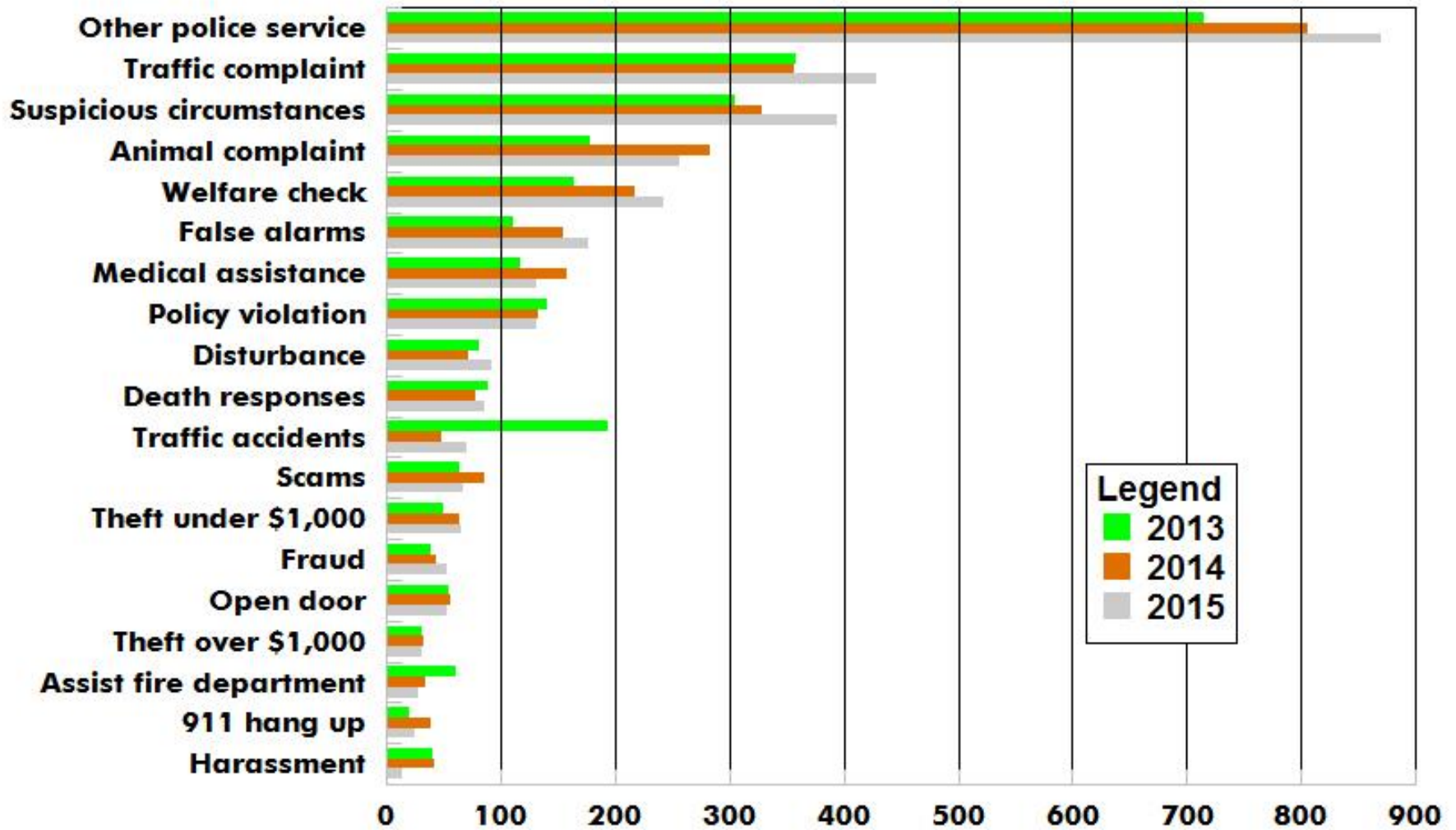
Number of crimes for each 10,000 population in 2017



Source: Hot Springs Village Department of Public Safety, Arkansas Crime Information Center

* - unincorporated parts of the county

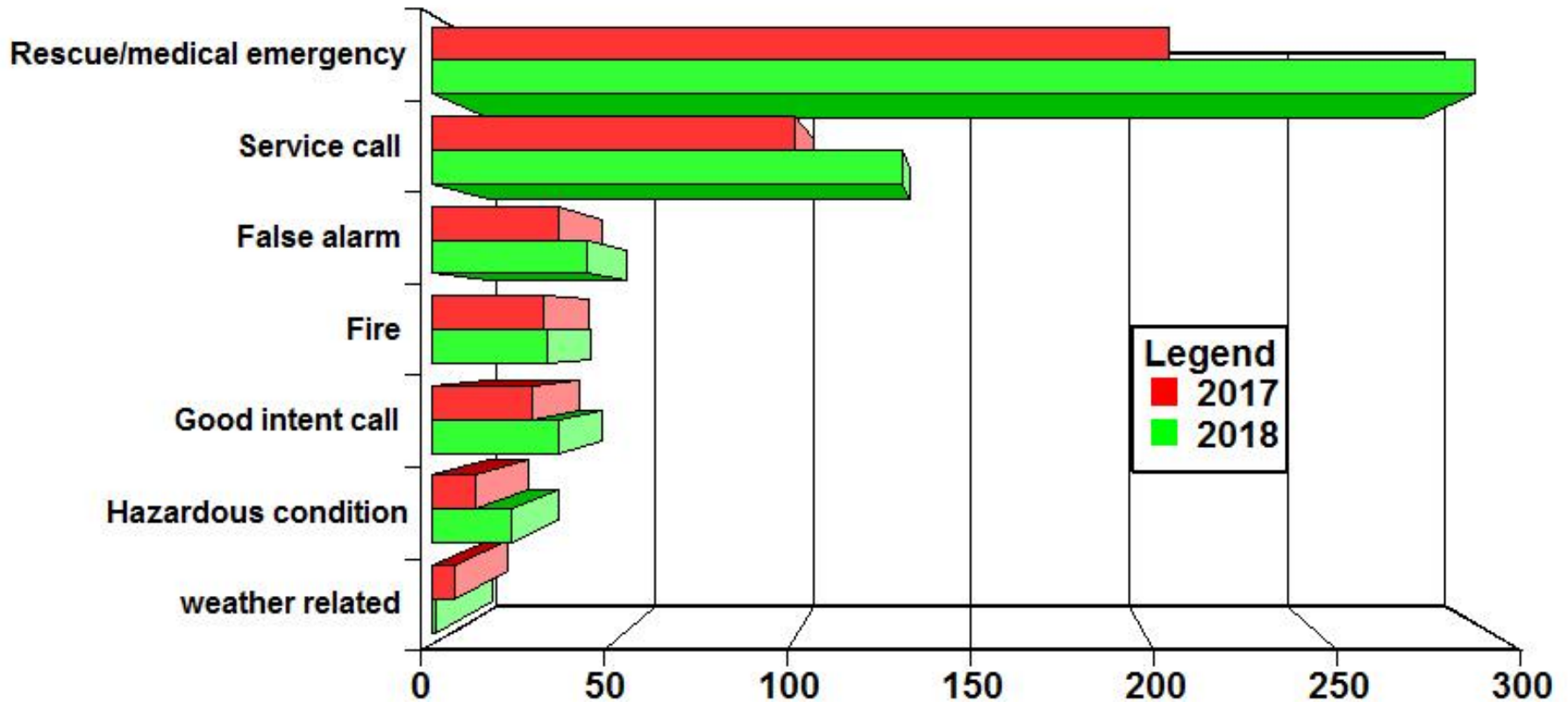
Most frequent types of police calls in the Village



