



Memo

To: Hot Springs Village Board of Directors
Lesley Nalley, CEO

From: Liz Mathis, CFO

Date: July 17, 2019

Re: June 2019 Financial Reports

Attached please find the following financial package documents:

- Pages 2-8 – Financial Summary and Dashboard Reporting
- Page 9 - Statement of Financial Position
- Page 10 – Comparative Statements of Revenue and Expenses
- Page 11 - Statement of Capital Additions
- Pages 12-15 – Quarterly Departmental Overview
- Page 16 – Reconciliation of Projected Cash Usage

Overall, Net Excess (Deficit) before depreciation has decreased by \$217k from the previous year with 4 divisions continuing to show increases in revenue from the prior year and 4 divisions with decreased operating expenses. Expenses have increased, as budgeted, for planned maintenance activities, particularly in public utilities. These expenses are being incurred with only 5 months of Utility billing revenue recorded. An additional factor is a decrease in Golf Revenue, \$364k of which is related to the timing of golf cart trade-ins as detailed out in the packet. The remaining decrease is attributed to a decrease in rounds due to rain. The golf department is working to cut expenses to accommodate the decreased revenue.

Our cash and equity positions remain strong with equity increasing by \$863k and total liabilities decreasing over \$1.2m in the past year. If we continue our balanced approach to improving operating results, building reserves, and continuing to repair, rehab and replace our aging assets, our equity position should continue to improve over time.

A quarterly departmental overview with a comparison to both budget and the prior year is included for each of our 76 departments. Additionally there are quarterly metrics for Food & Beverage, Recreation, Worker's Compensation included in this packet covering the first six months of this year.

At this time, we remain on target to achieve the enterprise goals and to fund reserves as budgeted.

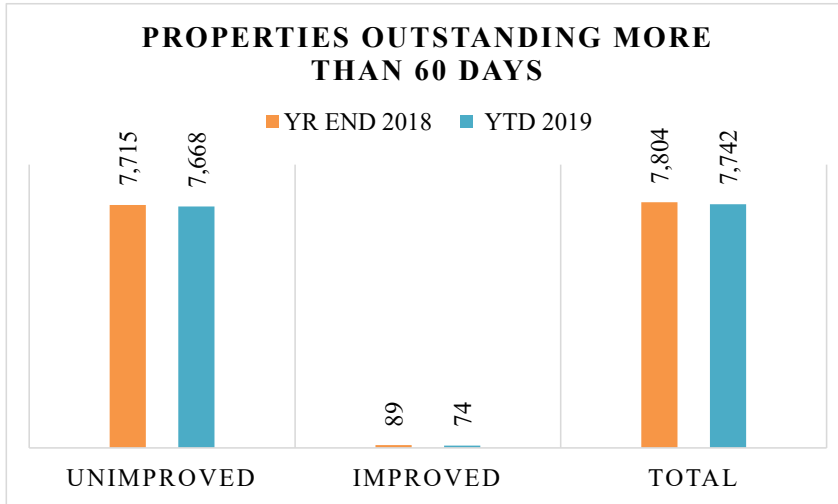
HOT SPRINGS VILLAGE POA
Financial Summary
as of June 30, 2019

Statement of Financial Position

2019 YTD	2018 YTD	CASH	Inc/(Decr)	%Change
\$ 4,357,609	\$ 6,285,888	Cash Available for Operations	\$ (1,928,279)	-30.68%
\$ 32,453	\$ 522,983	Remaining Sewer Bond Funds	\$ (490,529)	-93.79%
\$ 1,874,832	\$ 942,514	Non-Utility Capital Reserves	\$ 932,318	98.92%
\$ 876,625	\$ 300,000	Public Utility Reserves	\$ 576,625	192.21%
\$ 7,827,416	\$ 8,769,619	Total Cash & Cash Equivalents	\$ (942,203)	-10.74%

Decreases in cash balances from the prior year are related to 2018, and current year, spending on deferred maintenance and capital, some of which was funded by the sewer bond. The overall change in cash & cash eq has increased by \$242k since year end 2018. Restricted cash is comprised of the remaining sewer bond funds, required reserves related to the bond, and self-insured insurance plans.

2019 YTD	2018 YTD	ASSESSMENTS RECEIVABLE	Inc/(Decr)	%Change
\$ 7,433,612	\$ 7,407,987	Assessments Received	\$ 25,625	0.35%
\$ 9,370,993	\$ 9,195,095	Assessments & Penalties Billed	\$ 175,898	1.91%



Change in Delinquent/Unproductive Properties Since December 2018

Unimproved	-47
Improved	-15
Total Delinquent Properties	7,742
Total POA Owned Lots	3,477
Total Unproductive	11,219
% of Properties in Good Standing	
Unimproved	65%
Improved	99%
Multi-unit Facilities	100%
Total % Paying Assess.	67%

Staff continue to increase in house collection efforts and third-party efforts. Multi-lot owner litigation efforts also continue.

2019 YTD	2018 YTD	LONG TERM DEBT	Inc/(Decr)	%Change
\$ 3,989,294	\$ 4,750,245	Long Term Debt Outstanding	\$ (760,951)	-16.02%
3.39	3.22	Viability Ratio		
6.74	6.08	Debt Service Coverage Ratio*		

Long-term debt has decreased \$760k since this time last year. The current debt ratios, cash balance and projected operating results demonstrate HSV's ability to meet the related debt service obligations for 2019. Overall, liabilities have decreased \$1.2m since the prior year.

