

## **Tell-E-Gram Text Only Version, April 18, 2014**

### **POA Meetings and Events:**

- Dock Captains, 3 p.m. Monday, April 21, POA Conference Room
- Long Range Planning, 10 a.m. Thursday, April 24, POA Conference Room
- Rec 101, 12:30 p.m. Thursday, April 24, Wellness Center
- Public Services Advisory Committee, 1 p.m. Thursday, April 24, POA Conference Room

## **March 2014 Financial Report**

### **By Parker Owen, Director of Finance**

The past couple of months have been an incredibly busy time of year for the finance and accounting organization. We have wrapped up our end-of-year financial closing, have loaded the 2014 budget into our reporting system for comparison against our actual performance, we have engaged our external audit firm to conduct an independent audit of our 2013 financial statements, we have conducted a complete re-bid of all of our TVPOA property, liability and workers compensation insurance coverage, and we have brought forth almost two-thirds of our capital plan for approval and implementation. As if that is not enough, it is now time to begin preparations for our Forms 990 and 990T informational tax returns.

Each year the financial statements of the Tellico Village Property Owners Association are audited by an independent, external audit firm. Management is responsible for the preparation and fair presentation of the POA's financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or error.

The auditor's responsibility is to express an opinion on these financial statements based on their audit. The Coulter & Justus, P.C. CPA Firm, a local firm with extensive experience in all areas of financial reporting, taxation and auditing, conducted the 2013 audit. This is the third year that Tellico Village has used this firm, and the audit was conducted very efficiently and close to budget.

Audits are conducted using generally accepted auditing standards established by the Auditing Standards Board of the American Institute of Certified Public Accountants. These standards require extensive reviews of accounts, controls, policies and procedures and other areas of concern in determining the financial position of an entity. The audit firm completed its work in April and issued the 2013 Financial Statements on April 15.

Coulter & Justus, P.C. issued a clean, unqualified opinion that our financial statements "present fairly, in all material aspects, the financial position of Tellico Village Property Owners Association, Inc. as of December 31, 2013 and 2012, and the results of operation and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America." Furthermore, the audit firm issued its required Auditor Communications Letter to the Audit Committee and noted no exceptions or areas of concern. Among their comments, the auditors stated "all significant transactions have been recognized in the financial statements in the proper period; the financial statements are neutral, consistent and clear; we encountered no significant difficulties in dealing with management in performing and completing our audit; there were no differences (misstatements) identified as a result of audit procedures; there were no disagreements with management over accounting, reporting or auditing

matters.”

In addition to the unqualified opinion and the standard communications letter, the auditors did not issue a Management Letter concerning internal controls issues because they did not identify any significant internal controls issues that warranted communication. This is about as good as it gets in the world of financial reporting, especially in a year when we recorded several significant and unusual transactions, such as the Capital Source Finance LLC settlement, the purchase of some Tellico Senior Living land and the subsequent sale of that land to Five Star Senior Living, and the revaluation of TVPOA owned lots based on more recent market data. The auditors are basically saying that we got these transactions right the first time, and there were no recommended audit adjustments required.

The audited financial statements for the years ended Dec. 31, 2013 and Dec. 31, 2012 are now posted to the TVPOA website on the finance page. I encourage you to take a look at these statements, and especially notice the \$346,000 increase in operating cash; the \$191,000 increase in reserves and marketable securities; the \$337,000 decrease in the balance on our line of credit; and the \$173,000 decrease in the balance on the Wellness Center note payable. Combined, these elements indicate an increase of over \$500,000 in cash, a decrease of over \$500,000 in debt and a combined strengthening of our balance sheet by over \$1.0 million.

On April 1, TVPOA renewed its property, liability, and worker’s compensation insurance for the 2014-2015 insurance year. For the first time in several years we conducted a full re-bid of our coverage involving three highly respected and capable agencies, who solicited quotes on our behalf from dozens of carriers. The re-bid was conducted initially based on renewal of the same coverage that we had for 2013-2014, in order to get an “apples-to-apples“ comparison of rates. Along the way, we received recommendations of additional coverage that we might want to consider for an additional premium.

