

Tell-E-Gram Text Only Version, October 14, 2014

POA Meetings and Events:

- Architectural Control Committee, 9 a.m. Thursday, Oct. 16, POA Conference Room
- Finance Advisory Committee, 9 a.m. Friday, Oct. 17, POA Conference Room
- Dock Captains, 3 p.m. Monday, Oct. 20, POA Conference Room
- POA Board Meeting, 1:30 p.m. Wednesday, Oct. 22, Yacht Club

Tellico Village Golf Budget - How is it done?

By Carol D Ueland, Golf Advisory Committee

It is budget time in Tellico Village. Much work is being done by every department and each committee as they prepare projections and plans for the 2015 budgets.

Each department is trying to determine what their revenues are going to be; what their operating costs are going to be; and what capital needs are going to be in 2015. Eventually all these have to come into balance.

How does the golf business unit develop their budgets?

There are three parts to the Golf Budget that have to be figured out, **Costs, Pricing, and Volume**. Pricing and Volume directly affect **Revenue**.

Costs:

Golf is primarily a “fixed cost” business, in that the costs of running our three golf courses are fixed or steady, no matter how much the courses are used. We can increase rounds played without raising costs, and we can reduce rounds played without reducing costs. We still have to mow, rake, and water, fertilize, weed, maintain equipment and facilities, and we need people to do the work. It really is an all or nothing business.

The superintendents are challenged to maintain the courses at a high level of playability and affordability. In other words, keep the courses well maintained and at a low cost. With this in mind, each course superintendent develops their operating cost budgets for the year using their prior year’s maintenance experience and their projected plans for the coming year.

Basic directions from the Tellico Village Finance Director and the Finance Committee, we do not lease equipment. We often purchase used equipment, preferably equipment that has come off a short term lease at another golf course with documented maintenance records.

Through the implementation of the *Continuous Improvement Project, Naturalization Projects, Air and Sun management projects*, costs are being managed, while the condition of the courses has been improved.

In addition to operating and maintenance costs, annual Capital needs are budgeted. These include replacement of equipment (mowers, vehicles, irrigation equipment, golf carts), and infrastructure items such as cart paths, bunker renovations, parking lot expansions, club house replacements/renovations. These are significant cost items that don’t go away, but often get postponed.

Revenues:

While costs are straight forward and easy to identify, revenues become more challenging.

First we need to understand that our goal is to “*provide a positive golf experience at a competitive price for our customers.*”

Competitive Pricing:

We benchmark our pricing against nearby courses that are comparable in quality and design. (Rarity

Bay, Wind River, Avalon, Centennial, and Willow Creek)

Tellico Village Golfers play primarily on weekdays, while the other courses tend to have more weekend play and less weekday play so they offer discounts for weekday play.

A brief comparison for weekday rates – Senior – 18 holes with leased cart – no prepay discounts or other “specials” included.

- Tellico Village: \$36.30 (Tellico Village residents with prepaid discount = \$32.65)
- Rarity Bay: \$36
- Wind River: \$38
- Avalon: \$38
- Centennial: \$32
- Willow Creek: \$39

An increasingly important revenue generation segment is guest play, including “outside or non-resident” guests and guests of members, which collectively represent over 13% of our total rounds played and an even greater portion of our “fee” revenue.

A brief comparison of current weekend “Guest” fees:

- Tellico Village: \$44.50
- Rarity Bay: \$46
- Wind River: \$59
- Avalon: \$59
- Centennial: \$47
- Willow Creek: \$62

Our “outside play” rounds and revenue continues to grow each year. We have had a marketing effort that has gotten the “outside” market aware that they can play Tellico Village courses, and the condition of our courses and facilities has moved us from the last call made to get tee times (when all other courses were full) to the “first call” looking for a tee time.

With this in mind we are looking at increasing our “Guest” rounds volume and our “Guest” fees in 2015.

Member/Resident fees:

There are two parts to Member/Resident fees:

- The fixed monthly allotment from our monthly POA assessment.
- The “user” green fees and cart fees.