* Chapter One, Article 8 - Debt Usage & Management Policy states that the Viability ratio should not fall below 1.1 and the DSCR should be 1.25 or higher but not fall below 1.1

2019 YTD	2018 YTD	PROPERTY OWNER EQUITY	Inc/(Decr)	%Change
\$ 73,106,965	\$ 72,243,562	Total Property Owner Equity	\$ 863,403	1.20%

As noted in the 2019 Enterprise Goals, in an effort to maintain current value, property owner equity should remain stable at a minimum.

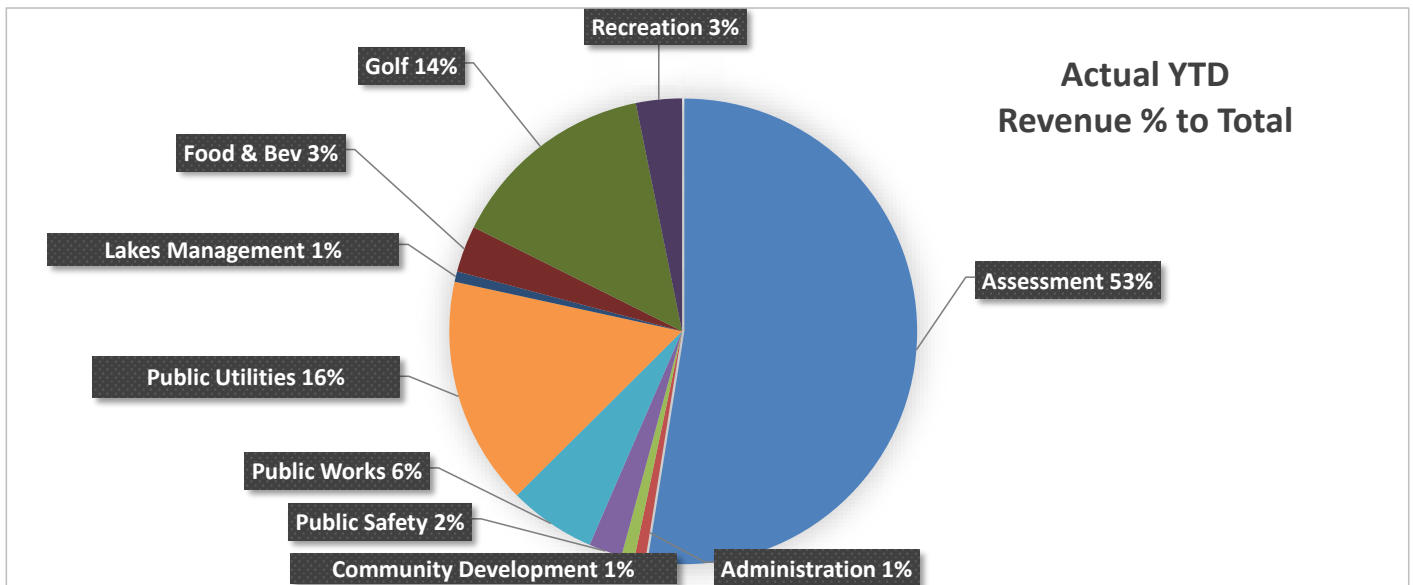
**HOT SPRINGS VILLAGE POA
Financial Summary
as of June 30, 2019**

Statement of Revenue and Expense

2019 YTD	2018 YTD		Inc/(Decr)	%Change
\$ 8,468,035	\$ 9,100,445	Operational Revenue	\$ (632,411)	-6.95%
\$(14,634,581)	\$(15,124,349)	Operating Expenses	\$ (489,768)	-3.24%
\$ (6,166,546)	\$ (6,023,904)	Subsidy Before Capital	\$ 142,643	2.37%
\$ 7,342,003	\$ 7,416,514	Net Assessment Revenue	\$ (74,511)	-1.00%
\$ 1,175,456	\$ 1,392,610	Total Excess (Deficit) Before Depreciation	\$ (217,154)	15.59%

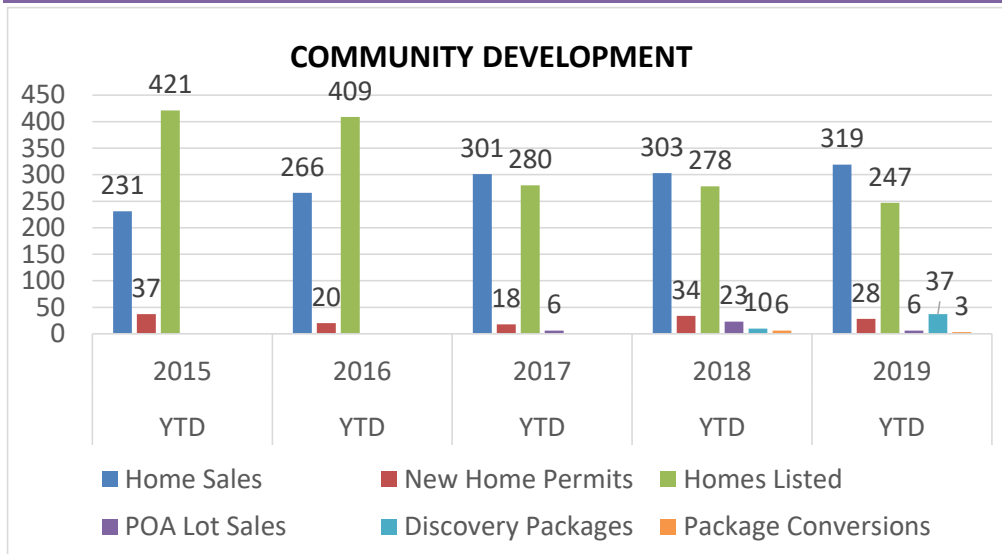
REVENUE

Public Works, Lakes, Food & Beverage & Recreation are all showing an increase in revenue over the prior year. Total net revenue (1) is 43% of budget and \$706k less than 2018. \$364k of this difference is related to golf carts discussed in the Golf Revenue section.



