

A Look at What's Happening in Hot Springs Village

Compiled by Frank Leeming
Updated on Oct.15, 2019

Village finances for first nine months

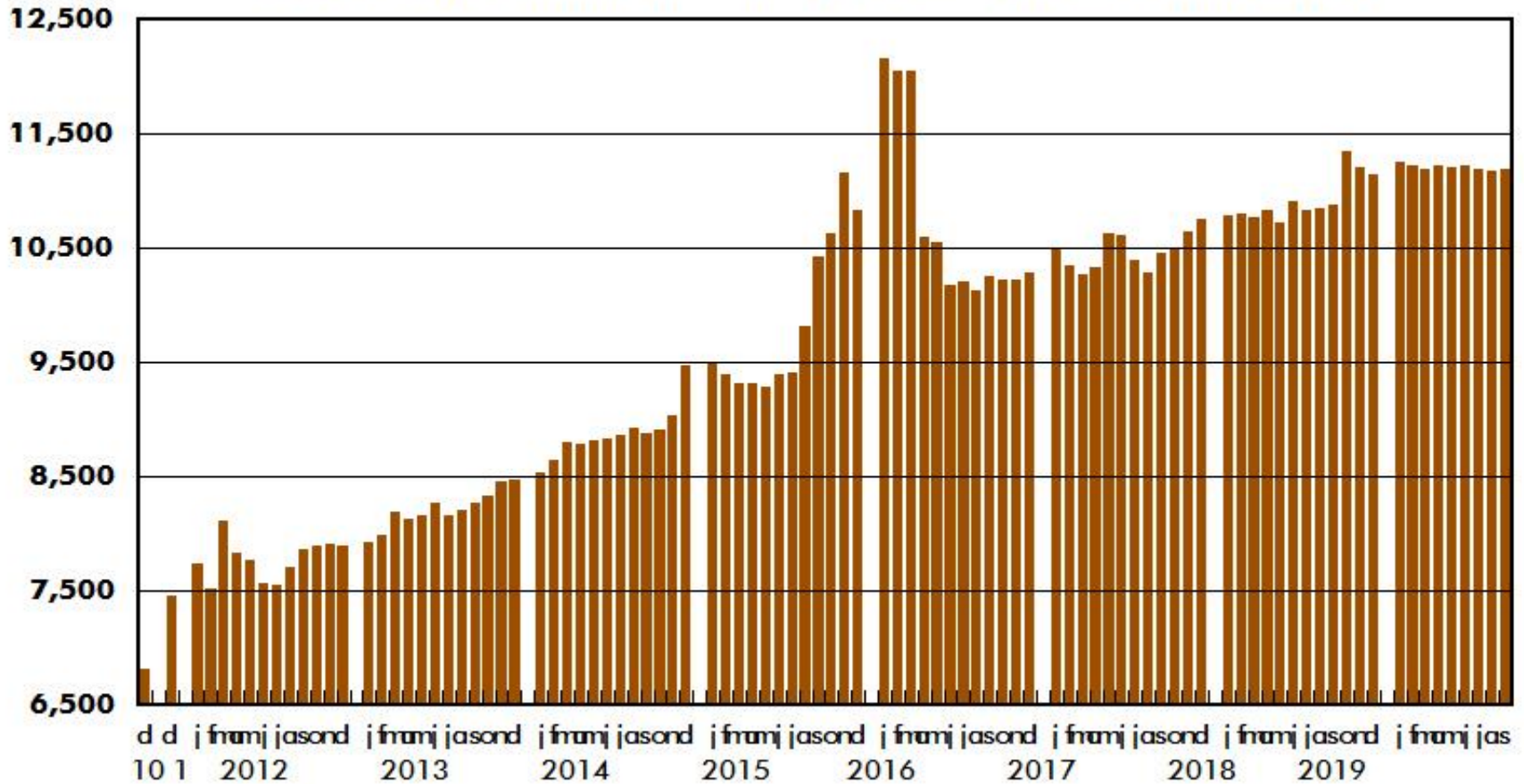
	2018	2019	change	% change
Net assessment revenue	\$11,084,294	\$11,028,684	(-\$55,610)	(-0.5)
Operational revenue	<u>\$13,358,411</u>	<u>\$13,169,072</u>	<u>(-\$189,339)</u>	<u>(-1.4)</u>
Total revenue	\$24,442,705	\$24,197,756	(-\$244,949)	(-1.0)
Operational spending	\$22,341,220	\$22,037,904	(-\$303,316)	(-1.4)
Capital spending	<u>\$2,991,827</u>	<u>\$2,126,637</u>	<u>(-\$865,190)</u>	<u>(-28.9)</u>
Total spending	<u>\$25,333,047</u>	<u>\$24,164,541</u>	<u>(-\$1,168,506)</u>	<u>(-4.6)</u>
Net surplus (loss)	(-\$890,342)	\$33,215	+\$923,557	+103.7
Total cash in bank	\$7,260,287	\$7,685,248	+\$424,961	+5.6

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



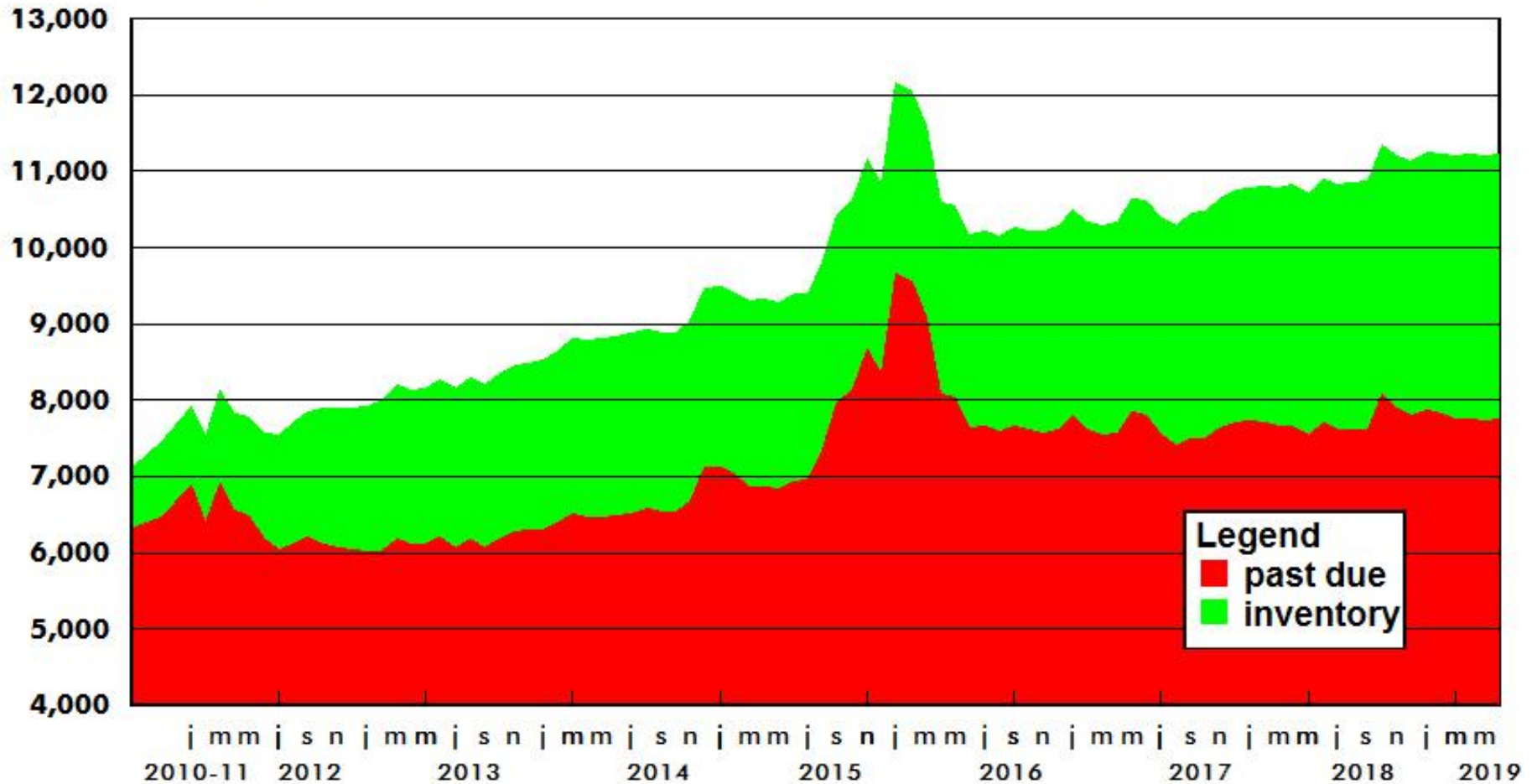
Source: Hot Springs Village finance department

At the end of September, there were 7,694 property owners who were 61 days or more past due paying their monthly assessments. The past-due owners owed \$19,400,553. This was up \$3,194,186, or 19.7 percent, from September 2018.

Seriously delinquent lots represent 22.3 percent of the 34,457 residential and multi-unit lots in the Village. The POA had 3,488 lots in its inventory at the end of September.

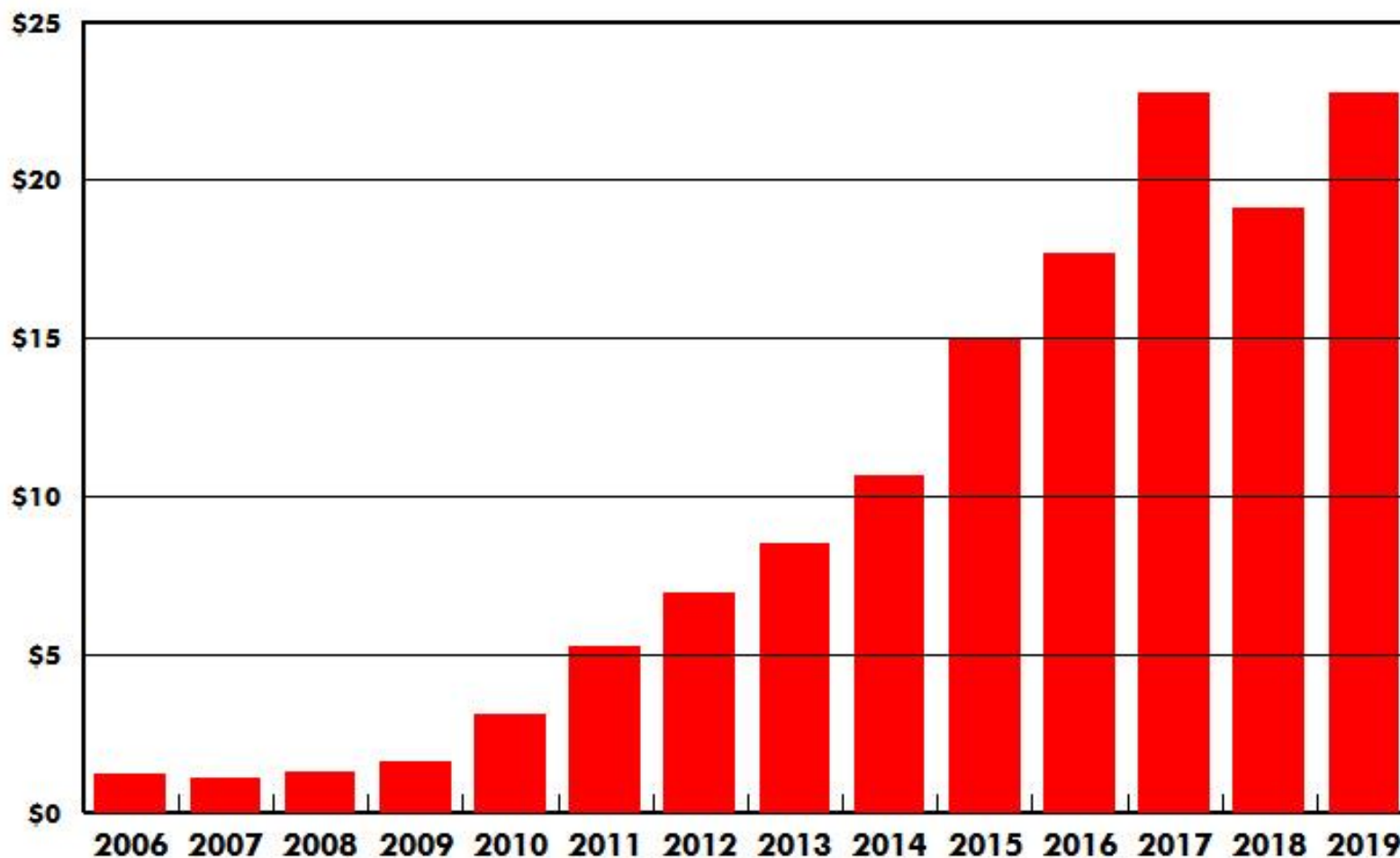
Combined with those seriously past due, it means 11,182 lots – 32.5 percent of the total – were unproductive in terms of generating assessment revenue to support the POA.

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



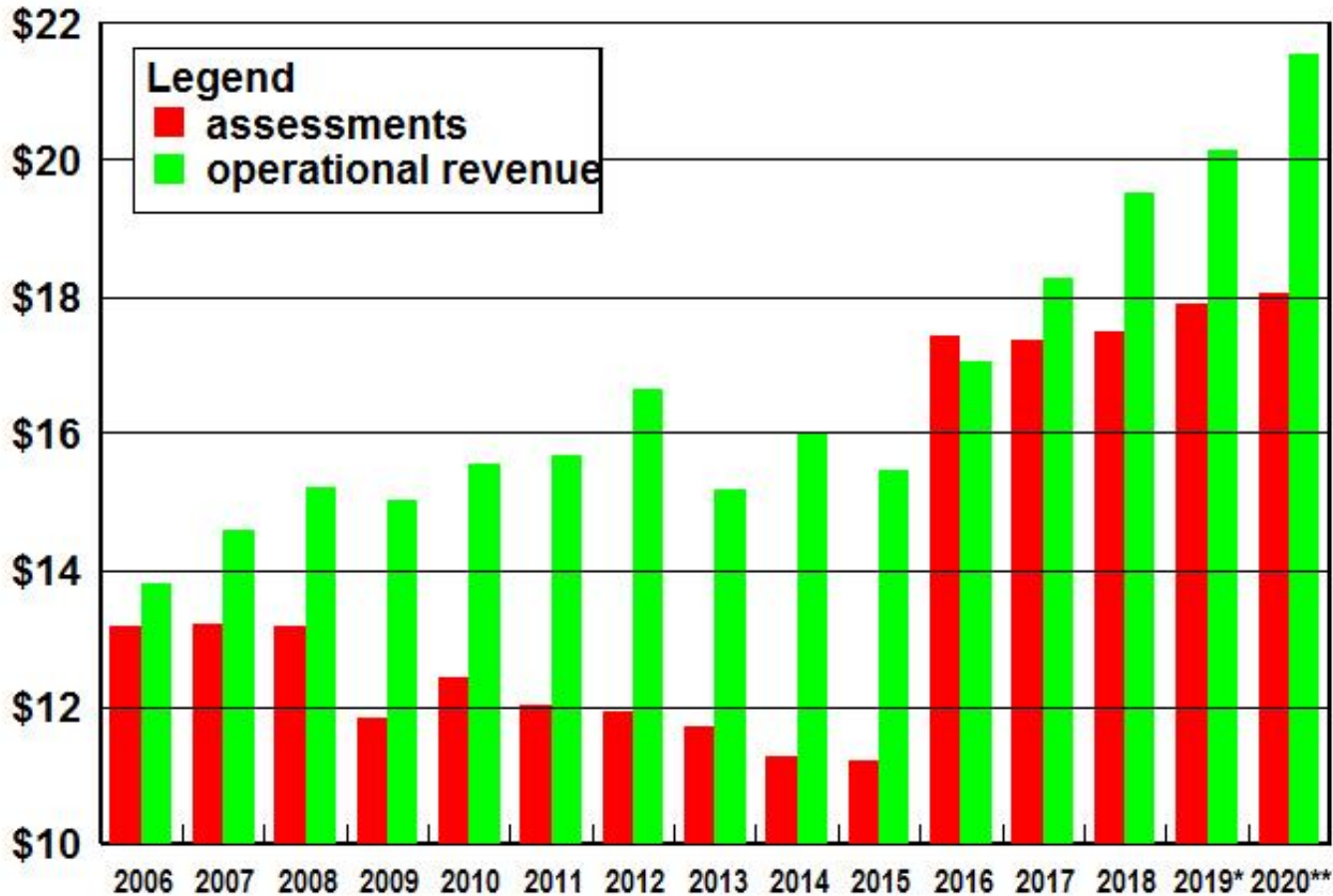
Source: Hot Springs Village finance department

Assessment money owed by POA members who were 61 days or more past due at the end September (\$ millions)



Source: Hot Springs Village POA.

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



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.

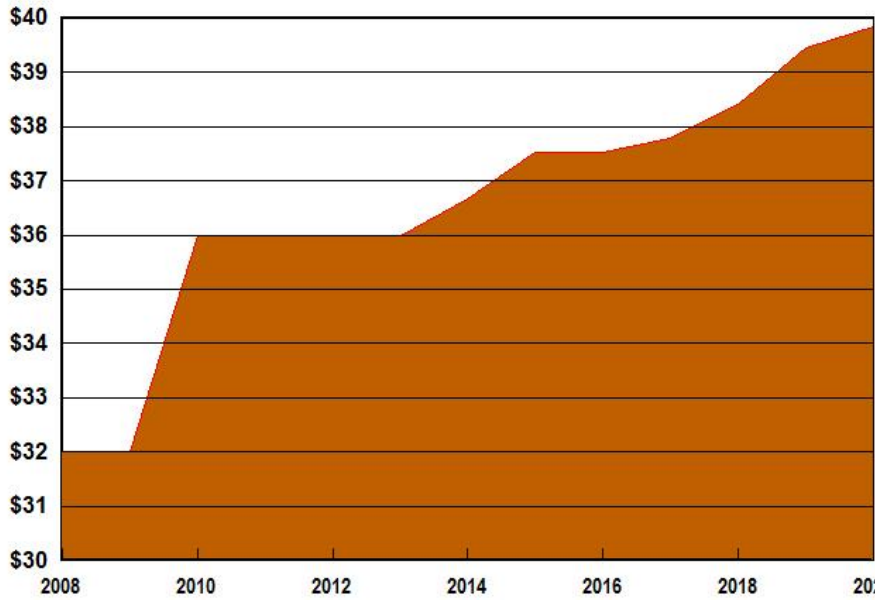
On the following pages are examples of how fees for POA services and amenities have been increased to make up for revenue lost by the growing number of unproductive lots. For 2020, some annual fees have been reduced, such as for the fitness center and tennis.

Source: Hot Springs Village POA

* -- 2019 forecast

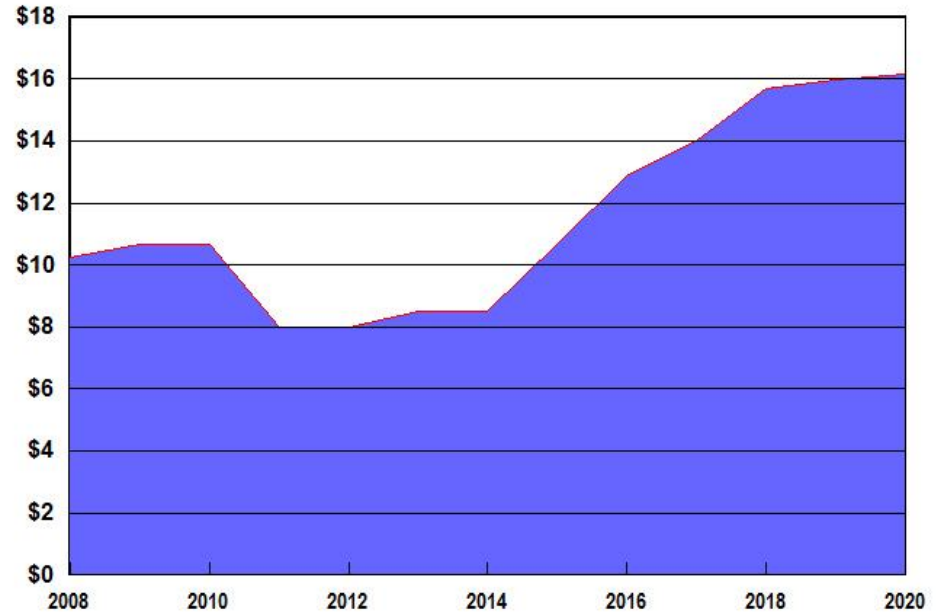
** -- 2020 budget

Monthly assessment on unimproved lot



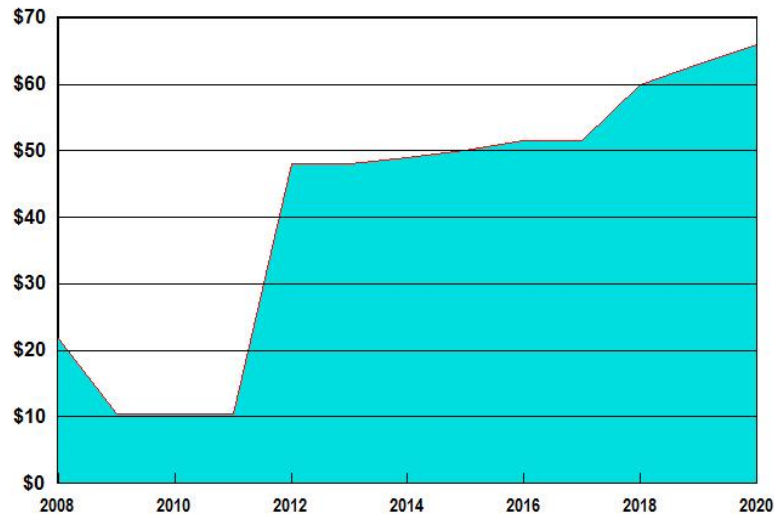
Source: Hot Springs Village POA

Base cost of water each month



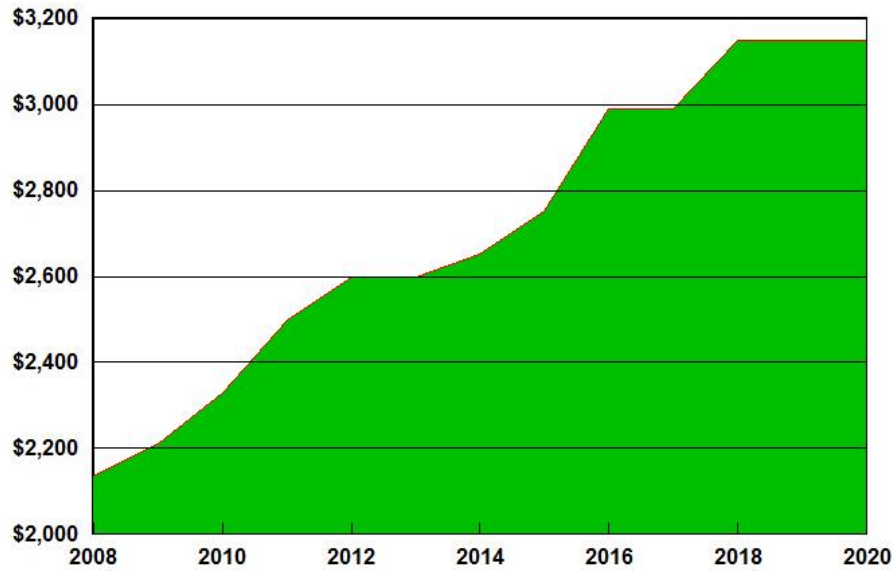
Source: Hot Springs Village POA

Annual fee for boat with motor



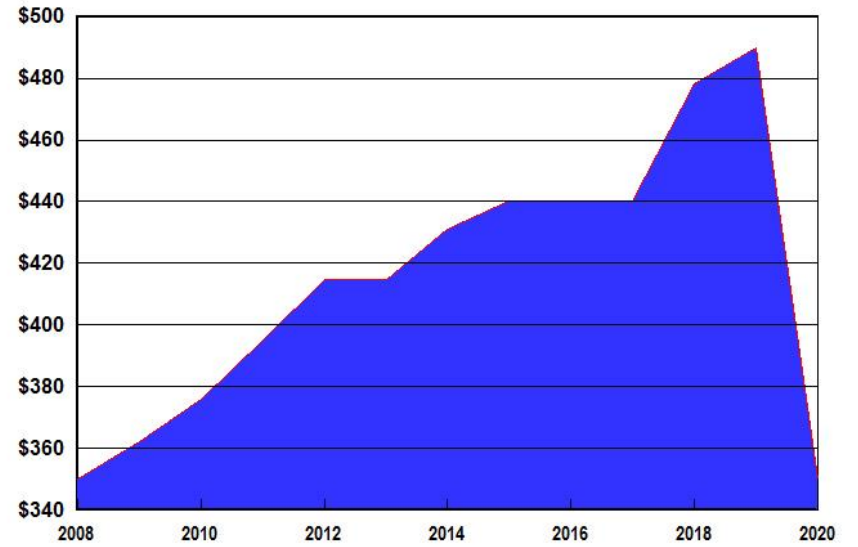
Source: Hot Springs Village POA

Annual fee for unlimited golf and cart



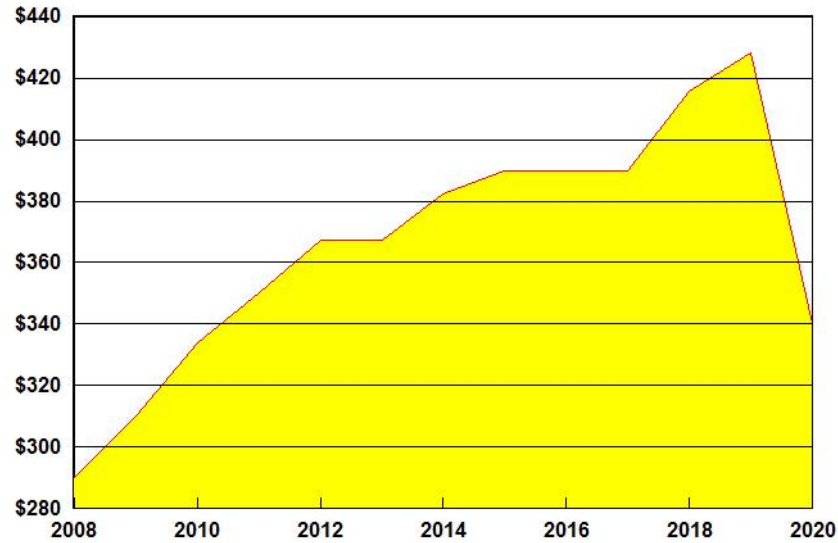
Source: Hot Springs Village POA

Annual fee for fitness center



Source: Hot Springs Village POA

Annual fee for tennis



Source: Hot Springs Village POA

Number of annual fees paid to the POA each year

(through the end of February each year)

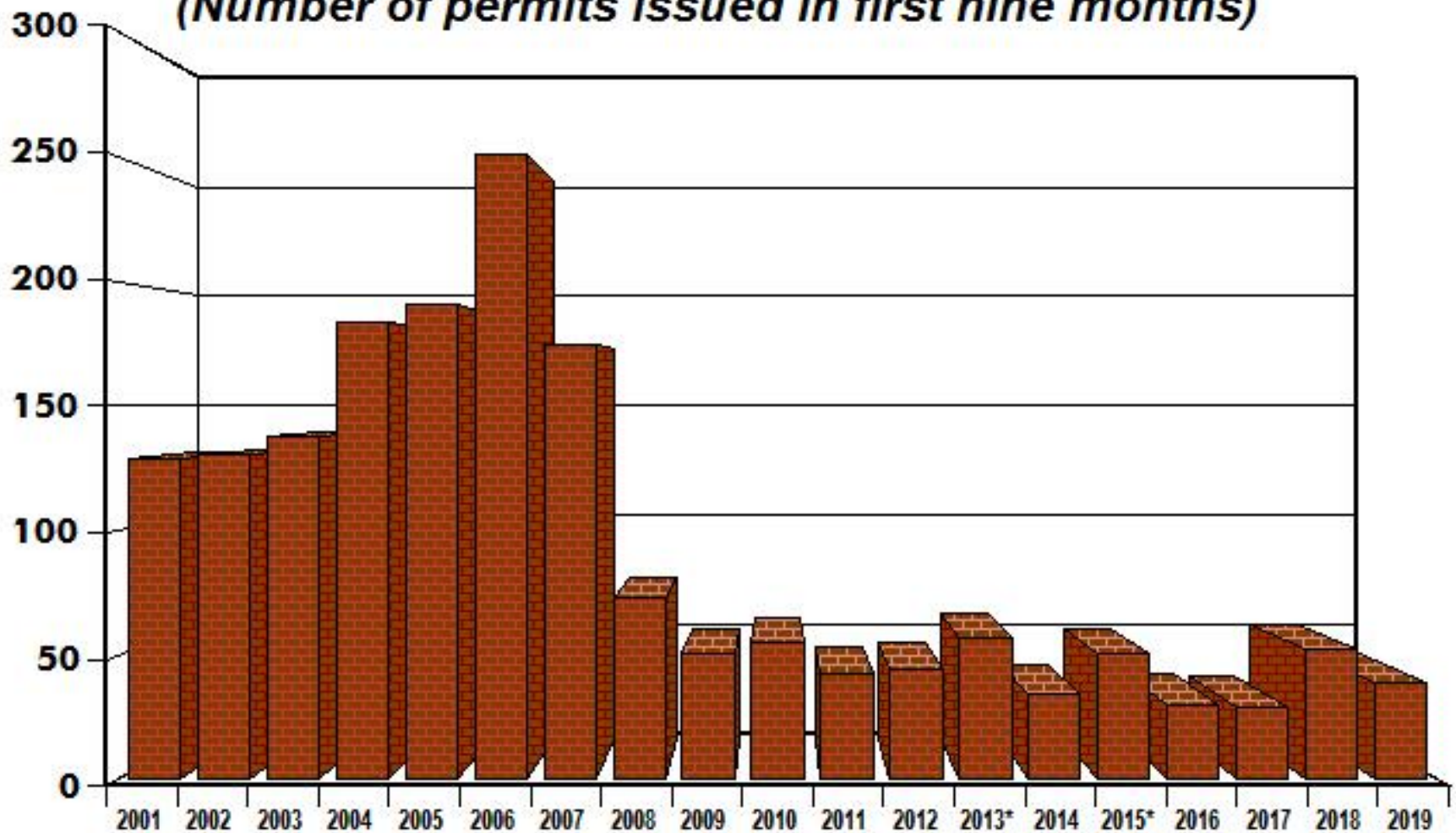
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Annual green fees	635	569	527	491	564	525	391	417	416	455	446
Annual cart leases	432	384	350	332	372	328	254	212	234	174	79
Golf handicap service	2030	1924	1894	1884	1808	1604	1648	1584	1411	1442	1205
Private cart - daily	432	426	440	385	361	344	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.

