Hot Springs Village Property Owners Association
Governmental Affairs Committee (GAC)
2016-2017 Annual Report

COMMITTEE PURPOSE

To advise and assist the POA Board of Directors in enhancing Village relationships with area, local, state and federal government agencies, elected officials, and abutting school districts.

DUTIES AND RESPONSIBILITIES

- Assist the Board of Directors in keeping abreast of developments in the public sector that could impact Hot Springs Village.
- Assist in transmitting the POA’s positions on issues to public officials and governmental agencies.
- Seek and recommend talent who would be willing to serve on strategic local and state boards and commissions.
- Sponsor functions for local, state and federal officials.

ACTIVITY HIGHLIGHTS

- Provided coordination and management of preparation of Hot Springs Village Social and Economic Impact 16 study report by Dr. Wayne Miller, University of Arkansas.
- Provided leadership for planning and conduct of Senior Services Expo consisting of approximately twenty-six exhibitors, six speakers attracting attendance of approximately 400.
- Developed and implemented legislative action plan for the Regular Session of the 91st General Assembly.
- Planned legislative luncheon for local elected officials held in HSV on December 2, 2016 and assisted in planning for HSV’s hosting of the Benton Chamber Commerce’s first legislative update held on January 27, 2017.
- Provided statewide leadership role in promoting support for Retiree/Relocator recruitment resources including meeting with Governor Hutchinson on December 1, 2016.
- Led local effort toward the creation of the UALR Life Long Learning Institute in HSV.
- Conducted research related to broadband service, provided outreach to local providers, provided technical support HSV leadership in testimony before joint State House/Senate Committee.
- Provided input and support for highway funding.
- Provided detailed election result analysis of important local, State and National elections.

THE TEAM

<table>
<thead>
<tr>
<th>Committee Members</th>
<th>Ex Officio Committee Members</th>
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<tbody>
<tr>
<td>Gerald Allen, Chair</td>
<td>Paul Day</td>
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<td>Clara Nicolosi, V. Chair</td>
<td>Richard Johnson</td>
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<td>Michael Dollar, V. Chair</td>
<td>Richard Schmidt, Sec.</td>
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<td>Richard Schmidt, Sec.</td>
<td>David Whitlow</td>
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<td>Cindy Calhoun, Sec.</td>
<td>Jerry Yeric</td>
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<td>Jim Harlow</td>
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<td>Larry Griffin</td>
<td>Larry Raney</td>
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<td>Larry Griffin, Garland, District 11</td>
<td>Larry Raney, Garland, District 13</td>
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<td>Mike Medica, President</td>
<td>Keith Keck</td>
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<td>HSVBOD</td>
<td>MetroPlan Rep.</td>
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<td>Regular County Liaisons (Justices of the Peace)</td>
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<td>Paul Day</td>
<td>John Lands</td>
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<td>Robert Shoemaker</td>
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1 Accepted position on Lakes Committee.
3 Resigned on May 6, 2016, relocated to California.
4 Appointed Sec. to replace Richard Schmidt.
5 Appointed to GAC July, 2016.
The work of the GAC is generally carried out by:

- Individual members who have standing assignments of liaison with governmental entities, local organizations and schools. Last year the assignments were as follows:
  - Paul Day – Benton Chamber of Commerce and Rep. Lanny Fite
  - Jim Harlow – Retiree/Relocator Recruitment & HSV/UALR Life Long Learning Institute
  - Keith Keck – MetroPlan
  - John Lands – Jessieville and Fountain Lake school districts
  - Curt Malone – Saline County
  - Bob Shoemaker - Other local and State officials
  - David Whitlow – Tri-Lakes Metropolitan Planning Organization
  - Jerry Yeric - City of Hot Springs and Garland County.
- Ad hoc subcommittees of the GAC mentioned in the following sections of this report.