The fixed monthly resident allotment to Golf: Currently this is \$11.75 per lot, per month or approximately \$141 per year, to have three very good golf courses available. This represents 10.8 % of our monthly /annual dues. It is interesting to note that in 2001 (13 years ago) our monthly allotment to golf was \$11.02/\$132.24 per year, while the monthly POA dues were \$66 per month. (17.1%)

This holding steady of the monthly/annual allotment to golf from our POA dues has been accomplished by cost management and the raising of the “user” fees, and in recent years, opening up to the public unused tee times at Tellico Village courses.

The “user” green fees and cart fees: The “user” green fees and cart fees have gone up substantially since 2001. They used to be too low. I have had folks tell me they used to be able to play golf for free! Today we aim to be competitive while providing a real value to our golfing community.

Let's look at what has happened to our daily rates in the last three years:

	2012	2013	2014	Change
POA Member Green Fee	\$21.80	\$21.80	\$21.80	\$0
POA Member Cart Fee	\$13.50	\$13.50	\$14.50	\$1
Total POA Green/Cart Fee	\$35.30	\$35.30	\$36.30	\$1
Prepaid Member/POA Cart (prepaid members get a 10% discount)	\$31.75	\$31.75	\$32.65	\$0.90
Annual Unlimited Golf Fee	\$1,890	\$1,890	\$2,200	\$310
(Outside) Guest Fee	\$42.50	\$42.50	\$44.50	\$2
Individual Range Bucket	\$3.50	\$3.50	\$4	\$0.50

For 2015 it is the plan of the Golf Advisory Committee to hold our POA Member Green fees at current levels and raise our Outside Guest fees (pending POA Board approval).

Note: The Prepay program gives a 10% discount to a golfer who deposits money into a POA account at the beginning of the year and then pulls their golf fees from this account as they play during the year. The unlimited program allows golfers to pay a fixed fee at the beginning of the year, and then they can play as much golf as they want during the year at no additional cost to them. These programs usually generate a large amount of dollars at the beginning of the fiscal year, and these funds go into the POA general fund and helps with the POA cash flow.

Volume: (i.e. number of rounds played)

There are a number of factors that goes into the volume of rounds played at our courses.

- The customer's experience must be positive, and we continue to improve our courses and facilities to meet this need.
- We must be price-competitive, and we have maintained our rates and programs to meet this need.
- We must continue to grow our customer base to replace current customers that reduce the amount of golf they play for whatever reason. The opening of the courses to outside play is one step to meet this need.

But the biggest factor is still the weather; temperature, rain, snow, wind all affect volume and we have no control over it.

If we look at the volumes from the past 10 years we can see that we topped out at 92,000 in 2006, in 2008 we were at 89,000, but by the end of 2010 we had dropped to 75,000, since then we have averaged 77,900 rounds with some ups and downs primarily due to weather.

For 2015, golf is budgeting 78,500 rounds, with the growth primarily coming from outside play.

This is seasonalized as follows: January 3.2%, February 3.6%, March 7.4%, April 10%, May 11.8%, June 11.5%, July 10.8%, August 10.8%, September 9.6%, October 10.0%, November 6.9%, December 3.8%

There is detailed data for each course, for each category of play, and fees generated which is used by the golf staff, in conjunction with marketing plans, tournament schedules, and of course weather predictions, to estimate how many rounds will be played next year.

Interesting note: Percentage of total rounds played by course:

Toqua = 34%

Tanasi = 36%

Kahite = 30%

We have an interesting challenge – How do we get our folks to “play more”!

We have three beautiful courses and each provide a different playing experience.

- We are price competitive and offer discounts for our residents.
- You really can't find a better golf experience for the money.
- We have a great product at great price.

To quote Old Tom Morris from the TV ad – “Go Play.”

The Blue Heron at the Yacht Club Offerings and Upcoming Special Events

- **Farmers Market** 9 a.m.-noon Wednesday, Oct. 22. Still lots of great local products and produce.
- **Tiki Bar** Friday with the Kudzu Band, 7-10 p.m., no cover charge. Only two Tikis left this season!
- Join us for **Sunday Brunch** every Sunday 11 a.m.-1 p.m.
- **Thanksgiving** dinner reservations are still available.
- We are now taking reservations for **New Year's Eve**.

