

Tell-E-Gram Text Only Version, October 18, 2013

POA Meetings and Events:

- Dock Captains, 3 p.m. Monday, Oct. 21, POA Office
- Long Range Planning, 10 a.m. Thursday, Oct. 24, POA Office
- Public Services Advisory Committee, 1 p.m. Thursday, Oct. 24, POA Office
- Golf 101, 9 a.m. Friday, Oct. 25, Tanasi Golf Course

Financial Report for September 2013

By Parker Owen, Finance Director

Last month I discussed recently approved changes to our Reserves and Investment Policy. 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. Some years we have net additions to our reserve funds, while other years we draw down some of our reserves.

The process for developing the 2014 Budget and the 2015-2019 Five-Year Plan is currently underway. I have previously characterized the 2013 Budget as “maintenance” level, because we did not include any expansions of amenities. We did include funding of some design studies to develop master site plans for the Wellness Center and for the Toqua Golf Site and Clubhouse, and to define the scope and cost estimates for pickleball facilities. Those design studies are nearing completion, and several amenity expansions are under consideration for inclusion in the 2014 Budget.

Because the 2013 Budget was at “maintenance” level, it was appropriate to target a level of cash self-sufficiency that would fund the 2013 Capital Plan out of 2013 cash flows, with no increase in total debt, and no decrease in total cash. The 2014 Budget is shaping up as a moderate expansionary budget. My expectation is that we will target funding of the 2014 budget from a combination of both operating cash flows and draw down of some reserves. This is still a conservative plan for funding. In effect we have “saved up” for the funding of new amenities over the course of several budget cycles, and now we have the capital reserved to pay for these amenities. Our routine capital replacements will be budgeted out of 2014 operating cash flows.

At their September meeting the Board of Directors approved a \$220,000 payment to principal against our bank line of credit. Reflecting this payment our month-ending balances are as follows:

All numbers are in \$1,000s	09/30/13	09/30/12	Change
Bank Line of Credit	\$ 165	\$ 488	(\$323)
Wellness Center Note	1,329	1,500	(171)
Capital Lease Obligations	262	258	4
Total Debt	\$1,755	\$2,245	(\$490)

Over the past year we have paid down \$490,000 in debt from a combination of regular monthly

payments and the \$220,000 payment to principal.

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 September operations we had unfavorable variances to budget for revenues, offset by favorable variances to budget for expenses. Also, including all capital projects approved through the end of September, 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 over \$350,000 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 September YTD.

All numbers are in \$1,000s	Actual	Budge	Variance
Revenues	\$11,309	\$11,903	(\$594)
Expenses	\$11,122	12,040	918
Net Income	\$ 187	(\$ 137)	\$324

Our Total Revenue year to date is \$594,000 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 \$918,000. 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 and utilities. 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 nine months of the year. Through the end of August our year-to-date net income is \$187,000 compared with a budgeted loss of \$137,000, for a favorable variance to budget of \$324,000.

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 October Board meeting. Detailed 2014 Budget reviews by the Finance Advisory Committee are scheduled for this week. A few more meetings are scheduled in the coming weeks leading up to the budget approval scheduled for the Nov. 20 Board meeting. As always, these meetings are open to all property owners.

Charitable Events and Fundraisers

Kiwanis Hosts Breakfast to Benefit Kids Oct. 26

The Kiwanis Club of Tellico Village is hosting its semi-annual Pancake Breakfast/Brunch 7:30-

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11:30 a.m. Saturday, Oct. 26, in the Community Church at Tellico Village's Christian Life Center. Ticket prices are:

- Adults
 - Advanced purchase - \$8
 - At the door - \$9
- Children: 12 and under...Free

Tickets may be purchased from members of the Kiwanis club, or call Barry Rummel, 865-408-0150. Tickets are also available at two Tellico Village banks; First National and United Community.

Barry, Project Chairman, invites everyone to loosen their belt buckles and join the community. The all-you-can-eat pancake breakfast/brunch has turned out to be an event that brings neighbors of all ages together in a setting where you can see old friends and make new ones. The menu is diverse and exceptionally delicious. It ranges from pancakes and quiche to sausage, fruit, and yogurt accompanied by all of the coffee, milk and juice you can drink. Wampler's Sausage and Mayfield Dairies are major sponsors.

The last pancake breakfast hosted more than 800 guests. Barry said, "Our target is to exceed that record." More than 70 Kiwanians and their wives, along with members of the Loudon High School Key Club will prepare the food and assist in serving.

The Kiwanis Club Mission is "to serve the children of the world". Your participation helps provide the funds to pursue this mission in the Loudon area.

IT'S ALL FOR THE KIDS!

Come, enjoy a great meal and help the kids in the process.