The criteria for selection of our agency were price, full coverage and customer service. On the basis of these criteria, we selected TIS Insurance of Knoxville to once again be our insurance agency for the April 1, 2014 to March 31, 2015 coverage period. TIS presented the low overall bid, they were able to provide complete coverage of our needs using several highly rated carriers, and they demonstrated exceptional customer service throughout the bid process. We and they are very pleased to continue this relationship through the coming year.

At the April meeting of the Board of Directors, three capital projects were approved. A replacement spray rig for Tanasi golf course was approved for \$35,934 with funding from unrestricted operating cash. Engineering only for \$2,500 was approved for the design of a replacement bridge for hole #3 at The Links at Kahite. Once the design is complete, the construction project will be sent out for bids, and the final project will be resubmitted to the Board for approval and funding. Finally, the Board approved the purchase of approximately one acre of common land property near the Toqua parking lot and close to the site of the new Toqua pavilion to allow for increased parking construction in the future. The approved purchase price is \$9,900 and an additional \$14,100 was approved for clearing and grading the land, graveling some additional parking areas and seeding around the edges of the area. These expenditures are to come from unrestricted operating cash.

At this point in the year we have approved approximately 62% of the 2014 Capital Plan and are about 3% over budget. It is too early in the year to make meaningful ending cash projections as 38% of the capital plan is yet to come, and the two major amenity projects are still under construction. Year to date, we have a favorable variance to budget of \$412,000, but much of that

reflects timing variances for projects that were delayed due to weather. As we complete some of this work that was scheduled to be done earlier in the year, we expect to see year-to-date variances that are closer to budget.

Cash Flow Component	Budget	YTD Variance	Projection
Net Income	\$ 33,088	\$412,204	\$ 445,292
Depreciation	1,405,640	6,257	1,411,897
Capital Expenditure	-1,726,252	-45,771	-1,772,023
<b>Net Cash Flow (excl. WorkCap)</b>	<b>-\$ 287,524</b>	<b>\$372,690</b>	<b>\$85,166</b>

## Marketing Program Accelerates in First Quarter

**By Joe Bogardus**

The unseasonably cold and snowy Tennessee winter did not derail the 2014 Tellico Village marketing/communications program. Surprisingly, despite the bad weather, all the metrics used to measure the program were up dramatically in the first quarter of this year.

The Tellico Village Property Owners Association marketing team shared the positive data at the TVPOA Board meeting this past Wednesday afternoon at the Yacht Club.

All leads - people who had requested materials and provided contact information - numbered more than 1,000 for the first quarter. The 2013 program generated 390 first quarter leads. Year-over-year non-resident visits to [tellicovillage.org](http://tellicovillage.org) doubled to 20,000 plus for the quarter. The percentage rate of converting these visitors to leads tripled during the period.

Prospective residents coming to the Village on either a Discovery Package or Day Tour increased 300% from nine couples in 2013 to 34 couples in 2014. The 34 couples represent a total of 68 visitors who braved the cold, wind, rain and snow of January, February and March to inspect the community.

Likes on the community Facebook page jumped 33% to more than 3,200. Two-thirds of all the Likes now come from outside the Village.

In 2013, because the program was in its infancy, there were no sales registered during the first quarter. In 2014 seven sales were achieved; three existing homes, two town homes and two lots. The price per square foot rose from \$106 in 2013 to \$115 in 2014. More than 21% of all first quarter property sales in the Village could be traced to the program.

April has started like gangbusters. Conceivably, the marketing team will be hosting at least one Discovery Package or Day Tour participant each day during this month. The team has had one participant asked to extend their visit, because they were placing an offer on a shoreline lot. Another cancelled a boat tour, because they were going to fill out a mortgage application. One tour guide reported that out of his four first quarter tours, three of those couples will be residing in the community before July 1.