Questions? Contact Info for the management team:

Christian Barber: Email: cbarber.awehospitality@gmail.com

Jackie Newton: Email: jnewton.awehospitality@gmail.com

For reservations and information, call 865-458-4363.

How are we doing? We appreciate your business and are committed to providing you and your family and friends with quality services. Please take a moment to complete a short survey online: **YachtClubSurvey.com**.

2015 Reciprocal Courtesy Cards for Yachting Clubs of America Now Available

Property owners can purchase Reciprocal Courtesy Cards for the Yachting Clubs of America in the POA office for \$20. The card will allow you to frequent the more than 700 yachting clubs which, like TVYCC, are members of the association. There are YCA affiliated yacht clubs throughout the USA and its territories. For more information about YCOA, go to www.ycaol.com; the website that tells about the Association and all the yacht clubs that are members. Stop by the POA office to learn where member clubs are. For other questions about the program, call Mitzi Lane, 865-458-5408, extension 4116.

Some Other Stuff You Need to Know...

Tellico Village Winter Directory Update Schedule

Have you moved, changed your phone number, email, or added someone to your household? The draft copy will be available at the Library from Monday, Oct. 13, through Friday, Oct 24.

Tellico Community Players Open New Theatre

The Tellico Community Players are proud to announce the opening of their new 140-seat theatre located in Tellico Village. The site is the old Tellico Village library in Lakeside Plaza. It has raised seating that will allow for excellent views of the stage from all seats. The play selected for the opening performance is a comedy, "The Red Velvet Cake War," which will be enjoyed by all attendees. Len Willis, TCP President, said that if you enjoyed previous productions of "The Hallelujah Girls" and "Sex Please, We're Sixty," you are going to love this one.

Everyone in Tellico Village seems excited about our new theatre, and tickets are going fast. Tickets may be purchased at the Village Salon and Salon Anew in Tellico Village and at the Kahite Pub and Grill. Another location for tickets will be at the Playhouse on Oct. 15, 2-4 p.m. The Tellico Community Players appreciate your continuing support.

Art Guild of Tellico Village Take Field Trip Oct. 16

For the October Art Guild Meeting, rather than meeting at the Yacht Club for a business meeting and speaker, we are taking a field trip and traveling to Oak Ridge Art Center on Thursday, Oct. 16, for the docent guided tour of the Open Juried Show. We are on their schedule from 10 a.m. to noon.

Members and guests will meet at 9 a.m. at Chota Center (across from the Marathon gas station) in Tellico Village to car pool (parking is at a premium), and depart at 9:15 a.m. The Art Center is located at 201 Badger Ave., Oak Ridge, TN 37831.

Tiki Bar Schedule

Tiki Bar at the Yacht Club will be held 7-10 p.m. on these Fridays:

- Oct. 17, Kudzu Band
- Oct. 24, Steve Rutledge Band, on the dock

For more information, call 865-458-4363.

Friends of the Library Open House Oct. 18

On Saturday, Oct. 18, 11:30 a.m.-2 p.m., is the First Annual Friends Open House at The Public Library at Tellico Village. Join us at the Library for a cook out, music, pumpkins and lots of fun. The Library will be open for tours and the food is for all Friends members. A free pumpkin will be given to all who renew their membership or who sign up to be a Friend. We will have tables there to sign up for other events during the month such as dinner discount at Yacht Club and discounts at Faces of Tellico.

Hike Ijams Nature Center Oct. 20 (new date)

The Muddy Boots Hiking Club will depart 8 a.m. Monday, Oct. 20, from the Chota Center parking lot [across from the gas station]. We will tour and hike the Ijams Nature Center, Knoxville.