Source: Hot Springs Village Police Department

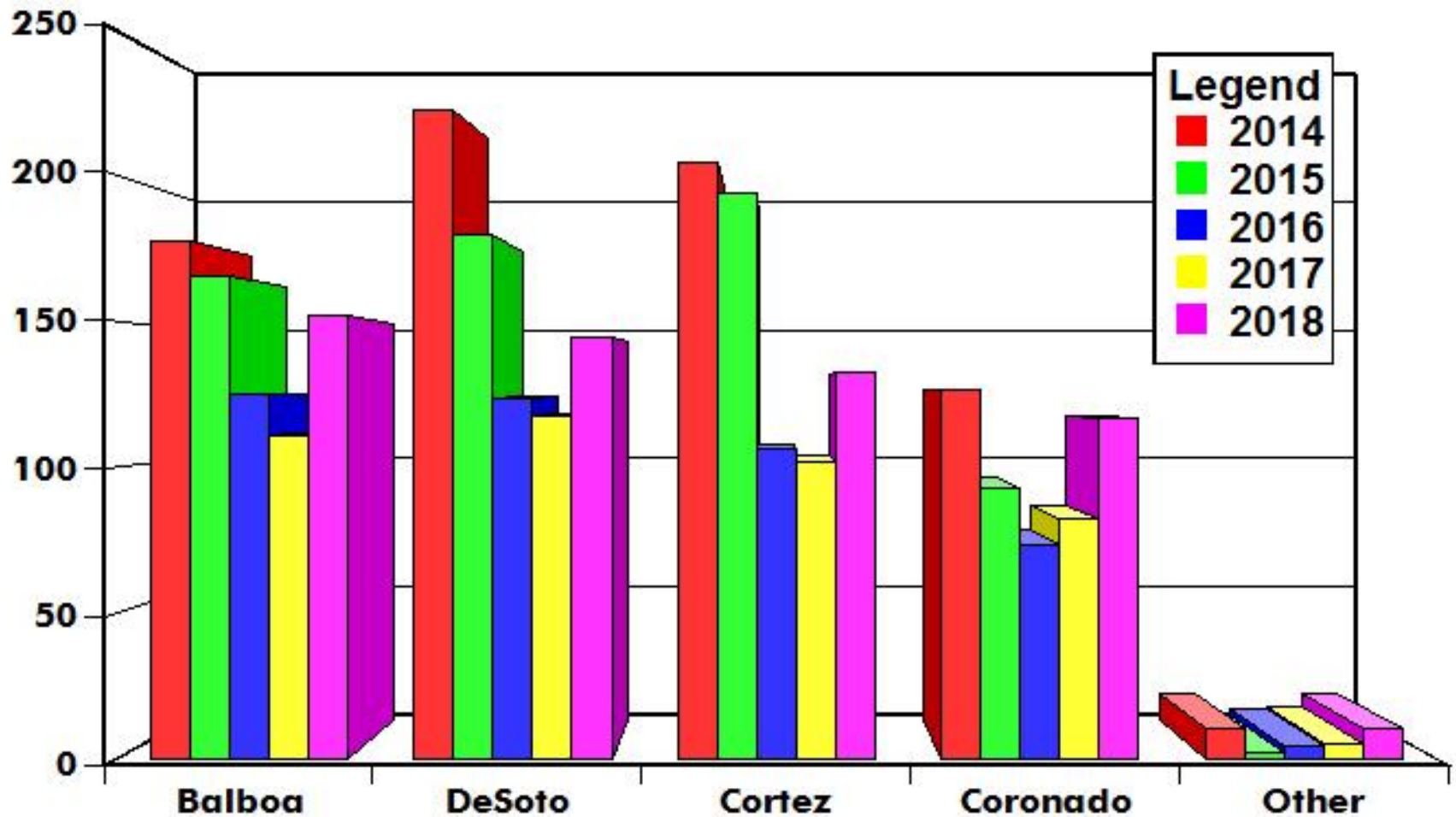
Note: The Fire Department began handling most medical-assistance calls in 2014

Types of calls by Village Fire Dept. in 2017-18



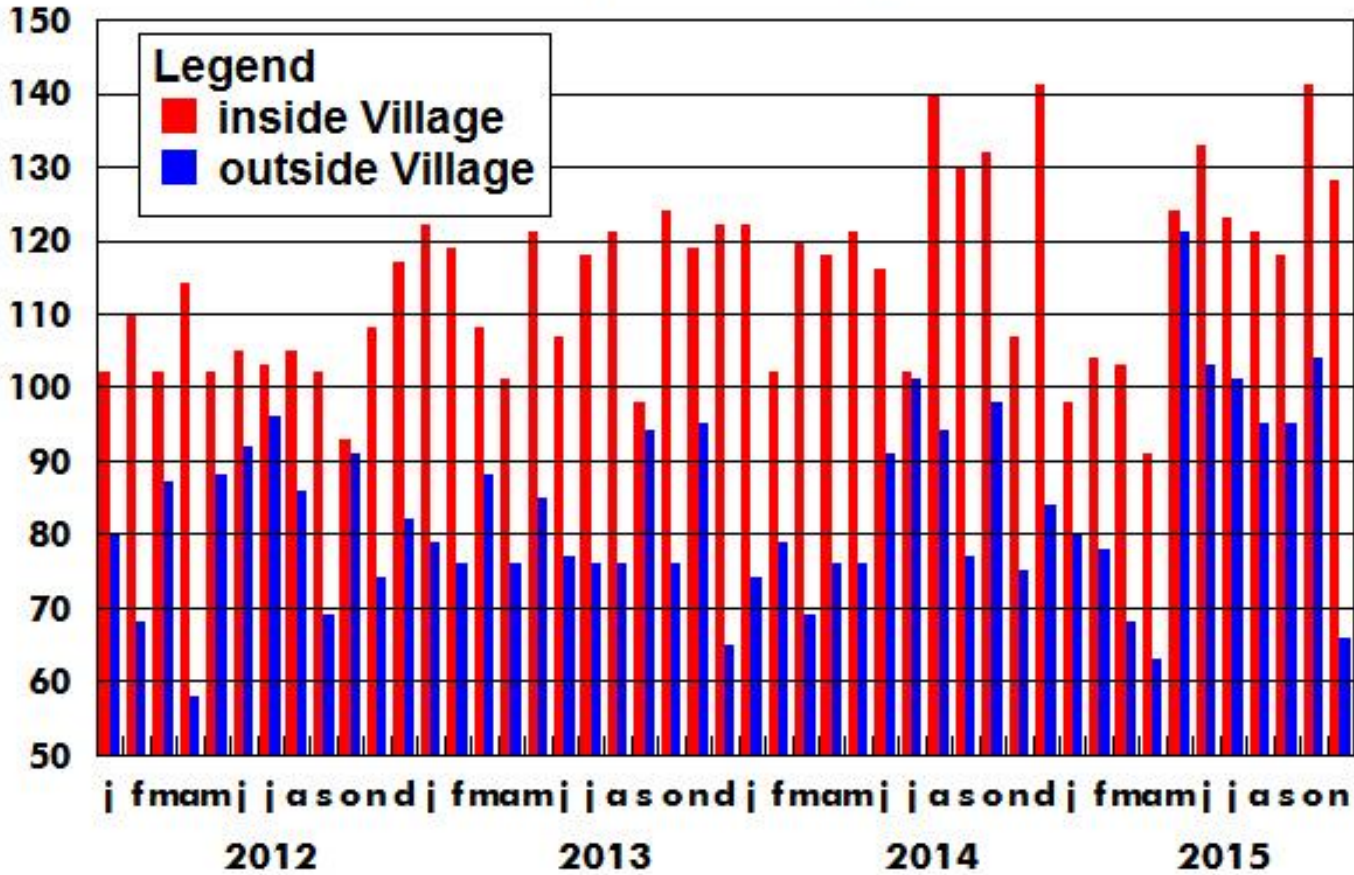
Source: Hot Springs Village Fire Dept.

Responses by Village fire stations



Source: Hot Springs Village Fire Dept.

