

## Tell-E-Gram Text Only Version, July 27, 2010

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

- Brush Pick Up Aug. 2-6: Kahite, Mialaquo, and Chatuga neighborhoods (Brush must be in right of way by Aug. 1)
- Architectural Control Committee, 9 a.m. Thursday, July 29, POA Office
- POA Board Workshop, 10 a.m. Tuesday, Aug. 3, POA Office

## **Yacht Club Contractor Change, Privilege Tax Discussion**

By **WINSTON BLAZER**

*General Manager*

### **Yacht Club contractor change**

As most Villagers know, the TVPOA Board of Directors has been looking at new contractors for the Yacht Club food service operations. The Board has selected the Compass Group as the contractor. I am personally working on the details of the contract with Compass Group and we are looking at a late summer/early fall transition to the new contractor. Compass Group representatives have been on site several times and have interviewed the current Yacht Club employees. They will be setting up their personnel in accordance with their programs.

Compass Group North America ([www.cgnad.com](http://www.cgnad.com)) is a division of an international company and leader in food service management and support services with revenues of \$9.2 billion in 2009. With 386,000 associates worldwide, its parent company, UK-based Compass Group PLC, had revenues of £13.4 billion in the year to Sept. 30, 2009.

Doug Patterson Restaurant Services will continue to operate the food services at the Tanasi and Toqua clubhouses. Doug Patterson and his staff have done great things at the Yacht Club since taking over operations there in 2006.

### **Privilege Tax discussed during Board meeting**

I wanted to take this opportunity to communicate an issue that was discussed at the Board meeting last week. In January of this year, we were notified of a state sales and business tax audit coming our way. The bill from that audit is expected to be approximately \$252,000. The final results of that audit are still being discussed between POA management and the auditor. We had not previously communicated the audit as we expected this to be a non-event as we assumed that we had been doing everything by the books and correctly; and when you look at the percentages, that is the case.

Through the audit, a couple of items were identified. First, there were several internet purchases for which sales taxes were not paid to the state. These purchases were for various computer items and other supplies and materials. We will be paying those taxes and have implemented additional controls within our purchasing process to ensure we don't miss those in the future.

The second item brought to our attention is something called a privilege tax. This is a state tax levied on gas, water and power provided by non-governmental entities and resold to consumers. The POA had a sales tax audit in 1990, and the privilege tax that makes up the bulk of this 2010 audit charge was either: overlooked by the state auditors; or we were deemed to be a "public municipality" by the state auditors at that time, and they considered this tax not applicable. We have asked our current auditors, Warren & Tallent, to try and retrieve from the state any records on this audit to determine what took place. Unfortunately, any personnel (POA or Cooper Communities) who may have any knowledge of this financial matter are all long gone.

*(Continued on page 2)*

*(Continued from page 1)*

Our staff is continuing to work with the state auditors to determine the exact amount to be paid on the privilege tax, if any. Through hard work and research, our accounting staff was able to reduce some of the sales tax charges identified by the auditors earlier in the audit process. Rest assured, we will continue to work this issue until we can satisfy all legal requirements for the privilege tax and ensure this does not reoccur. If the privilege tax does indeed apply to the Tellico Village Property Owners Association, that 3% tax will be added to future water bills for consumers.

We will continue to update the property owners on this important issue.

### **Budget meetings on the horizon**

It's that time of year again - time for budget meetings as the POA staff begins the process of looking at the 2011 budget and five-year plan. The first budget meeting is not until September, but August is the month the individual departments start looking at budgetary items with their committees. We always encourage interested Villagers to attend committee meetings.

A budget meeting is scheduled for 10 a.m. Monday, Sept 13, in the Yacht Club on the top floor for the first look at the 2011 budget. We will review the Finance Advisory Committee's budget philosophy, the assumptions used to develop the 2011 budget, the overall revenue, expense, net income, cash position, and capital plan. There will be a list of items that will need prioritization. There will be open discussion between the Board, FAC and management on the status of the 2011 budget, as well as questions and answers between the Board and FAC. This will be, as all budget meetings are, open to the general membership, and we will take questions and comments from the audience from time to time.

The entire budget meeting calendar will be posted in the Tell-E-Gram and on the Web site in August. Expect to see that calendar in the August edition of *The Connection* as well.

### **POA 101 this week**

The evening edition of POA 101 is 7 p.m. Thursday, July 29, in the Yacht Club on the top floor. POA 101 is a session for newcomers or Villagers who would like a refresher on Village governance and finances. Attendees will receive a comprehensive packet of information about Tellico Village and a Tellico Village license plate.

Anyone wanting to attend is strongly encouraged to RSVP with Patty Robichaud in the Public Relations Department, 865 458-5408, ext. 4115. Your RSVP will ensure that we have enough handouts for all attendees.