- Distance: 4.5 miles
- Rating: generally easy; small portion moderate
- Elevation gain: minimal
- Driving time: 50 minutes
- Hike leaders: Phil and Donna Olson: olsnphil48@gmail.com

This hike is part of the Knoxville Urban Wilderness trail system. The hike will begin with a docent talk about Ijams and the native area. The hike also includes Meade's Quarry which supplied Ross Marble for many buildings in Washington, DC.

Bring snack/water for the trail and a lunch for after the hike. Hiking boots and poles are suggested. Directions, parking, etc., to be provided the morning of the hike.

Hike the East Lakeshore Trail Oct. 21

Join us on Oct. 21 when we hike 2.5 miles of the Jackson Bend Branch of East Lakeshore Trail. Come along and enjoy the Fall Foliage on a trail that showcases a variety of landscapes and scenic views. We will gather at the Poplar Springs Boat Ramp parking lot at 9 a.m. where we will car pool to the trail head. Hikers coming from Kahite can meet us at the entrance to the Lotterdale Campground around 9:20 a.m. The East Lakeshore Trails are just across the lake and are one of the most beautiful and accessible hiking trails in East Tennessee and have been 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 two-mile hike, then come join us on the third Tuesday of every month. All of the monthly hikes should finish no later than 11:15 a.m.. Your hike leaders will be Larry Elder, Jim Jeswald, and Jon Foreman. For additional information feel free to contact: Larry: lelder49@gmail.com or 865-657-9722; Jim: jmjes711@gmail.com or 724-612-2166; or Jon: for4man@charter.net or 412-337-5500.

Early Voting for Loudon County at Chota Recreation Oct. 21-24

Early voting for Loudon County residents will be held in Chota Recreation Center:

- Tuesday, Oct. 21: 10 a.m.-6 p.m.
- Wednesday, Oct. 22: 10 a.m.-6 p.m.
- Thursday, Oct. 23: 10 a.m.-6 p.m.
- Friday, Oct. 24: 10 a.m.-6 p.m.

Brush Pick Up Ends Oct. 31

Public Works will pick up brush through Oct. 31. Leaf pick up begins Nov. 3. For more information, call Public Works, 865-458-4522.

GFWC Home Tour Needs Coffee Makers

On Sunday, November 2 from 1-5 pm, the Tellico Village Women's Club will hold its annual Charity Home Tour of five Tellico Village homes plus a reception at the Yacht Club. For the reception, we need to borrow four 30- to 50-cup coffee makers. Can anyone help us out? We would greatly appreciate it. Need to pick up pots on Saturday, Nov. 1, and return on Monday, Nov. 3. Please email Terri Seavey directly at Terri.seavey@gmail.com.

Christian Men's Fellowship Breakfast Every Thursday

The Christian Men's Fellowship is a group of men who meet 8-9 a.m. every Thursday morning in the Tanasi Clubhouse. The group is non-denominational and non-political. Breakfast is enjoyed, and there is always a time for devotions usually presented by one of the attendees who volunteer for this presentation. We have men from many different denominations who live in Tellico Village and nearby areas. All are welcome. For more information, call Larry Denney, 865-408-9725; or Bob Ericson, 865-458-9877.

Tennessee Leash Law

Did you know Tennessee has a state leash law? Dog owners must keep their dogs on a leash when not otherwise confined. The law is for the safety of your dog and for your neighbors. Even friendly dogs can pose a health hazard to some of our more frail residents or may frighten others. Responsible pet owners make for good neighbors!

Did You Know: Tennessee-One-Call System

Did you know that your Public Works department is a member of Tennessee-one-call system. That's the program also known as Call Before You Dig. What does that mean to you, the homeowner?

Anytime you have work done on your property, just call 1-800-351-1111, or call 811, and provide them with the information they ask for. Make sure that you tell them exactly where on your property you plan the work to take place, that way Public Works can mark our utilities for you. Other members of Tennessee-one-call, such as AT&T, or Charter will automatically be notified to do the same.

There is a three-day time frame that Public Works has to locate the utility lines unless it is an emergency, then it is a three-hour timeframe.

Color-coded paint will be used to mark the underground utilities: blue for water, green for sewer, red for electric, etc.