Current Revenues reflect an adequate percentage of exempt revenue to maintain a tax-exempt status for 2019.

Community Development & Marketing Revenue



Properties	
Improved Properties	8,868
Unimproved Lots	25,289
Multi-unit Facilities	300
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	34,457
Change in Improved Properties since Dec '18	31
Disc. Package Conversion Rate	12.2%
Population Estimate:	14,243

In 2019 YTD, there have been 28 New Home Permits and 31 homes completed. Discovery Package Sales continue to increase with 37 total Discovery Packages completed so far in 2019. The overall conversion rate for discovery packages is 12.2% with 3 conversions so far in 2019. 6 POA Lots have been sold year-to-date.

HOT SPRINGS VILLAGE POA
Financial Summary
as of June 30, 2019

Public Services Revenue

Current Water Customers		Current Sanitation Customers	
Residential	8,902	Residential -At House Pickup	479
Commercial	202	Residential - Curbside Pickup	7,511
Sprinkler	80	Commercial	115
Construction	29	No Sanitation	1,073
Total	9,213	Total	9,178

Utilities are billed bi-monthly. As of the end of June five months out of 12 have been billed. This cycle also affects the Public Safety Revenue, which is primarily the ambulance fees charged on utility bills. Utility Revenue are tracking slightly behind the previous year (\$119k). Billed water usage, year-to-date, is down over 15mil gallons, due in large part to the increase in rainfall which eliminates the need for property owners to water their yards.

Golf Revenue

	2019	2018	Variance	
YTD Playable Days	1,158	1,219	(61)	
Revenue/Day	\$2,225.29	\$2,647.32	(\$422.03)	*only (123.42) with cart rev removed
Total Rounds	96,011	110,031	(14,020)	
Revenue Per Round	\$26.84	\$29.33	(\$2.49)	*up \$.82 with cart revenue removed

A decrease in playable days, revenue per day, total rounds and revenue per round is the result of a one of the rainiest years on record which continues to be above normal. In June rounds were only down 459 with 9 less playable days. Another factor in the overall decrease in golf revenue is a difference of \$364k received for golf cart trade-ins in April of 2018. The golf cart trades for 2019 have occurred and we are awaiting payment. With the carts removed from all consideration, golf revenue is down around \$266k and golf revenue per round would be up by \$0.82 per round. Overall rounds are down for the year, mostly in rounds from resident daily and resident annual rounds with public and accompanied member guest following. Golf Package rounds are up over 1,300 rounds from the previous year, despite the wet weather. The Golf Department is working to cut expenses without affecting course conditions to compensate for the lost revenue this year. With the prior year's cart trade revenue removed, the overall subsidy has increased less than \$100k.

Other Revenue

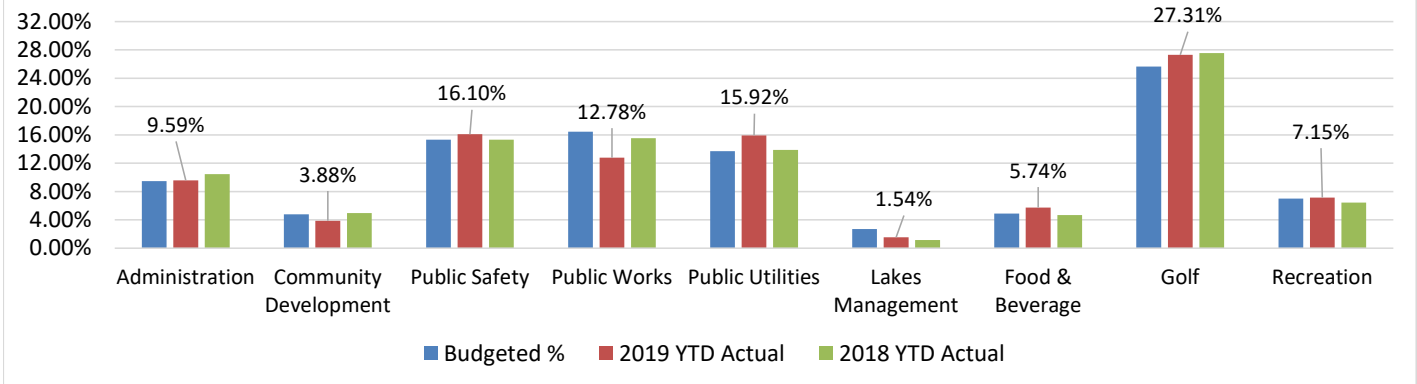
- The **Lakes** Department is showing an increase in revenue over the prior year to date. The purchase of annual boat registrations continue as compliance checks continue and boat usage increases for the summer.
- **Food & Beverage** Revenue is up from 2018; however early 2018 did not include the operations of the DeSoto Club which was opened for a partial month in April of 2018.
- **Recreation** revenue continues to show and increase from the prior year and is on target to meet budgeted revenues. The RV Park, Pickleball, the Library, the Fitness Center, and the Ponce Center all show revenue increases from 2018.

Total Net Revenue (1) is 43% of budget and \$706k less than 2018.