New-home construction in Village

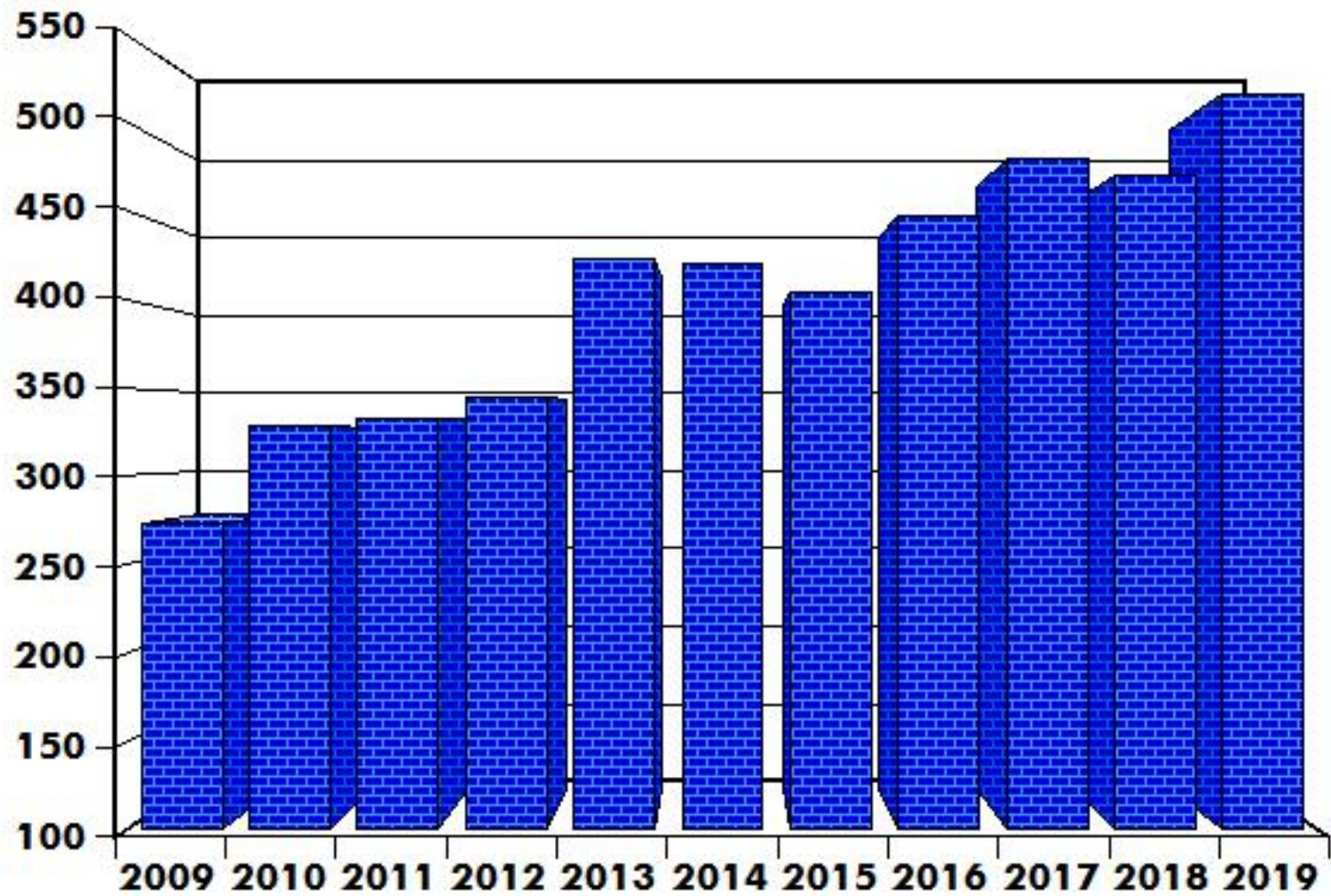
(Number of permits issued in first nine months)



Source: Hot Springs Village Architectural Control Committee

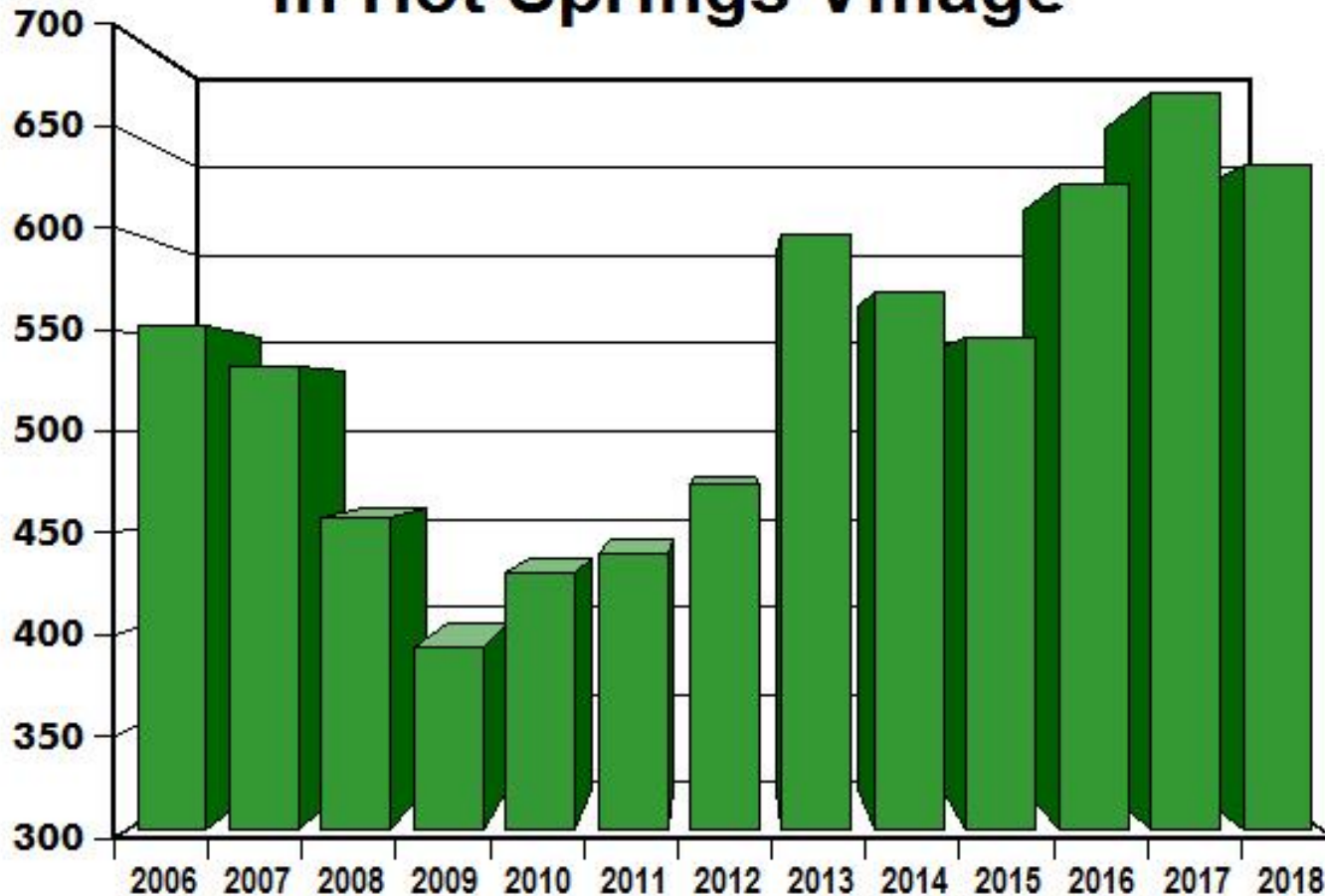
(*) Includes 16 garden units at Mount Carmel in 2013, and 22 in 2015

Homes sold in Hot Springs Village (in the first nine months of each year)



Source: Hot Springs Village POA

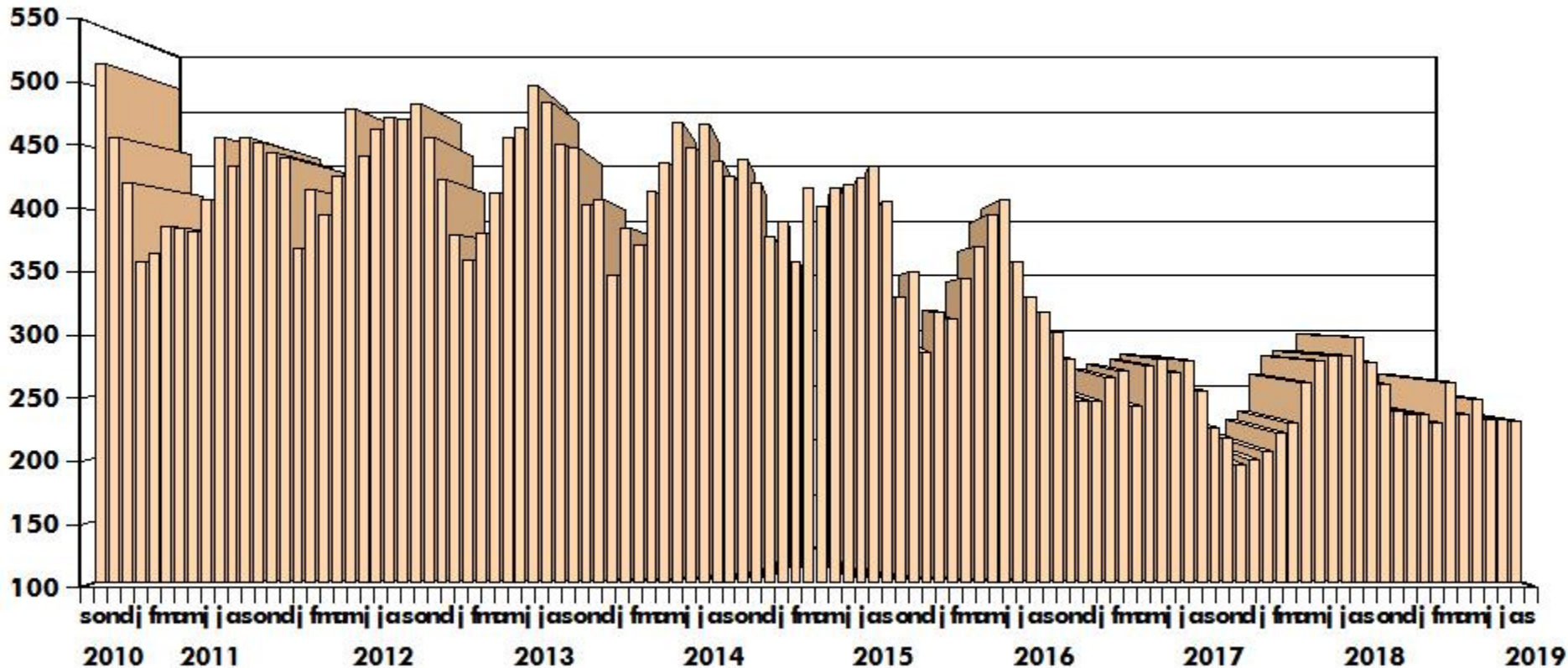
Number of homes sold each year in Hot Springs Village



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.

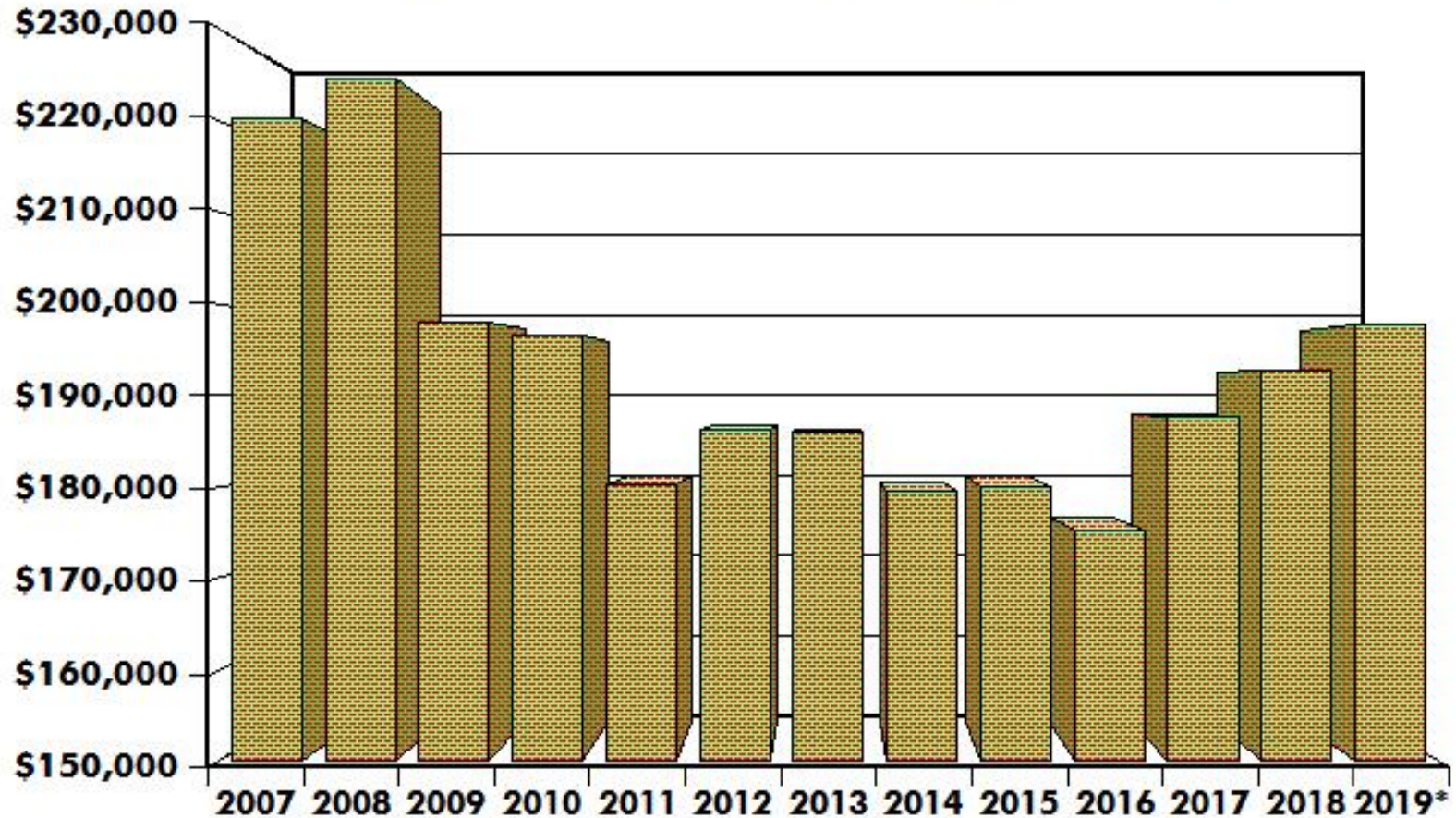
Number of homes listed for sale in Hot Springs Village



Source: Hot Springs Village Property Owners' Association

There were 230 homes listed for sale in Hot Springs Village at the end of September, down 68, or 22.8 percent, from the same time last year. Zillow estimates the median home value of homes sold in the Village was \$180,000 in the first nine months this year, up \$300, or 0.2 percent, from the first three quarters of 2018. It expects sales values to rise 0.3 percent in the next year.

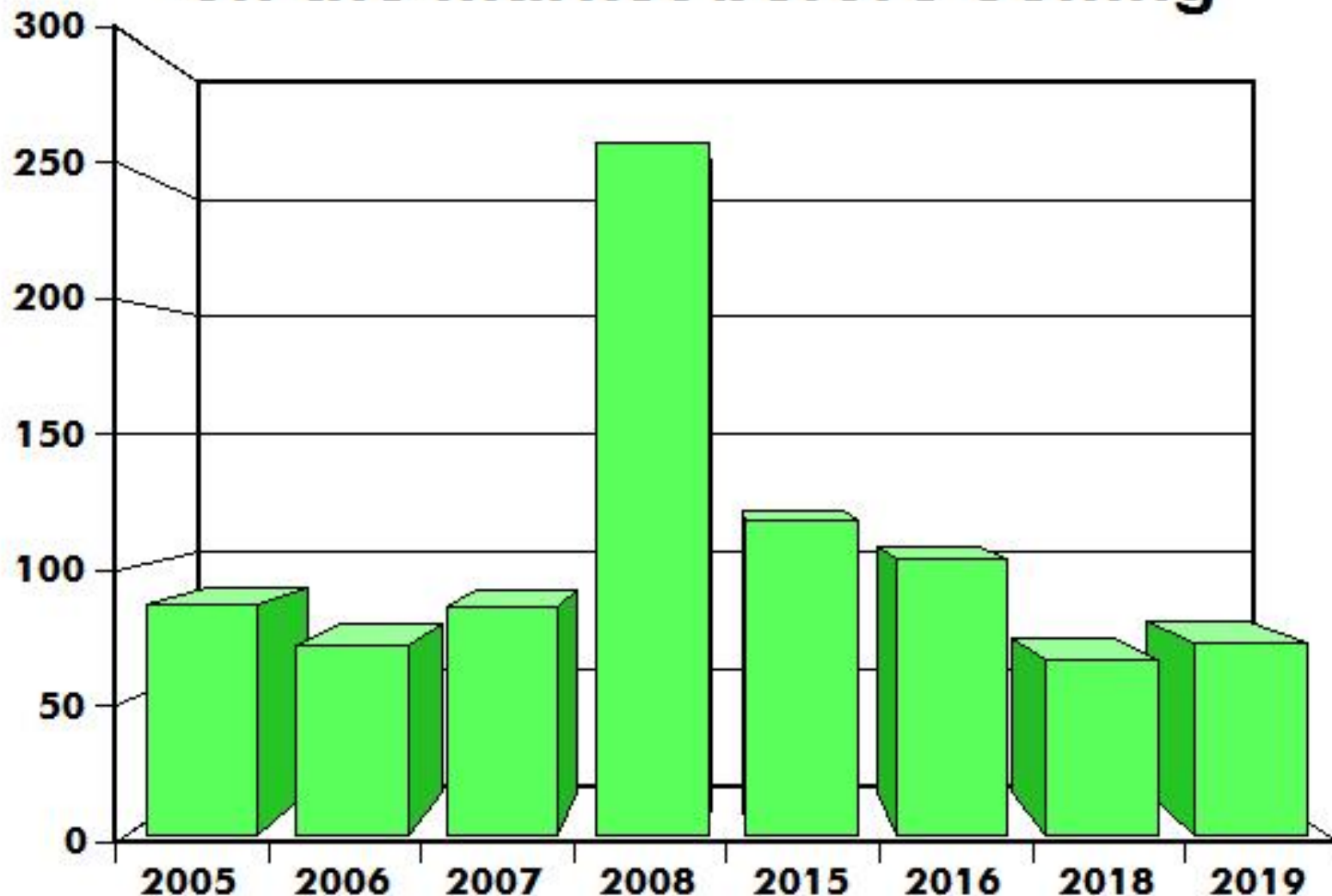
Average price of homes sold each year in Hot Springs Village



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

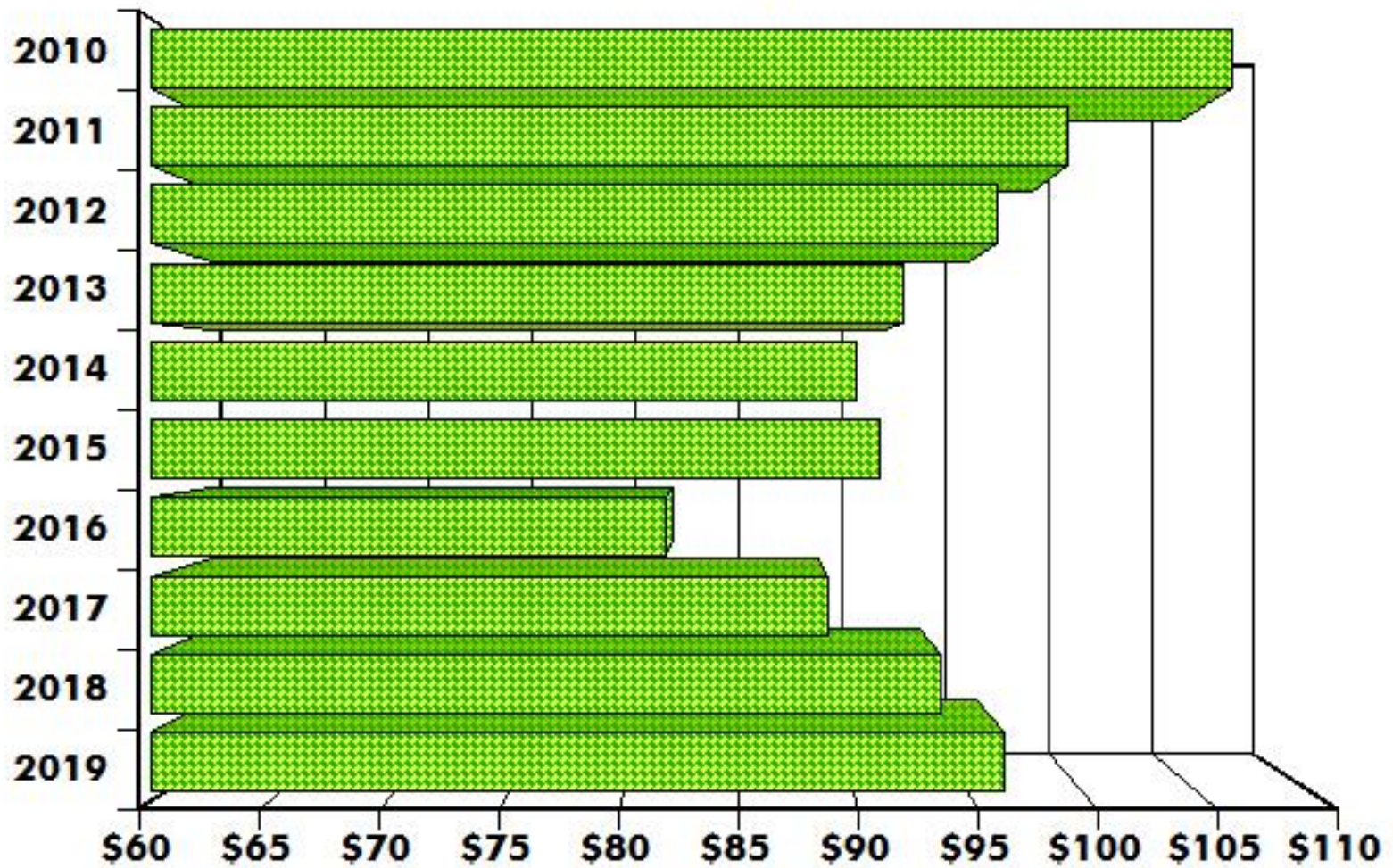
* -- first nine months of 2019

Average days Village homes were on the market before selling



Source: Village POA and Lloyd Sherman

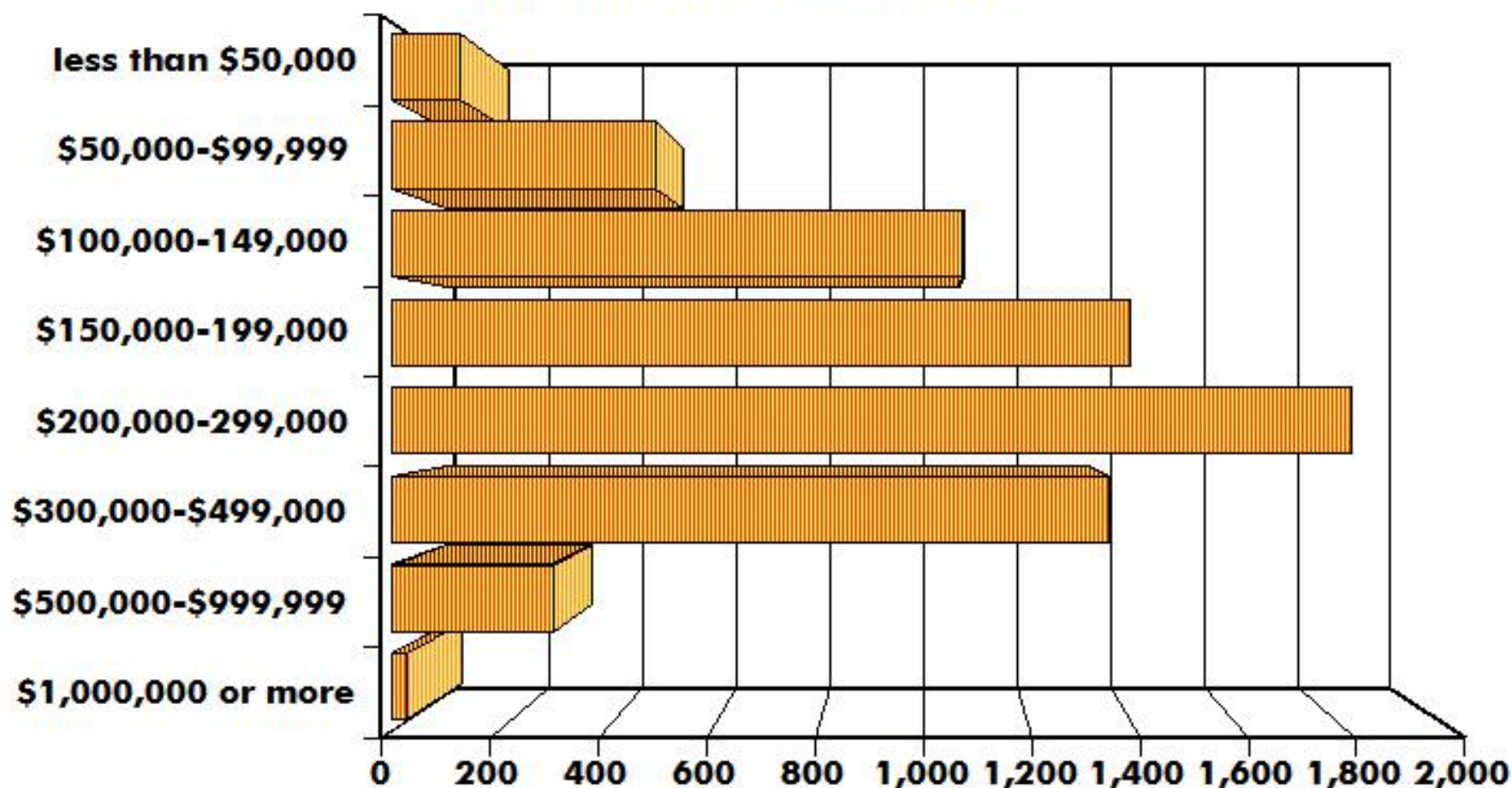
Per-square-foot cost of homes sold in Hot Springs Village



