

## Tell-E-Gram Text Only Version, Dec. 21, 2012

### POA Meetings and Events:

- **POA Offices CLOSED Dec. 24-25 and Jan. 1**
- **Architectural Control Committee, 9 a.m. Thursday, Jan. 3, POA Office**
- **Recreation Advisory Committee, 9 a.m. Thursday, Jan. 3, Wellness Center**
- **Communications & Marketing Advisory Committee, 9 a.m. Friday, Jan. 4, POA**

## POA Financial Report for November 2012

This report is intended to provide property owners a snapshot of where the Association stands financially as of Nov. 30, 2012. For the 11th month of the year, the POA's year-to-date net income is better than budget by \$406,000. Year-to-date revenue is \$509,000 better than budget and expenses are \$230,000 more than budget.

The main driver for the net income and expense variance is the budgeted dollars for assessments, service charge income, road work and maintenance costs. Assessment and interest charged on past due accounts are \$740,000 better than budget, however, they are offset with an increase to bad debt expense of \$606,000 due to the collection risk for certain accounts.

The budget included \$703,000 for paving and striping in September. The scope of the project changed from solely paving to a combination of paving and rejuvenation. The estimated actual project cost of \$320,000 will create an overall savings to the budget of \$383,000. However items that are higher than expected are water/sewer maintenance costs and unbudgeted spending for marketing programs.

### November 2012 financials

Total revenue in November was \$1,181,000 versus a budget projection of \$1,081,000. This is a positive variance to the budget of \$99,000. The major revenue variances included:

- Golf revenue is \$18,000 lower than expected
- Assessment Income and Interest charged on past due accounts were \$28,000 and \$56,000 better than budget, although, they were offset with an increase to bad debt expense of \$83,000 due to risk of collectability for certain accounts
- Fitness revenue is \$4,000 better than planned
- Tank Interceptor Revenue is \$19,000 better than planned
- Water/Sewer Service Revenue is \$13,000 under budget
- Gas Dock Revenue is \$13,000 better than budget

<b>Results for the 11 Months Ended November 2012</b>			
	<b>Actual</b>	<b>Budget</b>	<b>Fav (Unfav) Variance</b>
<b>Revenue</b>	<b>13,866,320</b>	<b>13,357,160</b>	<b>509,161</b>
<b>Cost of Sales</b>	<b>1,319,657</b>	<b>1,300,665</b>	<b>(18,992)</b>
<b>Gross Profit</b>	<b>12,546,663</b>	<b>12,056,495</b>	<b>490,169</b>
<b>Operating Expenses</b>	<b>11,431,837</b>	<b>11,156,422</b>	<b>(275,415)</b>
<b>Depreciation</b>	<b>1,078,441</b>	<b>1,142,793</b>	<b>64,352</b>
<b>Net Income (Loss)</b>	<b>36,385</b>	<b>(242,720)</b>	<b>279,106</b>

There are a few other smaller variances that combine with these to create the total variance.

Total expenses and cost of goods sold in the month of November were \$1,203,000 versus a budget projection of \$977,000, creating a shortfall to budget of \$226,000. The major expense variances in November include:

- Bad Debt Expense increased by \$83,000 due to low collectability of certain assessments and service charge income.
- Maintenance of Land and Streets is higher than budget \$43,000, due to the timing difference for road work. The budget included \$703,000 for paving and striping in September. The scope of the project changed from solely paving to a combination of paving and rejuvenation. The actual project cost of \$320,000 will occur in October, and November, creating an overall savings to the budget of \$383,000.
- Rent expense for Public Works is under budget by \$3,300. This rent expense was included in the budget so the Public Works could rent temporary facilities. Public Works moved into the administrative building instead.
- Management Fee for the Yacht Club is higher than planned by \$3,300.
- Interest Expense is under budget, \$2,500.
- The marketing initiatives for POA lot disposal and village branding have unbudgeted costs of \$43,000.
- Several repairs throughout the Village for drainage and water leaks created a shortfall to the budget of \$13,000 for maintenance of water and sewer lines.
- Horticulture expense is better than budget by \$9,000.
- Legal and Collection expense are \$23,000 higher than budget.
- Utility Expense is \$16,000 better than budget.