HOT SPRINGS VILLAGE POA
Financial Summary
as of June 30, 2019

EXPENSE

Operating Expense % of Total



Year-to-date, **Administration, Community Development & Marketing, Public Works & Golf** show reduced operating expenses from the prior year. **Public Safety** increase is related to compensation increases and the purchase of new fire-hoses as a non-capital equipment purchase. **Public Works** expenses are significantly below the previous year as a result of the timing of the street maintenance projects which will occur later in 2019. **Public Utilities** increase from the prior year is related to increases in Maintenance expenses & utilities. **Lakes** expenses have increased related to the dredging of Lake Balboa. Expenses at most **Food & Beverage** locations have decreased from the prior year. The overall increase to expense is related to the DeSoto Club operations that were not part of the POA operations in early 2018. Additional information can be found in the quarterly overview. **Recreation** expenses have increased related to increased Utility costs at all facilities, particularly the fitness center. Additional increases are from the Pickleball facility which was not operational in early 2018. Total Operational Expense ⁽²⁾ is 45% of budget and \$489k less than 2018.

NET OPERATING RESULTS

Net excess (deficit) before depreciation and capital ⁽³⁾ is a net excess of \$1.17m in 2019 compared to a net excess of \$1.39m in 2018. This is an overall decrease to the bottom line of \$217k.

The Service & Amenity usage of assessment dollars is as follows:

Administration	19.02%	Lakes	1.43%
Community Dev & Marketing	6.11%	Food & Beverage	3.96%
Public Safety	29.16%	Golf	21.30%
Public Works	11.86%	Recreation	7.16%
Public Utilities	0.00%		

HOT SPRINGS VILLAGE POA
Financial Summary
as of June 30, 2019

Statement of Capital Additions

2019 YTD	2018 YTD		Inc/(Decr)	%Change
\$ 904,633	\$ 1,450,199	Capital Spending	\$ (545,566)	-37.62%
	16.37%	Capital Budget spent YTD		

2019 Enterprise Goals state that depreciation expense should not out pace capital spending on infrastructure. Current depreciation is \$1.67mil, a decrease of \$40k from the prior year. Capital spending and spending deferred over the past several years to repair or replace existing assets must continue in order to maintain the value of our Net Assets and meet this enterprise goal. Spending the current budgeted and requested rollover Capital amounts will be integral in meeting these goals based on current depreciation projections for 2019.

Prior Year(s) Capital Budget Rollover

The following items are indicated on the report as capital rollover funds and were approved by the Board in April.

Outdoor Pool **	\$ 751,546	** \$751k, originally budgeted in 2017, is available to roll forward.
Commercial Sanitation Truck	\$ 184,710	\$500k was budgeted in 2019 for a total project budget of \$1,251,546
Replace E67 Backhoe - Grounds Maint	\$ 74,000	
RV Park Renovation	\$ 65,517	
Bocce Courts	\$ 49,000	
Ventrac 4500X with Tuf Cut Mower	\$ 33,200	
Phone System (Leased)	\$ 24,000	
AV Equipment - Ponce Center	\$ 20,000	
20ft Trailer with fold up ramps - Lakes	\$ 5,500	
Golf Maintenance Trailer	\$ 3,200	
Replace E11 Backhoe	\$ 82,000	
Mini-Excavator - Utilities	\$ 48,000	
Tilt Trailer for Mini-Ex	\$ 6,000	
	\$ 1,346,673	

2019 Capital Spending Summary

<p>Administration Desktop & Laptop Replacements</p> <p>Public Safety Vehicle Radar Units</p> <p>Public Works Skid Steer replacement (insurance claim 2018) Commercial Sanitation Truck (Rollover from 2018) HVAC Replacements Casa Coronado Remodel Vehicle Replacements</p> <p>Public Utilities Lake Lago River Intake (Insurance Claim) Interceptor Tanks for New Construction Water & Sewer Connections</p> <p>Food & Beverage DeSoto Club Carpet Casa Coronado Furniture replacement</p> <p>Golf Toro Multipro Sprayer - Magellan (Insurance Claim) Lely Spreader - Balboa</p>	<p>Recreation RV Park Renovations completed (Rollover from 2018) Replacement of Fitness Equipment (CCC) Tennis Ball Machines & Backboards Outdoor Pool (Progress Payments based on contract) PDL Center Carpet</p>
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HOT SPRINGS VILLAGE POA

Financial Summary

as of June 30, 2019

Quarterly Division Metrics

FOOD & BEVERAGE

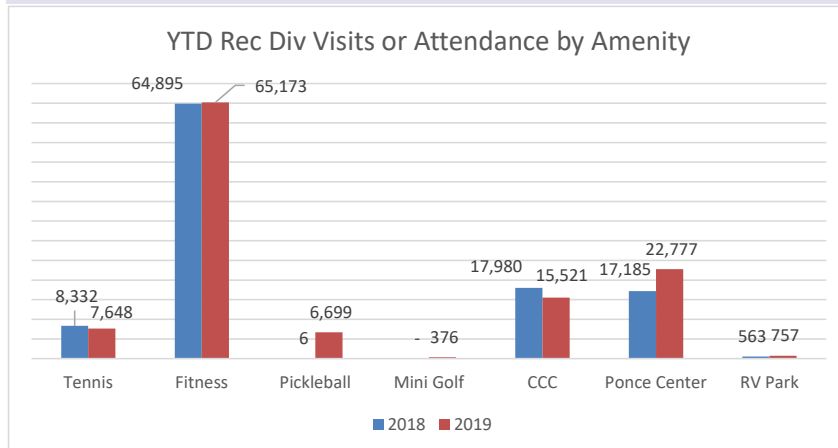
COGS as a % of Sales

	YTD '19	YTD '18	% Change	
Magellan Deli	44.15%	47.32%	-3.17%	A few F&B facilities are showing improvement in COGS % over the previous year. Last year DeSoto Club was not operated by the POA until April. F&B staff are doing a deep dive into the entire Food & Beverage operation in July to develop strategies for improving financial results and patron experiences.
Balboa Club	41.73%	42.80%	-1.07%	
DeSoto Club	57.40%	38.14%	19.26%	
Ponce Center Bar	38.67%	33.98%	4.69%	
Waypoint	30.55%	27.72%	2.83%	
CCC Bar	63.96%	40.07%	23.89%	
Granada Grill	46.98%	44.67%	2.31%	