**County JP Volunteer Roles**

JPs of the two counties comprising HSV represent the first level of local government beyond POA board members and, among other things, act as vital voices and advocates for HSV at the county and higher levels of government; keep the GAC abreast of county legislation, budget matters, plans, etc.; contribute to communications with other elected officials; work with GAC subcommittees and individual members on various projects. Their contributions are very important to the GAC in fulfilling its charge.

**Other Contributors:**

In addition to those shown above, it has been a tradition of the GAC to augment its resources by calling on others within the Hot Springs Village community as well as the greater community who have special skills or resources needed for the Committee’s work. During the last year those providing assistance included Tom Leming, Susan Elderton, Frank Leeming, Bobbie Wilson, John Weidert, and Missy Masterson.

In addition, many POA staff members provided on-going administrative, special assistance and meeting place set-up staff support in connection with GAC activities including Lesley Nalley, Linda Mayhood, Ella Scotty, Stacy Hoover, Valerie Mettler, Fern Hancock, Brenda Ellison, Nikki Saltmarsh and Michelle Brown.

State, regional and local community officials and leaders contribute to the work of the Committee by participating as guest speakers during its meetings providing important information and stimulating productive interchange of ideas. Guest speakers during the year included the following:

- Saline County Judge Jeff Arey, April 1, 2016
- Garland County Judge Rick Davis, May 6, 2016
- Ms. Megan Greeson, Economic Development Director, Hot Springs Metro Partnership
- Dr. Michael Murphy, Supt. Fountain Lake School District, August 5
- Lamont Cornwell, Executive Director, Saline County Economic Development Corporation, October 7, 2016
- State Senator Bill Sample, November 4, 2016
- Mr. Scott Bennett, Director, Arkansas Transportation Department, April 7, 2017 (Scheduled)
MEETINGS AND LOCATIONS

The GAC met on April 1, May 6, June 3, July 1, August 5, September 2, October 7, November 4 and December 2 in 2016 and January 13 (originally scheduled for January 6 but delay due to inclement weather), February 3, March 3 and April 7 (scheduled), 2017. All meetings were held in the Ouachita Events Building, Ponce de Leon Center, except the July and August meetings which were held at the Jessieville School District and Fountain Lake School Districts’ offices, respectively.

SUMMARY OF NEW AND CONTINUING INITIATIVES

A. Updating Hot Springs Village Social and Economic Impacts Study

Under the leadership of Lu Otto, with assistance provided by Tom Leming, Susan Elderton, and Frank Leeming, David Whitlow, Jerry Yeric and Jim Zahnd work continued toward completion of the Hot Springs Village Social and Economic Impact 2016 study conducted by Dr. Wayne Miller, Professor, University of Arkansas.

On behalf of the GAC, Lu Otto presented the 46-page Hot Springs Village Social and Economic Impact 2016 report to the POA Board on July 13, 2016. Dr. Wayne Miller, collaborator and author, provided an overview of the report for the Board.

This was the seventh such report on the Village. The reports were created at, roughly, 5 to 10 year intervals going back to 1983. All of these earlier reports - except for the first one which may no longer exist - are also posted on the GAC web site at www.hsvgac.com/hsv-impact.html.

A second printing of the report is now available. Some demographic data from the report are at Appendix 1 attached hereto.

It is noteworthy to add that Lu Otto received the POA Presidents Award for his outstanding work on this important study.

B. Senior Services Expo

Planning for the Senior Services Expo, under the leadership of Cindy Calhoun commenced in March 2016 with a principal goal of assisting seniors with an awareness of, education in, and access to senior services and resources which are primarily free to the recipient. Although targeting the needs of seniors of residing in Hot Springs Village and adjacent neighborhoods, those of all ages were welcomed.

The event was held on October 13, 2016 from 8:00 am – 1:00 pm at the Coronado Center. There were 26 Exhibitors (governmental agencies and non-profit service providers; and 3 breakout sessions concerning: “What Elders Need to Know” (Elder Law attorney); “Getting Help in Times of Trouble” (Area Agency on Aging); and “Hope for the Future” (Hospice and Palliative Care). Almost 400 people attended and its overall success was considered outstanding.