The resulting net loss for November is \$23,000 versus a budgeted net income of \$104,000. This is a shortfall to the budget of \$127,000.

As always, there are a number of other smaller variances that combine with these listed to create the total variance.

### **2012 year to date**

Year-to-date total revenue is \$13,866,000 versus a budget of \$13,357,000. This is a positive variance as compared to budget of \$509,000.

The revenue sources that make up the variance are:

- Golf revenue \$107,000 lower than planned
- Assessment income was higher than planned by \$407,000, but offset with bad debt expense due to low collectability
- Interest charged on past due accounts was higher than planned by \$333,000, but offset with bad debt expense due to low collectability
- Fitness revenue is \$51,000 better than planned
- Interest income was \$41,000 lower than planned
- RV Storage revenue is under budget by \$46,000. RV Storage was budgeted for an expansion however the project was completed later than budget projections.
- Tank installation revenue, \$78,000 lower than planned, offset by lower cost of tank installation, \$73,000, a net difference of \$5,000.
- ACC new home and misc permits are lower than planned by \$14,000
- Water and Sewer Revenue \$9,500 higher than planned
- Gas Dock revenue is \$15,000 lower than budget, however, actual gross profit was a positive \$41,000.

Year-to-date total expenses and cost of goods sold are \$13,830,000 versus a budget of \$13,600,000. This creates a shortfall to budget of \$230,000.

The major variances through November include:

- Maintenance of Land and Streets is \$438,000 better planned. The budget included \$703,000 for paving and striping in September. The scope of the project changed from solely paving to a combination of paving and rejuvenation. The estimated actual project cost of \$320,000 will create a savings to the budget of \$383,000.
- Maintenance of Land and Streets, \$75,000. Repairs were budgeted for a sinkhole repair at Tanasi Townhomes that was covered in 2011 expenses.
- Maintenance of Land and Streets, \$125,000. Repair costs of \$150,000 were included in the April budget for a sinkhole at The Neighborhood. Actual repairs are not expected to exceed \$25,000, creating a \$125,000 savings to the budget.
- Bad Debt Expense increased by \$606,000 due to low collectability of certain assessments and service charge income
- Utilities expense is under budget, \$75,000
- Wages, benefits and personal costs are lower than budget by \$97,000
- Rent expense for Public Works is under budget by \$37,000. This rent expense was included in the budget so the Public Works could rent temporary facilities. Public Works moved into the administrative building instead. This budgeted rent expense totals \$40,000 for the year.
- Interest Expense is \$43,000 under budget.
- Management Fee for the Yacht Club is lower than planned by \$54,000.
- The marketing initiatives for POA lot disposal and village branding have unbudgeted costs of \$104,000.
- Maintenance of Land, Streets and Common Property is higher than planned by \$117,000 for the removal of trees and brush throughout the village due to the timing of planned spending.
- An increase in repairs throughout the Village for drainage and water leaks created a shortfall to the budget of \$103,000 for maintenance of water and sewer lines.
- There were timing differences for several maintenance projects that are budgeted but not spent. Those projects include replacing piping at Mialaquo, \$39,000; replacing anchors and cables at the docks, \$19,500; Planned spending for the repair and painting of the Yacht Club top floor ceiling, \$11,000 will be pushed out to next year. Planned spending for laser grading of the tennis courts, \$13,000, has been pushed out to next year.

The total cash balance at the end of November was \$3,761,000. The November cash balance for operating is \$471,000 and \$3,289,000 in reserves. Cash balances are \$217,000 lower than budget mainly due to the timing of the road paving project and higher than projected prepaid user fees. However items that lower cash balances are higher than expected maintenance costs and unbudgeted spending for capital and marketing programs.