Labor as a % of Sales

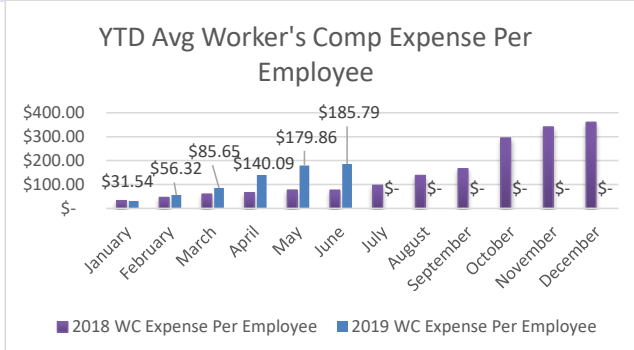
	YTD '19	YTD '18	% Change	
Magellan Deli	44.99%	46.68%	-1.69%	Labor as a % of Sales is showing improvement over the prior year at all facilities other than DeSoto Club & CCC bar.
Balboa Club	31.77%	49.30%	-17.53%	
DeSoto Club	71.37%	69.68%	1.69%	
Ponce Center Bar	18.66%	30.35%	-11.69%	
Waypoint	61.09%	63.18%	-2.09%	
CCC Bar	16.25%	10.24%	6.01%	
Granada Grill	55.32%	72.30%	-16.98%	

Recreation



All Amenities with the exception of Tennis and the Coronado Center are showing increased utilization in 2019. Tennis visits are down due to weather related facility closures.

Worker's Compensation & Safety



Staff are continuing to focus on worker safety. Year to date avg workers compensation expense per employee has increased over the prior year but there have been fewer claims. The Safety Committee has a goal to reduce the total # of cases and costs by 25% this year.

	2019	2018
YTD Claims	13	15

HOT SPRINGS VILLAGE POA
Financial Summary
as of June 30, 2019

Quarterly Departmental Overview

In the first quarter 37 out of 76 Departments (49%) are showing net operational improvements. Those 39 include 2 out of 3 departments in the Administration division, the Marketing & Development departments, four in Public Safety, five in Food & Beverage, four in Recreation, ten in Golf, Lakes, three in Public Works & five in Public Utilities.

The departments showing the largest increases (over \$50k) from the previous year are as follows:

- **Fire Department** - increases related to personnel costs, safety and other non-capital equipment (hoses) purchased, interest expense, utilities and facility maintenance.
- **DeSoto Club** - was a leased facility in early 2018. As noted above, the Food & Beverage division will be working on improving these financial results.
- **Outdoor Pool** - capital improvement costs in 2019.
- **Granada Golf Shop & Carts** - decreased revenue related to rain
- **Cortez Golf Shop & Carts** - decreased revenue related to 2018 golf cart trade ins and rain
- **Balboa Golf Shop & Carts** - decreased revenue related to 2018 golf cart trade ins and rain
- **Ponce De Leon Golf Shop & Carts** - decreased revenue related to rain
- **Grounds Maintenance** - this new division was created in 2019 which combined Rec Maintenance and the Grounds maintenance team previously included in the Building & Grounds Department which is now just Building Maintenance. The apparent increase over prior year is budgeted as part of this reorganization.
- **Fleet/Vehicle Maintenance** - increase over prior year is related to the timing purchases.

HOT SPRINGS VILLAGE POA
Comparative Statement of Financial Position
as of June 30, 2019

	2019	2018
<u>ASSETS</u>		
OPERATING CASH	\$ 2,816,609	\$ 4,744,888
RESTRICTED CASH	718,350	1,241,217
INVESTMENTS - OPERATING RESERVES	1,541,000	1,541,000
PUBLIC UTILITY CAPITAL RESERVES	876,625	300,000
NON-UTILITY CAPITAL RESERVES	1,874,832	942,514
TOTAL CASH AND CASH EQUIVALENTS	7,827,416	8,769,619
 MEMBERSHIP ASSESSMENT RECEIVABLE		
GROSS ASSESSMENTS BILLED	21,783,773	18,149,702
LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS	(18,460,369)	(15,343,204)
NET MEMBERSHIP ASSESSMENT RECEIVABLE	3,323,404	2,806,498
 OTHER MEMBERSHIP RECEIVABLES	1,561,161	1,616,425
OTHER RECEIVABLES	184,652	37,479
INVENTORIES	75,217	66,869
PREPAID EXPENSES	412,390	409,340
REAL ESTATE HELD FOR SALE, NET REALIZABLE VALUE	2,607,750	2,396,250
RECOVERABLE ELECTRIC COSTS	3,697,600	3,788,950
PROPERTY AND EQUIPMENT, Net of Accumulated Depr.	63,559,125	63,723,377
TOTAL ASSETS	83,248,715	83,614,807