Source: Clara Nicolosi - RE/MAX of Hot Springs Village, and Lloyd Sherman

Number of Village homes in price groups

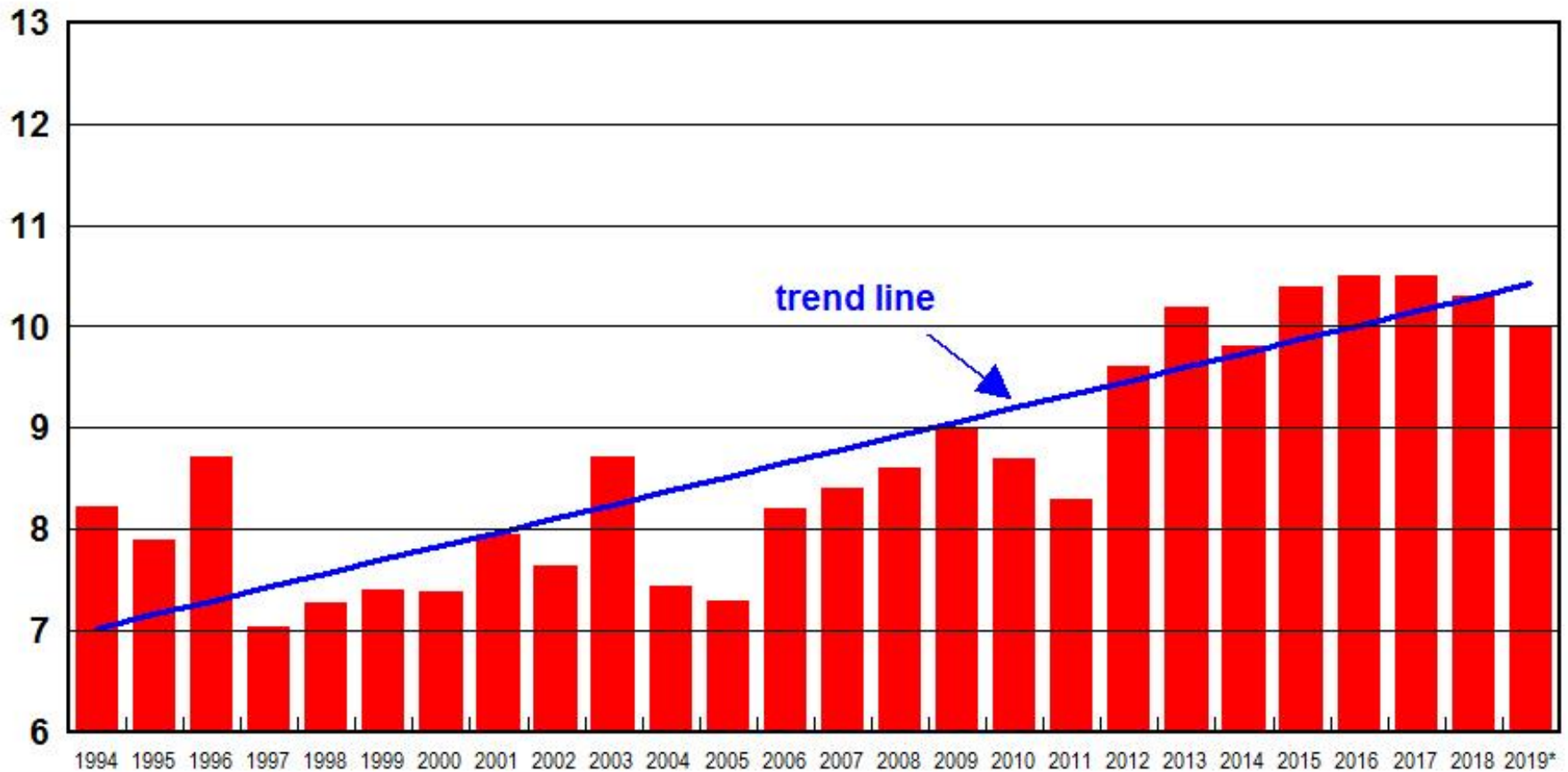
(median price = \$210,100)



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

Cost of electricity in Hot Springs Village

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

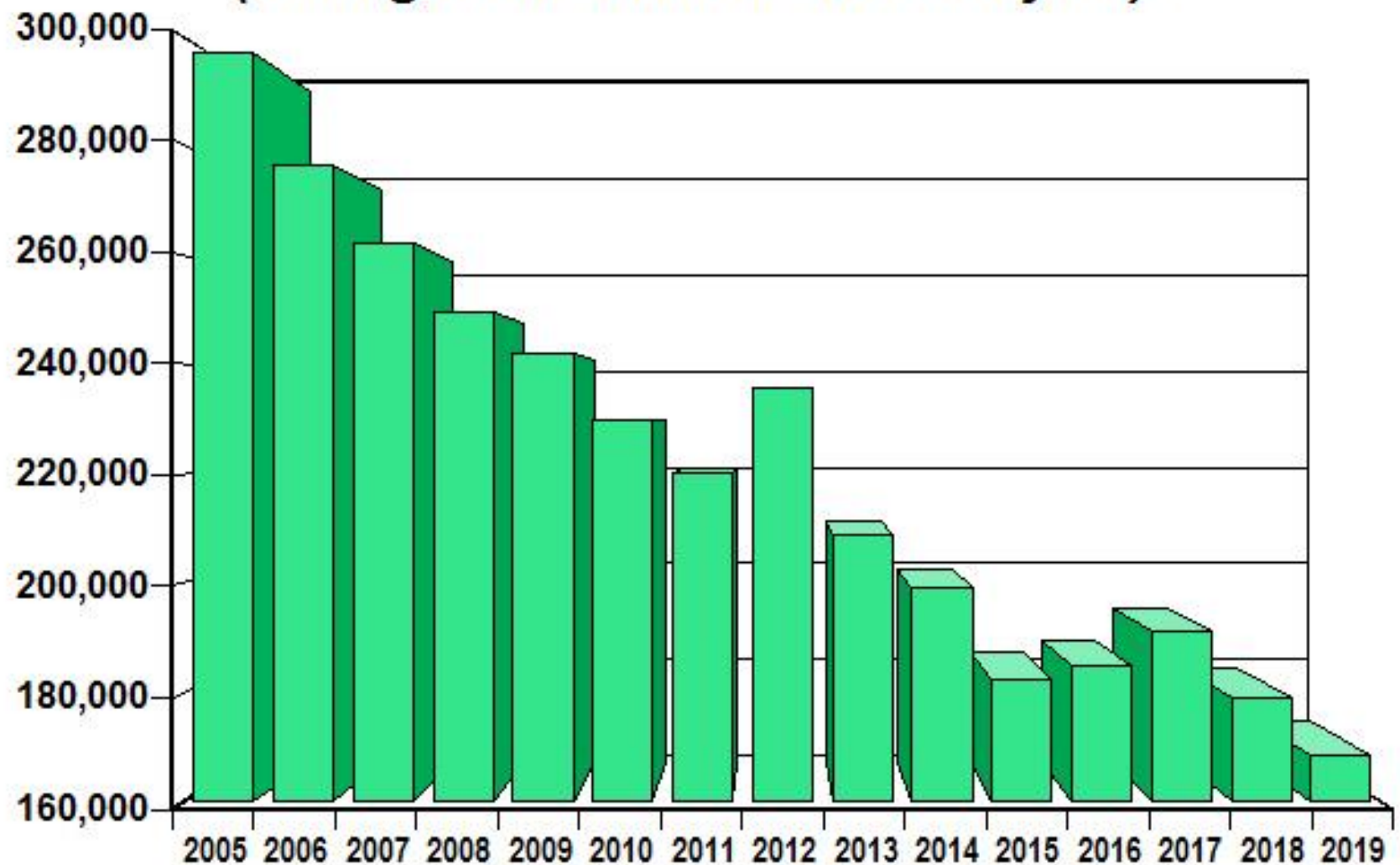


* -- first nine months of 2019

The cost of electricity in Hot Springs Village in the first nine months of 2019 was 10.0 cents for each kilowatt hour, down 2.0 percent from the first three quarters 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. The cost for each kWh includes all taxes and fees.

Golf rounds played on Village courses

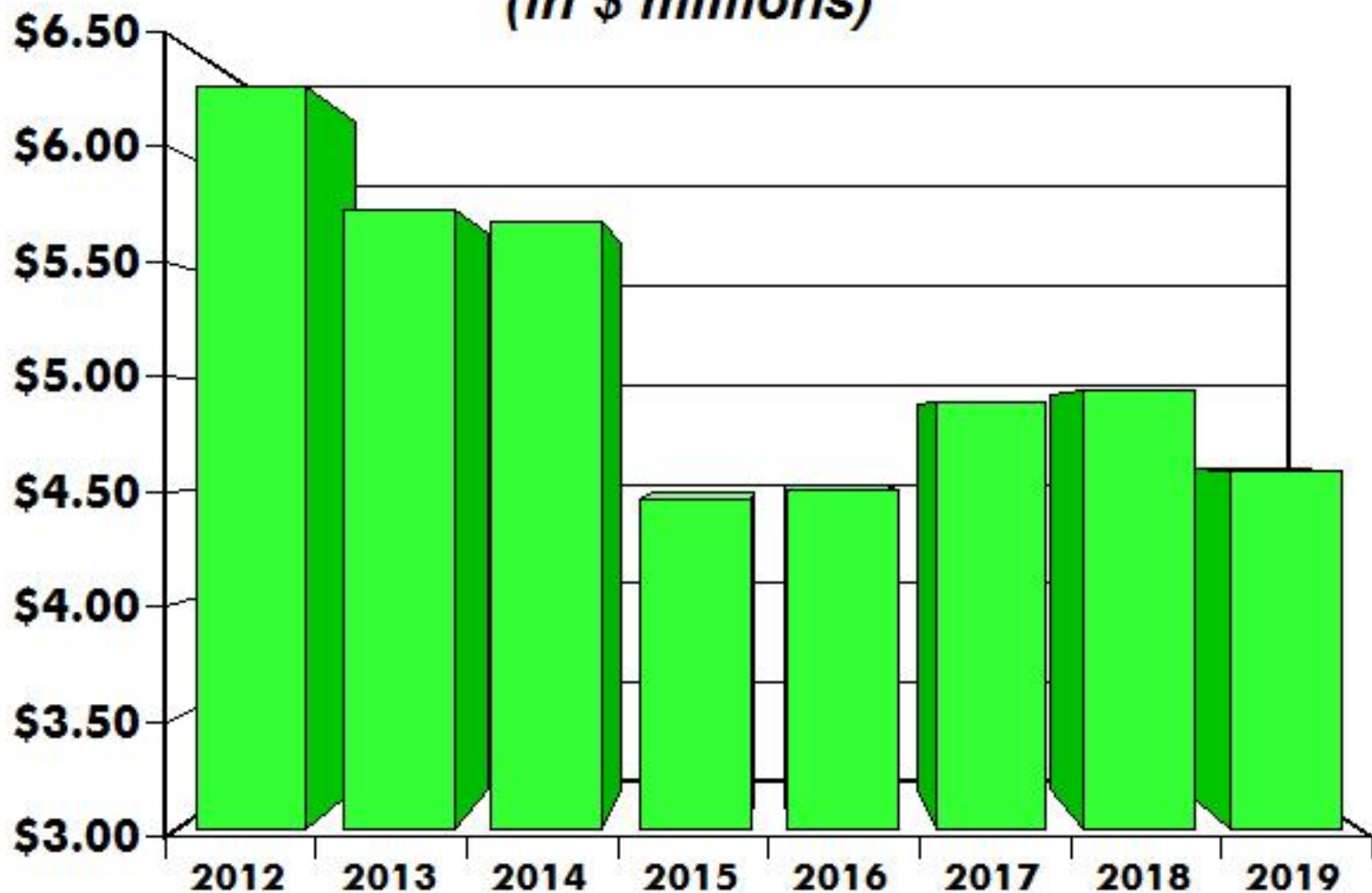
(through nine months of each year)



Source: Hot Springs Village Golf Department

Total golf revenue after 9 months

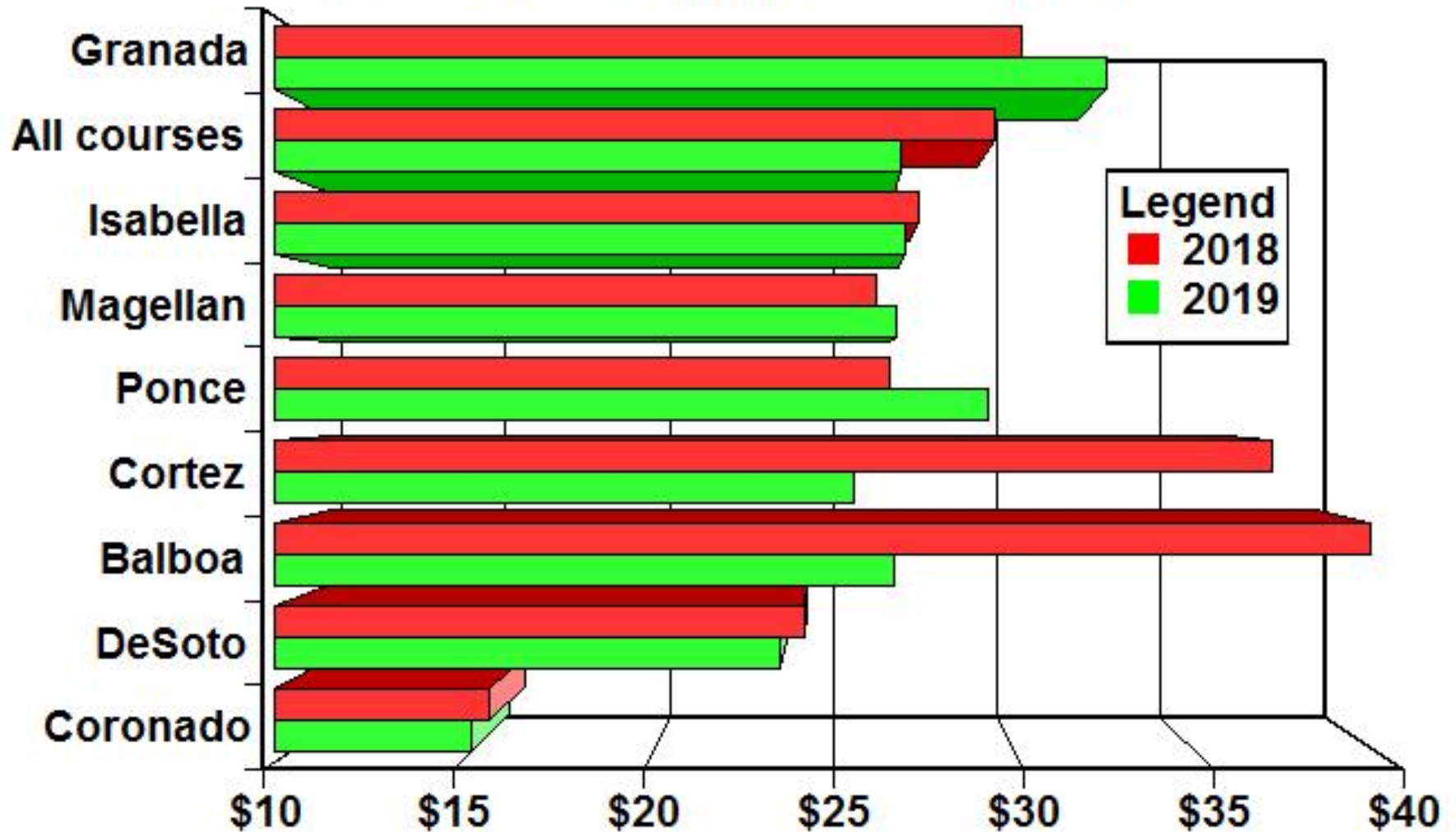
(in \$ millions)



Source: POA Finance Dept.

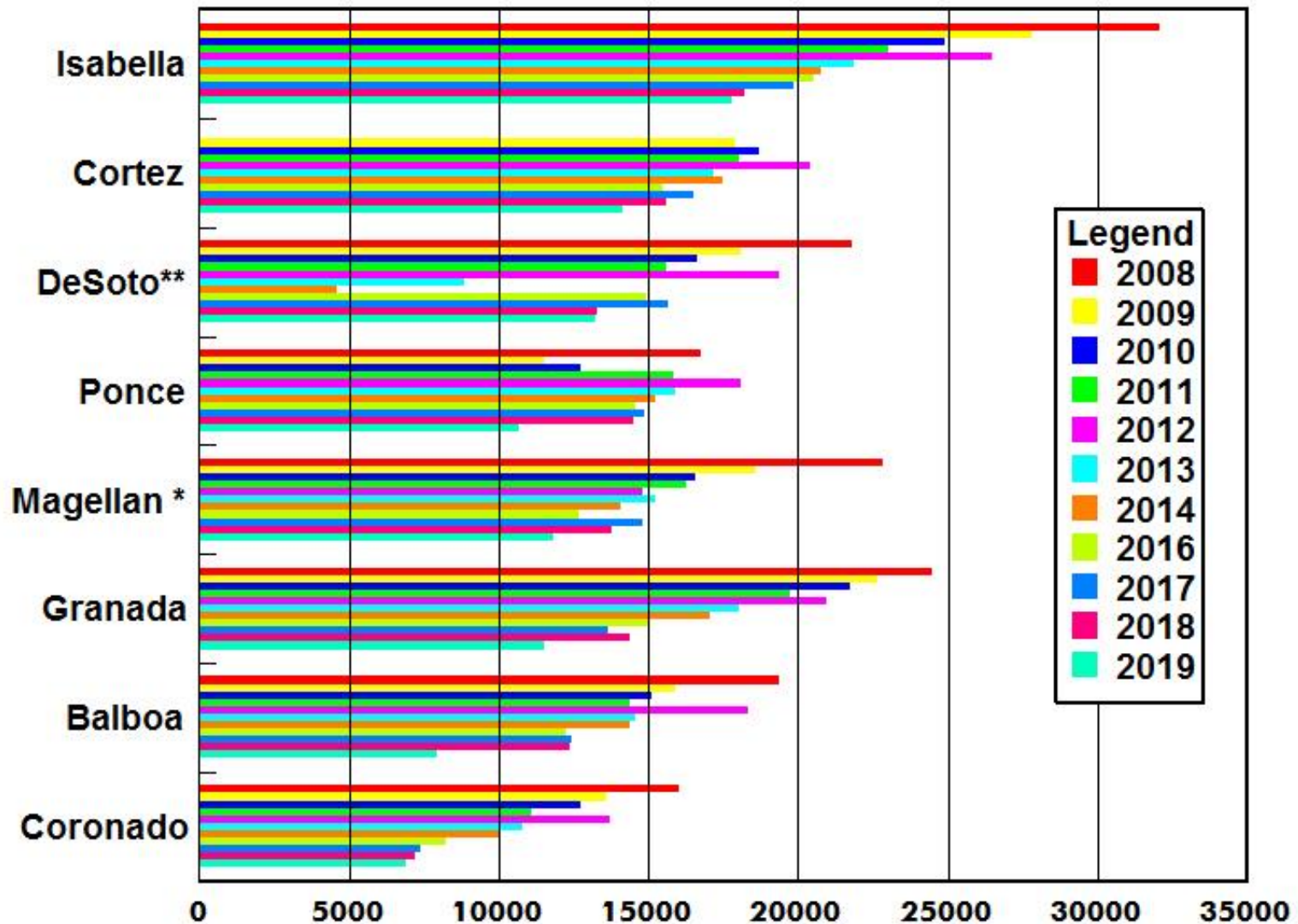
Revenue per golf round in the Village

over the first six months of each year



Source: Hot Springs Village Dept. of Finance

Golf rounds at Hot Springs Village courses (through the first six months of each year)



Source: Hot Springs Village Golf Department

(*) Magellan closed in June 2012 so new Bermuda greens could be installed

(**) DeSoto closed in May 2013 for a year of remodeling and new Bermuda greens

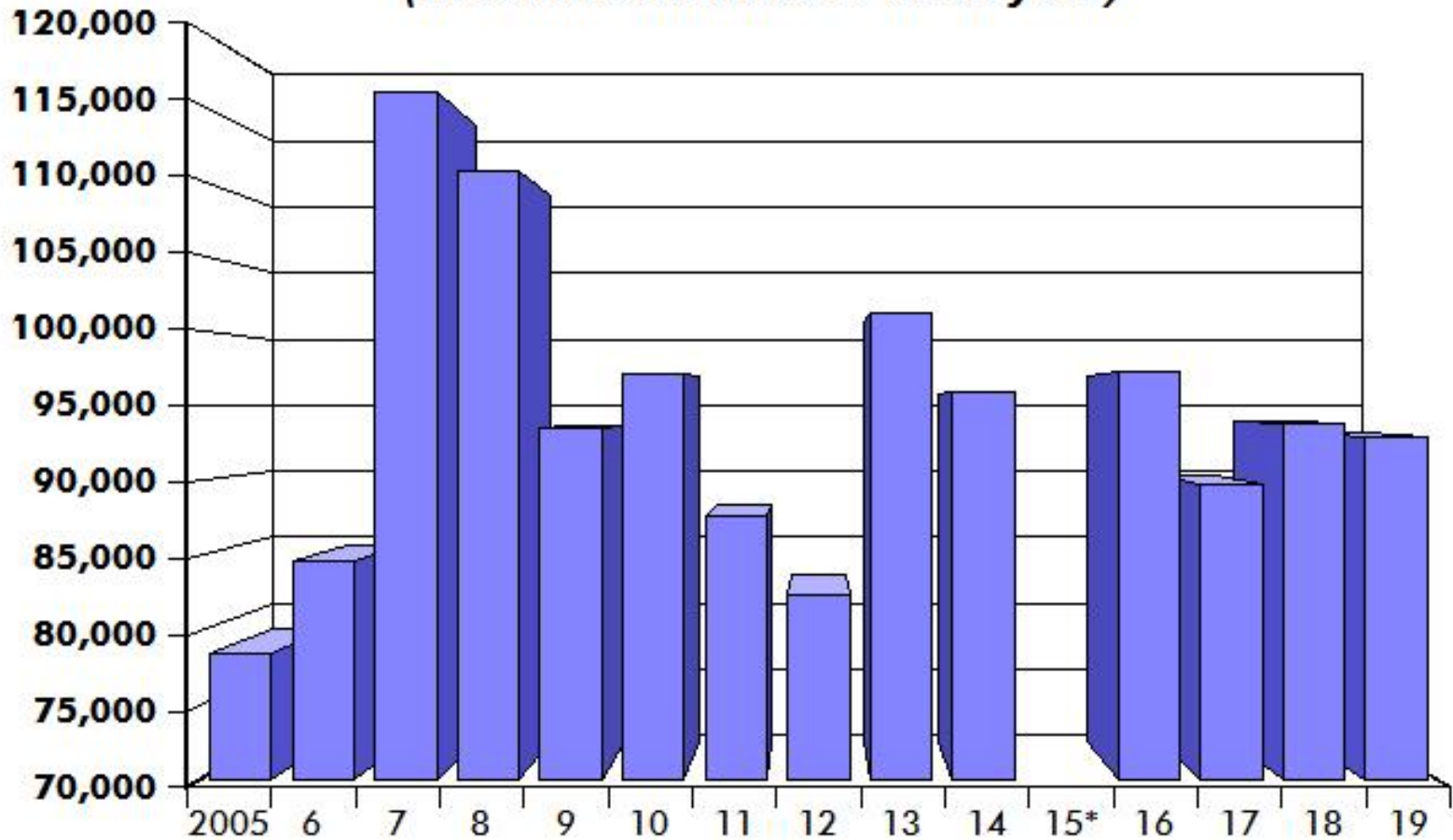
Key Village divisional income, costs and subsidies as a percent of revenue in the first nine months of 2019

Department	Revenue	Spending	Profit/loss (subsidy)	% subsidy
Public safety	\$ 579,420	\$3,352,825	-\$2,773,405	-478.6%
Public works	1,559,503	3,071,261	-1,511,758	-96.9%
Public utilities	4,037,809	3,452,285	585,524	14.5%
Lakes	140,305	441,149	-300,845	-214.4%
Food & beverage	933,271	1,324,458	-391,078	-41.9%
Golf	4,585,056	5,962,253	-1,377,197	-30.0%
Recreation	860,887	1,566,945	-706,059	-82.0%
Sales and marketing	233,756	849,564	-615,808	-263.4%

Source: POA finance department

Attendance at Coronado Fitness Center

(first nine months of each year)



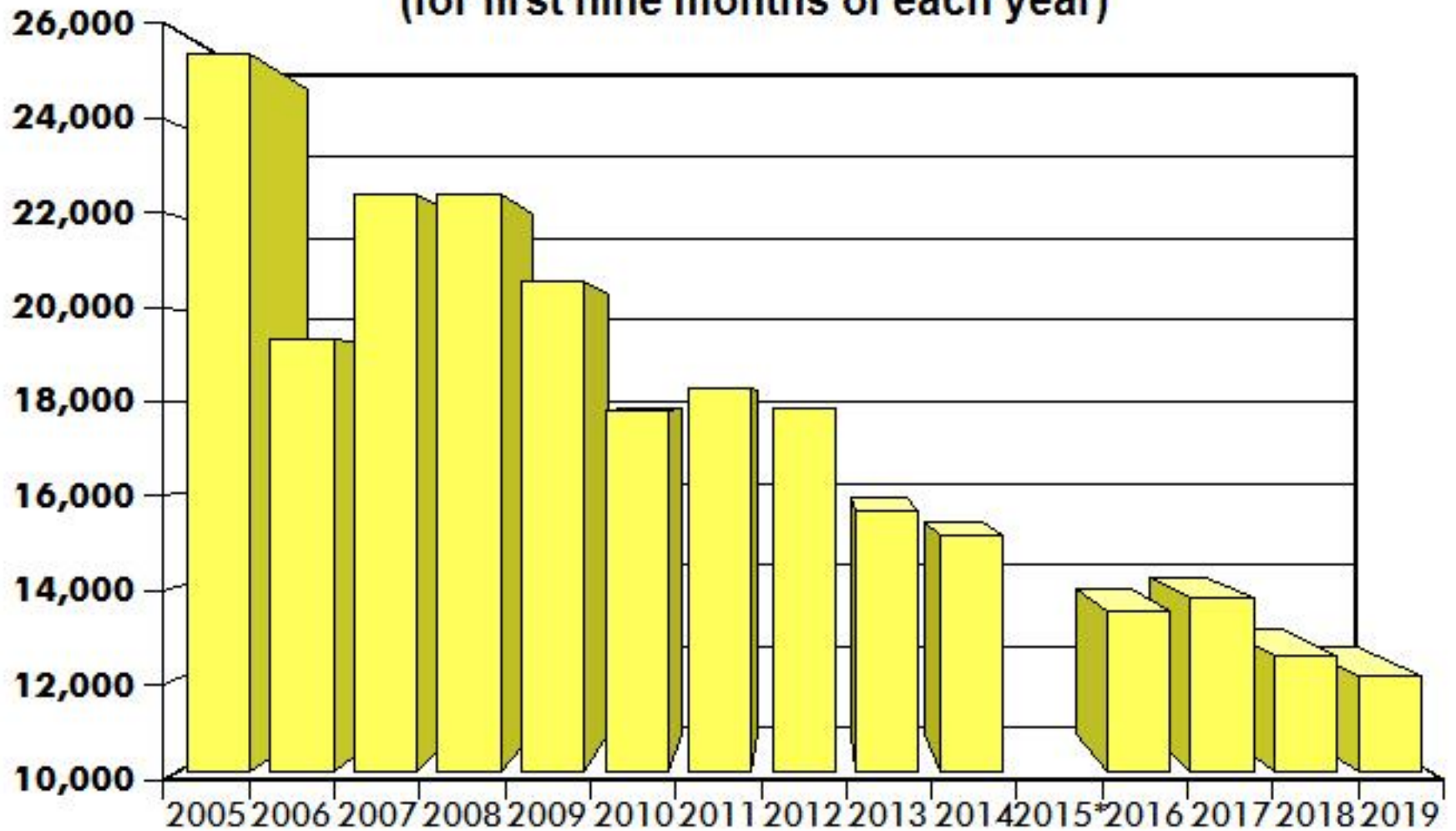
Source: POA Recreation Dept.

