

Tell-E-Gram Text Only Version, September 20, 2013

POA Meetings and Events:

- Long Range Planning Advisory Committee, 10 a.m. Thursday, Sept. 26, POA Office
- Rec 101, 12:30 p.m. Thursday, Sept. 26, Wellness Center
- Public Services Advisory Committee, 1 p.m. Thursday, Sept. 26, POA Office
- Golf 101, 9 a.m. Friday, Sept. 27, Tanasi Clubhouse

August 2013 Financial Report

Last month I discussed a recent review of the Tellico Village Property Owners Association Reserves and Investment Policy. For many years TVPOA has established and maintained various reserve funds as a prudent business practice, despite there being no internal or legal requirement to do so. Reserve funds are used to accumulate capital for future major repairs, replacements and maintenance, and for funding additions to and creating new major amenities and facilities. Meeting these needs over time requires good planning and funding over more than one budget cycle, and we do this while attempting to avoid special assessments or unplanned debt increases.

In the past we have had as many as nine different policy statements dealing with reserves and investments. The revised policy statement, drafted by a study team consisting of staff, Board representation and Finance Advisory Committee representation, combines all current reserves and investment policy statements into one comprehensive policy. It was circulated to the Board and the Finance Advisory Committee, was posted to the TVPOA website for property owner review and comment and was the subject of a detailed review at the Board Workshop on Sept. 10. It was formally presented and approved at the Sept. 17 meeting of the Board of Directors.

In addition to approving the new policy, the Board also approved combining the Water Reserve Fund and the Sewer Reserve Fund into one account, to be called the Water and Sewer Reserve Fund. The Board also voted to establish a new Tellico Reservoir Development Agency (TRDA) Reserve Fund, with initial funding coming from the existing TRDA operating account. The TRDA Reserve Fund will be used as a budgeting tool to accumulate funds, on a monthly basis, to be applied toward the TRDA lease payment that is due annually in December.

Each month I discuss our 2013 budget goal of cash self-sufficiency and report on our position relative to this goal. Through the end of August operations we had unfavorable variances to budget for revenues, offset by favorable variances to budget for expenses. Also, including the capital projects approved at the August Board meeting, we are 94% through our 2013 Capital Plan and are coming in about \$43,000, or 3%, under budget for all capital projects approved to date. Our approved 2013 budget projected positive net cash flows of \$15,000. Considering our favorable variances to budget for net income and our favorable capital project variances to date, we are currently projecting more than \$600,000 positive net cash flow for the year 2013. Of course these projections will change as we go through the year and encounter both positive and negative influences. Still, combining all of these factors, we are well positioned to achieve our goal of cash self sufficiency for 2013.

Following are some key financial measures through August YTD.

| All numbers in \$1,000s. | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> |
|--------------------------|---------------|---------------|-----------------|
| Revenues | \$9,990 | \$10,494 | (\$504) |
| Expenses | <u>9,633</u> | <u>10,724</u> | <u>1,092</u> |
| Net Income | \$ 357 | (\$ 230) | \$ 587 |

Our Total Revenue year to date is \$504,000 worse than Budget. Shortfalls in Golf, Boat Slip rentals, RV space rentals, Water and Sewer, Gas Dock sales and Utility Installation revenue accounted for the unfavorable variance. These were partly offset by revenue from Realtor participation in the Village Marketing Program and by higher than budgeted Recreation revenue. On the expense side, we had favorable variances totaling \$1,092,000. The recently announced legal settlement with one of the major lot investors was recorded as a recovery of bad debt expense. At the same time we reevaluated the remaining allowance for doubtful accounts and adjusted them to reflect their current age and likely collectability. We also have favorable expense variances for supplies, salaries and benefits, utilities and maintenance. Some of these are timing differences and will be partially offset in coming months. But, timing differences aside, we estimate that we had favorable expense control during the first eight months of the year. Through the end of August our year-to-date net income is \$357,000 compared with a budgeted loss of \$230,000, for a favorable variance to budget of \$587,000. At this point in the year we have completed most of our 2013 Capital Plan, and there were no requests for capital project funding submitted at the September Board meeting. In light of our strong current and projected cash balances, the Board voted to rescind the previously authorized draw against the bank line of credit for \$285,000 to finance golf equipment purchases approved in February and March. In addition, the Board authorized a payment to principal against the bank line of credit for \$220,000.