The program acceleration experienced in the first quarter is definitely carrying over to the second quarter. Overall, the marketing team remains encouraged of achieving all the 2014 program

goals.

*Joe Bogardus is a retired marketing communications professional and Tellico Village resident that has acted as an unpaid volunteer consultant to the TVPOA in the re-launch of the Tellico Village brand and the accompanying marketing/communications program.*

## **Volunteers, Charitable Events, Fundraisers**

### **Volunteers Needed for Summer Reading Program**

The Public Library at Tellico Village needs YOU! We are looking for volunteers for two Saturdays of your choosing for the Summer Reading Program, which runs 10 a.m.-noon every Saturday, June 14-July 19. This year's program is all about science and is titled, "Fizz, Boom, Read." Our Summer Reading Program participants range in age from 5-11 years. We need both teachers and helpers to make this another successful Summer Reading Program. Each child is exposed to reading and crafts and always has something to take home at the end of the session. We guarantee great fun for the volunteers! Reply to Billie Whitney at [bwhitney6002@charter.net](mailto:bwhitney6002@charter.net).

### **Performance Benefits the Library April 22**

Please join the Friends of the Tellico Village Library, Inc., for Dave Ehlert's live theatrical production of "Abe Lincoln, Mark Twain and The Civil War - How a Union President and a Confederate Deserter fought against slavery and racism in pre and post war days." This event will be held 7 p.m. Tuesday, April 22, in the Fellowship Hall of St. Thomas the Apostle Catholic Church in Lenoir City. The first half of the program will be Dave's portrayal of Abe Lincoln and the second half will be his portrayal of Mark Twain. There will be a Q & A after each presentation, with an intermission between performances. Tickets for this event are \$20 for Friends Members and \$25 for non-Friends members. Tickets are on sale at The Public Library at Tellico Village; for more information please call 865-458-5199.

### **20<sup>th</sup> Annual Used Book Sale April 25-26**

The Friends of The Tellico Village Public Library invite you to join them in celebration of their 20th Annual Used Book Sale, 9 a.m.-7 p.m. Friday, April 25, and 9 a.m.-2 p.m. Saturday, April 26, in the Community Church's Christian Life Center.

The Preview for Friends Members is 6:30-8:30 p.m. Thursday, April 24. The Preview allows members first pick of the 35,000 books collected for the sale while enjoying delicious sweets and savories and the famous "Book Sale" punch.

Begun in 1995, the first Used Book Sale was held at the Rec Center on March 18. Approximately 4,600 books were accumulated, 1,800 from the Fort Loudoun Regional Library, 300 from the Athens Fischer Library, and 2,500 from Tellico Villagers. The 2,300 books sold netted \$1,516, which was used to provide a security door across the Library entrance in the Yacht Club, the original home of the Library, and to begin a collection of talking books and videos. Unsold books were given to Friends of the Library organizations in Greenback, Philadelphia and Madisonville, to two local nursing homes and to the Chestnut Ridge Learning Center. The Rec Center Reading Shelf received 100 paperbacks.

Today, the Used Book Sale is still a labor of love for nearly 200 volunteers who price, sort and box nearly 35,000 books that are then unboxed, organized and alphabetized to be sold to book lovers like you. At the 2014 sale you'll find mystery, romance, biography, fiction, westerns, science fiction, cookbooks, craft and art books, books on animals, self-help, religion and Tennes-

see, as well as books on tape, music CDs and movie DVDs and a good selection of puzzles. You might even find a book from 1995!

This year, in celebration of the 20th Annual Used Book Sale and in appreciation for 20 years of community support, with each \$20 purchase you may choose a book for free. On half-price Saturday, a \$10 purchase will buy a free lunch at the Library, sponsored by The Purdue Club of Tellico Village, 11 a.m.-1 p.m.