* - 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 first nine months of each year)

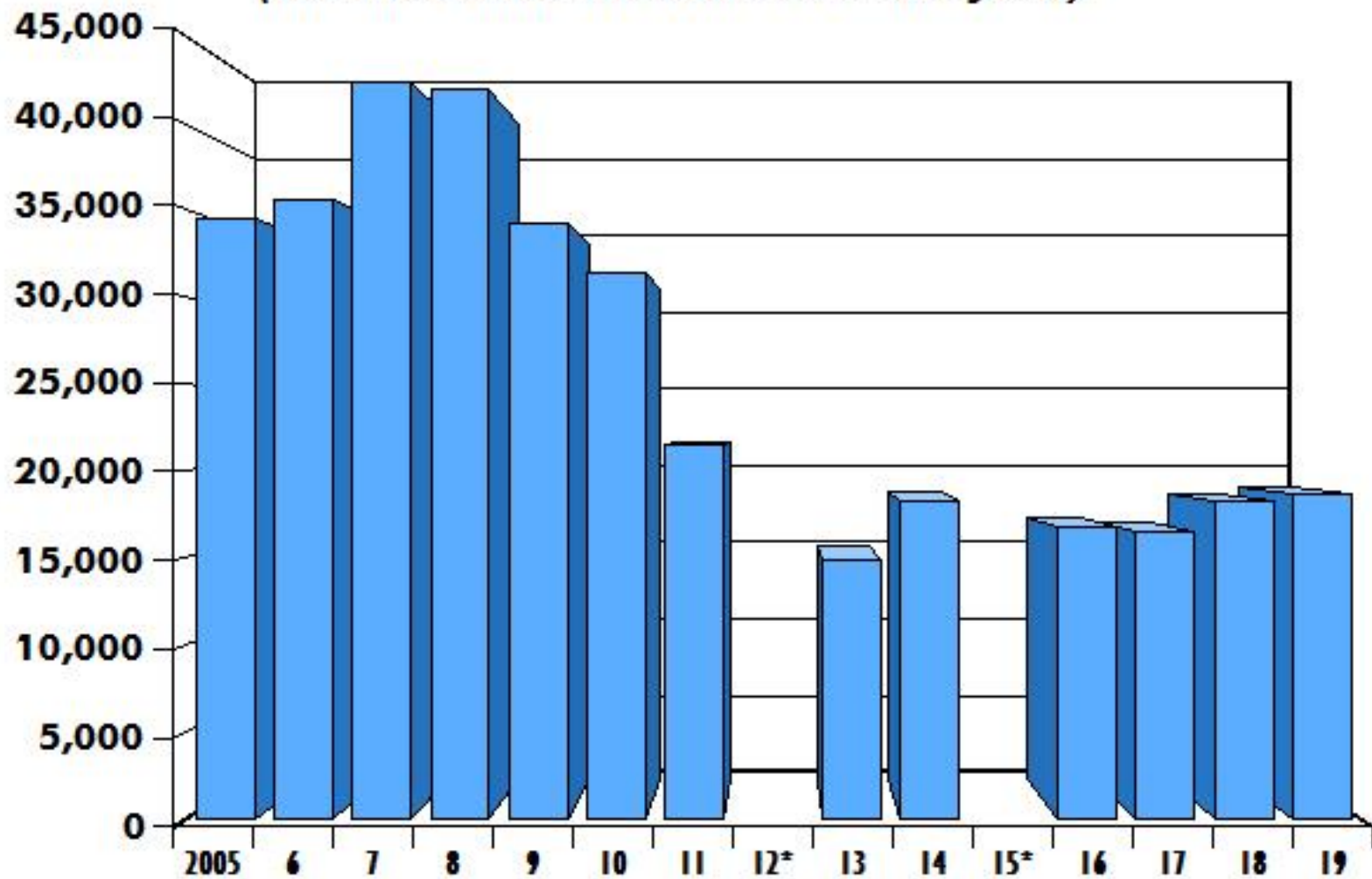


Source: POA Recreation Dept.

* - 2015 data not available

Attendance at Woodlands events

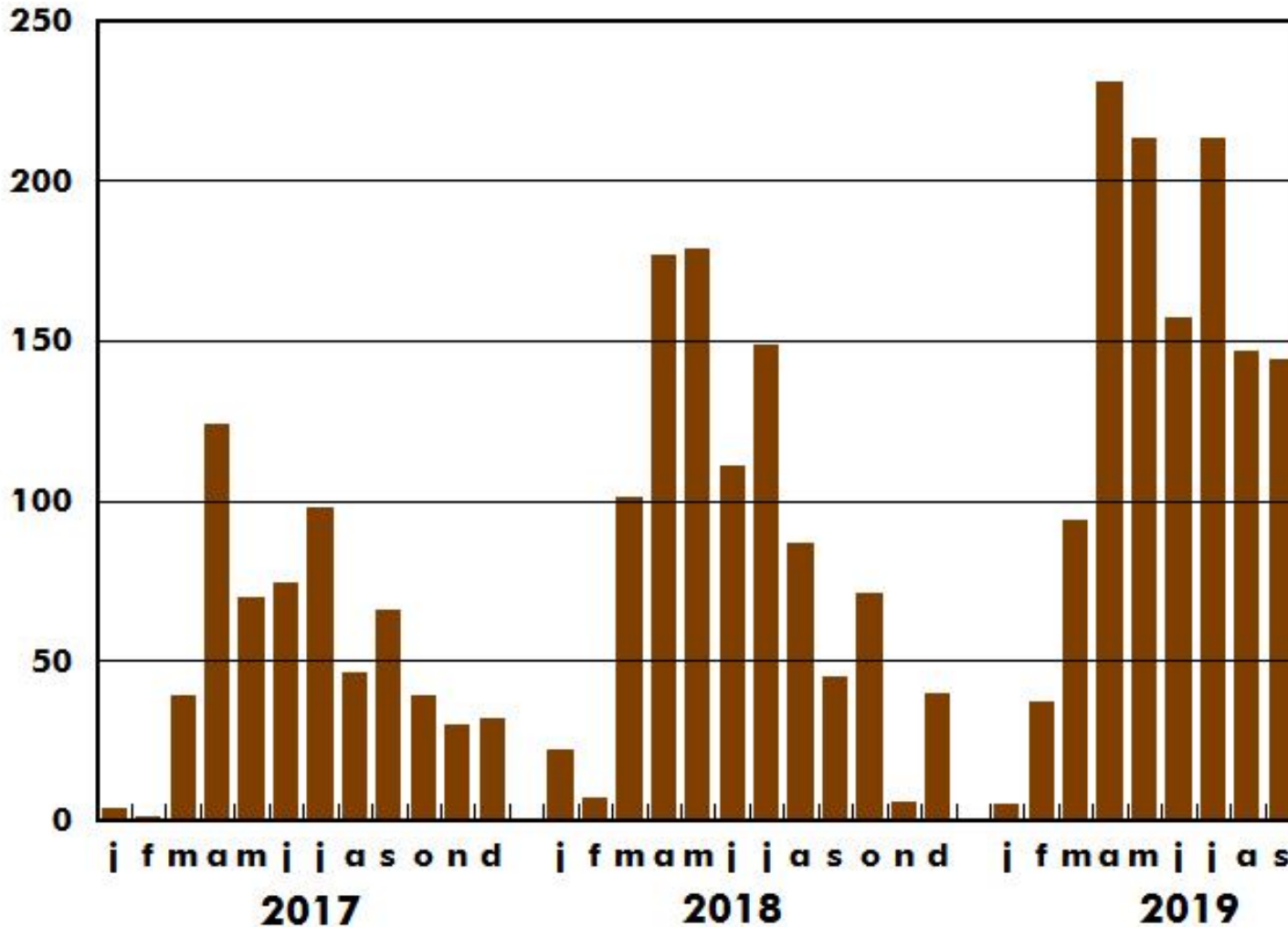
(for first nine months of each year)



Source: POA Recreation Dept.

* - attendance was not recorded in 2012, and not available for 2015

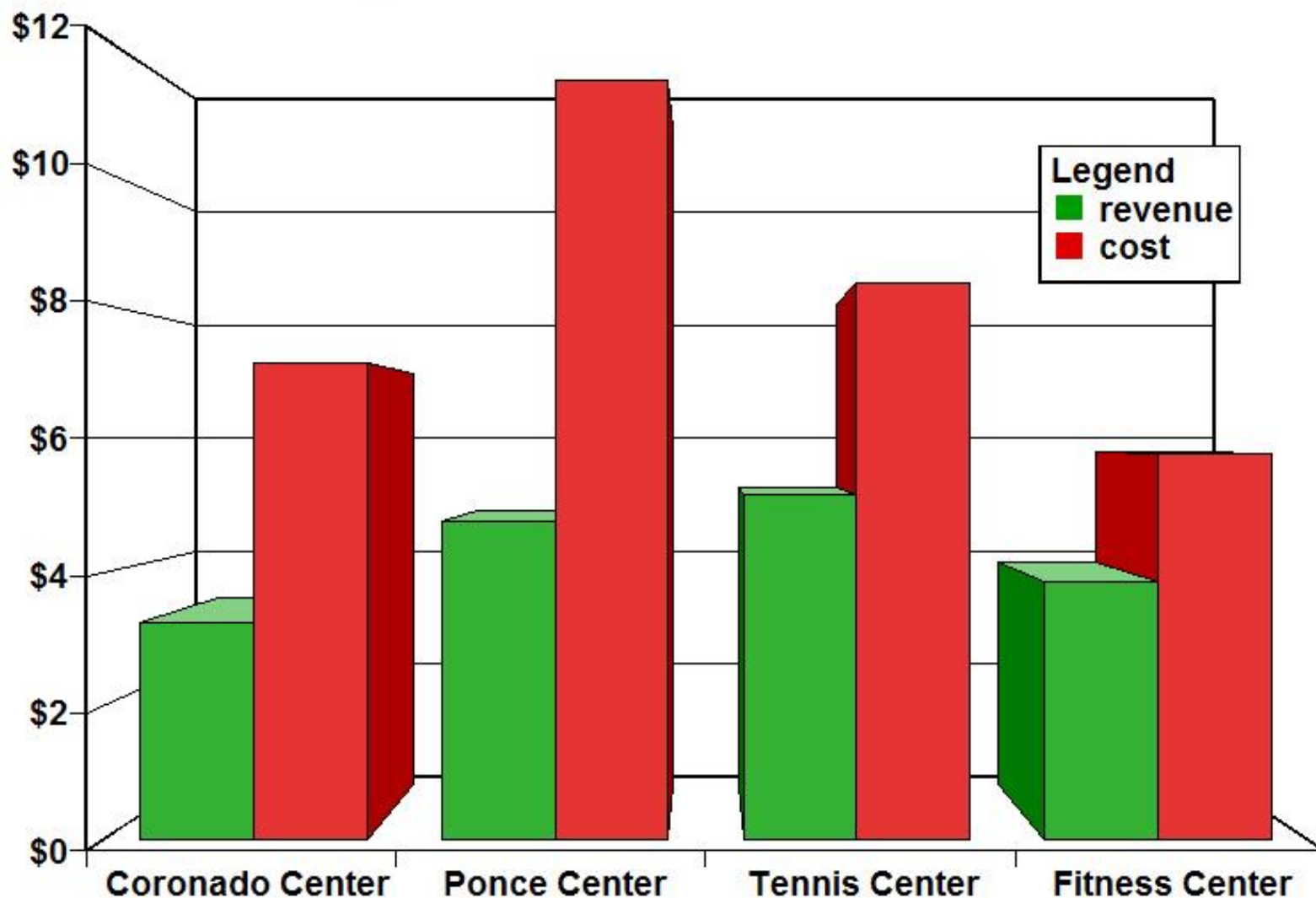
Visits by members, guests at RV park



Use of the Hot Springs Village RV Park has increased since the POA completed a major expansion and upgrade of the park in January 2019.

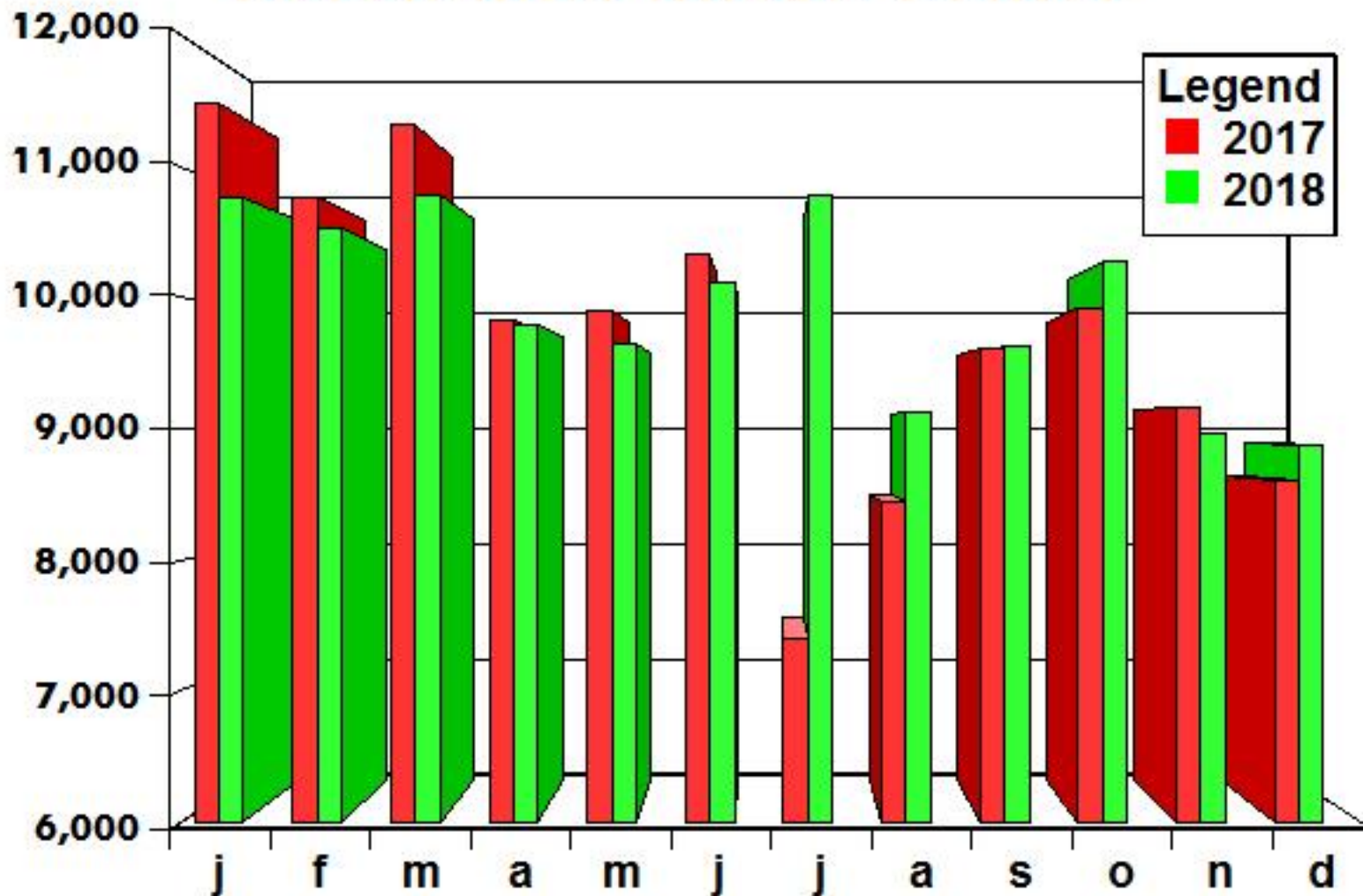
The RV park is used by both property owners and visitors.

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



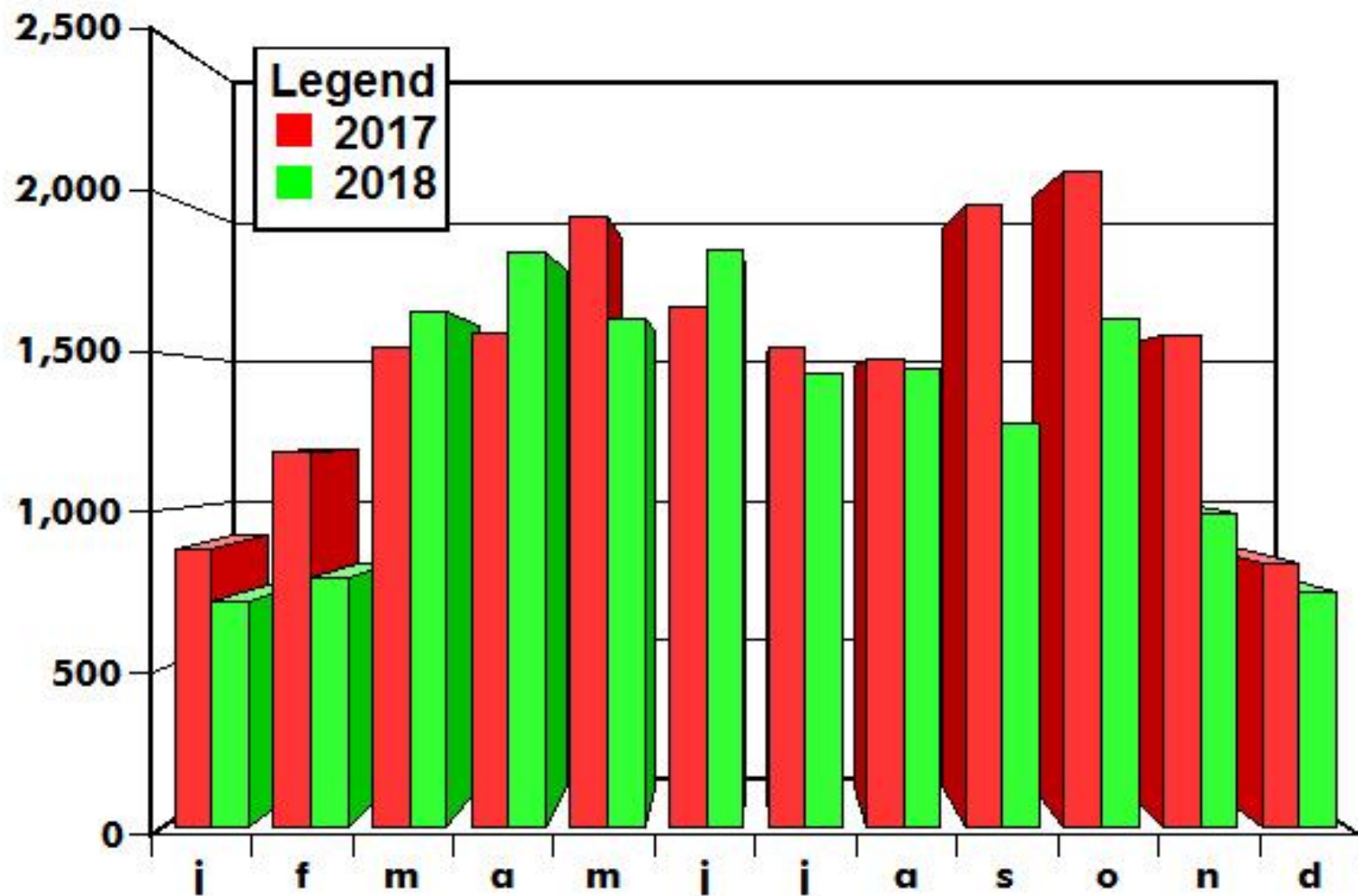
Source: POA finance dept.

Monthly visits to Coronado Fitness Center



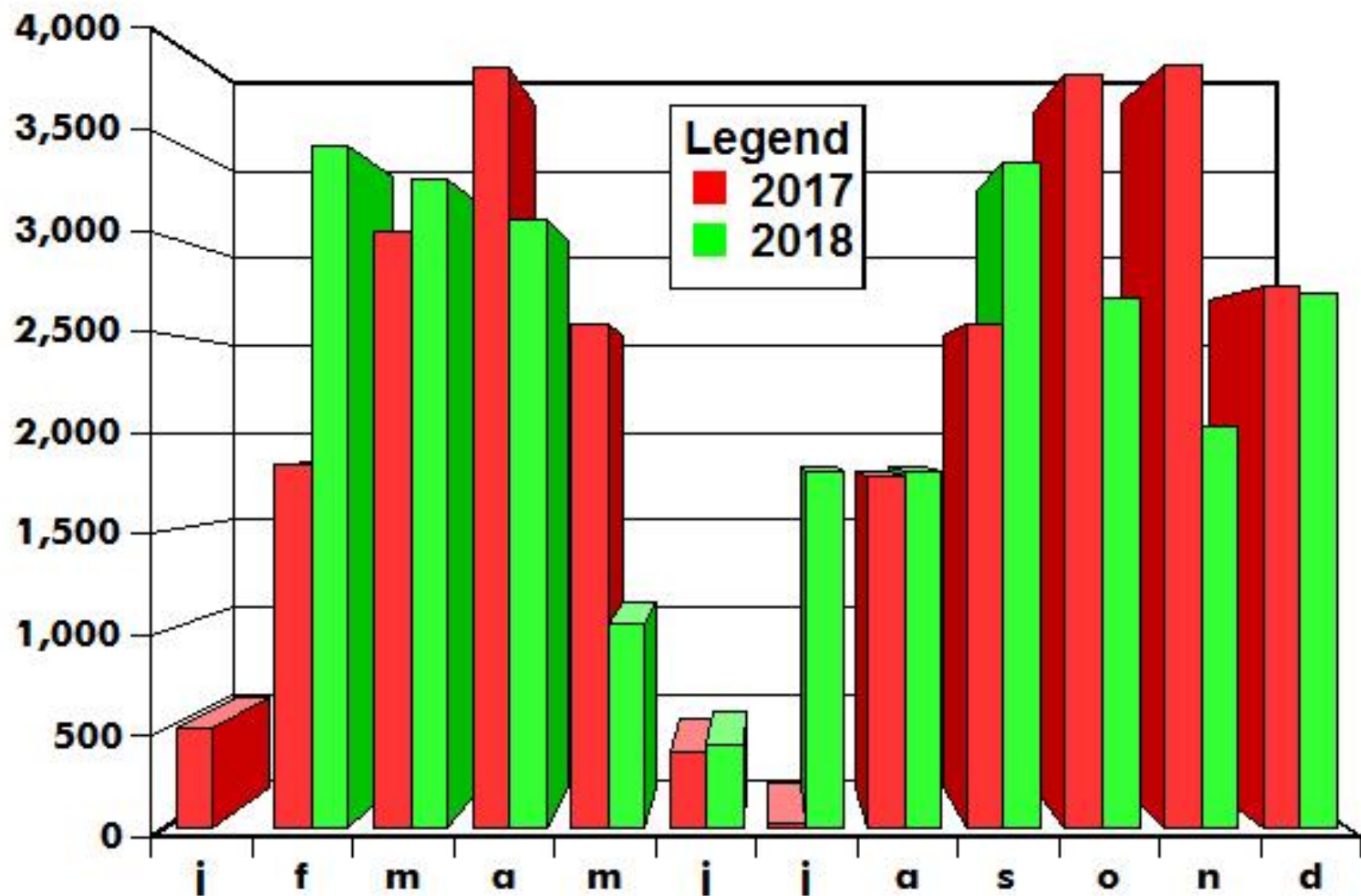
Source: POA Recreation Department

Monthly use of Coronado Tennis



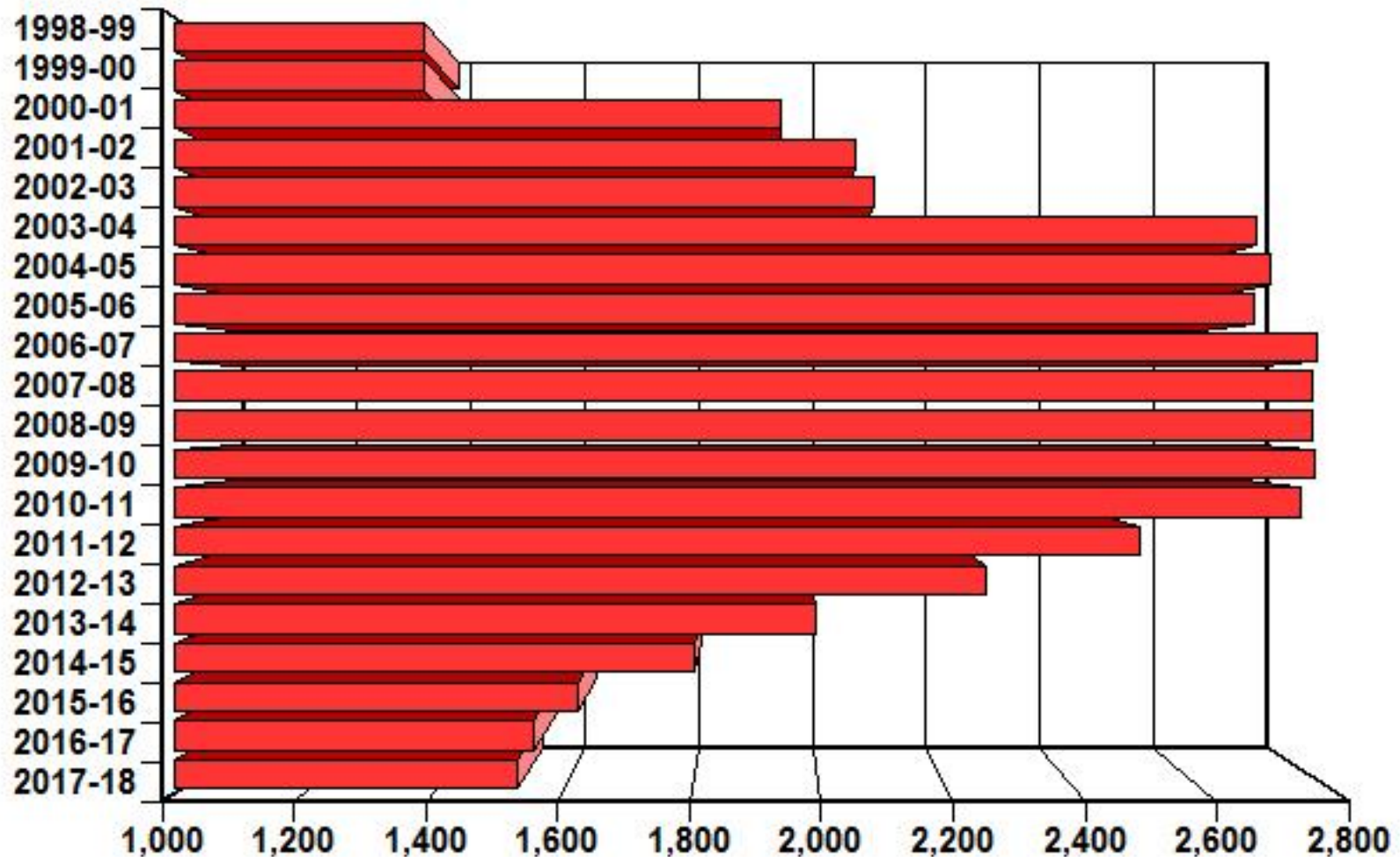
Source: Hot Springs Village Recreation Dept.

Monthly attendance at Woodlands



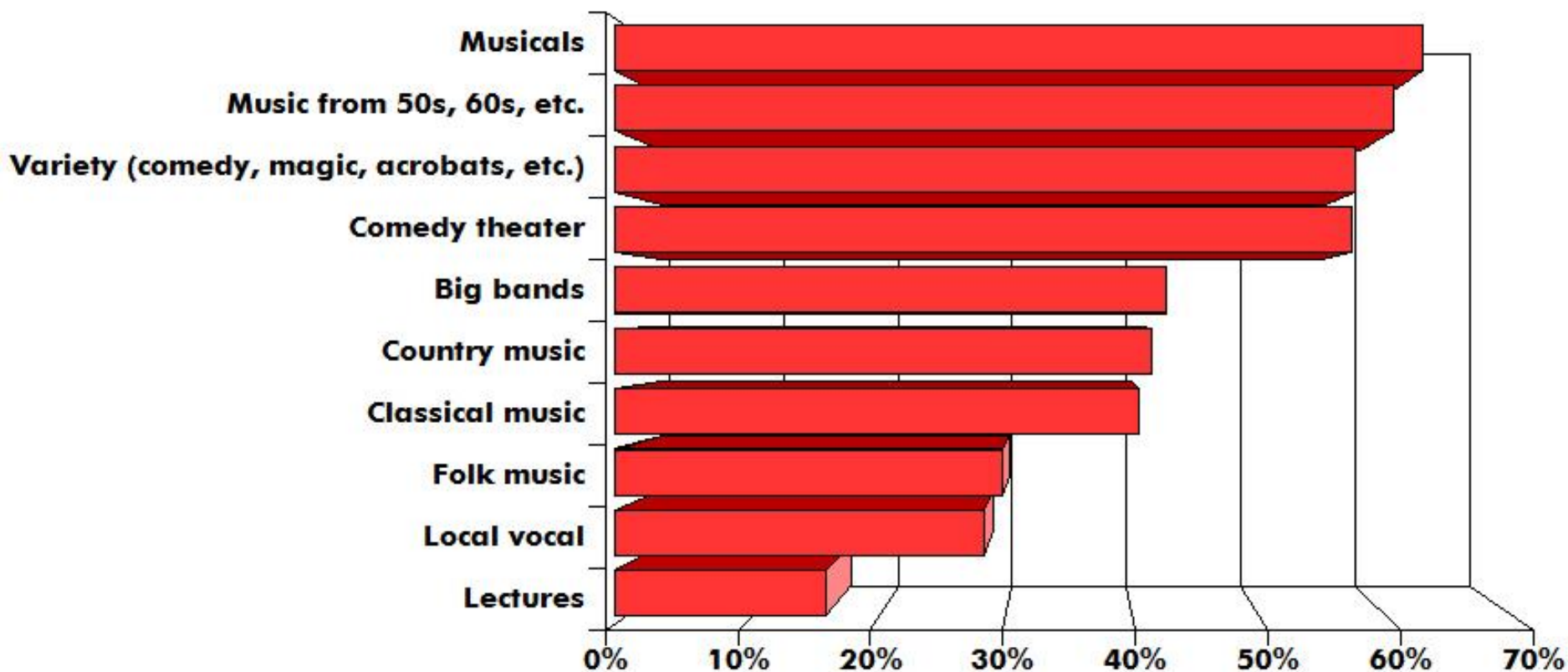
Source: Hot Springs Village Recreation Dept.

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.