A copy of the November Balance Sheet and Income Statement is available to all property owners upon request at the Tellico Village POA main office.

## **New Website Look Debuts Jan. 2**

As part of the 2013 Tellico Village Marketing Plan, our website will take on a whole new look beginning Jan. 2. Above you see a screen shot of the new site (final look and feel for the website will be in place for Jan. 2). The site is still [www.TellicoVillage.org](http://www.TellicoVillage.org). The login for property owners to get into the member area has NOT changed, and the member area itself has not changed. We have circled in red the two places you can click to get into the member area. Property owners will need to login once more as the new site will reset your cache and cookies from the old site.

Have fun exploring the new website beginning Jan. 2. Don't forget to share with your friends and

family.

If you have ANY difficulty logging into the new site, please call or email Patty Robichaud at 865-458-5408 ext. 4115 or probichaud@tvpoa.org, or John Cherry at 865-458-5408 ext. 4105 or jcherry@tvpoa.org.

## What You Missed at the December Board Meeting

At the Board meeting Wednesday, Board President Bob Coates presented Carol Moehrke with her President's Award for 2012. Over the past several years, Carol has volunteered to assist golf operations with painting and related maintenance of clubhouse and golf course restrooms. On the surface, this may seem like a somewhat normal activity for a volunteer; however, Carol has taken this responsibility to the extreme. Carol has painted walls, prepared/cleaned and painted on-course bathroom floors, painted and re-painted clubhouse bathrooms and counters and also kept a watchful eye on necessary touch-up work. She has done all of this for just the cost of paint. Her work is extraordinary, and has saved the POA many thousands of dollars.

At the Wednesday Board Meeting, the POA staff presented Board President Bob Coates with a check for the Amenities Reserve Fund in the amount of \$125,000. These funds were made available for deposit into the Amenity Reserve through Continuous Improvement savings realized in 2012. These Continuous Improvement savings will help Tellico Village fund projects identified in the Long Range Strategic Vision. Making the presentation are Mitzi Lane, Continuous Improvement Manager, and Winston Blazer, General Manager.

## Reminder: Waste Connections Holiday Schedule

In June 2010, Douglas McGill, Divisional Municipal Marketing Manager for Waste Connections of Tennessee, announced a change for collection of residential solid waste and curbside residential recycling pick-up days.

Observed holidays are New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas. Saturdays will be used as a make-up day during holiday weeks.

The reasons cited are landfills and other operational needs are not available on holidays.

For instance, Labor Day, Sept. 3, falls on a Monday; if your usual refuse removal day is Thursday, then Friday will be your pick-up day that week. If Friday is your usual day, pick-up will be done Saturday.

For more information, call Waste Connections, 865-522-8161.

## Yacht Club Demo and Wine Dinner

Featuring Chef Joe Falcone

Compass Corporate Chef

January 23<sup>rd</sup>

5:30 p.m. Social, 6 p.m. Dinner

*Social Arrival with passed hors d'oeuvres*

*Citrus Salad with Fried Rosemary and Olives*

*Over Arugula with Dark Rye Crostini*

***Hazelnut Crusted Rack of Lamb***

***Tomato-Olive Ragout and***

***Skillet Browned Fingerling Potatoes with Fresh Dill***

*Caramelized Apple Crepes with Fresh Cream*

Wine selection to compliment each course

\$45.00 inclusive

Reservations: 865-458-4363

**For a longer list of events, go to:**  
[www.tellicovillage.org/images/tellico/pdfs/Tell-E-Grams/2012/tvupcoming.pdf](http://www.tellicovillage.org/images/tellico/pdfs/Tell-E-Grams/2012/tvupcoming.pdf)

## Next Few Days Ahead

Friday, December 21<sup>st</sup>

12 pm A Ladies Tennis (CRC)  
12 pm Open Badminton (CRC)  
1 pm Bridge (CRC)  
4 pm Aqua Zumba (WC)  
5 pm Co-ed Water Fitness (WC)