LIABILITIES AND MEMBERSHIP EQUITY

LIABILITIES		
ACCOUNTS PAYABLE	\$ 583,263	\$ 814,972
ACCRUED EXPENSES	2,527,370	2,722,597
PREPAID ASSESSMENTS AND FEES	2,476,708	2,522,319
SECURITY DEPOSITS & OTHER DEPOSITS	565,115	561,112
ARVEST LOAN - DESOTO	503,407	809,850
REGIONS LOAN - FIRE TRUCK	725,887	915,395
LINE OF CREDIT	-	-
BONDS PAYABLE	2,760,000	3,025,000
TOTAL LIABILITIES	10,141,750	11,371,245
 PROPERTY OWNER EQUITY		
UNDESIGNATED	70,355,508	71,001,048
DESIGNATED FOR FUTURE REPAIRS & REPLACEMENT	2,751,457	1,242,514
TOTAL PROPERTY OWNER EQUITY	73,106,965	72,243,562
 TOTAL LIABILITIES AND MEMBERSHIP EQUITY	\$ 83,248,715	\$ 83,614,807

HOT SPRINGS VILLAGE POA
Comparative Statements of Revenue and Expenses
Months ended June 30, 2019 and June 30, 2018

	Actual YTD			Over/(Under) Prior Year	Budget Remaining	% Budget Earned/Spent
	2019 Budget	2019	2018			
ASSESSMENTS						
ASSESS & PENALTY REVENUE	18,766,601	9,370,993	9,195,095			
PROVISION FOR FUTURE BAD DEBT	(3,055,000)	(2,028,991)	(1,778,582)			
Net Assessment Revenue	15,711,601	7,342,003	7,416,514	(74,511)	8,369,598	
ADMINISTRATION						
REVENUE	323,624	136,194	139,336	(3,142)	187,430	42%
EXPENSE	(3,089,969)	(1,404,068)	(1,580,478)	(176,411)	(1,685,901)	45%
Net Administration	(2,766,345)	(1,267,874)	(1,441,143)			
COMMUNITY DEV & MARKETING						
REVENUE	449,795	160,457	217,652	(57,195)	289,338	36%
EXPENSE	(1,558,225)	(567,703)	(750,791)	(183,088)	(990,522)	36%
Net Community Development & Marketing	(1,108,430)	(407,246)	(533,138)			
PUBLIC SAFETY						
REVENUE	854,435	411,413	421,361	(9,948)	443,022	48%
EXPENSE	(4,991,414)	(2,355,818)	(2,315,580)	40,238	(2,635,596)	47%
Net Public Safety	(4,136,979)	(1,944,405)	(1,894,219)			
PUBLIC SERVICES						
Public Works						
REVENUE	2,317,758	1,078,874	1,042,622	36,252	1,238,884	47%
EXPENSE	(5,363,112)	(1,869,672)	(2,349,083)	(479,411)	(3,493,440)	35%
Net Public Works	(3,045,354)	(790,799)	(1,306,461)			
Public Utilities						
REVENUE	7,170,726	2,829,689	2,949,101	(119,412)	4,341,037	39%
EXPENSE	(4,470,421)	(2,329,305)	(2,100,550)	228,755	(2,141,116)	52%
Net Public Utilities	2,700,305	500,384	848,551			
AMENITIES						
Lakes						
REVENUE	125,944	129,667	105,728	23,939	(3,723)	103%
EXPENSE	(882,594)	(224,939)	(176,686)	48,253	(657,655)	25%
Net Lakes Management	(756,650)	(95,272)	(70,959)			
Food & Beverage						
REVENUE	1,360,831	575,959	480,110	95,848	784,872	42%
EXPENSE	(1,599,803)	(839,752)	(707,498)	132,255	(760,051)	52%
Net Food & Beverage	(238,972)	(263,794)	(227,387)			
Golf						
REVENUE	7,066,527	2,576,890	3,227,084	(650,193)	4,489,637	36%
EXPENSE	(8,355,238)	(3,996,992)	(4,168,059)	(171,067)	(4,358,246)	48%
Net Golf	(1,288,711)	(1,420,102)	(940,976)			
Recreation						
REVENUE	1,135,134	568,891	517,452	51,440	566,243	50%
EXPENSE	(2,280,094)	(1,046,331)	(975,623)	70,708	(1,233,763)	46%
Net Recreation	(1,144,960)	(477,440)	(458,172)			
Summary						
	2019 Budget	2019 Actual	2018 Actual	Over/(Under) Prior Year	Budget Remaining	
Gross Revenue	\$ 39,571,375	\$ 17,839,028	\$ 18,295,541			
Bad Debt Expense	(3,055,000)	(2,028,991)	(1,778,582)			
Net Revenue (1)	36,516,375	15,810,037	16,516,959	(706,922)	(20,706,338)	43%
Operational Expense (2)	(32,590,870)	(14,634,581)	(15,124,349)	(489,768)	(17,956,289)	45%
Excess (Deficit) Before Depr.(3)	\$ 3,925,505	\$ 1,175,456	\$ 1,392,610			
Depreciation		\$ (1,677,253)	\$ (1,717,336)			

HOT SPRINGS VILLAGE POA
Statement of Capital Additions
as of June 30, 2019

	2019 Spending	2019 Budget	Prior Year Rollover*	Budget Remaining
Administration	\$ 11,498	\$ 115,000	\$ 24,000	\$ 127,502
Community Development & Marketing	-	10,000		10,000
Public Safety	4,481	41,500		37,019
Public Works	401,837	1,550,250	436,610	1,585,023
Public Utilities	238,962	1,402,083		1,163,121
Lakes Management	-	-		-
Food & Beverage	16,030	35,000		18,970
Golf	55,173	256,247		201,074
Parks and Recreation	176,652	769,000	886,063	1,478,411
Total Year to Date Capital Additions	\$ 904,633	\$ 4,179,080	\$ 1,346,673	\$ 4,621,120