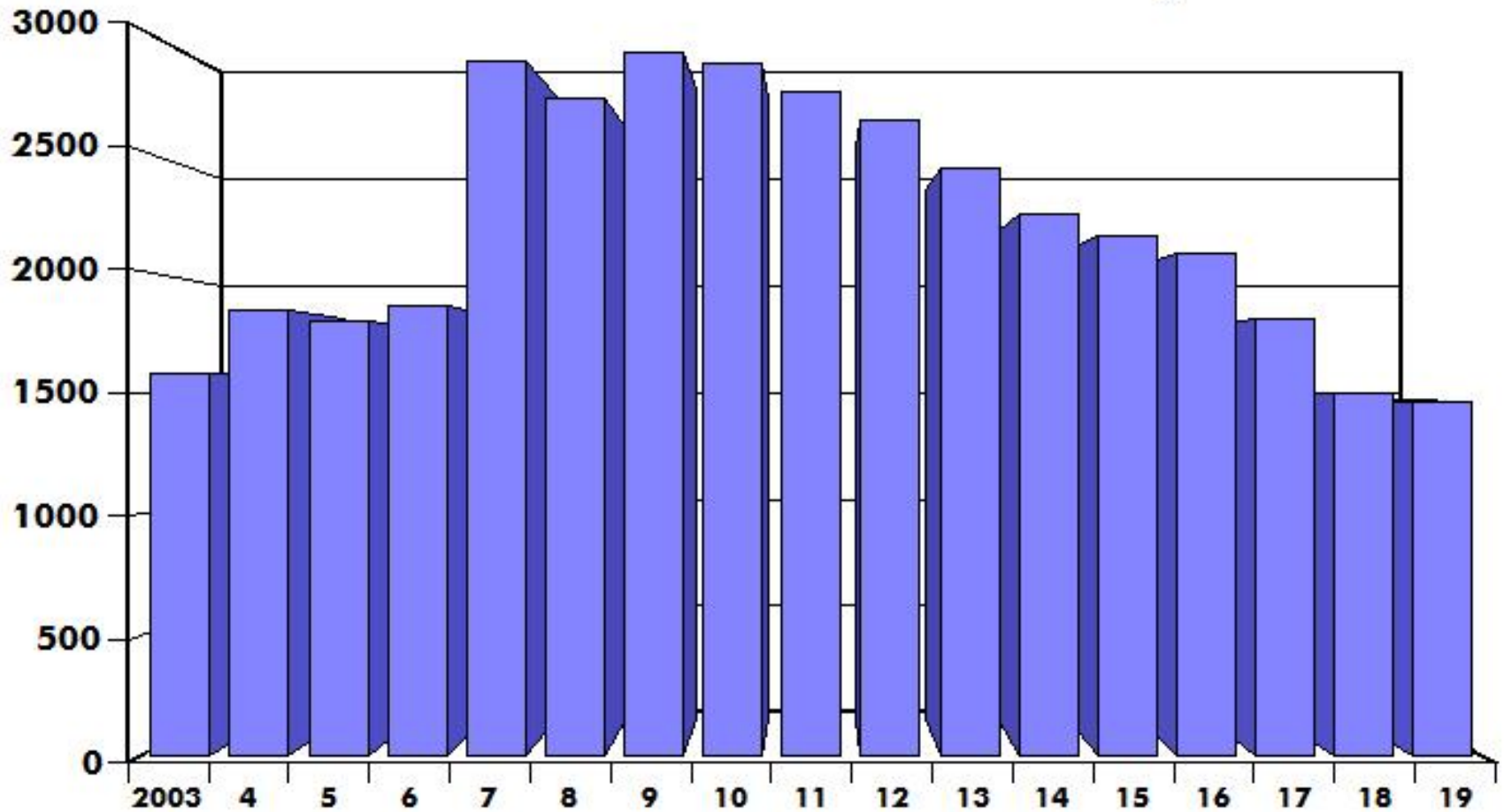
Types of shows Villagers prefer at the Woodlands



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

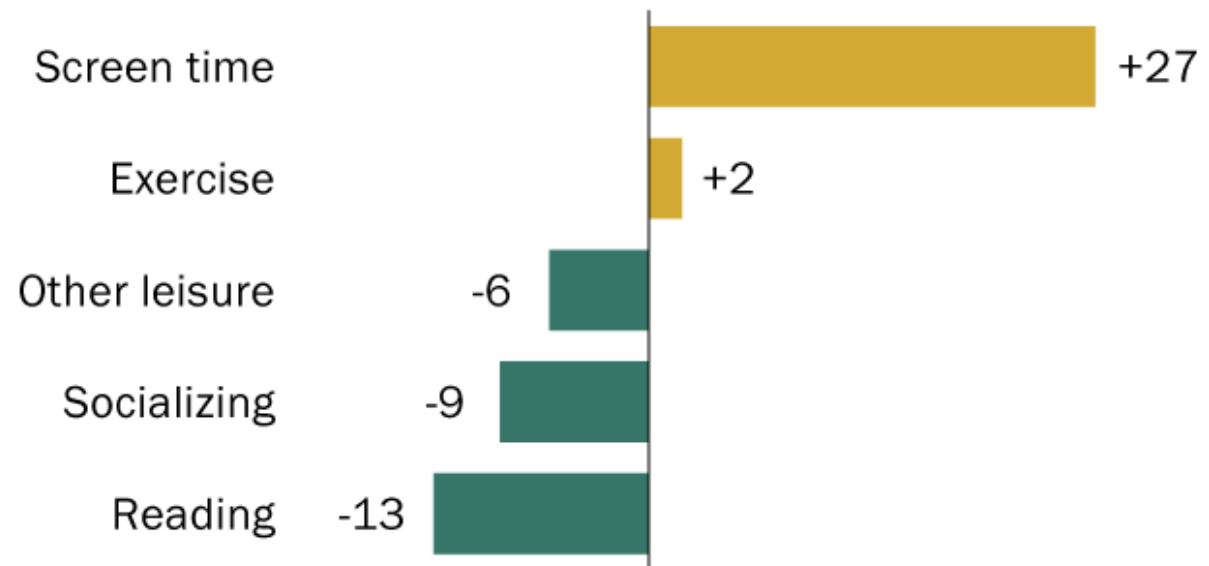


Source: Hot Springs Village POA

For older Americans, leisure time looks different today than it did a decade ago

*Change in daily time use 2005-2015 (minutes),
for people 60 and older*

Note: "Screen time" is defined as using TVs, computers, tablets or other electronic devices



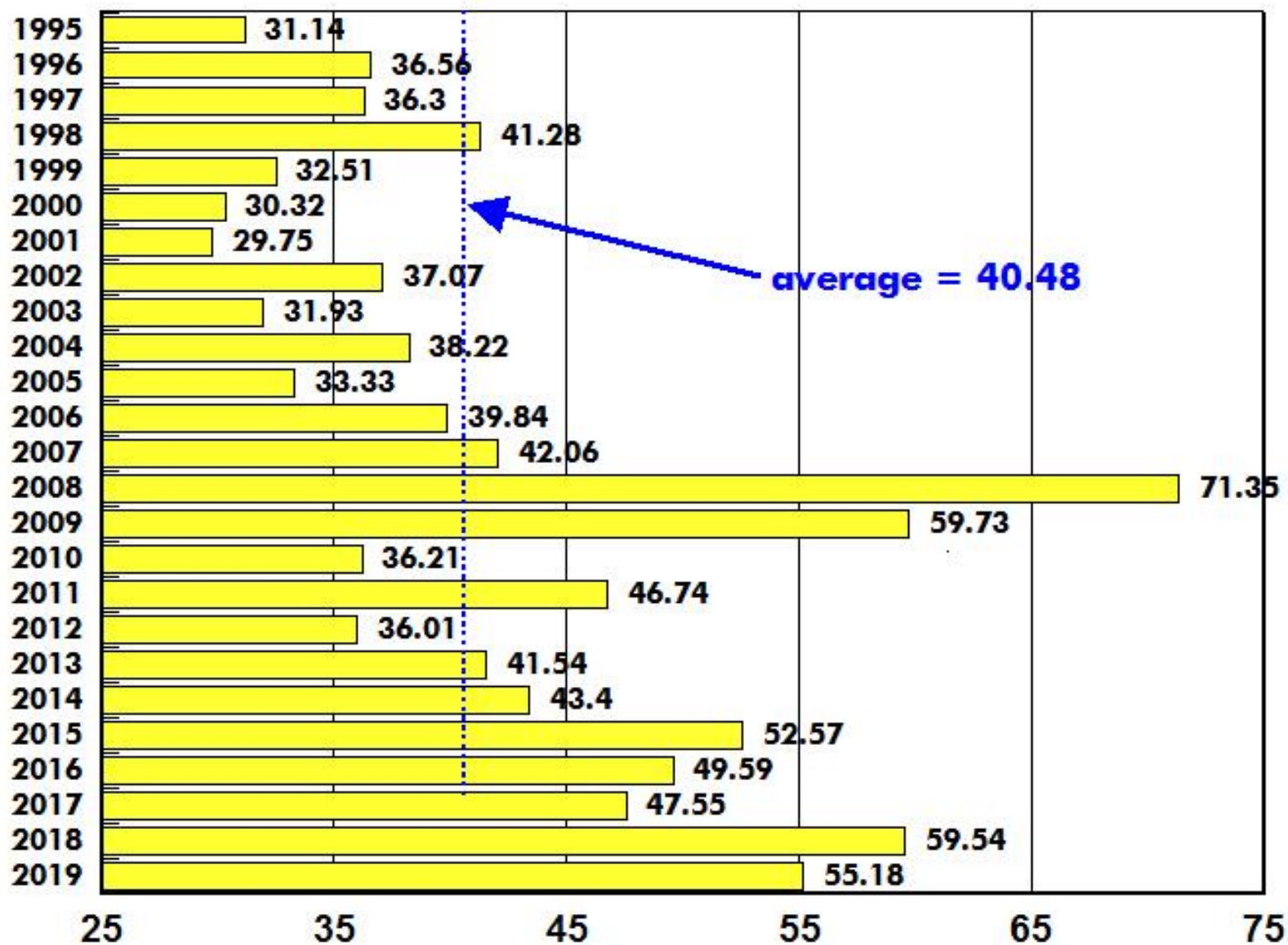
Note: Based on non-institutionalized people.

Source: Pew Research Center analysis of 2003-2006 and 2014-2017 American Time Use Survey (IPUMS).

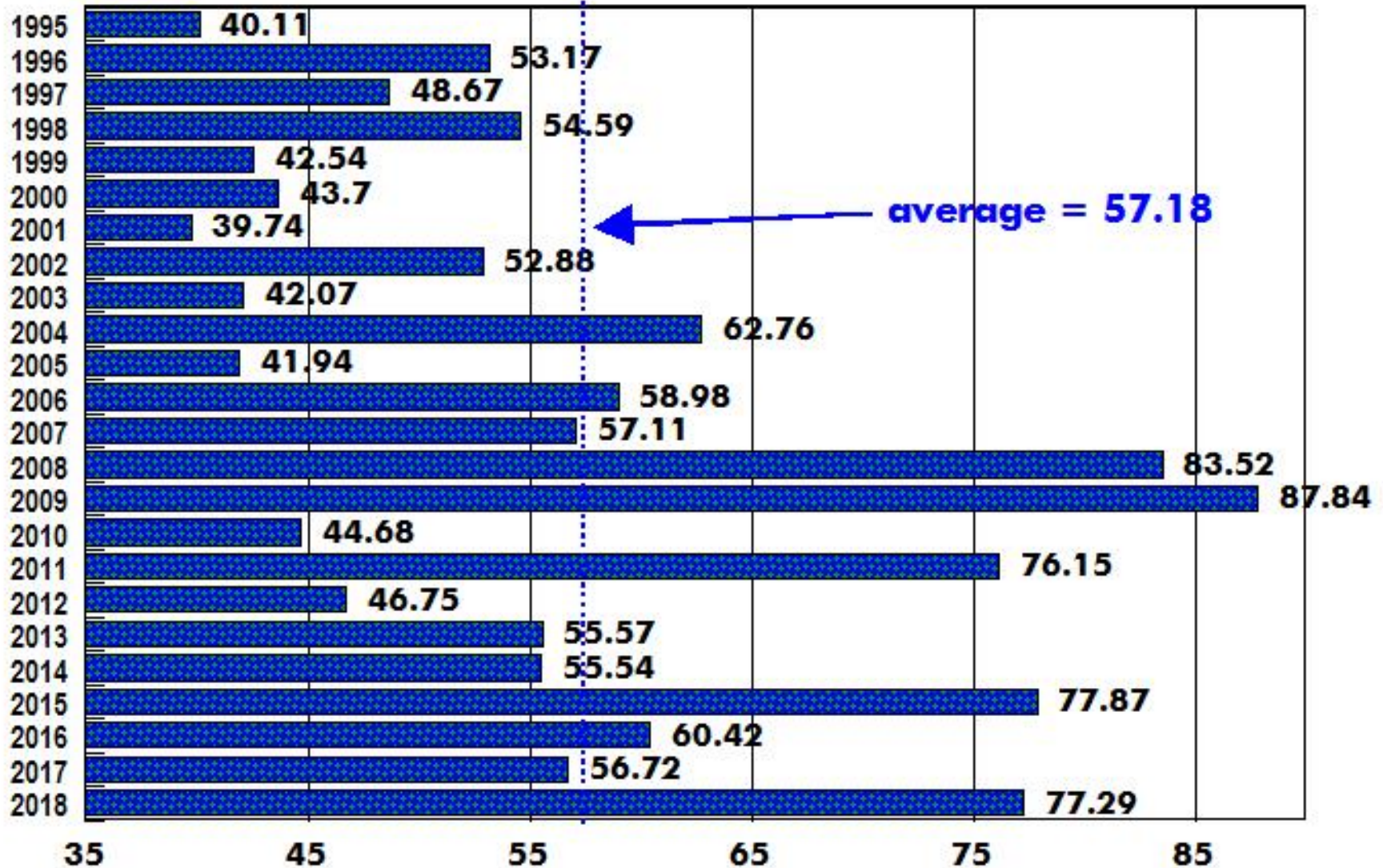
PEW RESEARCH CENTER

Hot Springs Village precipitation

First nine months each year (in inches)



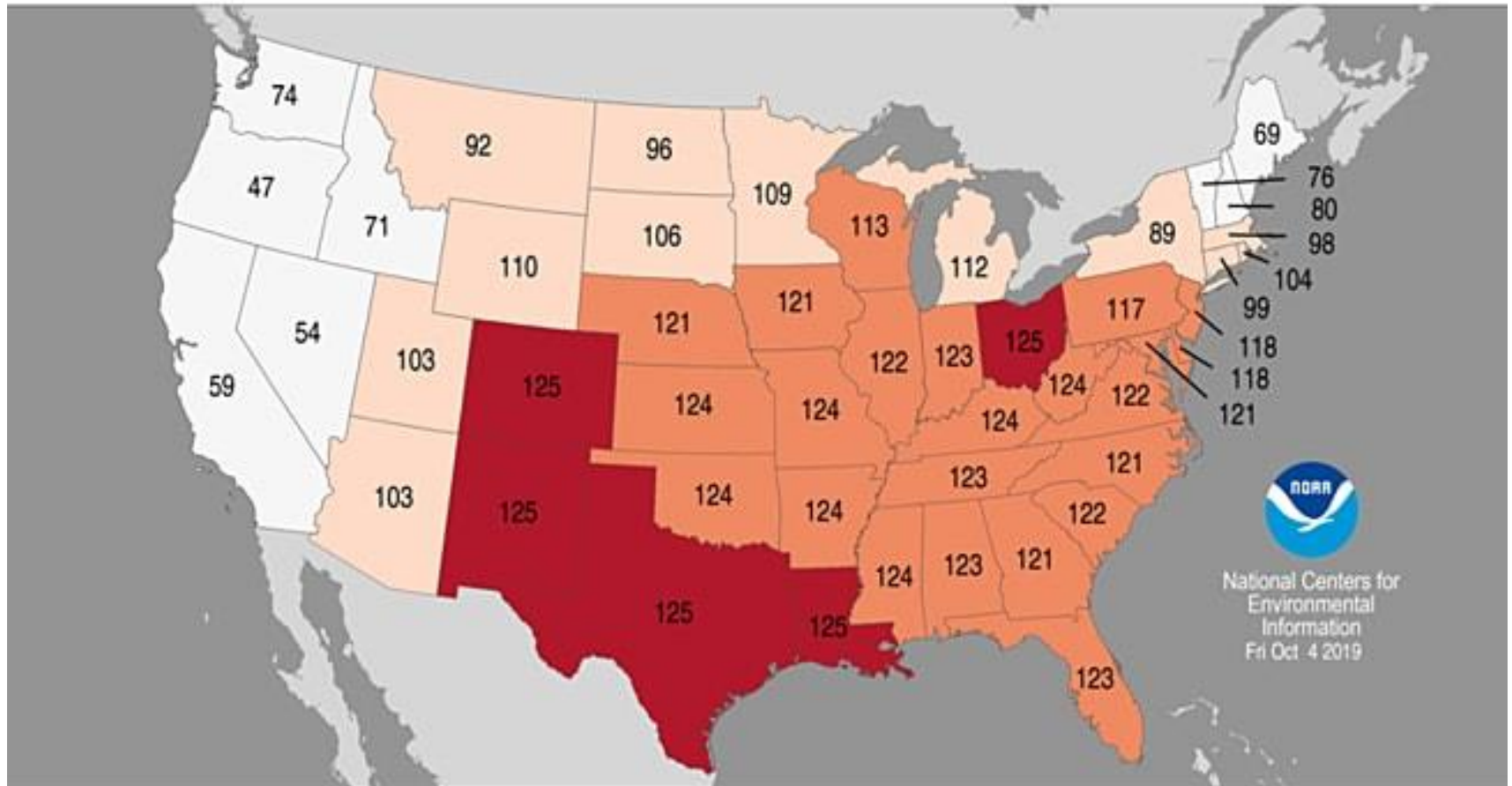
Annual precipitation in Hot Springs Village (inches)



Statewide Average Temperature Ranks

September 2019

Period: 1895-2019



National Centers for
Environmental
Information
Fri Oct 4 2019

Record
Coldest
(1)

Much
Below
Average

Below
Average

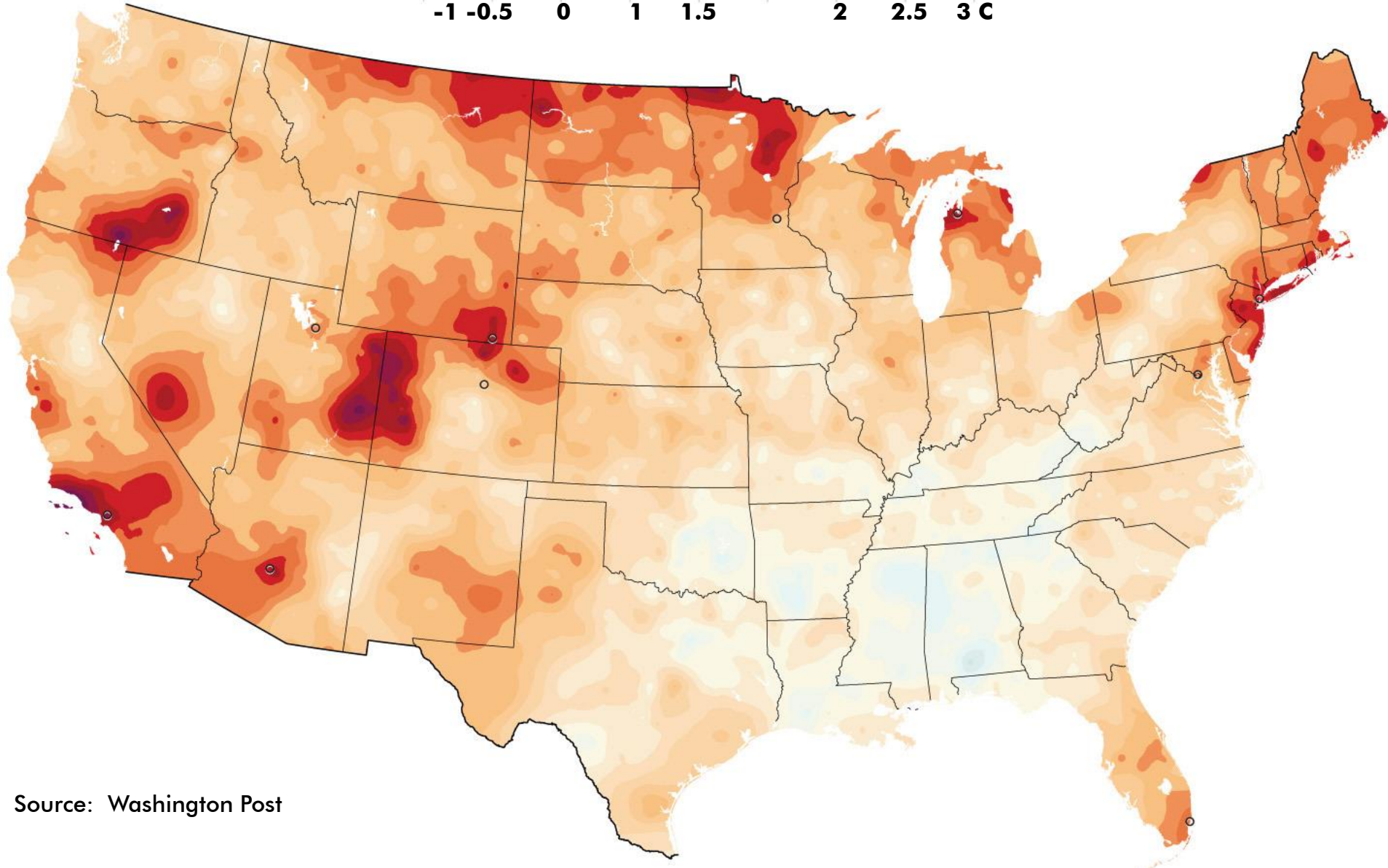
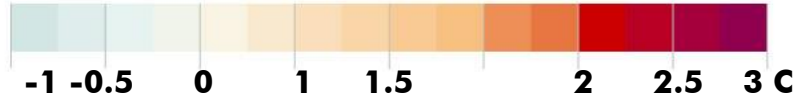
Near
Average

Above
Average

Much
Above
Average

Record
Warmest
(125)