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

### **Computer Users Club Meets Aug. 3**

The Tellico Village Computer Users Club will meet 7 p.m. Tuesday, Aug. 3, in the Yacht Club on the top floor. The program will be about the "Relative Caregiver Program" which provides assistance to East Tennessee families and has received several computers from the TVCUC TAP program. The speaker will be Tonia Sutterfield.. Time permitting, Facebook and Windows 7 classes will be reviewed

*Submitted by Dean C. Miller*

### **Support Our Troops: Hugs For Our Soldiers**

You can help support our troops by contributing care package items to Hugs For Our Soldiers. Look for the Hugs for Our Soldiers boxes located at the Chota Rec Center, Tanasi Clubhouse and Toqua Clubhouse during the month of August.

Hugs For Our Soldiers, a non-profit organization founder by Kathy Orcutt, a Kahite resident, is dedicated to supporting our troops as they deploy for active duty, serve overseas and return

*(Continued on page 3)*

from active duty.

Kathy founded the organization to let our soldiers know we appreciate what they are doing to keep the homeland safe as they put themselves in harms way.

Throughout the year the organization collects items needed by our troops and delivers care packages to military installations in Tennessee and Georgia and sends care package shipments overseas to combat soldiers.

List of Care Package Items:

- *Hygiene items*: Toothpaste, toothbrushes, travel size laundry soap, antiperspirant, combs, soap, body wash
- *Individual snack packs*: Cheese or peanut butter crackers, cookies (no chocolate), chips, beef jerky, granola bars ( no chocolate), single serving powdered drink mixes (Gatorade, Kool-aid, tea, Crystal Light)

For more information about Hugs For Our Soldiers and how you can help, contact Kathy Orcutt, Director, 423-884-3996, [kaorcutt@aol.com](mailto:kaorcutt@aol.com); or Linda Scharf, Helping Hands Coordinator, 865-458-3275, [elscharf@charter.net](mailto:elscharf@charter.net).

*Submitted by Linda Scharf*

## Next Few Days Ahead

### Wednesday, July 28<sup>th</sup>

7:45 am - Aerobic Fit & Tone (KAC)  
8 am - Swim Team Practice (CRC)  
8:30 am - Racquetball (CRC)  
8:30 am - Aerobics (WC)  
8:35 am - Water Aerobics (WC)  
9 am - Water Exercise (KAC)  
9:45 am - Water Exercise (WC)  
9:45 am - Tai Chi (WC)  
9:45 am - Tai Chi Practice (KAC)  
10 am - Badminton (CRC)  
10:30 am - Table Tennis (KAC)  
11 am - Arthritis Water Class (WC)  
11:30 am - Yoga (WC)  
12:30 pm - Rubber Stampers (CRC)  
1 pm - Inter Line Dancing (WC)  
1 pm - Mah Jongg (KAC)  
1 pm - Contract Bridge (CRC)  
2:15 pm - Basic Line Dancing (WC)  
3 pm - Wallyball (CRC)  
3:30 pm - TOPS (CRC)  
4 pm - Pilates Yoga (WC)  
4:15 pm - Basketball (CRC)  
4:30 pm -Co-ed Water Fitness (WC)  
6:30 pm - Bible Study (CRC)

### Thursday, July 29<sup>th</sup>

8 am - Fit & Tone (WC)  
8:30 am - Pilates (KAC)  
8:30 am - Racquetball (CRC)  
9 a.m. - Architectural Control (POA)  
9:15 am - Fit & Tone (WC)  
10 am - Beginning Racquetball (CRC)  
10 am - Water Fun & Movement (WC)  
10:30 am - Beginning Tai Chi (WC)

10:30 am - Wallyball (CRC)  
11 am - Table Tennis (CRC)  
1 pm - Beginning Line Dance (WC)  
3 pm - Weight Watchers (CRC)  
4 pm - Intermediate Yoga (WC)  
4:15 pm - Basketball (CRC)  
6:15 pm - Badminton (CRC)  
6:30 pm - Swim Team Practice (WC)  
6:30 pm - TV Players Auditions (CRC)  
7 pm - POA 101 (YC)

### Friday, July 30<sup>th</sup>

7:45 am - Aerobic Fit & Tone (KAC)  
8 am - Swim Team Practice (CRC)  
8 am - Basketball (CRC)  
8:30 am - Racquetball (CRC)  
8:30 am - Aerobics (WC)  
8:35 am - Water Aerobics (WC)  
9 am - Golf 101 (TA)  
9 am - Water Exercise (KAC)  
9 am - Art Guild (CRC)  
9:45 am - Tai Chi (KAC)  
9:45 am - Fit & Tone (WC)  
9:45 am - Water Exercise (WC)  
11 am - Badminton (CRC)  
11 am - Arthritis Water Class (WC)  
11:30 am - Yoga (WC)  
1 pm - Bridge (CRC)  
2:15 pm - Latin Buzz (WC)  
3 pm - Table Tennis (CRC)

### Saturday, July 31<sup>st</sup>

8:30 am - Racquetball (CRC)  
8:35 am - Deep Water (WC)  
9 am - Saturday Coffee (KAC)  
9:30 am - Aerobics (WC)  
10 am - Advanced Line Dance (CRC)