The event was well publicized with newspaper, radio and SuddenLink community channel coverage. The Village Voice newspaper published seven new releases, the Hot Springs Sentinel-Record newspaper three. Attached as Appendix 2 is a brochure/poster that was used extensively throughout the publicity campaign.

In addition to Cindy Calhoun, the Expo committee consisted of Lesley Nalley, John Weidert, Missy Masterson, Valerie Mettler, Bobbie Bateman, Fern Hancock and Richard Johnson. Gerald Allen assisted with publicity.
C. **State Legislative Goals and Activities**

- **Goals.** The following General Legislative Goals were approved on July 1, 2016 for the forthcoming Regular Session of the 91st General Assembly Session that convenes on January 9, 2017. Persuade lawmakers representing Hot Springs Village to sponsor/support legislation toward achieving the following:

  o **Retirement/Relocation**
    - Recognize that attracting retirees/relocators is a vital part of the State’s overall economic development program and fund it accordingly.
    - Improve State competition for attracting retirees/relocators through expanding exemptions of retirement income from State income taxes.
  
  o **Highway Improvements**
    - Create stable State funding resources that when combined with Federal Highway funding is adequate to meet the long-term needs for State highway improvements and maintenance.
    - Provide for additional turn-back funds for county road improvements and maintenance.
  
  o **Broadband Access and Speed**
    - Remove any existing constraints on the ability of communities to take action toward improving access and speed.
    - Provide for community participation in State planning and actions for improving access and speed.
    - Provide incentives to both private and public entities for expanding access in low population density areas and meeting national speed standard goals.

- **Organizing.** On July 1, Chair appointed a Legislative Affairs Subcommittee co-chaired by Jerry Yeric and Michael Dollar having the following charge:

  o Manage all GAC State legislative activities utilizing GAC members, ex officio members, liaisons and other resources, as applicable.
  
  o Maintain liaison with key legislators.
  
  o Plan and conduct meeting functions for legislators and participate in pertinent legislative functions conducted by other entities.
  
  o Monitor proposed legislation during regular, fiscal and special sessions, identifying those measures that could potentially have a negative impact on HSV, take action aimed at mitigating such impacts, and keep the HSV Board of Directors and senior staff informed. Promote development of legislative initiatives supporting GAC general legislative goals and support other measures that could benefit HSV.
  
  o Seek opportunities to testify before State Legislative Committees on issues impacting HSV.
  
  o Report summary of activities at each GAC meeting.

During the legislative session monitoring legislative activities by subcommittee members was carried out by a combination of presence at the Capitol, utilizing internet sites and frequent contact with the HSV legislative delegation.

- **Legislative Events** (planned by GAC and sponsored by HSV)

  o December 2, 2016 - HSV Legislator/Elected Officials Luncheons, DeSoto Club, HSV. Legislators and other local elected officials attending included Sen. Bill Sample, Rep. Lanny Fite and Rep. Mickey Gates, Saline County Judge Jeff Arey, Saline County J.P. James Zahnd and Garland County JPs Larry Griffin and Larry Raney. Others attending included POA Board members, POA staff leadership and members of the GAC.
D. Bills Passed and Signed Into Law Supporting GAC Goals (as of March 31, 2017)

There have been many bills introduced that support the GAC goals, some passed at least in the House or Senate; however, only one has reached the final goal line of being enacted into law. This measure is HB 1162, signed into law as Act 141, which provides for State income tax exempts for all income from retirement and survivor benefits received from the uniformed military services effective January 1, 2017. This action represents a very important step in making Arkansas more competitive in attracting military retirees.

A full reporting of legislative action supporting GAC goals will be made following the conclusion of the current legislative session.