Where Village ambulances go when responding to a call



Source: LifeNet

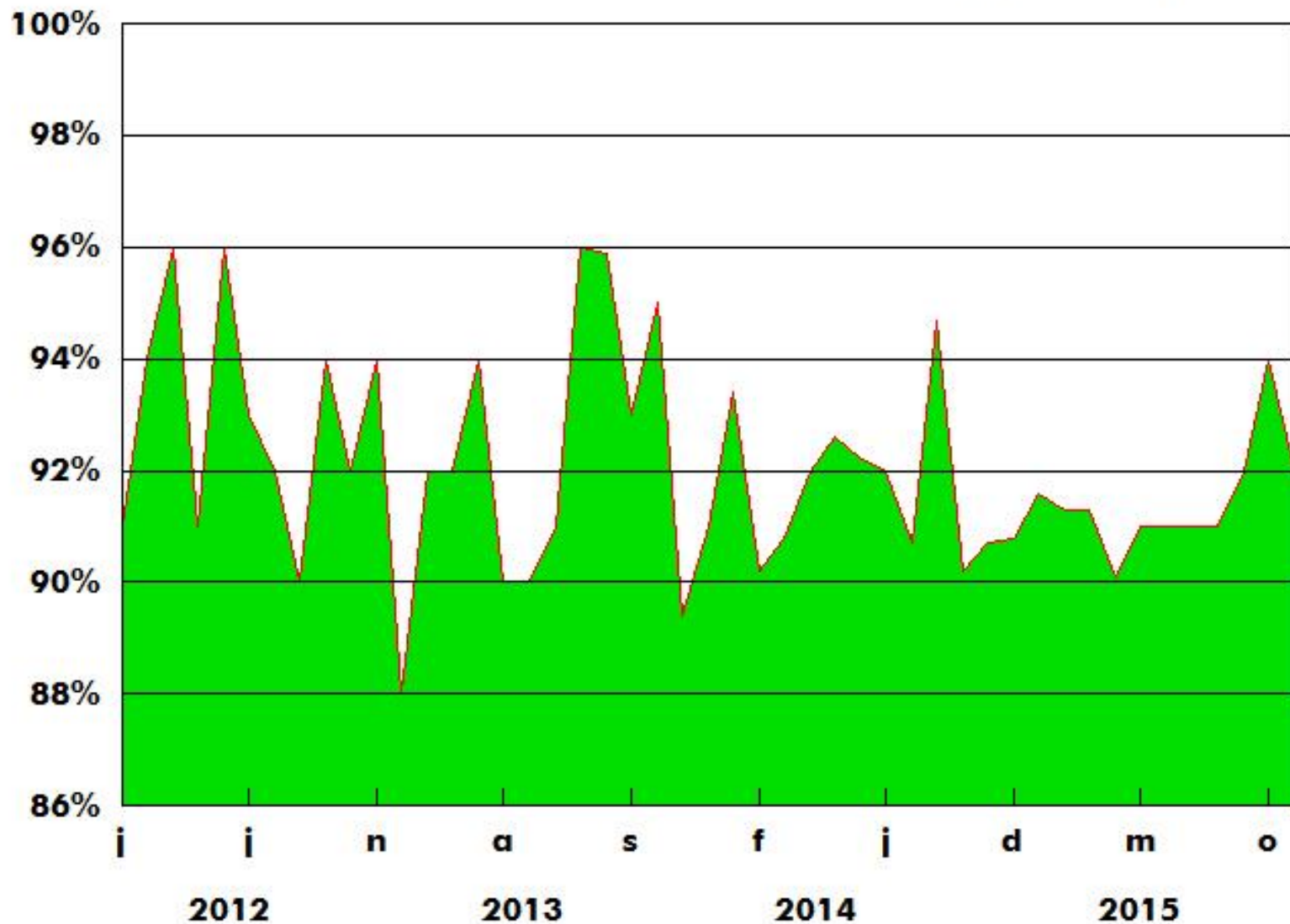
Four ambulances operated by LifeNet are based at three stations in Hot Springs Village. They respond to calls both in and around the Village.

In 90 percent of the calls, the ambulance arrives at its destination within nine minutes.

Village residents pay \$84 a year (\$14 every two months is included on the utility bill) to fund the ambulance service. In the past, this fee paid for ambulance calls.

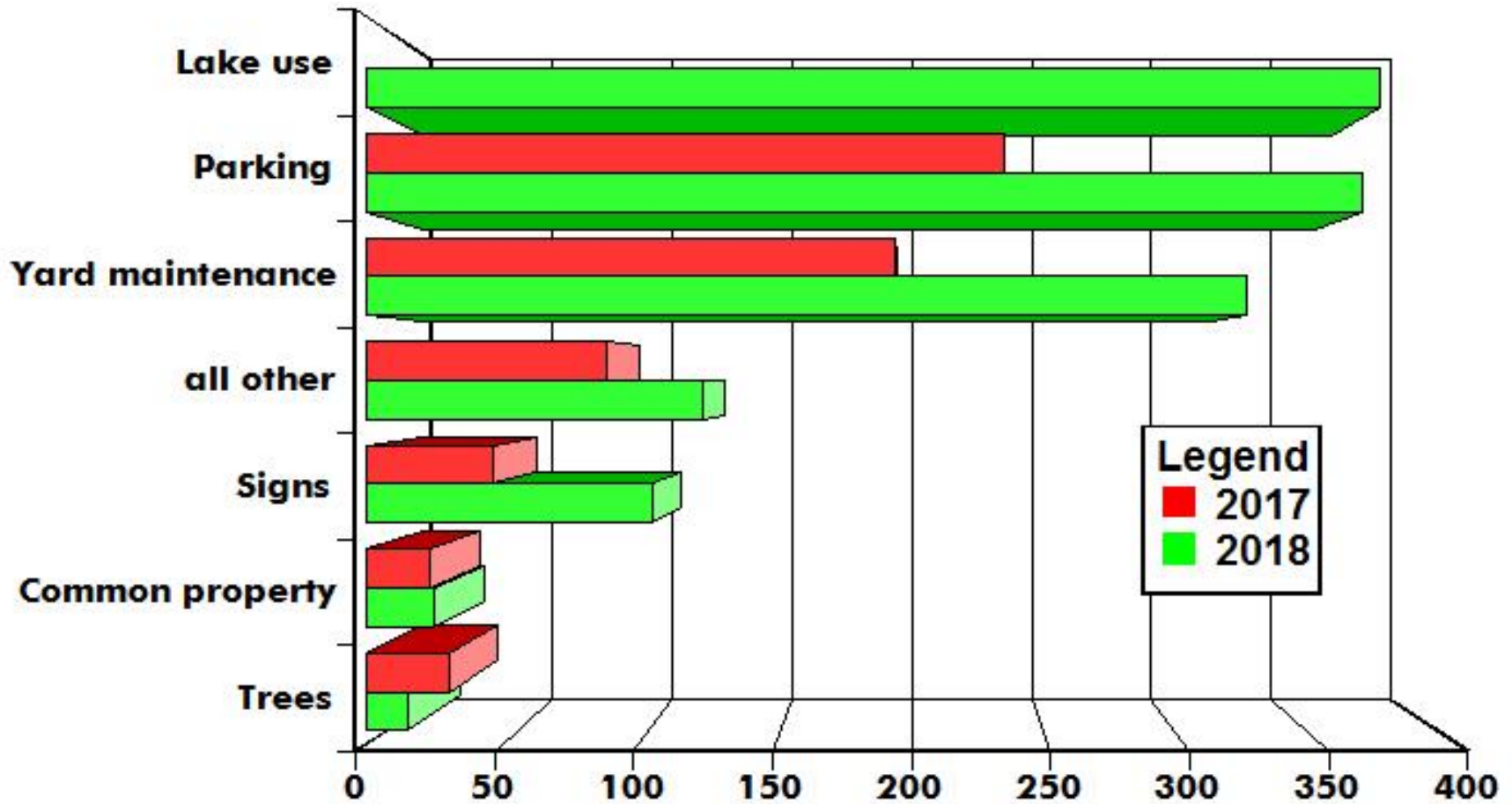
However, the POA recently stopped paying for ambulance calls. Those getting the service are charged for the calls.