### **TVKWO Home, Art, and Music Tour May 4**

The Tellico Village Kahite Women's Organization (TVKWO) will once again be welcoming visitors for the annual Home Tour on Sunday, May 4, from noon until 5 p.m. Each year offers a new theme. This fifth Home Tour is no exception, with the mountains of our beloved East Tennessee the inspiration. Four handsome homes will open their doors, but visitors will experience so much more than what they might expect. As they wander through country kitchens, they could find a banjo player plucking his favorite tunes from a rocking chair. Besides admiring views from back porches, they will likely be listening to a dulcimer's sounds filling the air. Surprises will be tucked everywhere. The creations of local artists will add to the decorations of these homes, many of the items for sale. In addition, the artists themselves will be creating as visitors watch. Someone lucky will win the two beautiful quilts being raffled that afternoon. No matter how yummy, don't expect the more usual cookies for the complimentary dessert. Instead the TVKWO will bring a grin to your face with the delicious surprises.

Last year's visitors raved about the lunch offered by Chef Michael Janke. He has graciously agreed to again invite you to his patio for some comforting country food.

Come for the music, come for the food, come for the art. Come to our home tour which provides this organization with the funds necessary to support 17 local charities all in Monroe County.

Bring your checkbook, bring your appetite, bring your glasses. You don't want to miss a single thing.

Tickets are available at the Kahite Pub & Grill: First National Bank, Village Square; Mickey Vaughn at South East Bank; or by calling [423-884-3224](tel:423-884-3224).

## **Some Other Stuff You Need to Know...**

### **TODAY: Long Term Care Insurance: Take Charge of Your Future Seminar**

Join financial representatives Shaun Jenkins and Zach Franklin for an informative session on how you can continue to live with integrity in retirement while dealing with the challenge of a long-term-care event for you or a loved one. Shaun and Zach are with Northwestern Mutual, a leader in the financial industry, as well as the Long Term Care Insurance market. They look forward to educating you about this growing concern and answering many of the common questions, retirees have. This session will be held 10 a.m. Friday, April 18, in the Chota Recreation Center

### **Draft of the Summer Directory for Review**

The draft of the Summer 2014 Tellico Village Directory will be at The Public Library at Tellico Village for your review now until noon Saturday, April 26. It will go to the printers after that time. If you have sent in changes/additions/deletions, you can stop at the library and check to be

sure they have been entered correctly. Change forms are available if you need to have changes/corrections made before printing. Thank you for helping make the Tellico Village Directory as accurate as possible.

*[Editor's note: The Directory is not printed by nor delivered by the POA. It is not paid for by the POA. It is produced and distributed courtesy of Loudon County Publishers in Lenoir City.]*

### **Hike Turtletown Creek Trail April 21**

The Muddy Boots Hiking Club will depart 8:30 a.m. Monday, April 21 (rescheduled from April 14), from Chota Center (across from the gas station) to hike:

- Turtletown Creek Trail in the Cherokee National Forest
- Distance: 4 miles
- Elevation gain 500 feet
- Rating: easy/moderate; some short up/down segments
- Leader: Jim Jeswald, [jmjes711@gmail.com](mailto:jmjes711@gmail.com)

Hiking boots and poles are recommended; pack water, trail lunch, and a camera. Car pooling will be set up at departure; \$5 to driver for gas. For more information, email [nvmuddyboots@gmail.com](mailto:nvmuddyboots@gmail.com).

Our hike passes water cascades and two beautiful waterfalls. Optional stop at Buck Bald, a treeless mountain top, providing views of the Smoky and Cumberland mountains.