**Prior Year Rollover funds will be requested and submitted to the BOD for approval during the April BOD meeting.*

Hot Springs Village POA
Quarterly Departmental Overview
as of June 30, 2019

Department	2018 Annual Budget (Net)	YTD Revenue	YTD Expense	YTD Capital	YTD Total Subsidy	Prior YTD Sub/Profit
Assessments	\$ 18,712,601	\$ 9,349,393	\$ -	\$ -	\$ 9,349,393	\$ 9,159,795
Delinquent & Foreclosed Lots	(3,001,000)	21,600	(2,028,991)	-	(2,007,391)	(1,743,282)
Total Assessments	15,711,601	9,370,993	(2,028,991)	-	7,342,003	7,416,514
Administration	(1,881,119)	136,194	(992,905)	-	(856,711)	(1,049,601)
Information Technology	(683,548)	-	(238,994)	(11,498)	(250,492)	(260,582)
Human Resources	(316,678)	-	(172,169)	-	(172,169)	(149,787)
Total Administration	(2,881,345)	136,194	(1,404,068)	(11,498)	(1,279,372)	(1,459,970)
Marketing	(214,500)	-	(77,743)	-	(77,743)	(140,277)
Development	(355,914)	75	(69,059)	-	(68,984)	(255,550)
Permitting & Inspections	39,816	102,690	(75,816)	-	26,874	56,269
Tourism & Discovery	(271,691)	4,519	(159,692)	-	(155,173)	(106,792)
Land Acquisitions	(211,036)	1,596	(78,270)	-	(76,674)	(38,306)
Real Estate Sales	(105,105)	51,578	(107,123)	-	(55,545)	(48,482)
Total Community Development & Marketing	(1,118,430)	160,457	(567,703)	-	(407,246)	(533,138)
Police Department	(2,333,711)	2,022	(1,016,058)	(4,481)	(1,018,518)	(1,135,880)
Animal Control	(93,416)	21,229	(44,890)	-	(23,662)	(50,836)
Police Training Center	(8,510)	394	(4,181)	-	(3,787)	(2,681)
Compliance	(164,380)	4,440	(76,990)	-	(72,550)	(55,798)
Fire Department	(1,610,117)	6,000	(840,707)	-	(834,707)	(770,989)
Fire Dept - Act 833 Grant	-	26,040	(8,765)	-	17,275	(17,303)
Ambulance Service	31,655	351,289	(364,228)	-	(12,938)	(17,330)
Total Public Safety	(4,178,479)	411,413	(2,355,818)	(4,481)	(1,948,886)	(2,050,817)

Hot Springs Village POA
Quarterly Departmental Overview
as of June 30, 2019

Department	2018 Annual Budget	Revenue	Expense	Capital	Total Subsidy	Prior YTD Sub
Food & Beverage Admin	(120,654)	-	(70,196)	-	(70,196)	(62,599)
Magellan Deli	510	32,468	(36,563)	-	(4,095)	(4,528)
Balboa Club	(15,448)	86,063	(93,429)	-	(7,366)	(21,051)
Ponce Center Bar	548	9,217	(7,938)	-	1,279	294
DeSoto Club	(137,679)	202,349	(343,609)	(11,389)	(152,650)	(83,923)
Waypoint	2,364	26,145	(34,893)	-	(8,749)	(2,860)
19th Hole	(315)	-	(188)	-	(188)	(155)
Coronado Center Bar	5,989	10,843	(10,726)	-	117	5,089
Cortez Restaurant	(4,900)	6,516	(6,654)	-	(138)	(59)
Coronado Restaurant	(14,635)	3,422	(3,925)	(4,641)	(5,144)	(2,125)
Isabella Restaurant	13,680	13,929	(6,161)	-	7,768	(29,152)
Granada Grill	93	175,874	(215,986)	-	(40,111)	(66,832)
Ponce Restaurant	(3,525)	9,134	(9,483)	-	(349)	6
Total Food & Beverage	(273,972)	575,959	(839,752)	(16,030)	(279,824)	(267,894)
Recreation Administration	(141,574)	7,875	(81,701)	-	(73,826)	(51,700)
Outdoor Recreation	(321,234)	25,381	(106,381)	(10,787)	(91,787)	(63,162)
Dog Park	200	6,639	(3,083)	-	3,557	4,718
RV Park	4,000	23,005	(3,337)	(53,708)	(34,040)	1,601
Pickleball	19,026	27,288	(15,069)	-	12,219	(7,767)
Coronado Tennis	(68,201)	39,820	(65,451)	(10,253)	(35,884)	(20,213)
Desoto Marina	19,482	32,317	(31,933)	-	384	11,826
Coronado Center	(165,013)	45,828	(139,656)	-	(93,828)	(67,009)
Library	(55,625)	15,990	(36,618)	-	(20,628)	(28,108)
Coronado Fitness Center	(263,834)	236,515	(368,030)	(7,668)	(139,183)	(201,784)
Ponce De Leon Center/Woodlands	(441,187)	108,234	(195,073)	(15,036)	(101,875)	(108,722)
Outdoor Pool	(500,000)	-	-	(79,200)	(79,200)	(14,901)
Total Recreation	(2,235,194)	568,891	(1,046,331)	(176,652)	(654,092)	(545,220)