Percentage of times Village ambulances arrive within nine minutes of getting call



Source: LifeNet

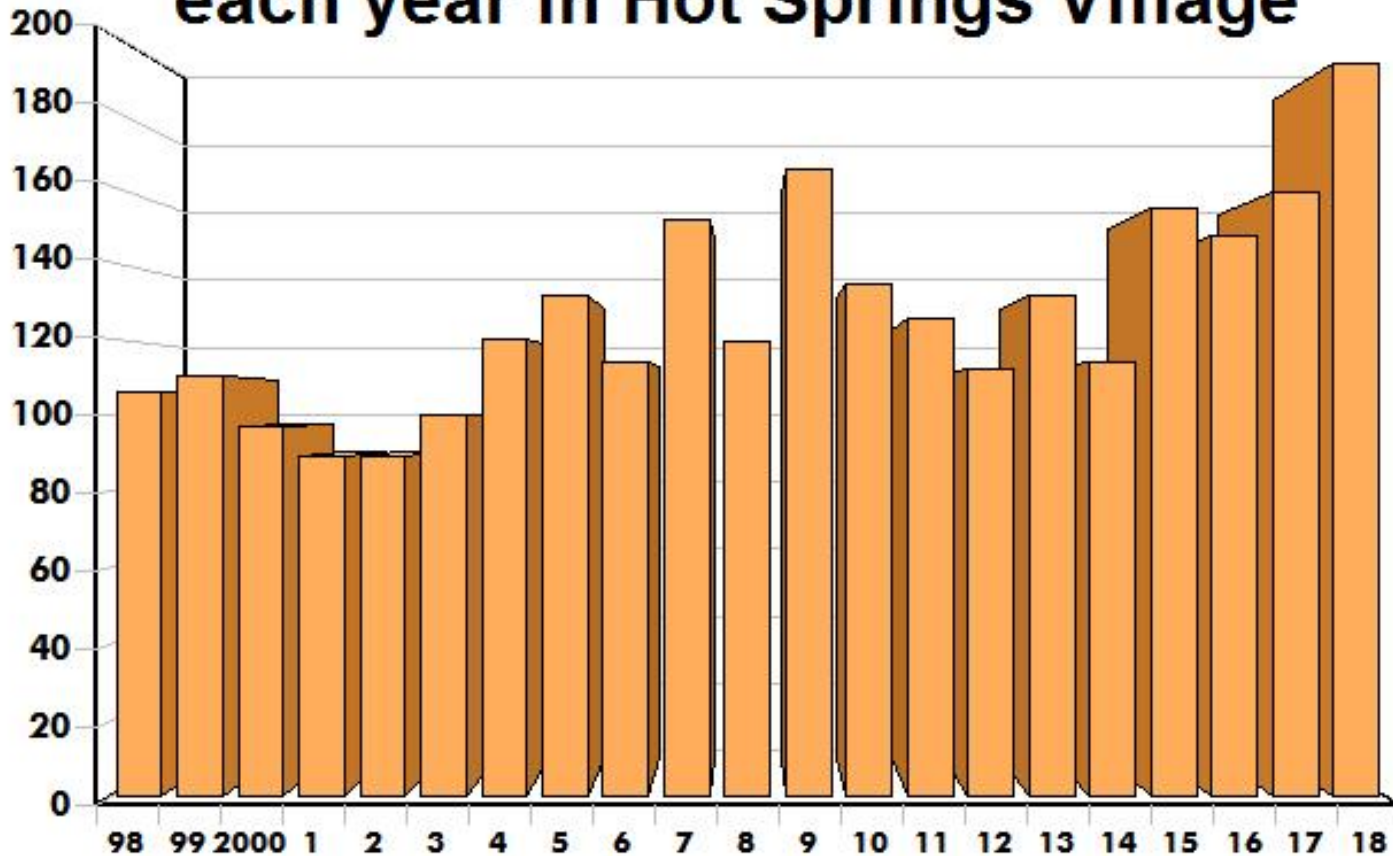
Types of complaints handled by POA



Source: Public Works Dept.

The Compliance Division of the POA's Public Works Department received 1,314 complaints last year, up from 615 the year before. The most complaints – 372 – involved lake use. In 2017, this problem was not handled by the division. At the end of the year, the division had resolved 1,255 of the complaints, or 95.5 percent. 59 were unresolved.

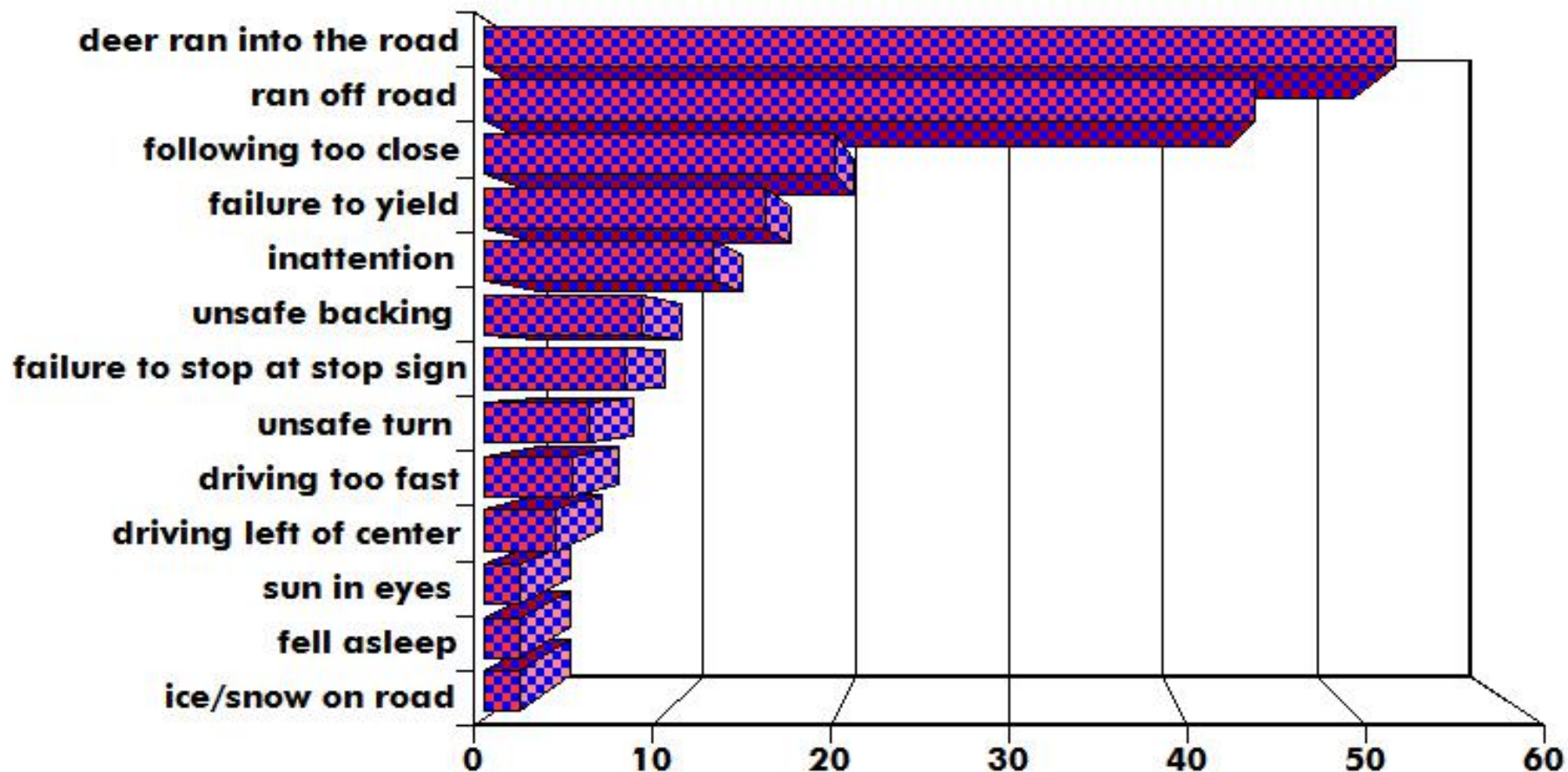
Number of vehicle accidents each year in Hot Springs Village