Street Restoration in Coyatee/Tommotley Neighborhoods Continues

Southern Construction Group began work in Coyatee and Tommotley neighborhoods on the street restoration project on Friday, Sept. 13

There are traffic control personnel on site. We will be making one way streets where possible. All emergency vehicles will have access 24 hours a day 7 days a week. We will have traffic control at cul-de-sacs where one way is not possible.

Do not walk or drive on treated streets. It will track on driveways, sidewalks and carpet. Streets will be closed for up to 24 hours.

We will have parking available at the Wellness Center if you wish to take your car out of closed areas. Southern Construction will be available with one-hour notice to take you to and from your home and car. Please limit your travel. For transportation to/from the Wellness Center, call 423-333-6998. To avoid morning traffic the mornings prior to construction, it would be appreciated if residents would park their cars at the Wellness Center the night before.

Call Scott Kelly (423-333-6271) or Annette Lee (423-333-6747) for questions or if you need assistance for travel.

Helpful Hints

- Notify landscapers, trash pickup, other construction crews, or any outside service.
- Dry time may take up to 24 hours.
- If walked on before having time to cure, sealant will track on sidewalks, carpet, hardwood floors, tile or inside of cars and SOUTHERN CONSTRUCTION will not be responsible.
- There will be a distinct harmless odor.
- Please shut down all sprinkler systems.
- If there is a chance of rain, high winds, or a late start due to traffic SOUTHERN CONSTRUCTION may cut back area or push the project back a day or more.

(Continued on page 3)

Thank you for your help and cooperation on this project!

Charitable Events and Fundraisers

Tour de Tellico Sept. 28

The Tate & Lyle Tour de Tellico, hosted by the Tellico Lake Rotary Club, will be held 7 a.m.-1 p.m. Saturday, Sept. 28, departing from the First Baptist Church's parking lot on Chota Road. The event is open to bikers and hikers. There are four challenging bike rides: 25 km, 50 km, 100 km, and 100 miles. For walkers, there will be a 2.5-mile poker walk. The event includes lunch. Maps and registration information is available at TourdeTellico.com. All proceeds support four local charities and the Rotary's worldwide effort to eradicate polio.

TV Lions Host Oktoberfest Oct. 7

This year's Lions Oktoberfest will be held 4-8 p.m. Monday, Oct. 7, at the Yacht Club. It is a wonderful evening filled with great food, beer, and gemuchlikeite—a German good time. Tickets are limited, so don't delay. Your tickets are \$25 for a couple or \$13 for an individual. Tickets can be purchased from any Lions Club member, United Community Bank, or Sloan's Village Hardware. For more information, contact Dick Kolasheski, 865-458-3482; or Marcia Higby, 865-458-9356.

Your ticket will get you brats, sauerkraut, German potato salad, cole slaw, cookies, and assorted beverages—including beer. A cash wine bar will also be available.

As with all Lions' fundraisers, this event will be used to fund Lions' support of vision programs, local service organizations, and the Tellico Village community.

Authors Fair Oct. 18

The Public Library at Tellico Village is having an Author's Fair on Oct. 18, 11 a.m. to 1 p.m. Sam Venable and 12 local authors will be there to share their books and have lunch. In addition, a mini fiction book sale will be happening in the conference room. Come join us for lunch and meet the authors.

Lunch is \$10 and included is your choice of sandwich, plus chips, cookie, and drink. See the choices below.