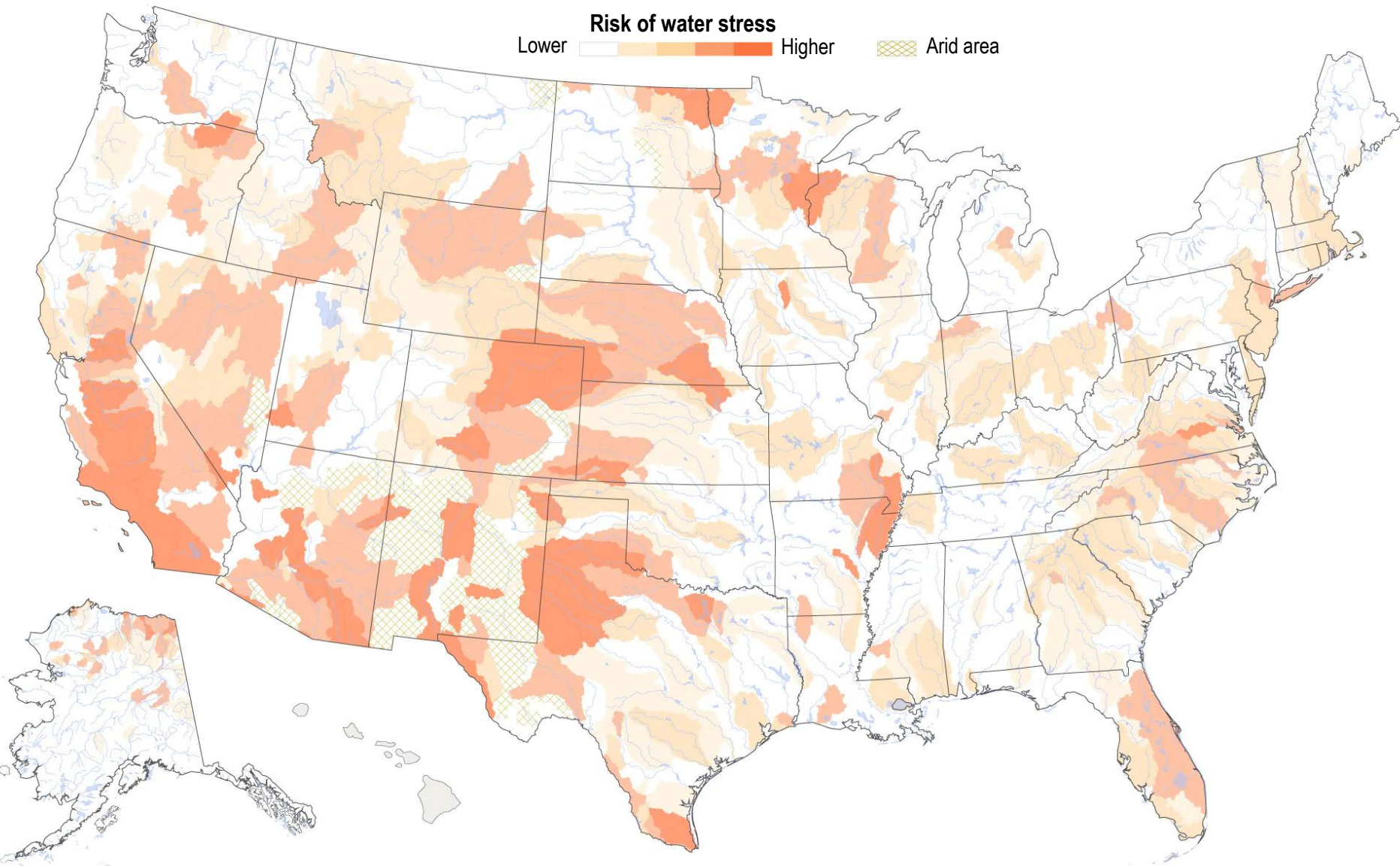
Temperature change, 1895-2018



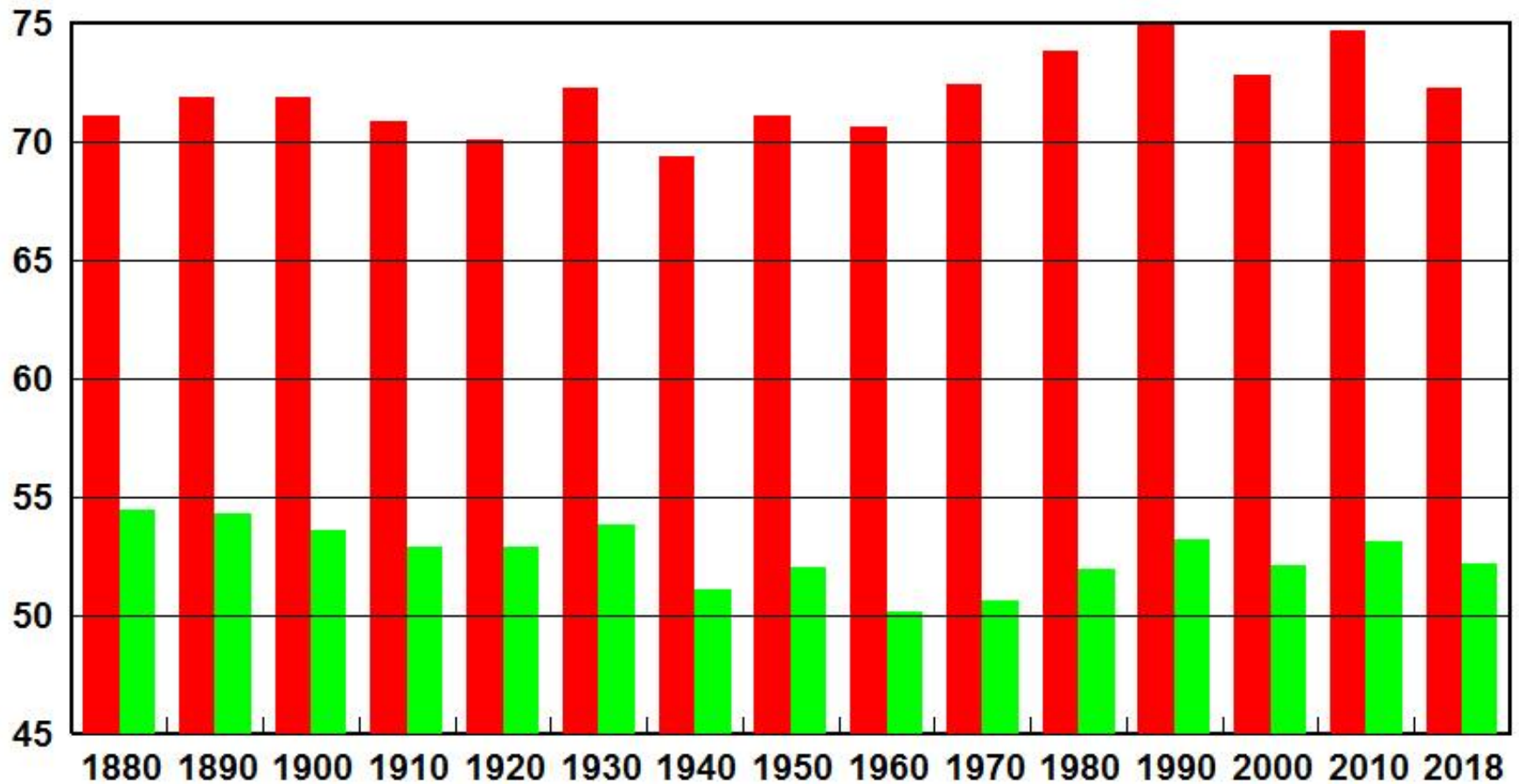
Source: Washington Post

Areas where water use may be stressed

Risk of water stress
Lower Higher Arid area

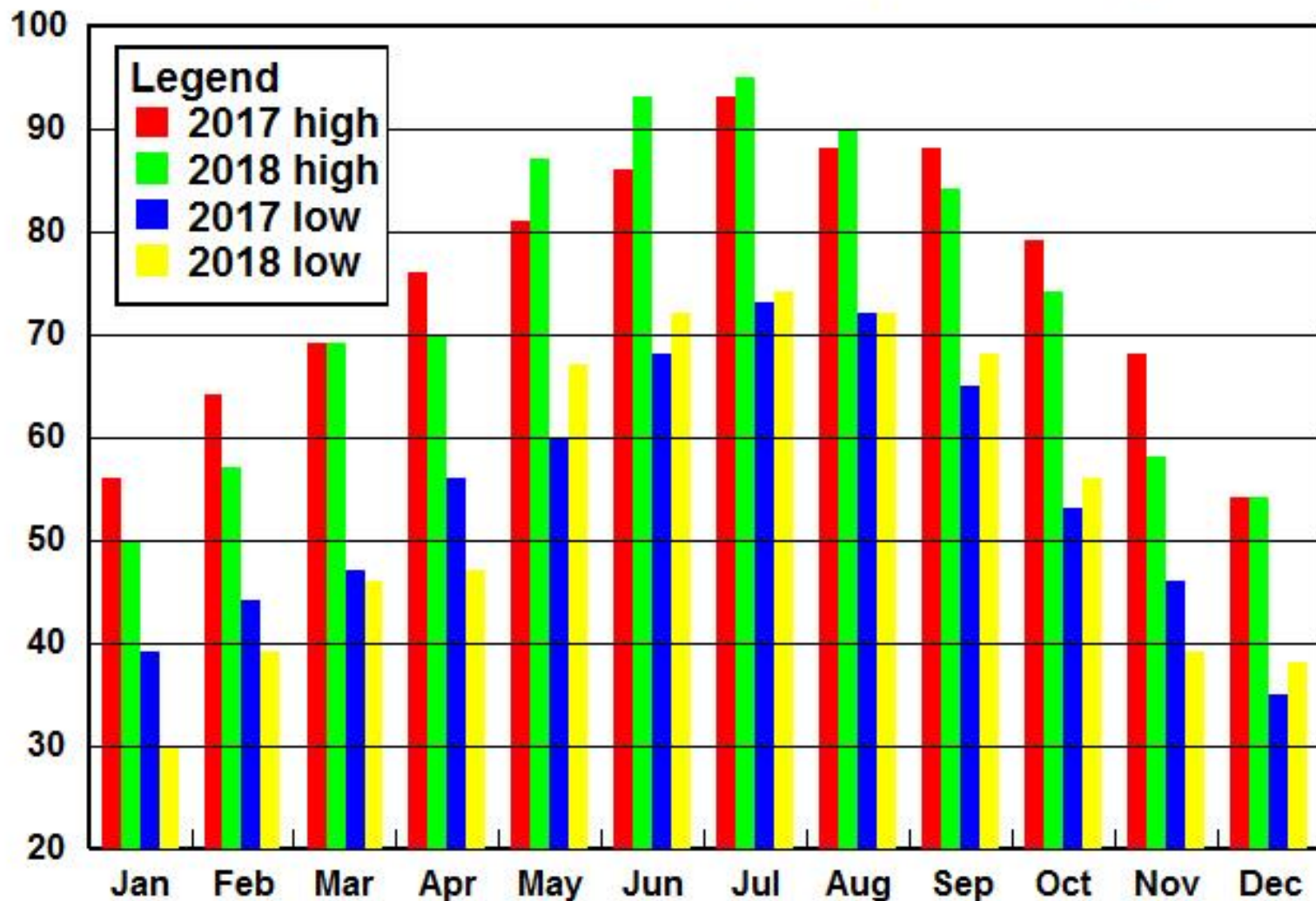


Annual mean high, low temperatures in Little Rock



Source: National Weather Service

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

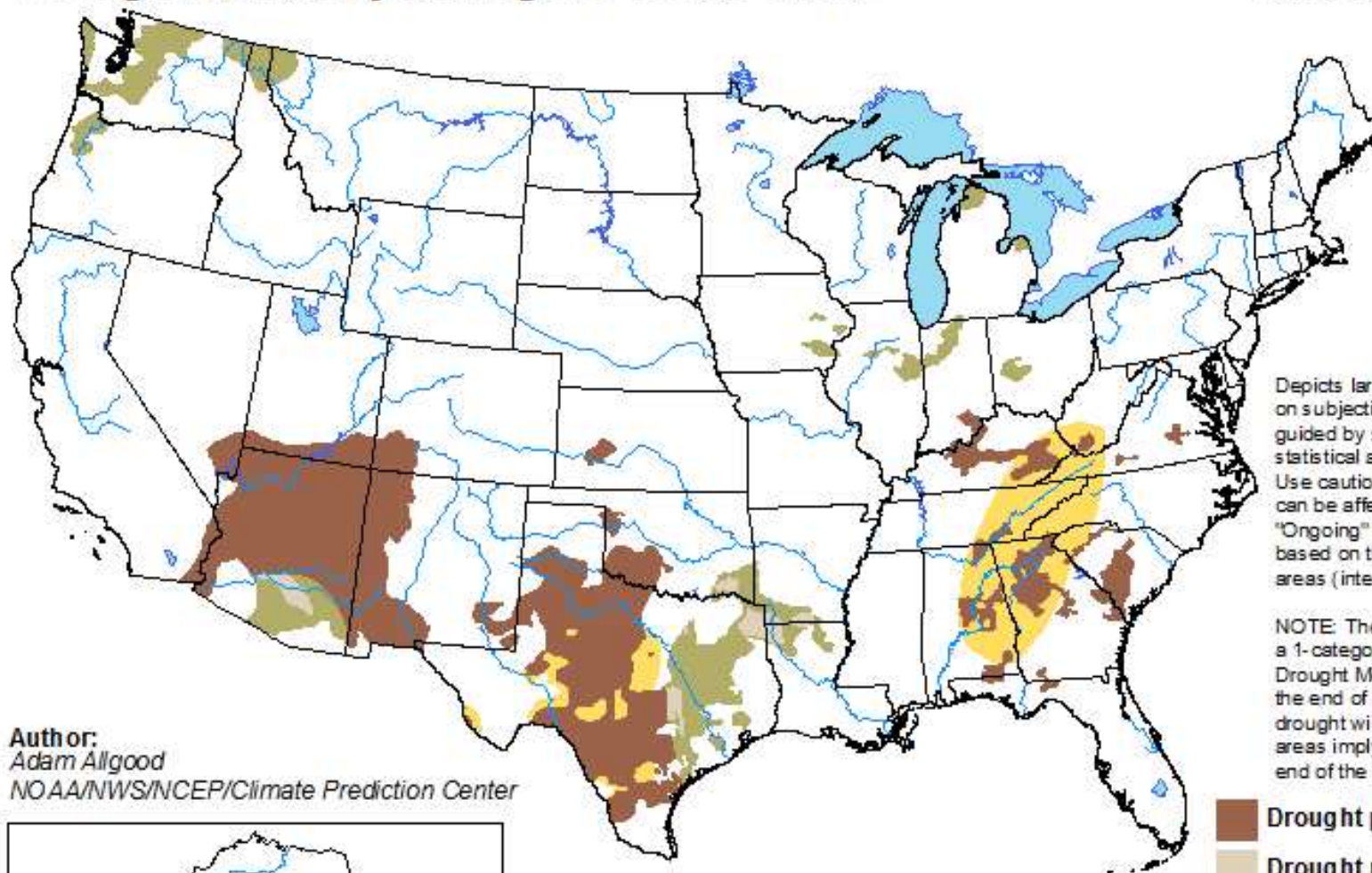


Source: Weather Underground

U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period





Valid for September 19 - December 31, 2019
Released September 19

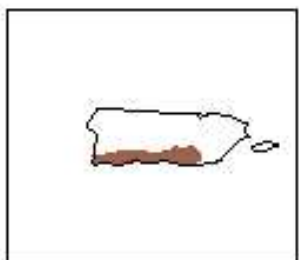
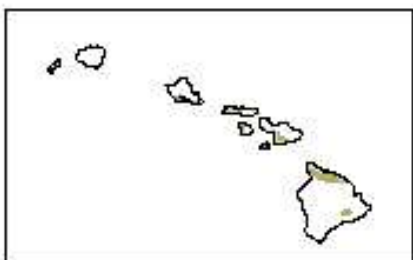


Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to 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:
Adam Allgood
NOAA/NWS/NCEP/Climate Prediction Center

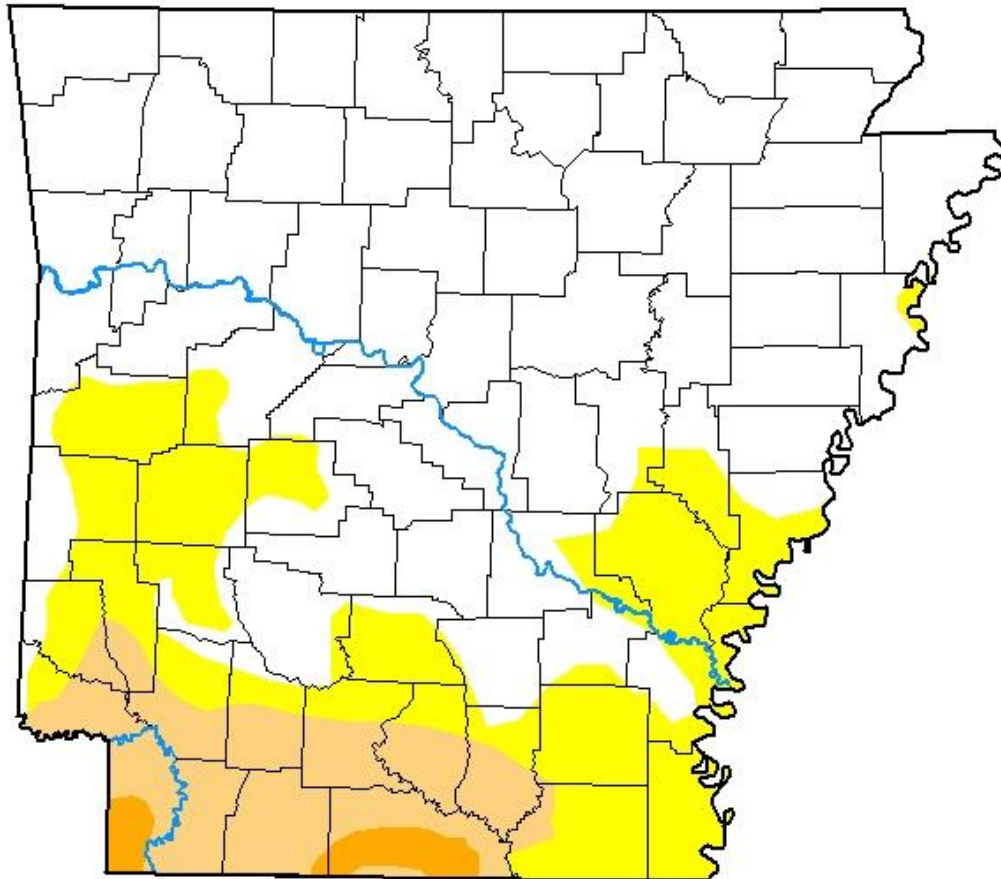
-  Drought persists
-  Drought remains but improves
-  Drought removal likely
-  Drought development likely



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

U.S. Drought Monitor Arkansas

October 8, 2019
(Released Thursday, Oct. 10, 2019)
Valid 8 a.m. EDT



Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	68.88	31.12	10.97	1.36	0.00	0.00
Last Week <i>10-01-2019</i>	54.35	45.65	11.77	5.79	0.00	0.00
3 Months Ago <i>07-09-2019</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>10-01-2019</i>	54.35	45.65	11.77	5.79	0.00	0.00
One Year Ago <i>10-09-2018</i>	87.46	12.54	2.50	0.00	0.00	0.00

Intensity:



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

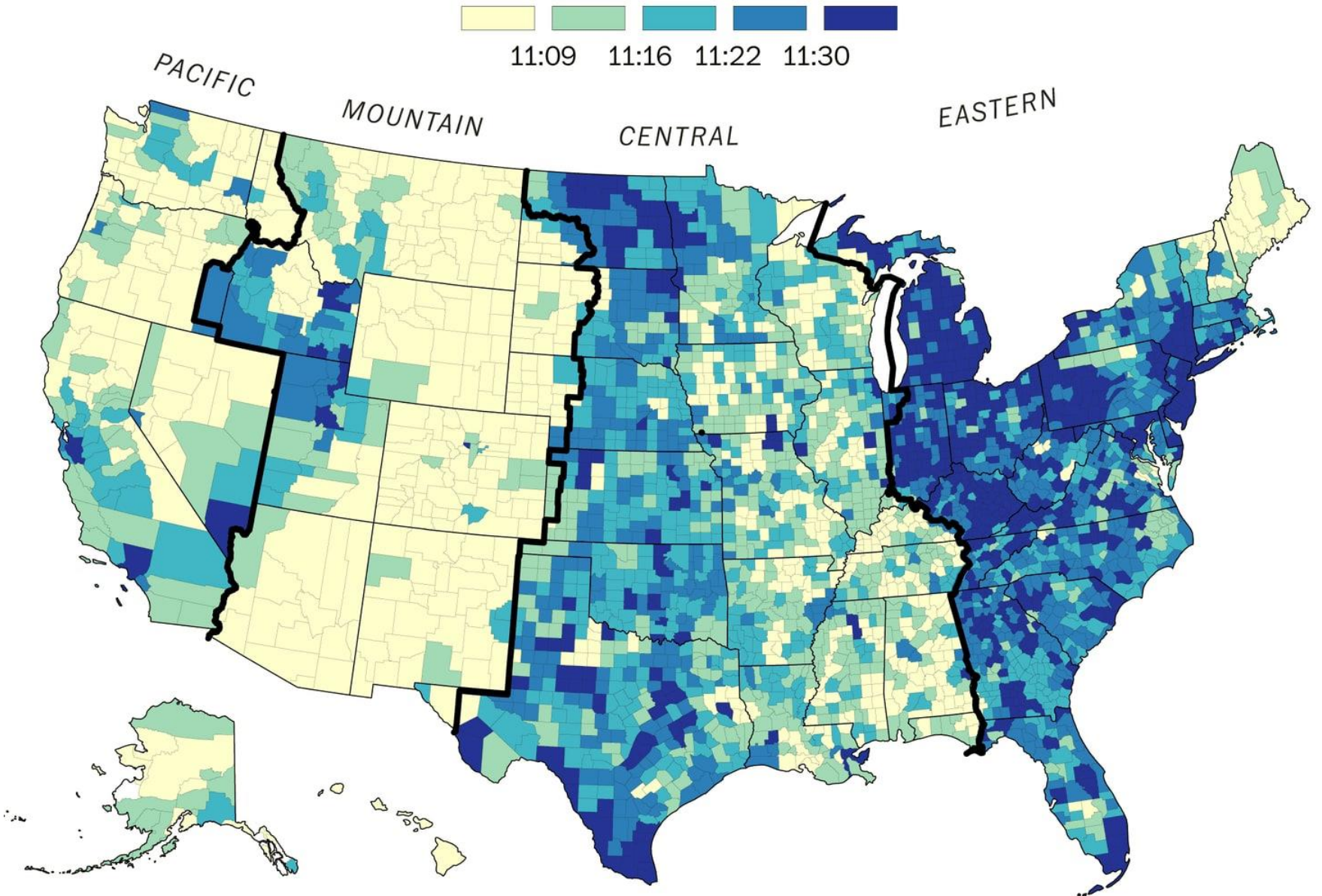
Author:

Brian Fuchs
National Drought Mitigation Center



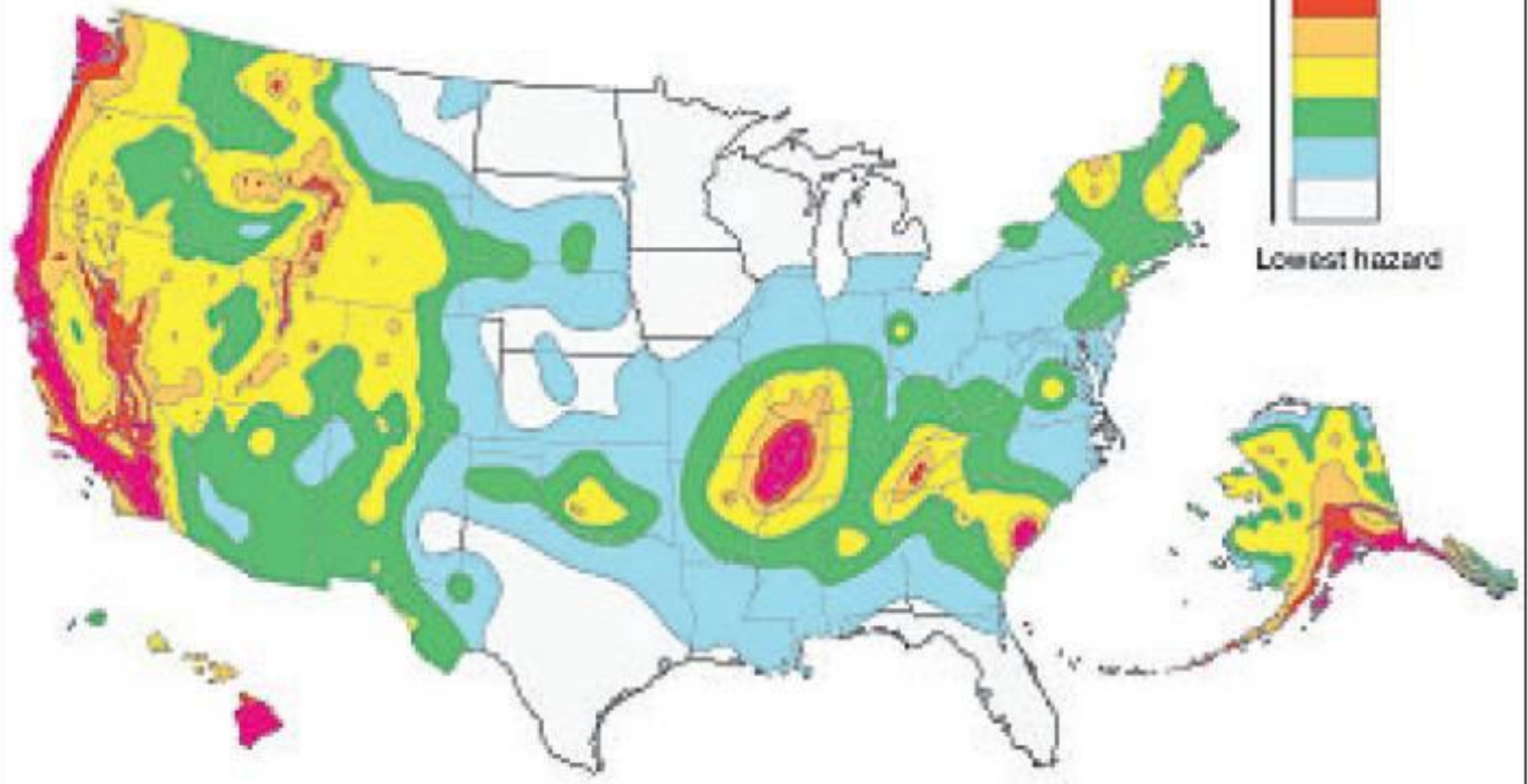
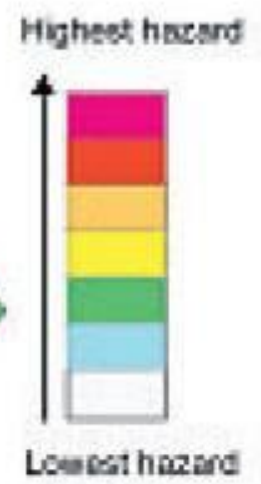
How time zones shape human behavior

Average bedtime by county



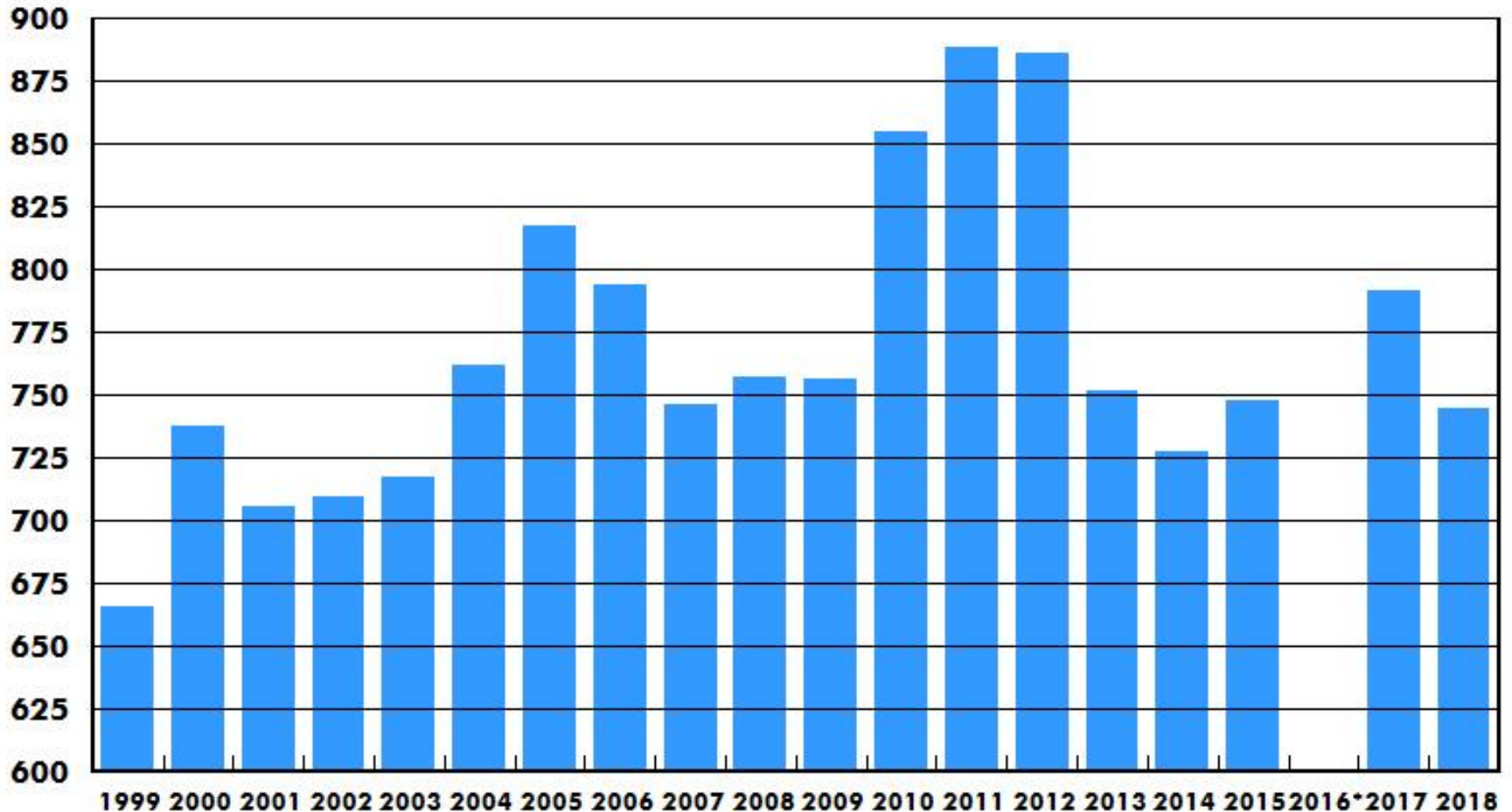
Source: Jawbone sleep tracker data

THE WASHINGTON POST



Annual fresh water production in the Village

(millions of gallons)



Source: Hot Springs Village public-works department

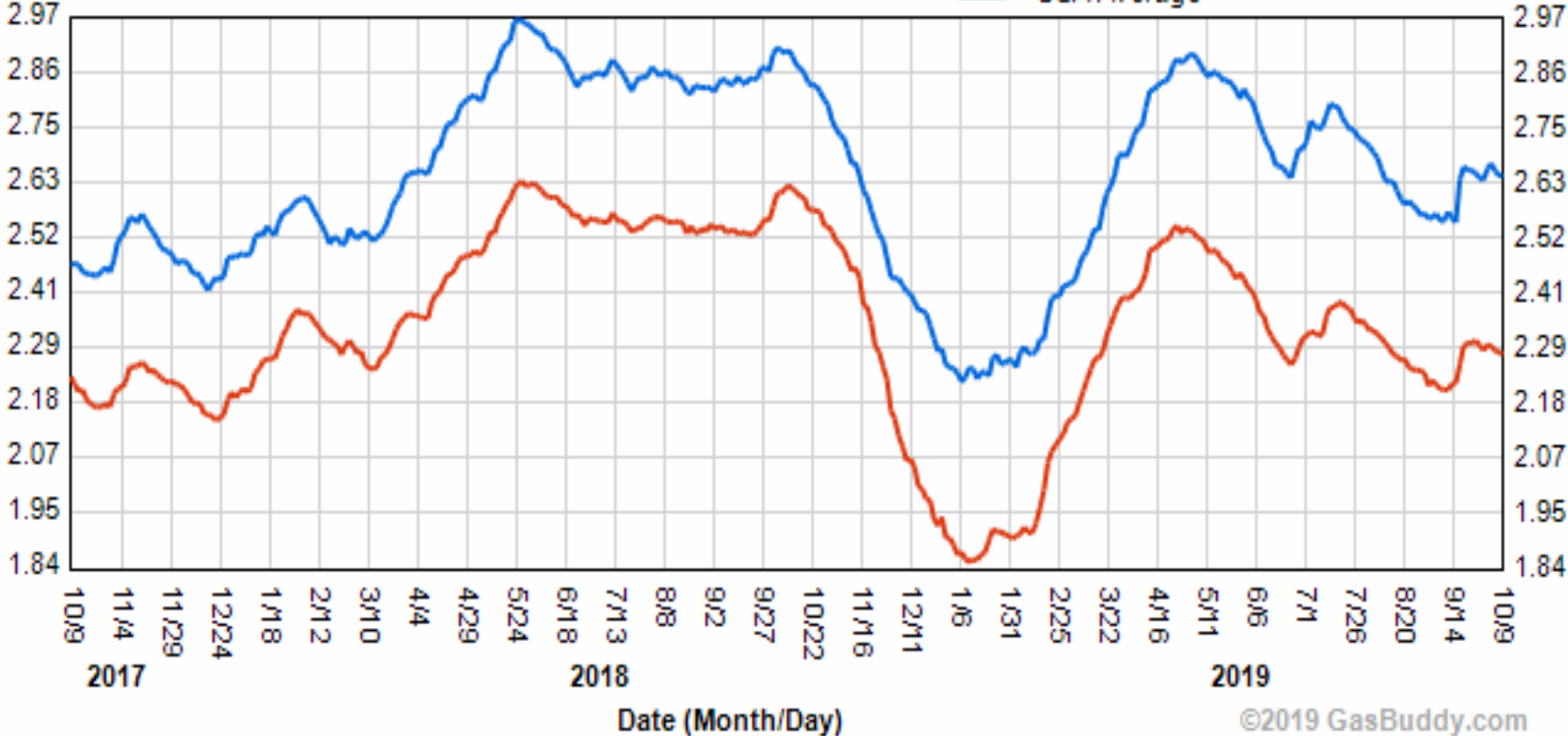
* - Data for 2016 is not available.