Source: POA Public Safety Committee, Bert Cueva

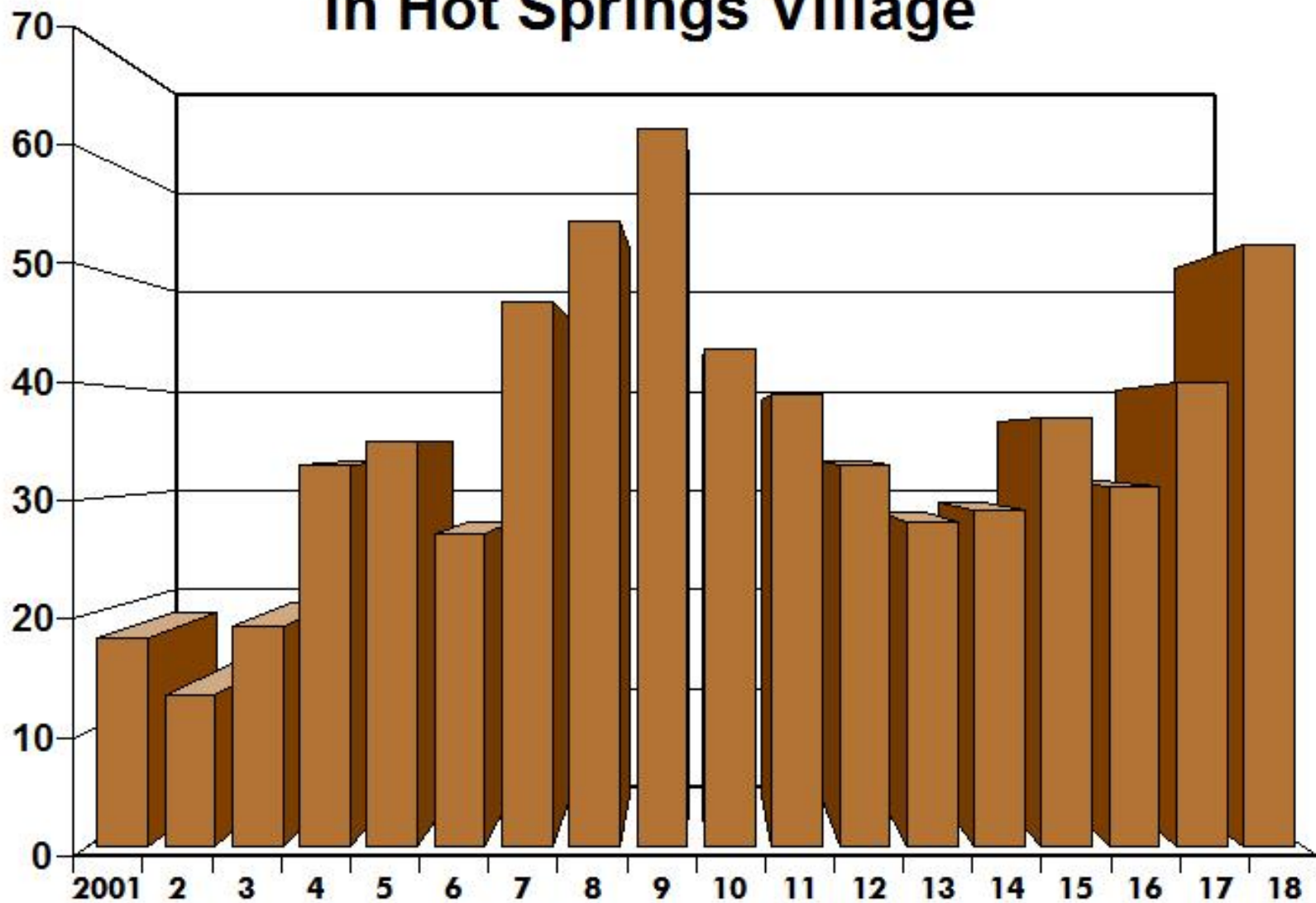
There were 192 vehicle accidents last year in Hot Springs Village, up 34, or 21.5 percent, from 2017. 68 were multi-vehicle accidents; 69 involved one vehicle. 31 persons were hurt; no one was killed in an accident. Estimated damage caused: \$955,611. 52 citations were issued involving the accidents and four persons were arrested. The biggest cause of accidents – 52 – was deer running into the road. 44 accidents happened when a vehicle ran off the road.

Primary causes of vehicle accidents in Hot Springs Village in 2018



Source: POA Public Safety Committee, Bert Cueva

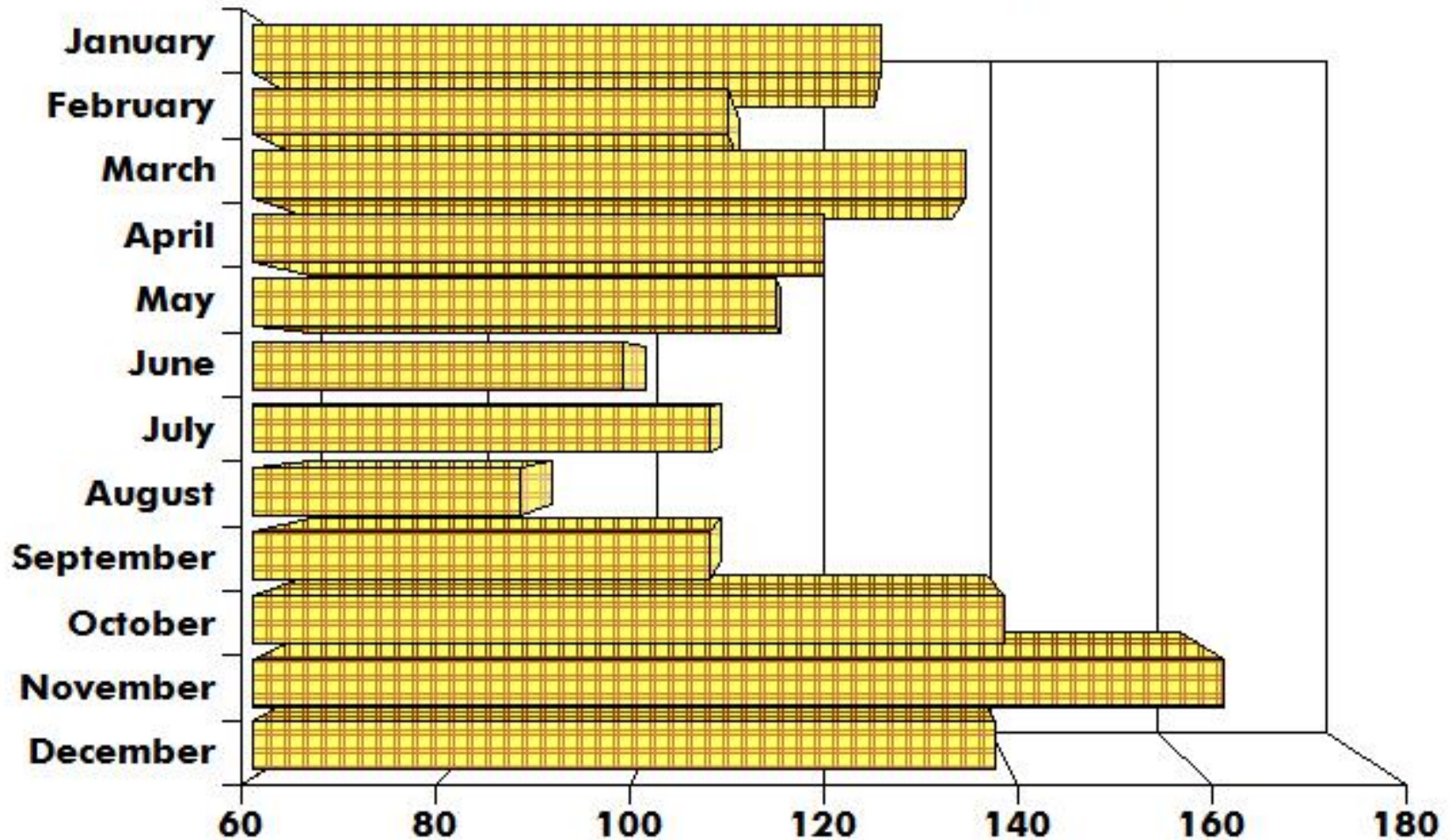
Deer-vehicle accidents each year in Hot Springs Village