The local authors and books are: Bobbi Phelps Wolverton and *Behind the Smile* (sex, humor, and terror during the glamour years of aviation); Kathleen Fearing and three children's books (ages 10 and up), including *Voyage of Dreams* with exciting stories about family and friendship; Marilyn Mae Randall and seven children's books, including *Southern Christmas* which is a great Christmas gift; Cheryl Peyton and two thrillers including *Six Minutes to Midnight* and one inspiring polio survivor story; John Forcum's *The Company of Girls 1862-65* (historical fiction about the brave Tennessee women left behind during Union occupation); Woody Patton Dewberry and *and, uh, as I was saying, more memories of yesteryear in Gleason "Tater Town" Tennessee*; Sam Bledsoe and *The Last Senoobians* (science fiction about beings from a distant planet marooned on Earth); Don Pardue and multiple books, including *Maiden Harvest*, a story of a simple farmer's courage and perseverance and a family's love; John Thomson and *Fifty Years of Flying*, an exciting life of flying with the military and privately; Joe Moore and two books, including *Believe Again*, the North Pole Chronicles which will restore your faith in Santa Claus; Jan Hahn and a children's book plus *Voices*, a book of poetry; and Marilyn Neilans and *Saying Goodbye to the Iris Lady*, a true life novel of the acquisition of understanding and acceptance. Sam Venable, author of numerous books of humor, has a new book coming out called *Warning! This Product Contains Nuttiness*, his biggest collection of essays yet. He

and the other authors will be reading excerpts from their books during lunch.

Send your give your choice of sandwich and your \$10 check to the Public Library at Tellico Village or mail to: Billie Whitney, 208 Dudala Way, Loudon TN 37774.

- Pecan chicken salad on a croissant
- Turkey with lettuce on wheat
- Ham and cheese with honey dijon dressing
- Light pimento cheese

Some Other Stuff You Need to Know...

Hike Nemo Bridge/Obed Scenic River Sept. 25

The Tellico Village Hiking Club will depart 8 a.m. Wednesday, Sept. 25, from Chota Center to hike:

- **Nemo Bridge/Obed Scenic River**
- Distance: 10 miles
- Rating: Difficult
- Driving time: 1.5 hours
- Elevation Gain: 800 feet
- Leader: Dolly Garnett, dandbgarnett@charter.net or 865-408-2547

This hike is in a section of the Obed Scenic River within the Obed and Emory River Gorges. The first 2.5 miles to Alley Ford is rated moderate and the final 2.5 miles is difficult as you find yourself hiking down into the Obed basin where there are rocky and steep stairs and rocks to climb over. We will hike to Break Bluff which offers a beautiful view of the river gorge. Hiking sticks are strongly recommended to maneuver the difficult rocky areas.

Hiking boots and hiking sticks are recommended. Driving directions will be provided the morning of the hike. Bring water and a trail lunch. Carpooling is recommended, passengers are asked to contribute \$6 to the driver to help cover gas, etc. For more information, go to www.tvhikers.com.

Wisconsin Bratfest Sept. 23

The Wisconsin Club Fall Bratfest will be held 5 p.m. Monday, Sept. 23, at the Family Beach and Pavilion on Tugaloo. The cost is \$7 per person, which includes brats, kraut, condiments, games, and door prizes. Bring a dish or dessert to share and your choice of beverage. Contact Jeannette at kbkiehnau@sbcglobal.net or 920-737-5052.

Polish Heritage Club Dinner and Golf Sept. 26

The Tellico Village Polish Heritage Club will have its annual golf outing and dinner Thursday, Sept. 26, in the Kahite Clubhouse. Golf 9-hole scramble will begin 3:30 p.m., cocktails at 6 p.m., followed by dinner at 6:30 p.m. Dinner is \$13 per person; golf is an additional cost. For golf reservations and information, contact Rich Opitck, 865-458-9704. For dinner reservations, contact Nadine Mazienis, 423-884-2577. The last day to sign up is Sept. 21.