E. Retiree/Relocator Recruitment

Under the leadership of Jim Harlow, considerable progress has been made during the past year in bringing to the attention of political and community leaders the contributions that retirees and others relocating to the State make to the economy and otherwise benefit communities. Some highlights of activities are illustrated below.

In late May, Jim made a presentation on these benefits of attracting retirees and relocators to Rex Nelson, a widely acclaimed columnist for the Arkansas Democrat-Gazette. Mr. Nelson has been an outspoken supporter of Arkansas pursuing alternative economic development initiatives such as retiree relocation in addition to the traditional manufacturing industry. Mr. Nelson wrote a column appearing in the June 22, 2016 issue of the Arkansas Democrat-Gazette strongly urging State support for this endeavor.

On December 1, Jim, representing an informal coalition of about fifteen communities representing a good cross-section of the state, made a presentation before Governor Hutchinson covering the following: (i) the potential economic and other benefits associated with recruiting retirees and relocators (ii) suggested that attracting this demographic is another form of economic development and (iii) recommended initiatives for more aggressively pursuing this demographic. The Governor’s staff in attendance included Mike Preston, Directors of Economic Development and Kane Webb, Director, Parks and Tourism (by speaker phone), and others.

- Rex Nelson opened the meeting covering his consistent advocacy for an alternative program aimed at attracting this demographic followed by Sen. Bill Sample’s supportive comments preceded Jim’s presentation. The Governor expressed interest and asked a number of questions indicating that the program was something that he wanted to pursue. He directed the Directors Preston and Webb to develop a plan for jointly raising the State’s profile in attracting retirees and relocators. Implications were that the Governor expected Sen. Sample to be actively involved in the legislative process for funding for this initiative.

- In addition to Sen. Bill Sample and Mr. Nelson, others attending included Rep. Lanny Fite; two other House members; representatives from ten coalition communities; HSV Board President
Mike Medica and CEO Lesley Nalley; and Gerald Allen. Total in attendance, excluding the Governor’s staff, was twenty-eight. Overall impression of the meeting – very positive.

F. UALR Life Long Learning Institute

Last Spring Jim Harlow’s work in exploring alternative methods of attracting retiree/relocators lead to his examination of a very successful program University of North Carolina in Asheville, NC aimed at attracting visitors who might be prospective retiree residents. This program had some features similar to the Road Scholar (formerly Elderhostel) learning programs.

Subsequent discussions with representatives of the University of Arkansas at Little Rock (UALR) in May led to the conclusion that attempting to implement a program as comprehensive as the Ashville program in one step was not feasible for a number of reasons. It was concluded the program should be developed in phases as follows:

- Continuing Education – Life Long Learning Institute (LLI) programs.
- Travel Segment – latter 2017 (perhaps partner with Road Scholar).
- Retiree Exploration Weekend in HSV (similar to Ashville program).

Milestones include:

- Two well attended focus group meetings were held in July to seek input from HSV residents regarding program curriculum and travel opportunities.
- Launching the enrollment in the LLI at HSV Values program on October 6.
- First program, History of Majestic Hotel, held October 13, 2016.
- A total of five programs presented by end of 2016.
- Membership reached 165 end of 2016 and 220 by March 1, 2017

LLI Mission Statement:

The UALR Benton Center Lifelong Learning Institute at Hot Springs Village will provide enriching educational opportunities by offering community education programs and scholarly travel venues in collaboration with the Hot Springs Village Property Owners Association.