24 Month Average Retail Price Chart

Regular Gas Price (US \$/G)

Regular Gas Price (US \$/G)

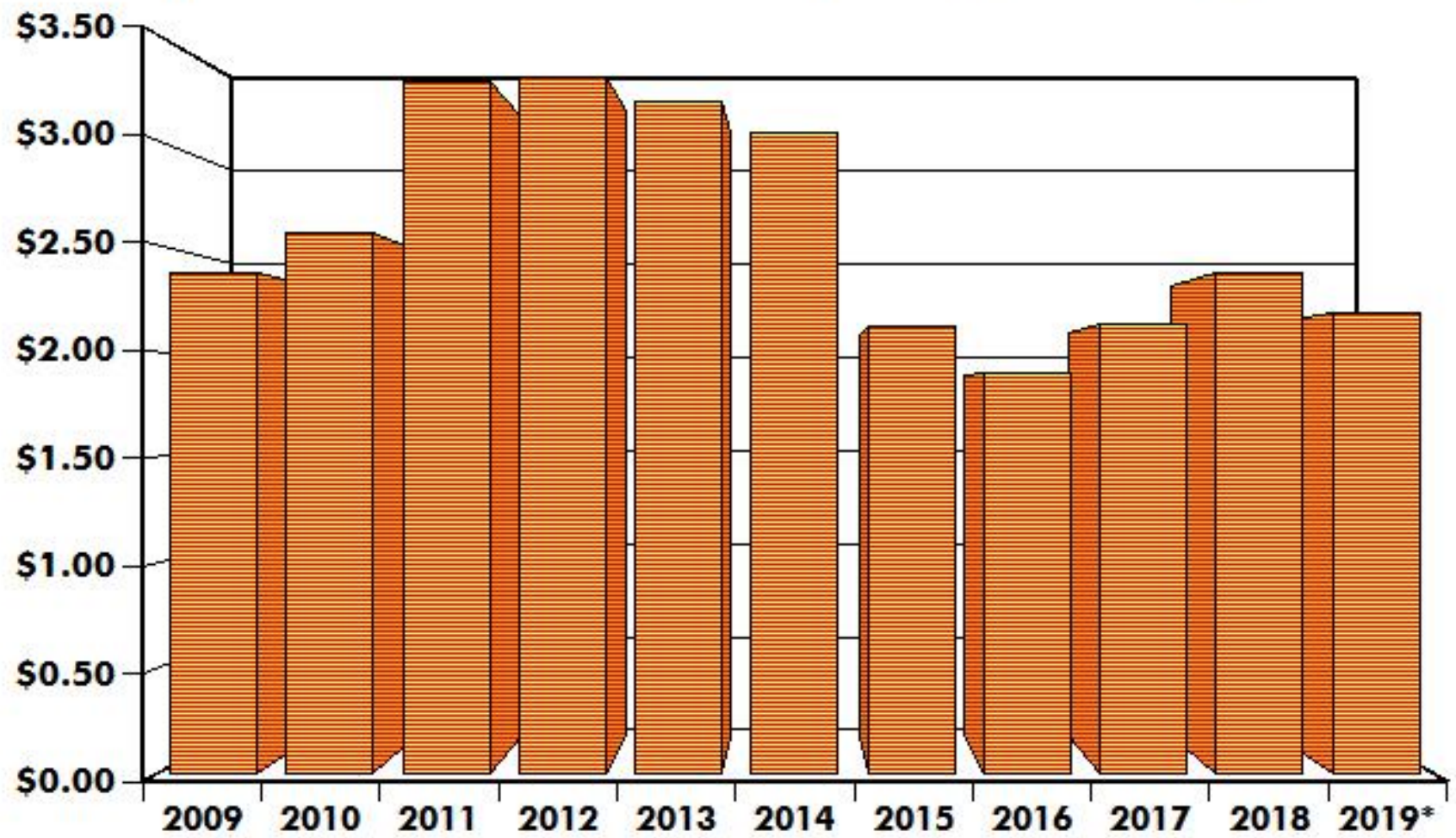
— LittleRock
— USA Average



Gasoline prices

The average price of gasoline in the U.S. was \$2.65 a gallon on Sunday, down 22 cents a gallon from the same time last year, according to GasBuddy.com. This week it was \$2.189 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.

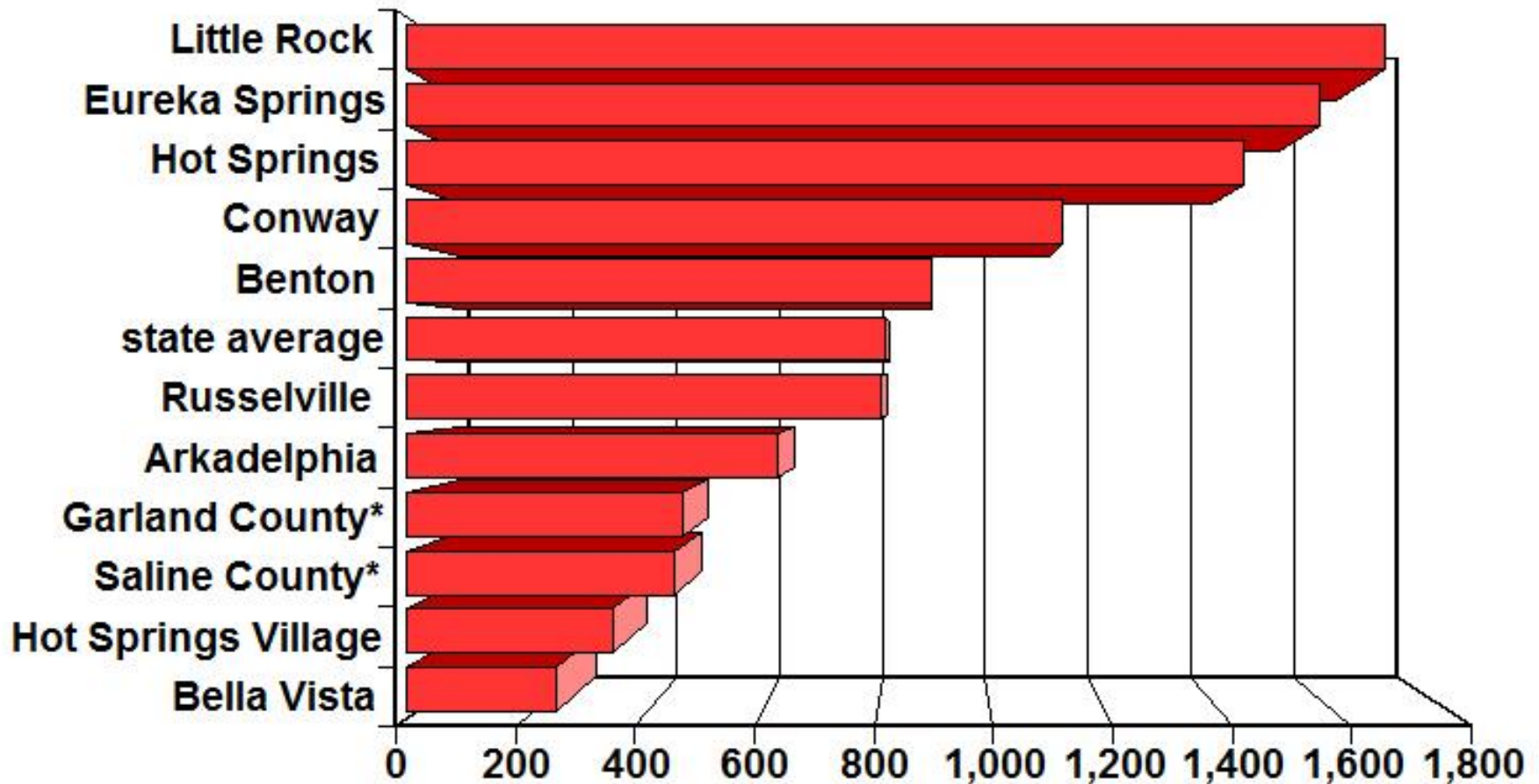
Average cost of each gallon of gasoline purchased in Hot Springs Village



* - first nine months of 2019

Crime rate in Village, other areas

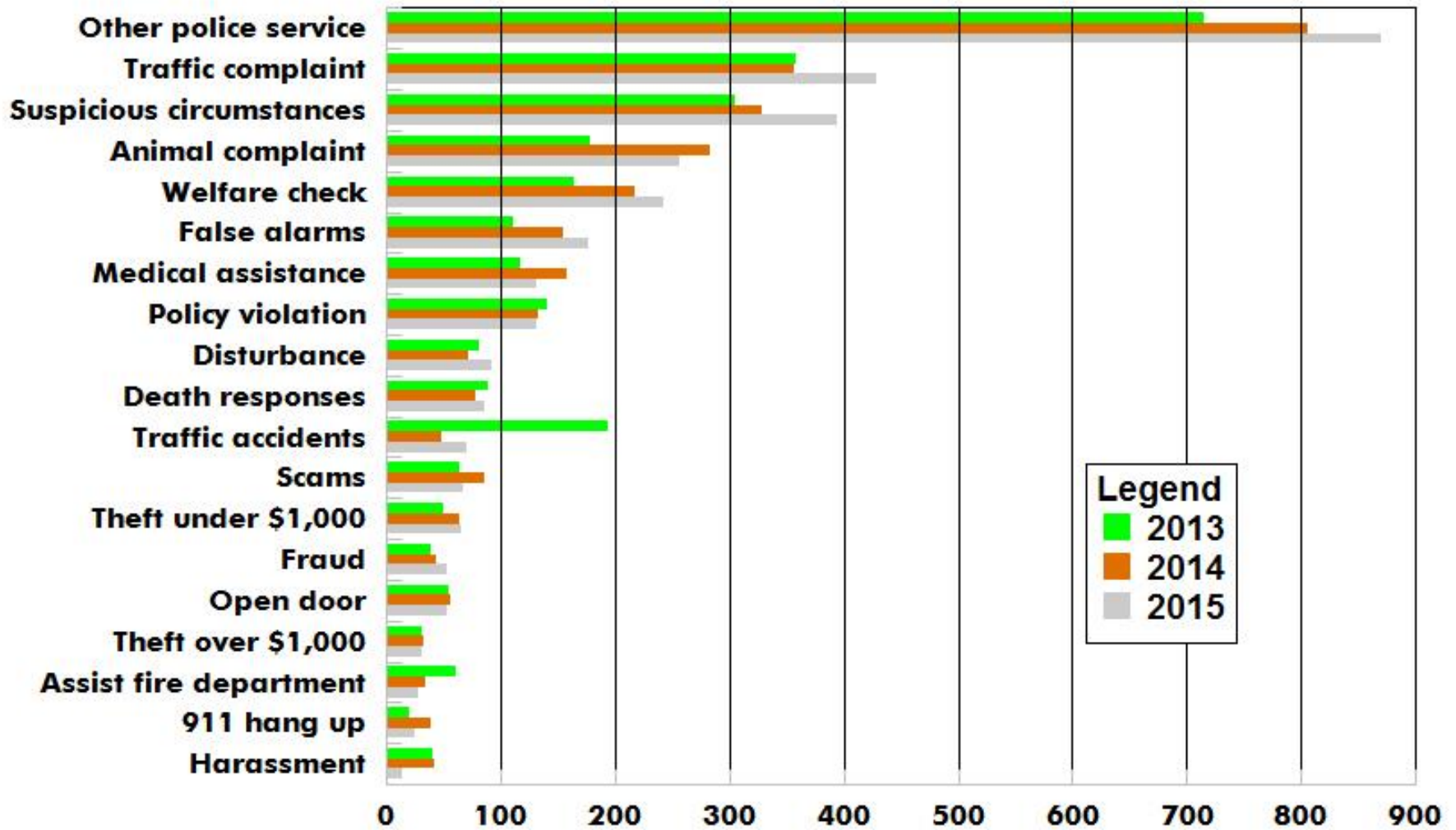
Number of crimes for each 10,000 population in 2018



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

* - unincorporated parts of the county

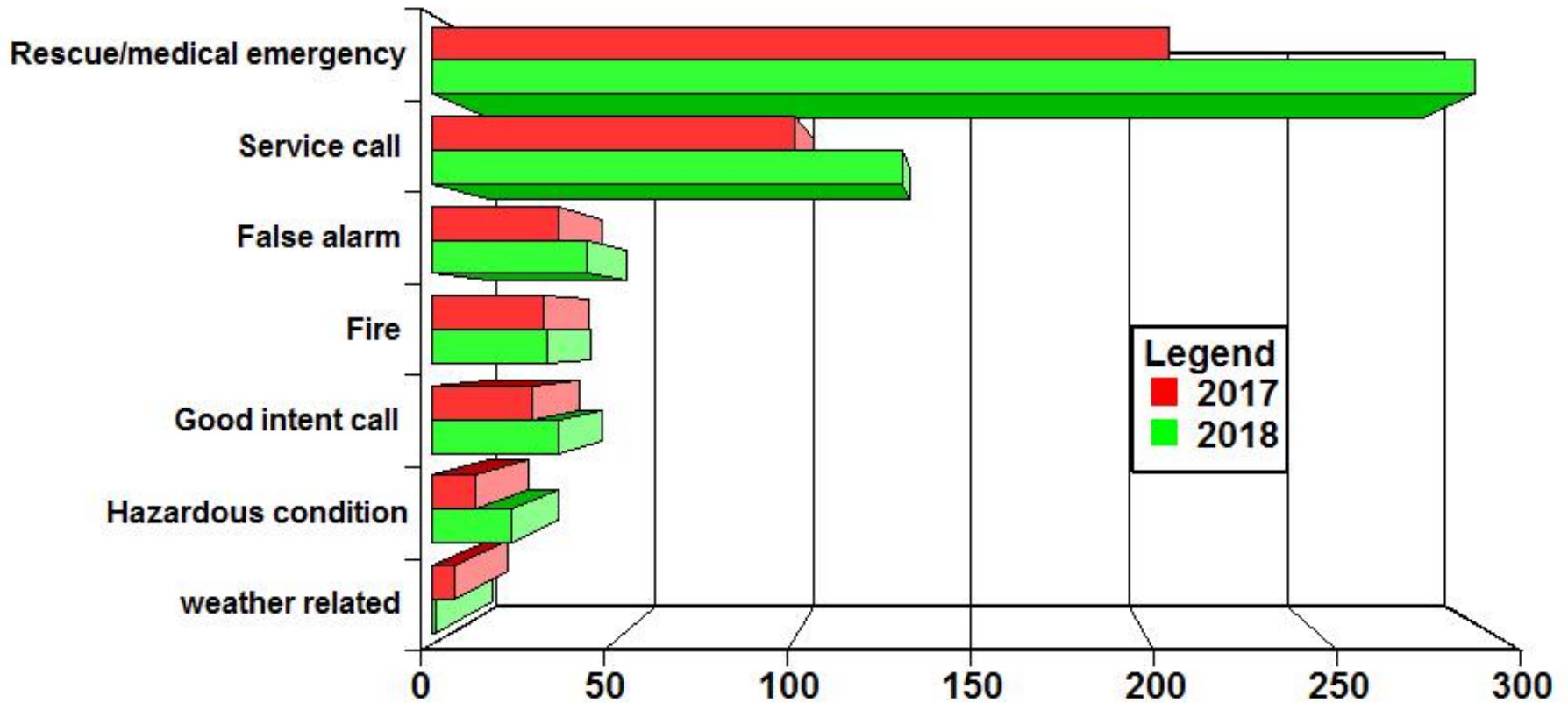
Most frequent types of police calls in the Village



Source: Hot Springs Village Police Department

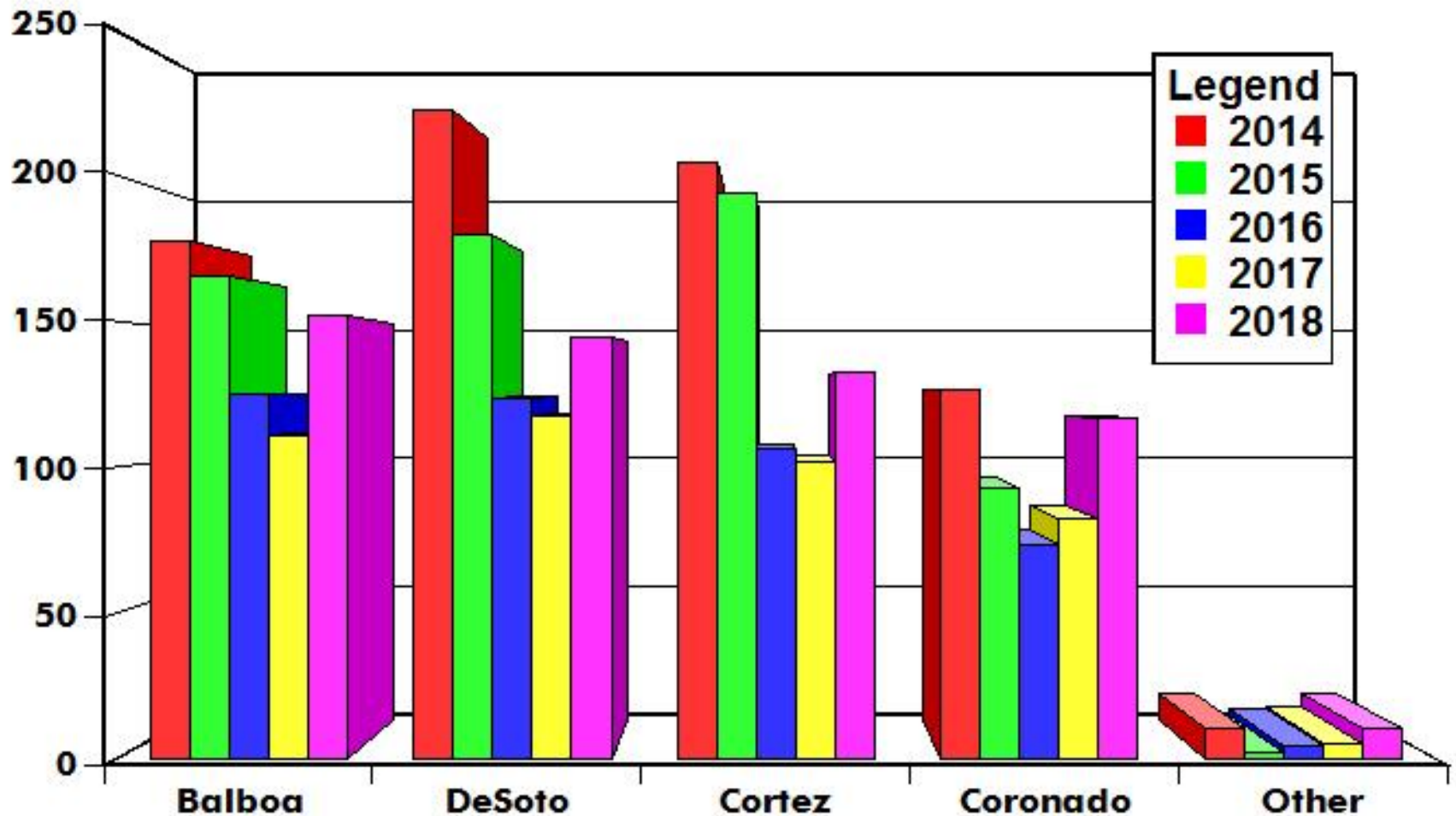
Note: The Fire Department began handling most medical-assistance calls in 2014

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



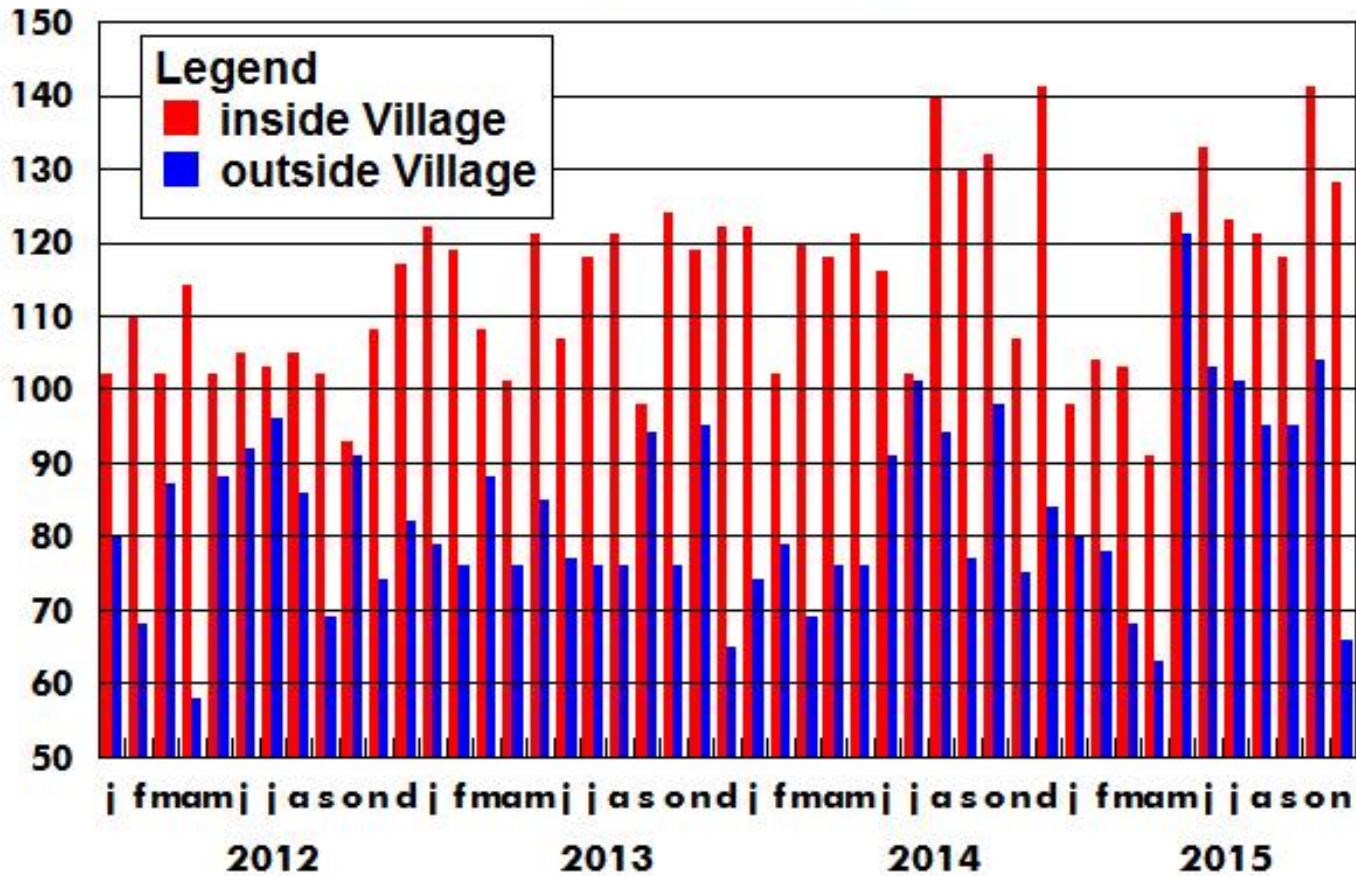
Source: Hot Springs Village Fire Dept.

Responses by Village fire stations



Source: Hot Springs Village Fire Dept.

Where Village ambulances go when responding to a call



Source: LifeNet

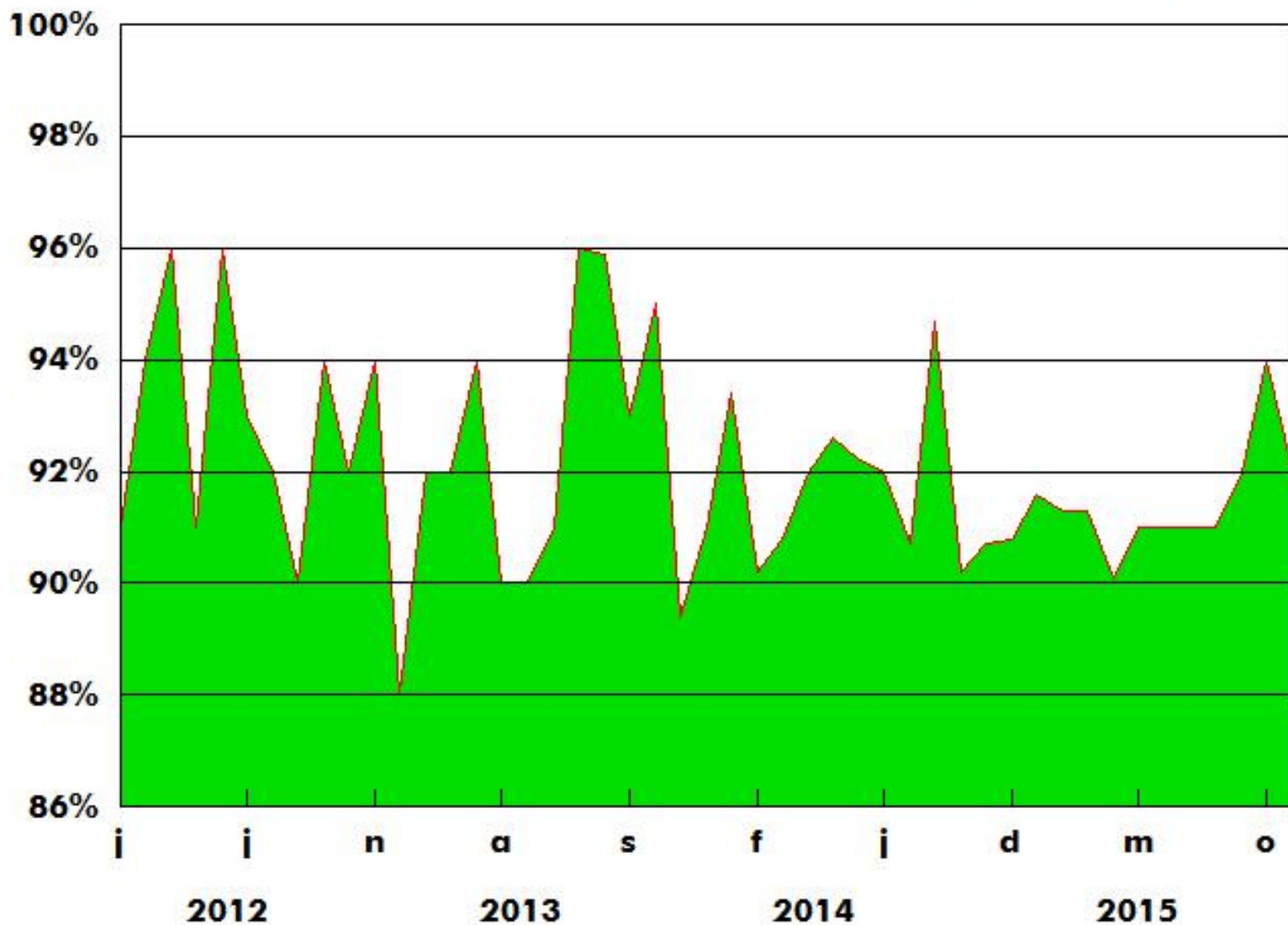
Four ambulances operated by LifeNet are based at three stations in Hot Springs Village. They respond to calls both in and around the Village.

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.

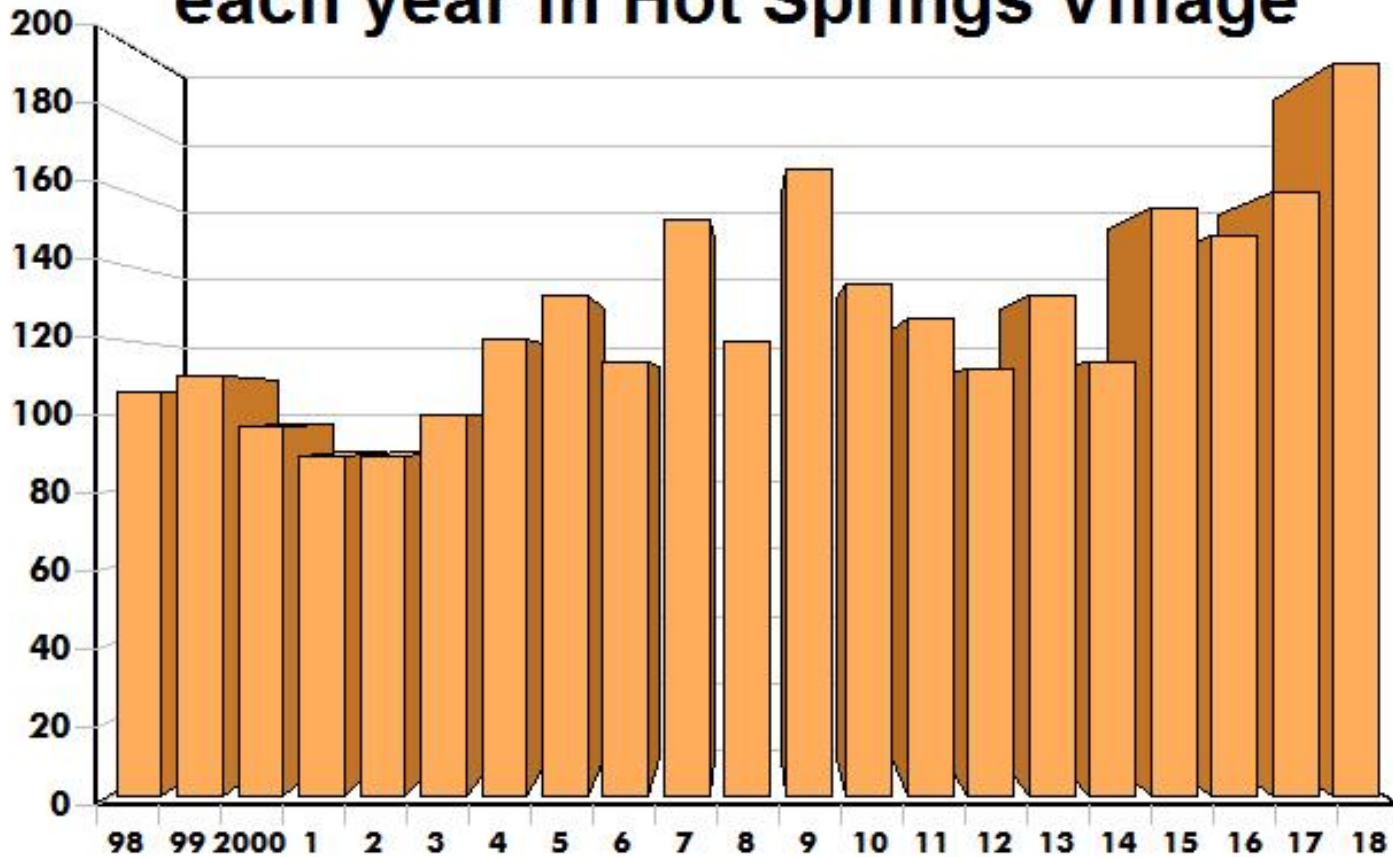
However, the POA recently stopped paying for ambulance calls. Those getting the service are charged for the calls.