Source: Hot Springs Village Public Works Committee, Bert Cueva

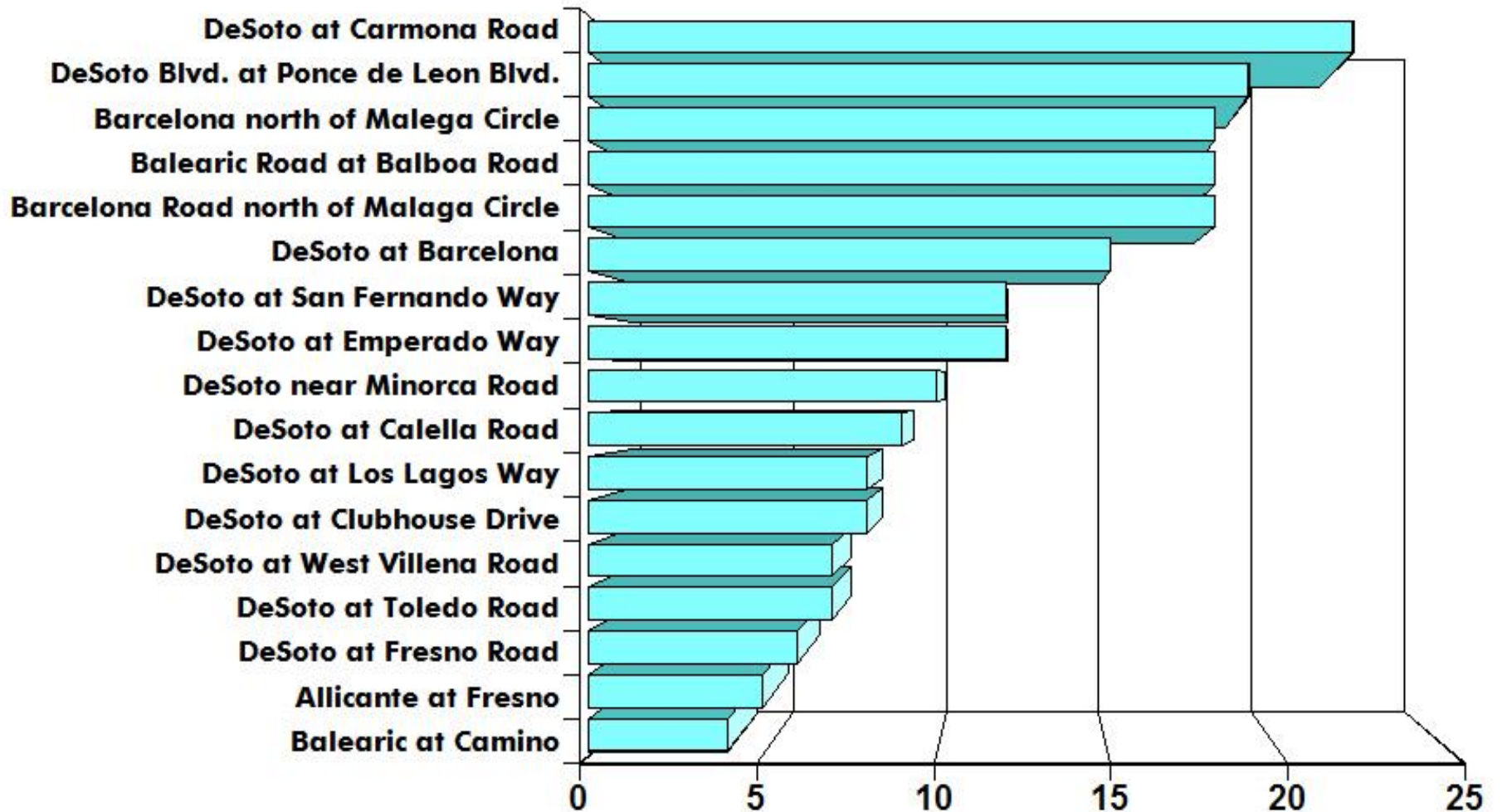
Deer-vehicle accidents in each month

(number reported between 2001-12 in Hot Springs Village)



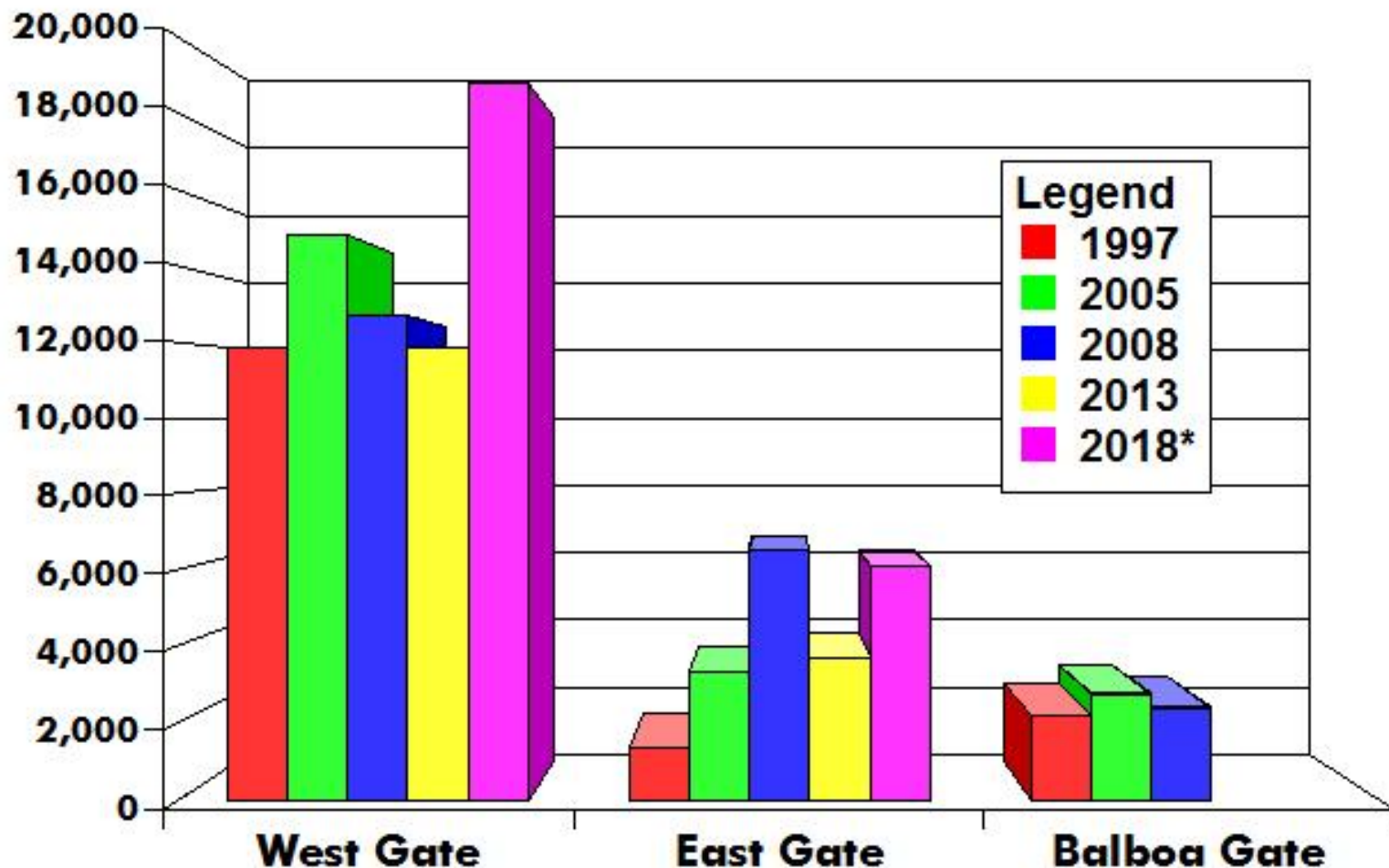
Source: POA Public Works Committee, Keith Salisbury