New York Staters Picnic Sept. 27

The New York Staters Club will have a picnic 5 p.m. Friday, Sept. 27, at the Family Beach and Pavilion. Bring a dish to share and your own beverages. Tableware, plates and ice will be furnished. For more information, contact Fred Gibson, 865-458-0851.

Computer Users Club Meets Oct. 1

The Tellico Village Computer Users Club will meet 7 pm. Tuesday, Oct. 1, on the top floor of the Yacht Club. Larry McJunkin will present a program on using Skype. Skype is a free voice-over-IP service and instant messaging client developed by Microsoft. It is a great tool to be visibly and verbally in touch with friends and family. For more information, go to www.TVCUC.org.

Thyme for Herbs Meets Oct. 3

Thyme for Herbs (Herb Study Group) will meet 9 a.m. Thursday, Oct. 3, in the Chota Recreation Center. The program, beginning 9:30 a.m., will feature Ruth Shelton demonstrating Sweet and Savory Herbal Cooking. For more information, contact Mary Garner, 865-408-0337.

Marketplace at the Yacht Club Oct. 4

Friday, Oct. 4, promises to be a great day to visit the Tellico Village Yacht Club. The fifth annual Marketplace at the Yacht Club will be open for business from 10 a.m. to 2 p.m. More than 40 businesses and vendors will set up and demonstrate those products and services they feature. Villagers are encouraged to come by, no appointment necessary, and see the types of products and services available in the local area. Music and art will also be on the menu at the Oct. 4 event.

The Marketplace was started to marry the needs of Villagers with the businesses who seek customers in Tellico Village. Hopefully, a good turnout by Villagers will demonstrate to local businesses the need to relocate some more services to Village storefronts.

The Marketplace at the Yacht Club is presented by the Loudon County Chamber of Commerce and the Tellico Village Property Owners Association.

Anyone interested in having a booth should call the Loudon County Chamber at 865-458-2067.

2014 Budget Meeting Schedule for 2013-2014

- Oct. 4, target date for first draft of Consolidated Budget; internal reviews with managers
- Oct. 9, Board review, discussion & direction to management and Finance Advisory Committee, 10 a.m., POA Office
- Oct. 22, Finance Advisory Committee review of departmental budgets, 10 a.m. to 2 p.m., POA office
- Oct. 23, Finance Advisory Committee review of departmental budgets, 10 a.m. to 2 p.m., POA office
- Oct. 24, Finance Advisory Committee review of departmental budgets, 10 a.m. to 2 p.m., POA office
- Oct. 25, Finance Advisory Committee review of departmental budgets, 10 a.m. to noon, POA office (IF NEEDED)
- Nov. 1, Finance Advisory Committee Final Review of 2014 Budget 10 a.m. to noon, POA office
- Nov. 7, Board review of final draft 9 a.m. to 11 a.m., Yacht Club top floor
- Nov. 13, Board second review of final draft, if needed, 10 a.m. to noon, Yacht Club downstairs
- Nov. 20, Board approval of 2014 Budget, regular monthly Board meeting
- Dec. 2, mail assessment coupon books to property owners
- Jan. 15, 2014, true up beginning cash balances for actual yearend; adjust cash flow

statements and review at regular monthly Board meeting

- Jan. 30, 2014, distribute printed copies of 2014 Budget and Five-Year Plan

POA Advisory Committee Applications Available

Committee Application packets are now available at the POA offices by contacting Sherry Snodgrass at ssnodgrass@tvpoa.org or calling 865-458-5408, ext. 4100.

- Committee applications must be in by close of business, Tuesday, Oct. 1, to be considered for 2014 committee seats.

Waste Connections Rate Change

Effective Nov. 1, 2013, the rate for residential trash and recycle pick-up will increase by 1.75% - or go from \$14.31 to \$14.56 per month, or \$43.68 per quarter. This contract between Waste Connections and TVPOA will expire Oct. 1, 2014.