Women's Club Home Tour Nov. 3

Views and More Views

Not only are the four impressive homes decorated for the holidays, each have terrific views. Come see the exciting views of Tellico Lake, WindRiver golf course, and the Smoky Mountains from the different homes. One home features an outdoor seating area facing Tellico Lake complete with a fire pit, while another has a walking terrace that faces Tellico Lake. To capture the views, one home owner has 13 seating areas from which to relax and take in the views.

Join us for the home tour at WindRiver Community, 1-5 p.m. Sunday, Nov. 3. Tickets (\$12) are now available from any club member or at these Tellico Village outlets: United Community Bank, More Than Mail and The Village Salon.

Some Other Stuff You Need to Know...

Updates for the Winter Directory

The Winter Edition of the Tellico Village Directory is now being prepared. There will be a pre-view copy at The Public Library at Tellico Village Monday, Oct. 14, through Saturday, Oct. 26.

Tanasi Café to Close Early Oct. 19

The Tanasi Café will close 5 p.m. Saturday, Oct. 19, in order to set up and prepare for the 2013 New Villagers Yearend Golf Event.

- Breakfast will be served 8-11 a.m.

- Lunch will be served 11 a.m.-3 p.m.

Hike Mt. Cammerer Oct. 23

The Tellico Village Hiking Club will leave 7 a.m. Wednesday, Oct. 23 (note early time), from Chota Center to hike:

- **MT. CAMMERER**
- Distance: 11.2 miles round trip
- Rating: Difficult
- Elevation Gain: 2,728 feet
- Driving time: 2 hours
- Leader: Terry Nyenhuis 865-206-9476 terrynyenhuis@gmail.net

This challenging hike begins at the Cosby Campground in the Great Smoky Mountain National Park. We will hike to the fire lookout building via Low Gap, the Appalachian, and Mt. Cammerer trails. The view from the top will make all our efforts worthwhile. We'll have spectacular 360 degree views of the autumn landscape.

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.

COPs Host Sheriff Oct. 23

The Tellico Village Citizens Observer Patrol (COPs) have made arrangements for a representative(s) of the Loudon County Sheriff's Department to present a review of criminal incidents reported in Tellico Village over the last 12 months.

This statistical review will take place 5 p.m. Wednesday, Oct. 23, on the top floor of the Tellico Village Yacht Club.

The Sheriff's Department will present the type of incidents reported along with suggested actions that victims might have taken to prevent the incidents from occurring. Additionally, the Sheriff's Department will alert participants of criminal trends they are observing in an effort to prevent residents from being victimized.

A question-and-answer session will follow the presentation. Light refreshments will be served.

The Diamonds Perform Oct. 27

The Tellico Village Community Concert Committee presents The Diamonds 4 p.m. Sunday, Oct. 27, at the Community Church of Tellico Village. General admission tickets are \$20 per person and are available at Tellico Village Salon, Kahite Grill, and United Community Bank (Tellico Village). There will be limited tickets available at the door for cash or check purchase only. For further information call 865-458-4334.

This classic rock'n'roll quartet rocketed to fame with the 1957 release of an instant million selling hit called "Little Darlin'."

POA Survey Online Soon

Attention Villagers: There is survey information included in the Fall edition of the Board newsletter which will hit your mailbox sometime in the next few days. Inside the newsletter you will find information on several programs and subjects from the POA Board perspective.

The center page of the newsletter is a bright green sheet of paper inviting you to participate in the POA survey. This survey is online and quite easy to do. The bright green page has a unique username and password you will need to access the survey. I hope you all take the opportunity to provide survey data and feedback to the POA so we can continue to make Tellico Village a vibrant and active community.

Any problems at all in accessing or completing the survey, call the Public Relations office at (865) 458-5408, ext. 4105 or 4115, or call toll free 1-866-983-5542, ext. 4105 or 4115. Feel free to stop by our offices at 112 Chota Center anytime Monday through Friday, 8 a.m. to 5 p.m. to get assistance filling out the online survey. Make sure to bring your username and password page from the Board newsletter with you.

Online survey not your bag? To order a paper copy of the survey, call (865) 458-7090 and leave your name and address. We will mail you a survey you can complete and return to the POA. If you are close to our offices, you can stop by to pick up a paper version.

The survey will remain open until at least mid-November. The Board plans to communicate the results sometime in early 2014.

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.

2014 Budget Meeting Schedule for 2013-2014

- Oct. 22, Finance Advisory Committee review of Marketing and Golf budgets, 10 a.m. to 2 p.m., POA office
- Oct. 23, Finance Advisory Committee review of Recreation and Administration budgets, 10 a.m. to 2 p.m., POA office
- Oct. 24, Finance Advisory Committee review of Public Works 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 down-stairs
- 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