Locations with most vehicle accidents in last 12 years



Source: POA Public Works Committee, Tom Hinkebein

Hot Springs Village gate traffic counts



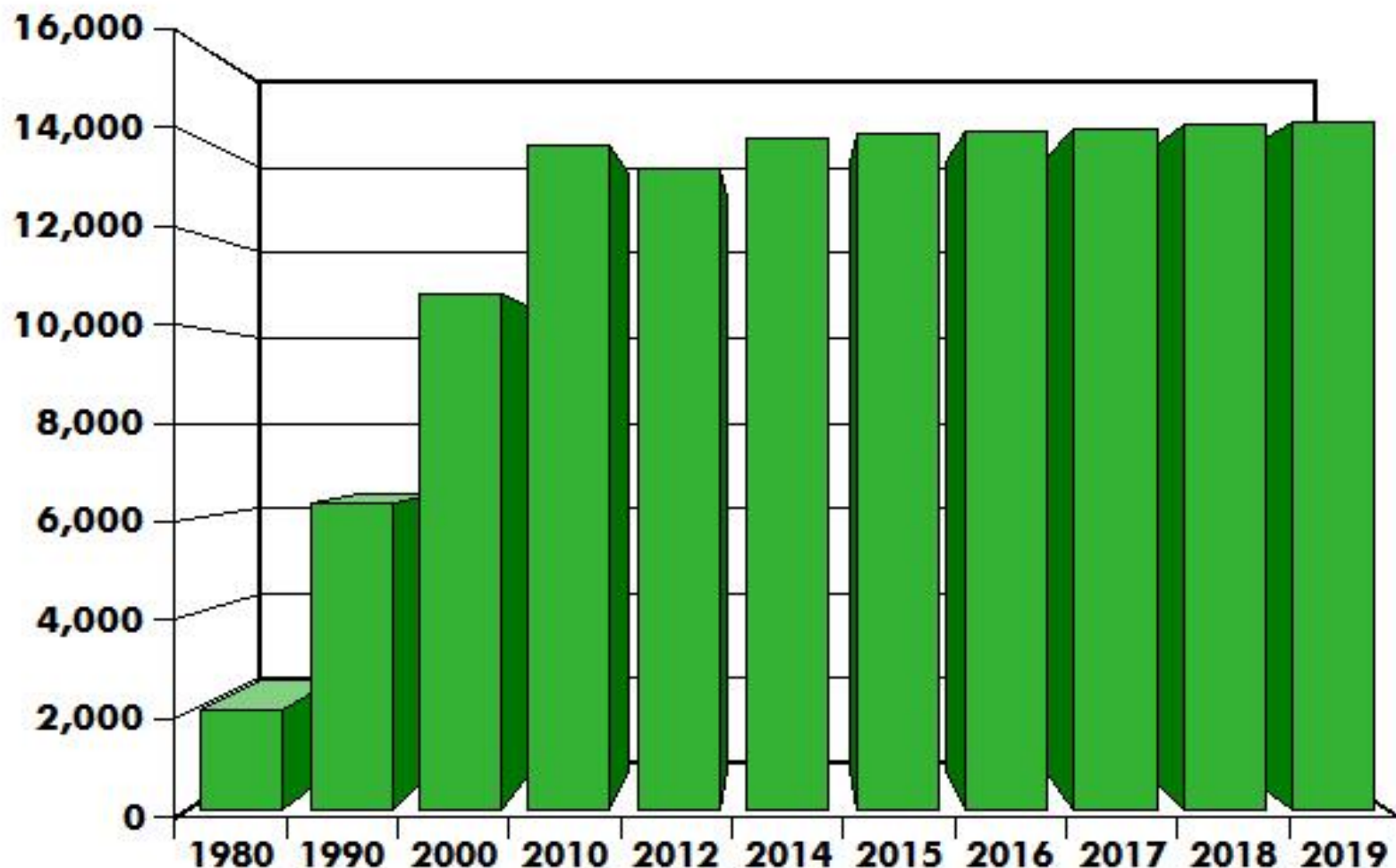
(*) estimated

Source: October 2013 POA traffic counts

2008 Traffic Study: DeSoto Boulevard Master Plan

Traffic Engineering Consultants

Population in Hot Springs Village



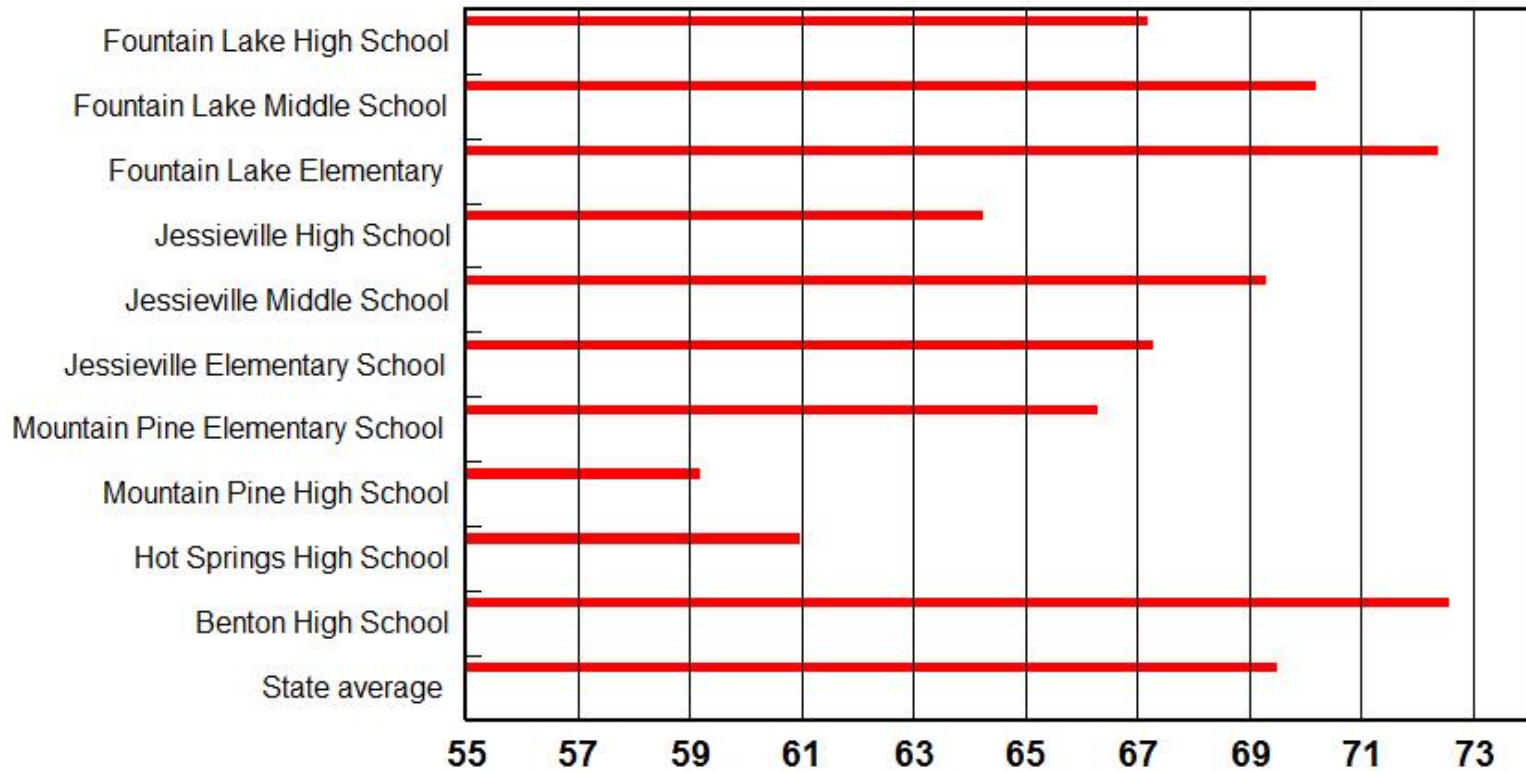
Source: 2011 Economic and Fiscal Impact of Hot Springs Village
U.S. Census Bureau, 2008-2012 American Community Survey
POA financial reports