Hot Springs Village POA
Quarterly Departmental Overview
as of June 30, 2019

Department	2018 Annual Budget	Revenue	Expense	Capital	Total Subsidy	Prior YTD Sub
Golf Administration	(492,296)	52,893	(234,837)	-	(181,944)	(215,871)
DeSoto Golf Shop & Carts	705,594	312,310	(76,505)	-	235,806	245,308
Granada Golf Shop & Carts	749,375	373,544	(104,703)	-	268,841	322,974
Cortez Golf Shop & Carts	779,670	361,303	(100,675)	-	260,629	483,825
Magellan Golf Shop & Carts	729,794	316,183	(82,344)	-	233,839	274,443
Coronado Golf Shop & Carts	257,207	105,801	(55,091)	-	50,709	58,671
Isabella Golf Shop & Carts	981,716	479,518	(116,030)	-	363,488	404,341
Balboa Golf Shop & Carts	623,566	259,907	(64,021)	-	195,886	418,201
Ponce De Leon Golf Shop & Carts	652,094	312,118	(89,630)	-	222,489	290,937
Golf Cart Maintenance	(28,207)	-	(8,033)	-	(8,033)	(11,973)
Golf Course Maint - DeSoto	(790,416)	-	(356,820)	-	(356,820)	(381,688)
Golf Course Maint - Granada	(802,551)	-	(406,776)	-	(406,776)	(433,261)
Golf Course Maint - Cortez	(739,088)	-	(374,064)	-	(374,064)	(390,063)
Golf Course Maint - Magellan	(795,189)	-	(391,134)	-	(391,134)	(409,059)
Golf Course Maint - Coronado	(496,210)	-	(211,613)	-	(211,613)	(216,229)
Golf Course Maint - Isabella	(1,110,392)	-	(506,495)	-	(506,495)	(624,216)
Golf Course Maint - Balboa	(764,621)	-	(324,222)	(6,098)	(330,320)	(348,597)
Golf Course Maint - Ponce De Leon	(825,382)	-	(397,597)	-	(397,597)	(430,793)
Golf Course Maintenance Administration	(179,622)	-	(96,403)	-	(96,403)	(88,692)
Total Golf	(1,544,958)	2,573,578	(3,996,992)	(6,098)	(1,429,513)	(1,051,742)
Lakes Management	(756,650)	129,667	(224,939)	-	(95,272)	(102,559)
Total Lakes	(756,650)	129,667	(224,939)	-	(95,272)	\$ (102,559)
Public Works Administration	5,155	45,000	(38,315)	-	6,685	(21,796)
Sanitation	910,787	760,140	(378,582)	-	381,558	406,698
Street Maintenance	(2,354,968)	242,673	(608,443)	-	(365,771)	(955,640)
Building Maintenance	(1,355,326)	17,622	(344,648)	(47,625)	(374,651)	(400,924)
Grounds Maintenance	(566,976)	-	(252,431)	(11,209)	(263,640)	(194,914)
Fleet/Vehicle Maintenance	(1,234,276)	13,439	(247,253)	(343,003)	(576,817)	(324,887)
Total Public Works	(4,595,604)	1,078,874	(1,869,672)	(401,837)	(1,192,636)	(1,491,463)

Hot Springs Village POA
Quarterly Departmental Overview
as of June 30, 2019

Department	2018 Annual Budget	Revenue	Expense	Capital	Total Subsidy	Prior YTD Sub
Public Utilities Administration	(206,899)	-	(112,099)	-	(112,099)	(92,593)
Water	1,338,772	995,568	(531,872)	(66,436)	397,260	393,411
Water Line Maintenance	(348,375)	-	(148,055)	-	(148,055)	(160,795)
Wastewater	1,964,662	1,672,421	(758,450)	(10,691)	903,280	752,331
Wastewater Line Maintenance	(329,981)	-	(115,006)	-	(115,006)	(93,666)
Electrical, Controls & Construction	(1,027,507)	161,700	(617,021)	(161,835)	(617,156)	(719,083)
Bond Expenses	(92,450)	-	(46,803)	-	(46,803)	(50,903)
Total Public Utilities	1,298,222	2,829,689	(2,329,305)	(238,962)	261,422	28,700

**Hot Springs Village POA
Financial Dashboard
as of June 30, 2019**

Reconciliation of Projected Cash Usage

Cash & Cash Equivalent Balance	\$ 7,827,416
Restricted Cash	(718,350)
Public Utility Capital Reserves	(876,625)
Non-Utility Capital Reserves	(1,874,832)
Outstanding Accounts Payable	(583,263)
Outstanding Accounts Receivable	1,469,552
Remaining 2019 Budgeted Capital & Capital Rollover	(4,621,120)
Estimated Remaining Cash Yield from Operations	2,250,049
Unearmarked Escrow & Prior Year Rollover Carryover	(1,765,969)
2019 Debt Service (Bond, Arvest & Regions)	(402,755)
Estimated Cash Available for Reserves at Year end 2019	<u><u>\$ 704,103</u></u>

2019 Budget states that a total of \$469,857 should be available at year end for Reserves

Several years of deferred spending and the escrowing of assessment funds led to higher than typical cash balances. As we begin to address deferred maintenance as budgeted, the cash balance will naturally decrease. This projection doesn't include the typical influx of cash at year end related to annual renewals for the upcoming year. This report is a projection of how the current year's operations will effect our cash position.

The Estimated Remaining Cash Yield from Operations is a projection that includes any anticipated variances from budget including revenue shortfalls. This will continue to be adjusted as the year progresses.