Key leaders in the development and implementation of the LLI included:

- Jim Harlow – Hot Springs Village Governmental Affairs Committee
- Lisa Davis, Director of Distributed Learning, UALR
- Dr. Susan Aldridge, Director, Lifelong Learning Institute

G. Broadband Service

In view of many factors, including the following, at its May 6 meeting the Committee decided to renew its efforts toward exploring ways and means aimed at improving broadband service in HSV:

- The speed of broadband service considered adequate by a majority of users is ever increasing.
- Notwithstanding expansions by one cable company serving HSV, many residents do not have access to internet service meeting their needs or have access that may be marginally adequate but is cost prohibitive (such as satellite).
- There is at least one State initiative aimed at raising the availability of adequate broadband coverage above its current status as second from the bottom in the Country and there may be an opportunity to support this initiative.
During the June 3 meeting, the Chair appointed a new Broadband Ad Hoc Subcommittee headed by Clara Nicolosi, along with Gerald Allen, Michael Dollar and Richard Johnson. The charge was established as follows:

- Conduct surveys, studies, etc. to quantify the broadband deficiency in HSV.
- Elicit plans for improvement by existing HSV broadband providers.
- Solicit interest from other potential broadband providers in providing service in HSV.
- Identify governmental (Federal, State, regional, local) and other entity initiatives toward improving broadband access. Identify synergies, if any, with these initiatives and make contact with applicable entities and engage if deemed beneficial and appropriate.
- Develop potential options for improving broadband service in HSC.
- Present periodic progress reports to the GAC.

Later, local broadband service providers were invited to attend “round table” on increasing access to and the quality of broadband service in HSV.

Further, the Committee assisted in the preparation of testimony by POA President Mike Medica before the State Legislative Advanced Communications and Information Technology – Joint Committee at a hearing in Hot Springs on August 20, 2016 emphasizing, among other things the following:

- The necessity of broadband service at a reasonable cost to all communities.
- Presented FCC data describing the shortfalls contrasting the significant differences in access and service quality of service in urban vs. rural areas.
- Provided estimates of broadband access and quality deficiencies in HSV as of the end of 2015 and initiatives undertaken to improve service.
- Inasmuch as broadband service is not rate regulated and providers tend to give priority to high density urban areas as compared low density rural areas, it was suggested that legislators consider actions that would provide financial incentives for increasing access and quality of service in these low density areas. Examples were provided.

Since renewing the broadband expansion effort, there has been significant expansion of broadband access in HSV, including service to all POA facilities. It is estimated that at the end of 2016, approximately 6,700 homes had broadband service albeit many at speeds less than the current FCC minimum standard of 25 Mbps download and 3 Mbps upload. Notwithstanding this progress, there are isolated areas where service is not available and furthermore is some areas where service is available; the speeds are well below the FCC minimum standard. Therefore, more work remains.

**H. Highways**

- **State Funding.** The GAC was represented by Gerald Allen and Paul Day at a highway funding focus group meeting sponsored by the Arkansas Good Roads Foundation in November, 2016. Twenty such meetings were held throughout the State along with a survey of 800 likely voters. The findings were fairly solid that voters opposed any increase in the current per-gallon fuel tax but would favor a sales tax on fuel wholesalers and support making permanent the temporary one-half cent sales tax approved in 2012 for highway funding.
Projects of Interest

- Highway 5, Highway 128 to Benton - second phase of safety improvements; project to be bid in latter 2017 and completed in 2018.
- Highway 5, Highway 7 east to Highway 128 – safety improvements; project expected to be bid in 2018.
- Highway 7, Bryant Road north to Highway 298 West – safety improvements; project expected to be bid in 2017.
- Highway 7, Gulpha Gorge south through Hot Springs – widening and intersection improvements; project expect to be bid in 2018.
- Fountain Lake Parkway (a.k.a East/West Arterial Extension; a.k.a. and MLK By-Pass) – new route consisting of 5.2 mi. limited access parkway from Highway 70 to Highways 5/7 junction, construction expected to start in early 2019.