Quick look at area, state schools, 2017-18

	Jessieville	Fountain Lake	Arkansas
Enrollment	884	1,424	479,258
Avg. years teaching experience	6.4	11.6	10.7
Student/teacher ratio	11:1	8:1	11:1
10 th grade literacy proficiency	35.8%	40.0%	43.7%
10 th grade math proficiency	22.4%	30.5%	29.0%
Demographics:			
white	90%	85%	61%
black	1%	1%	20%
Hispanic	4%	8%	13%
Low-income percentage	72%	52%	63%

Source: Arkansas Department of Education

How area schools were graded in 2017-18 school year



Source: Arkansas Department of Education

The Arkansas Department of Education has calculated a numerical score and an A to F letter grade for each of the state's public schools. A school's numerical scores is made up of student results on the ACT Aspire tests, student improvement on the Aspire over time and the gains made by students who are not native English-language speakers.

Also included in the calculation of the numerical score are indicators of school quality and student success, such as graduation rates, reading at grade level, attendance and college admissions test results.

Across the state:

152 schools received As

313 received Bs

340 received Cs

140 received Ds

44 received Fs

Timber sales in Hot Springs Village

Phase	Year	Acres	Subdivisions	Tons	Revenue	Revenue/ton
I	2004		8	3241	\$163,200	\$50
II	2006	72	11	3500	209,135	49
III	2007	75	10	3320	196,327	49
IV	2007	156	16	4500	168,418	37
V	2008	154	21	3840	111,572	34
VI	2009	88	18	6719	241,893	36
VII	2010	89	6	2841	139,128	32
VIII	2011	115	10	4581	89,006	24
IX	2012	104	11	4000	112,500	30
X	2017	140	21	4,596	105,708	23

Since 2004, the Property Owners' Association has been harvesting pine trees from common property. While the program generates revenue, its main purpose is to improve the health of the Village forest. Trees throughout the Village are reaching maturity. Unless mature trees are cut, they will die, creating fuel for wildfires and insect infestations. A contract for Phase X was approved January 18, 2017.

Village is a cash windfall for two counties (000s)

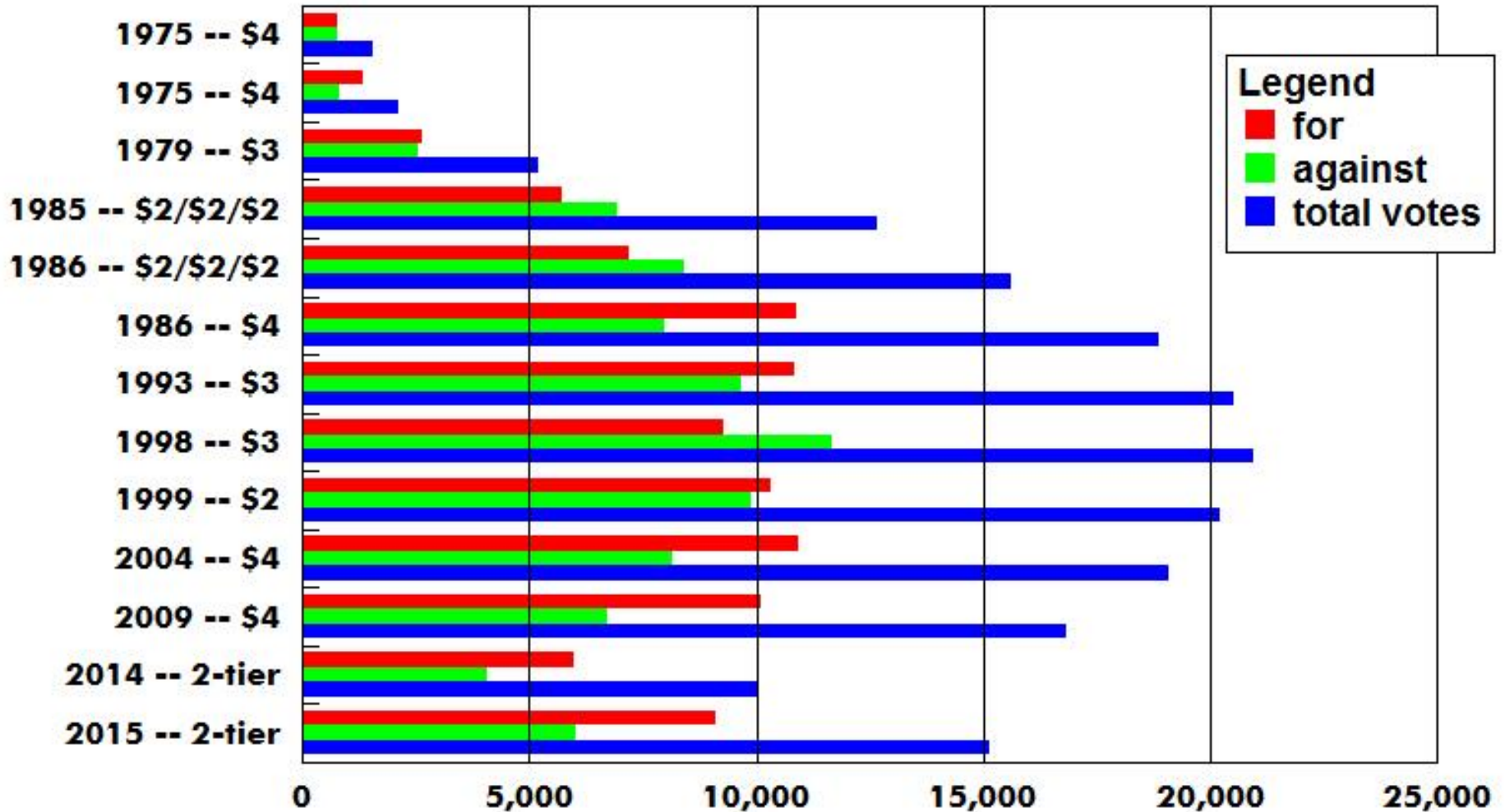
	Garland County	Saline County
Taxes collected from Village	\$947	\$2,015
County spending for Village	\$381	\$497
Net "profit" from Village	\$567	\$1,518
Percentage "profit"	60%	75%

Source: Economic and Fiscal Impact of Hot Springs Village

A profit-and-loss statement measuring Hot Spring Village's value to the economies of Garland and Saline Counties shows both governments profit handsomely from the arrangement. In the Garland County portion of the Village, for example, property and sales taxes collected in 2011 by the county were \$947,199. County spending for Villagers was \$380,602, leaving Garland with a "profit" from Village taxpayers of \$567,597, or 59.8 percent. The recently published *Economic and Fiscal Impact of Hot Springs Village* report shows an even greater "profit" for Saline County. The primary reason of this imbalance is because the two counties provide no road or police services to the Village, which is a private community with its own services.

Assessment votes in Hot Springs Village

Defeats in 1975, 1985, 1986 and 1998



Source: Hot Springs Village Property Owners' Association