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



Source: LifeNet

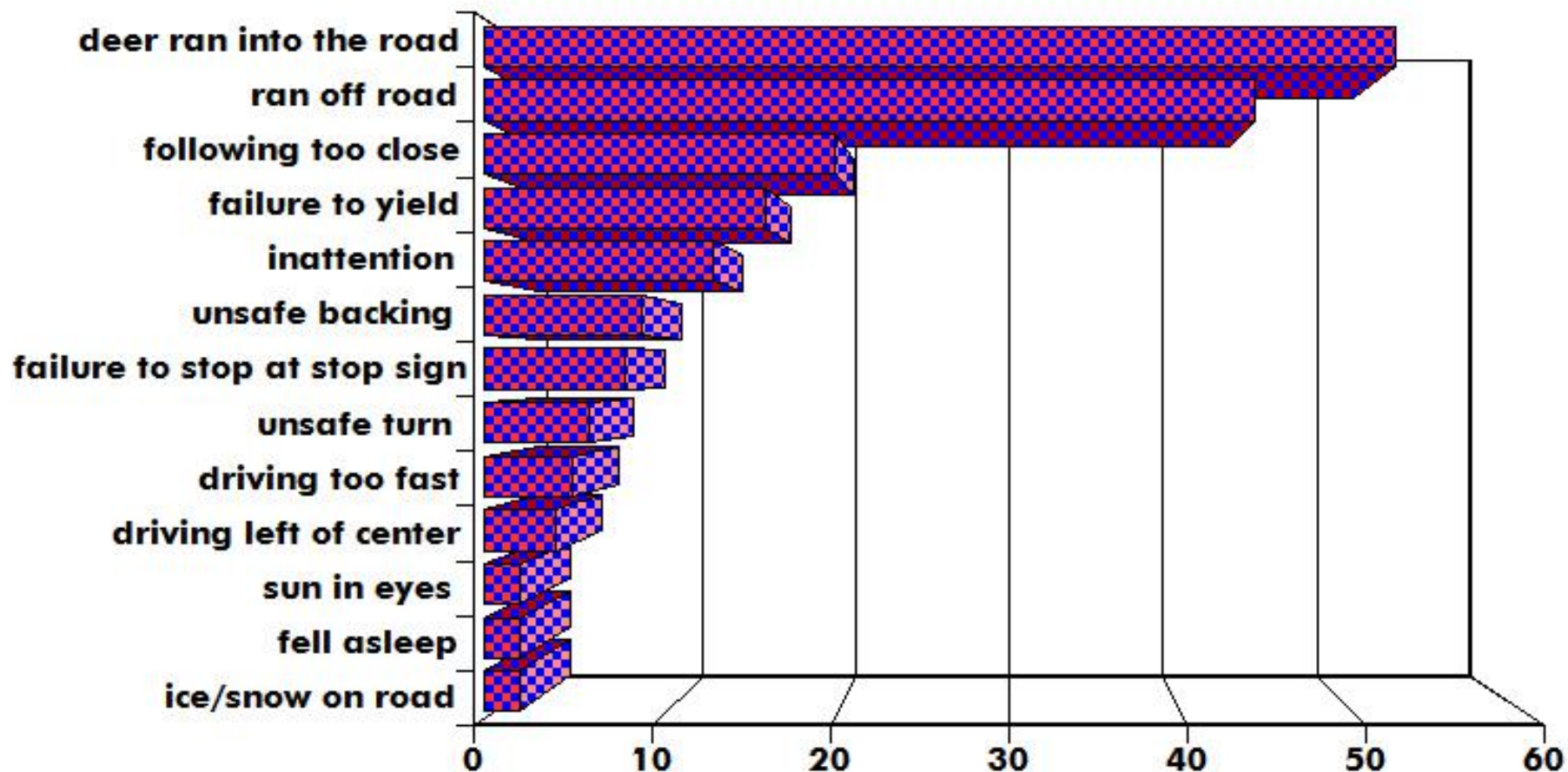
Number of vehicle accidents each year in Hot Springs Village



Source: POA Public Safety Committee, Bert Cueva

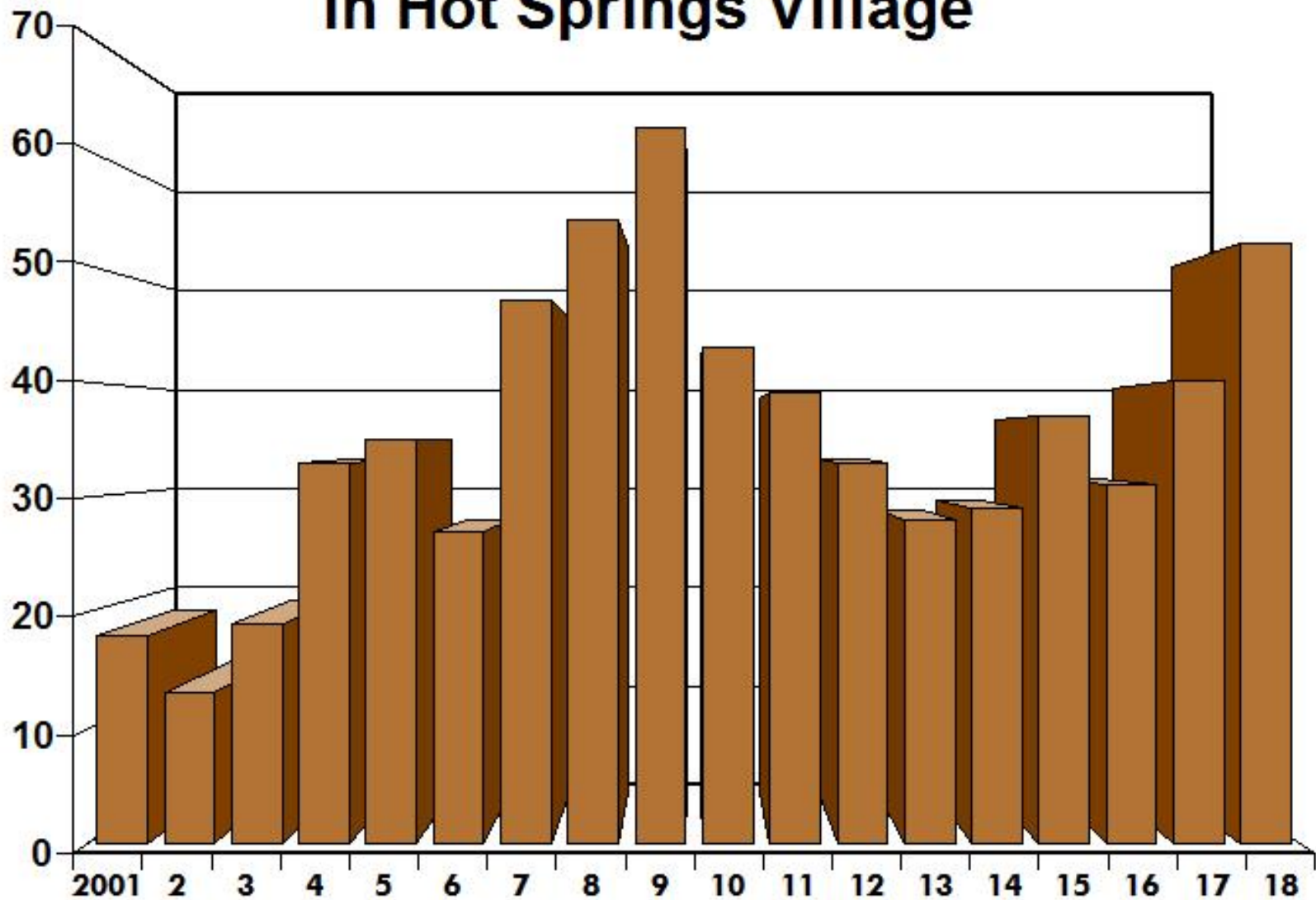
There were 192 vehicle accidents last year in Hot Springs Village, up 34, or 21.5 percent, from 2017. 68 were multi-vehicle accidents; 69 involved one vehicle. 31 persons were hurt; no one was killed in an accident. Estimated damage caused: \$955,611. 52 citations were issued involving the accidents 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

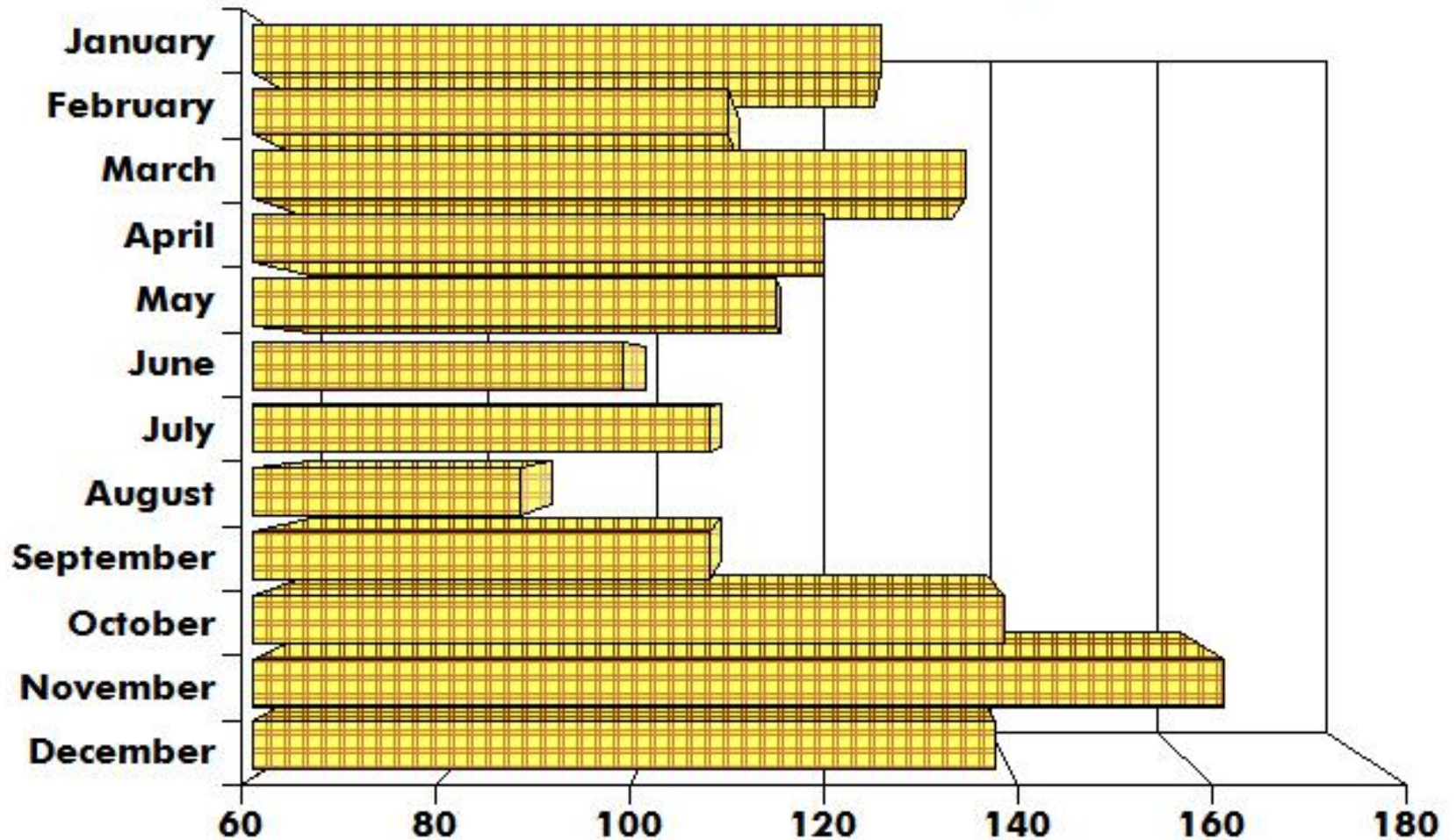
Deer-vehicle accidents each year in Hot Springs Village



Source: Hot Springs Village Public Works Committee, Bert Cueva

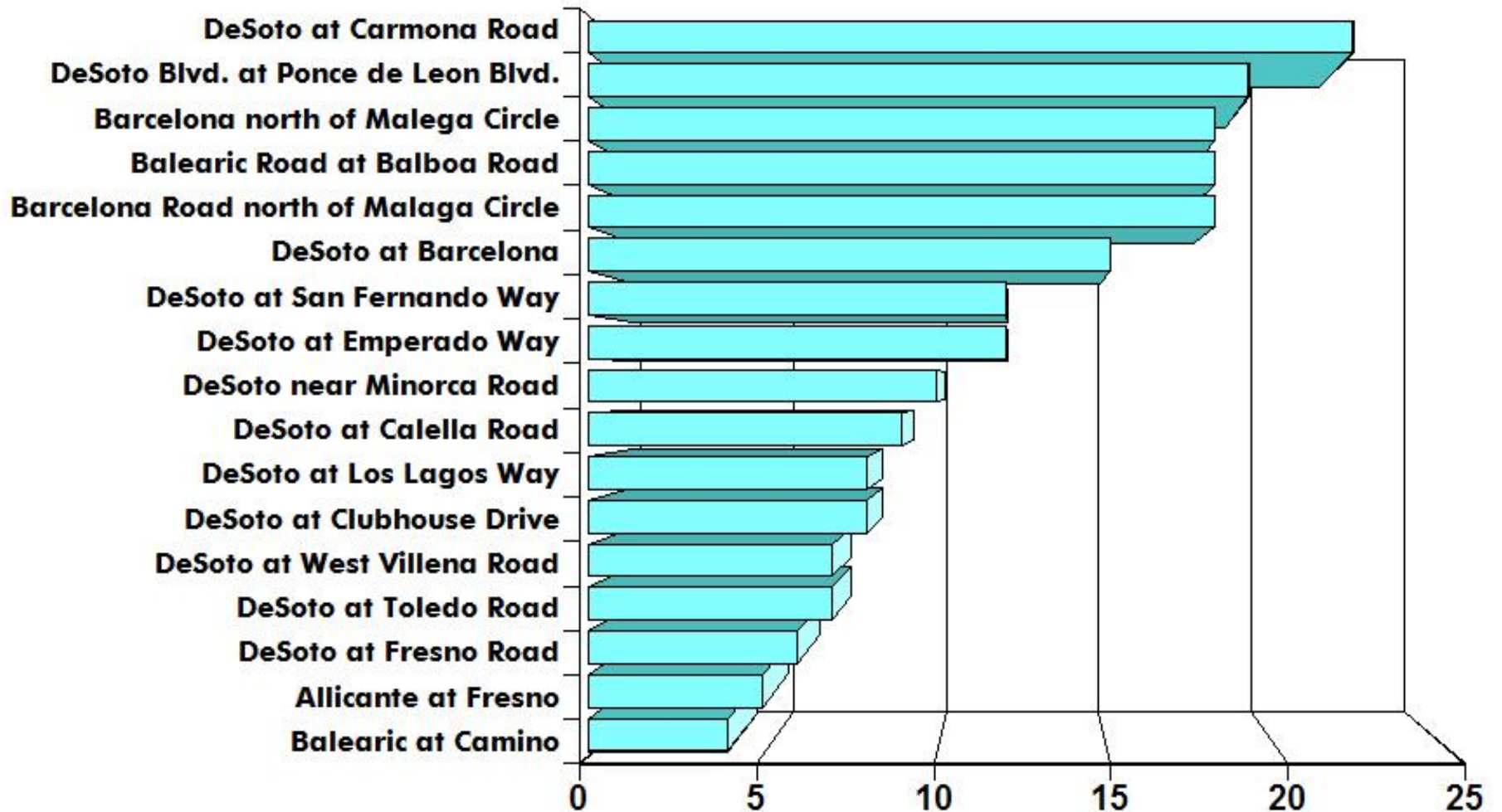
Deer-vehicle accidents in each month

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



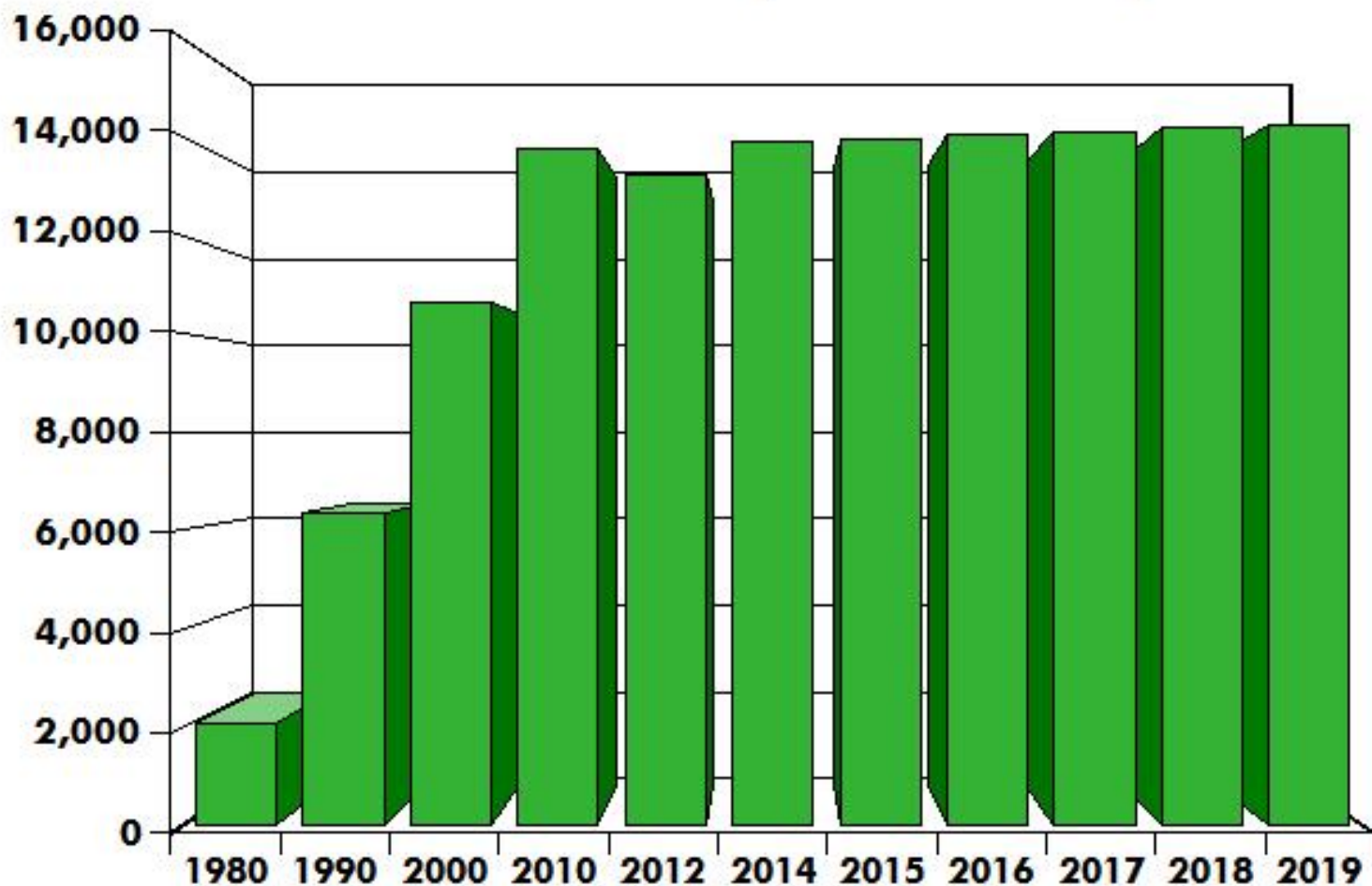
Source: POA Public Works Committee, Keith Salisbury

Locations with most vehicle accidents in last 12 years



Source: POA Public Works Committee, Tom Hinkebein

The population in the Village was estimated to be 14,262 on Sept. 30



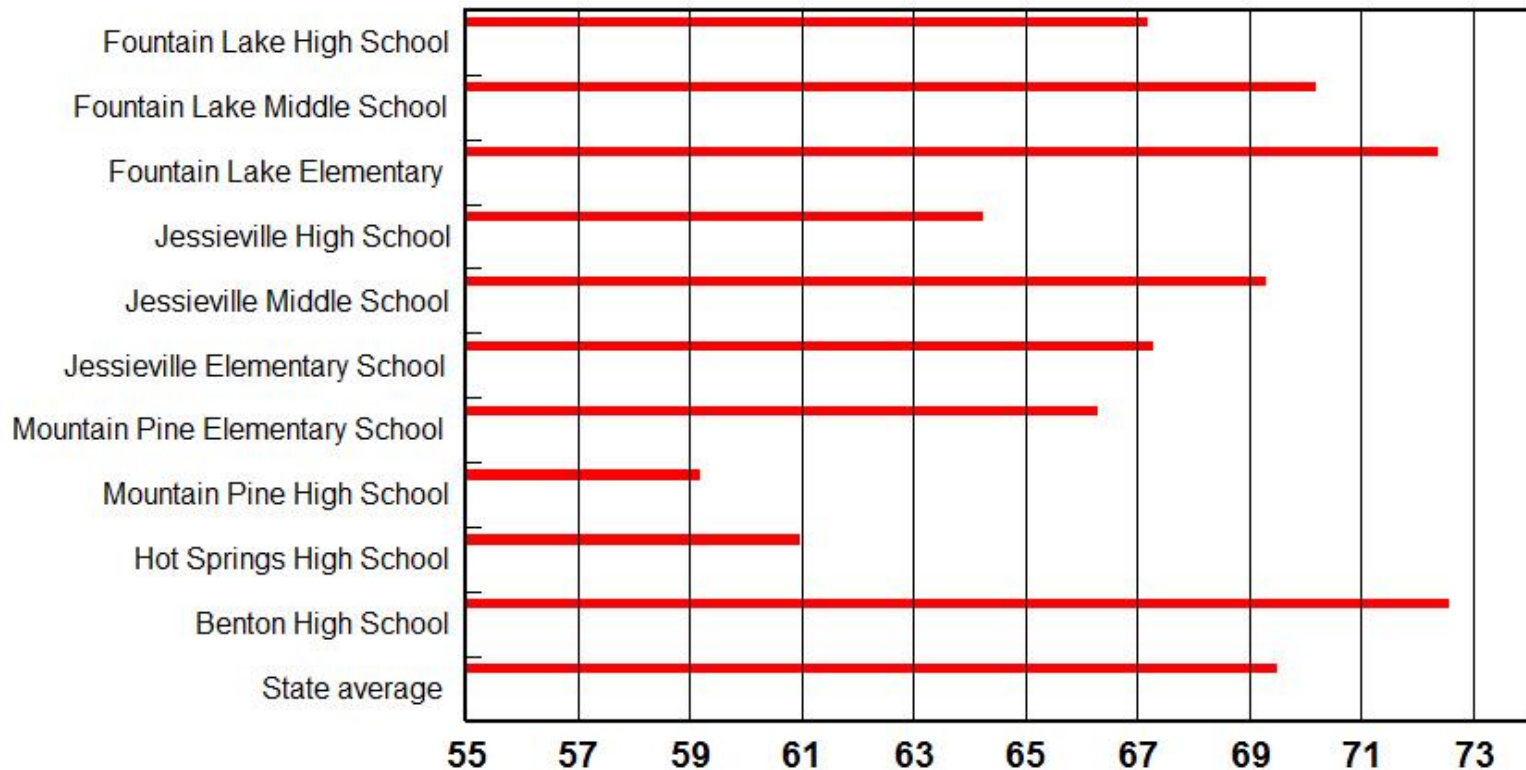
Source: 2011 Economic and Fiscal Impact of Hot Springs Village
U.S. Census Bureau, 2008-2012 American Community Survey
POA financial reports

Quick look at area, state schools, 2018-19

	Jessieville	Fountain Lake	Arkansas
Enrollment	848	1,377	478,318
Avg. years teaching experience	6.0	11.2	10.7
Student/teacher ratio	8:1	11:1	14:1
Average class size	12	14	14
10 th grade literacy proficiency	35.8%	40.0%	43.7%
10 th grade math proficiency	22.4%	30.5%	29.0%
Demographics:			
white	89.3%	83.8%	61%
black	2.0%	1.2%	20%
Hispanic	4.4%	9.3%	13%
Low-income percentage	72%	53%	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)

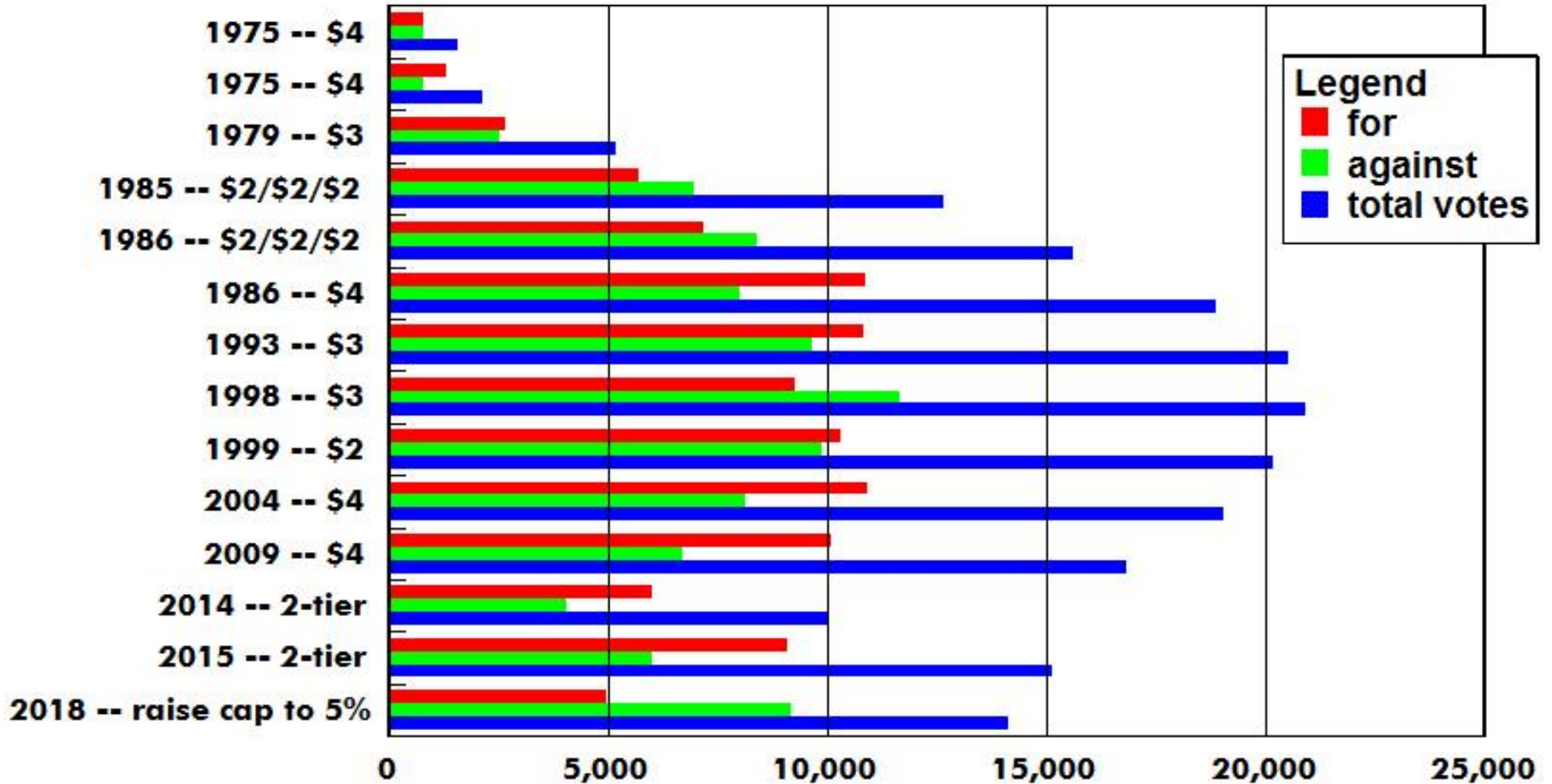
	Garland County	Saline County
Taxes collected from Village	\$947	\$2,015
County spending for Village	\$381	\$497
Net "profit" from Village	\$567	\$1,518
Percentage "profit"	60%	75%

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; declaration voted down in 2018



Source: Hot Springs Village Property Owners' Association