### **Hike the East Lakeshore Trails April 22**

(Rescheduled from April 15.) Some of the most beautiful trails in East Tennessee are a 10-minute drive from Tellico Village. The East Lakeshore Trails are just across the lake and were recently designated as National Recreation Trails by the Department of the Interior. If you would like to become more familiar with these trails and/or would just like to take a short 2-2.5 mile hike, then come join us on the third Tuesday of every month. Our next hike will be April 22, when we will hike two miles of the Coyatee Loop Trail (part of East Lakeshore Trail). We will gather at the Poplar Springs Boat Ramp parking lot at 9 a.m. and carpool to the trailhead. We should finish no later than 11 a.m. Your hike leaders will be Jon Foreman, Jim Jeswald, and Larry Elder. For additional information, contact: Larry at [lelder49@gmail.com](mailto:lelder49@gmail.com) or 865-657-9722; Jim at [jmjes711@gmail.com](mailto:jmjes711@gmail.com) or 724-612-2166; or Jon at [for4man@charter.net](mailto:for4man@charter.net) or 412-337-5500.

### **Hike White Oaks Sinks Trail April 23**

The Tellico Village Hiking Club will depart 8 a.m. Wednesday, April 23, from the Chota Center to hike:

- WHITE OAKS SINKS TRAIL
- Distance: Approximately 5 miles
- Rating: Easy
- Driving Time: 1.25 hours
- Leader: George Zola, 614-937-0767 or [zola1029@gmail.com](mailto:zola1029@gmail.com)

The White Oak Sinks trail is not an official Smoky Mountain Park trail but it is one of the most spectacular trails to hike at this time of year. Why? Because it is one of three or four of the best trails in the Park for viewing wildflowers. One can expect to see the floor of the Sinks covered

with purple phlox. It is also one of the few places in the park where you can see shooting stars and bluebells. If the timing is correct, we may also see yellow lady slippers. It can be a very exciting wildflower hike. There is also a waterfall and the “Bat Cave.”

After the hike, there will be an optional picnic at Cades Cove Picnic Area. George will bring charcoal, hamburgers, hot dogs, paper goods and a few sides for a contribution of \$3 per person. Please bring your own drinks. Please RSVP by phone or email to George before **Monday, April 21**, if you plan to attend the picnic.

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. Check out the website [www.tvhikers.com](http://www.tvhikers.com).

### **Book Discussion April 24**

The Vonore Public Library and the Friends of the Vonore Public Library present the third in a series of book discussions on Monroe County history and/or Tennessee authors.

Please join us on April 24 at the Vonore Public Library at 7 p.m. for a lively and informative discussion of the book, Popcorn Sutton: The Making and Marketing of a Hillbilly Hero by Tom Wilson Jester and Don Dudenbostel. The public is welcome to read the book and join in the discussion. Please sign up or call the Vonore Public Library (423-884-6729) to register for this free event. Several copies of the book are available to lend at the Library.

### **Blessing of the Fleet April 26**

The Tellico Cruising Club is sponsoring the annual Blessing of the Fleet 10:30 a.m. Saturday, April 26. The event is open to all vessels on Tellico Lake. After the ceremony, join the revelry at the Tellico Village Pavilion on Tugaloo Lane for food, drinks, and friendship. Cost: \$6 per boat. This is a pot luck, so please be reminded to bring a dish to share with others, and your own beverage of choice. For additional information contact Bob Mazzola, [ro-mazz321@gmail.com](mailto:ro-mazz321@gmail.com) or 865-657-9306, cell 708-227-1871.

The **Blessing of the Fleet** is a tradition that began centuries ago in Mediterranean fishing communities. The practice is predominantly Catholic and a blessing from the local priest was meant to ensure a safe and bountiful season. However, both the ancient Greeks and Romans held elaborate ceremonies when their ships were christened, not much different from our ship launches of today. Parties were held, toasts of wine to the honored deity, a blessing from the high priest, and water poured over the boat were the basic events of the ceremony. Any deviation from these events was considered a bad omen, with the result being a tragedy at sea. Poseidon, who was considered the God of the sea, as well as earthquakes and horses, was a favorite of the Greeks to ask for protection. The Romans preferred Neptune, who was also considered a God of the sea. Some Native Americans, who painted symbols or animals on their canoes, also held launch ceremonies consisting of feasts, prayer and blessings.