I. Election Results Analysis

Jerry Yeric prepared detailed analysis for the following 2016 elections (available on GAC website www.hsvgac.com):

- POA Board of Directors
- Arkansas Presidential Primary
- Garland County “Pave it Forward” 5/8 Cent Sales Tax Proposition
- Presidential
- U.S. Senate
- Arkansas Medical Marijuana Constitutional Amendment
- Presidential Election Results Comparison - HSV vs. The Villages of Florida

Acknowledgment of Contributors

It was a pleasure to serve as Chair of the GAC for the past year and have the opportunity to be associated with so many dedicated and talented residents of the HSV Community, elected officials who represent HSV and other area leaders. I thank all those named herein as well as others who contributed, but unintentionally not named, for their support, dedication and contributions to the work of the GAC. Board President Mike Medica’s strong support as the Board liaison to the GAC was extremely important and appreciated. Without these contributions, the activities and resulting accomplishments described in this report would not have been possible.

Respectfully submitted,

Gerald S. Allen
Chair

Attachments: Appendix 1- Hot Springs Village Demographics
Appendix 2 – Senior Services Expo Brochure
Appendix 1

Governmental Affairs Committee
2016-2017 Annual Report

Hot Springs Village Demographics

2015 Demographics

- Population: 14,000 (9,018 households)
- Migration to Arkansas from 49 states & 12 foreign countries
- Nativity
  - 97% born in U.S.
  - 16% born in Arkansas
- Median Age: 68.8 years (37.6 statewide)
- Education
  - High School graduate: 96% (76% statewide)
  - Bachelor’s degree or higher: 36% (16% statewide)
- Enrolled in K-12: 560 or 26% of enrollment in the two school districts
- Median household income: $54,236 (31.4% above statewide median)
- Percent receiving income from:
  - Social Security - 78%
  - Other retirement - 54%
  - Earnings – 36%
  - Other – 3%
- Employed: 23%
- Owner occupied housing: 91% (67% statewide)

2015 Economic Contributions

- Measurable economic contributions to State’s economy through spending for goods and services:
  - 5,389 jobs created
  - $371.3 million to state’s economy (2/3 in Garland and Saline Counties) equating to:
    - $26,400 per capita
    - $41,200 per household
- Net contributions to county governments and school districts:
  - $1.6 million in county property and sales taxes paid in excess of estimated benefits received.
  - $11.0 million in school property taxes paid in excess of estimated benefits received.
- $12.6 million total property taxes paid in excess of estimated benefits received equating to:
  - $900 per capita
  - $1,400 per household

Sample of Community Service Contributions

Retirees and Relocators bring many and varied talents and experiences that contribute to the local communities, regions and the State including:

- Service through 117 civic, service, professional and charitable organizations.
- Public service as elected officials on county quorum courts and school boards; representatives on a host of agency boards, non-profit entity boards and special governmental committees.

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1 Data extracted from report, *Hot Springs Village Social and Economic Impact 2016*, Wayne P. Miller, Professor, Division of Agriculture, Research and Extension, University of Arkansas, 2016
2 Many are retirees who returned to Arkansas after careers in other locations.
3 Sales tax applicable to Garland County only.
Hosted by the Governmental Affairs Committee, the Senior Services Expo will showcase a great line-up of approximately 24 organizations such as Veteran’s Services, SHIIP/Medicaid/Medicare, Social Security, Alzheimer’s Arkansas, The Caring Place, Area Agency on Aging, Oaklawn Center on Aging and more.

There will also be three informative breakout sessions: “What Elders Need to know, including the Miller Trust” by Karen Baim Reagler, LL.M.-Estate Planning and Elder Law; “Hope for the Future” by Hospice and Palliative Care Association of Arkansas – Macy Braswell, HPCAA Board Member; and “Getting Help in Times of Trouble” by Area Agency on Aging - Missy Masterson-Hale, RN.

TO PRE-REGISTER FOR A FREE BOX LUNCH OR TRANSPORTATION TO THE EXPO, CALL VALERIE METTLER AT 501-922-4231 OR EMAIL VMETTLER@HSVPOA.ORG

PRE-REGISTRATION DEADLINE: SEPTEMBER 30TH