Saturday, December 22<sup>nd</sup>

8:30 am Fit & Tone (WC)  
8:30 am Racquetball (CRC)  
8:35 am Deep Water (WC)  
9 am B Men Tennis (CRC)  
9:30 am Advance Line Dancing (CRC)  
10:30 am Wallyball (CRC)  
11 am A Men Tennis (CRC)  
12:30 pm Badminton (CRC)

Monday, December 24<sup>th</sup>

**POA Offices Closed**

**Chota Rec Center Closed**

8 am Aerobic Fit & Tone (KAC)  
8:30 am Aerobics (WC)  
8:35 am Water Aerobic (WC)  
9:15 am Balance, Bend, Build (KAC)  
9:45 am Water Exercise (WC)  
9:45 am Intermediate Yoga (WC)  
11 am Water Arthritis (WC)  
11:30 am Yoga (WC)  
1 pm B Ladies Tennis (CRC)

**The Wellness Center will close at Noon**

Tuesday, December 25<sup>th</sup>

**POA Offices Closed**

**All Rec Facilities Closed**

**Merry Christmas**

Wednesday, December 26<sup>th</sup>

**All Rec Facilities close at 5 pm**

8 am Aerobic Fit & Tone (KAC)  
8:30 am Racquetball (CRC)  
8:30 am Aerobics (WC)  
8:35 am Water Aerobics (WC)  
9:15 am Balance, Bend, Build (KAC)  
9:45 am Water Exercise (WC)  
9:45 am Tai Chi (WC)  
10 am A Ladies Tennis (CRC)  
10 am Badminton (CRC)  
11 am Arthritis Water Class (WC)  
11:30 am Yoga (WC)  
12 pm B Ladies Tennis (CRC)  
1 pm Advanced/Level 3 Line Dancing (WC)  
1 pm Mah Jongg (KAC)  
1 pm Contract Bridge (CRC)  
2:15 pm Intermed/Level 2 Line Dance (WC)  
3:30 pm TOPS (CRC)  
4 pm Aqua Zumba (WC)  
4 pm Pilates Yoga (WC)

4:15 pm Basketball (CRC)

Thursday, December 27<sup>th</sup>

8 am Fit & Tone (WC)  
8:30 am Pilates (KAC)  
8:30 am Racquetball (CRC)  
9 am A Men Tennis (CRC)  
9 am Pickleball Board (CRC)  
9:15 am Fit & Tone (WC)  
9:30 am 5 crown Cards (CRC)  
10 am Water Fun & Movement (WC)  
10:30 am Beginning Tai Chi (WC)  
11 am B Men Tennis (CRC)  
11 am Wallyball (CRC)  
11 am Table Tennis (CRC)  
1 pm Open Play Mah Jongg (CRC)  
1 pm B Ladies Tennis (CRC)  
1 pm Intro (level 1) Line Dance (WC)  
2:15 pm Jin Shin Jyustu (WC)  
3 pm Weight Watchers (CRC)  
4 pm Zumba (WC)  
4:15 pm Basketball (CRC)  
6:15 pm Badminton (CRC)  
7 pm Memoir Class (CRC)

Friday, December 28<sup>th</sup>

8 am Aerobic Fit & Tone (KAC)  
8 am Basketball (CRC)  
8:30 am Racquetball (CRC)  
8:30 am Aerobics (WC)  
8:35 am Water Aerobics (WC)  
9:15 am Balance, Bend, Build (KAC)  
9:45 am Fit & Tone (WC)  
9:45 am Intermediate Yoga (WC)  
9:45 am Water Exercise (WC)  
10 am B Ladies Tennis (CRC)  
11 am Arthritis Water Class (WC)  
11:30 am Yoga (WC)  
12 pm A Ladies Tennis (CRC)  
12 pm Open Badminton (CRC)  
1 pm Bridge (CRC)  
2 pm Inspired Writing (CRC)  
4 pm Aqua Zumba (WC)  
5 pm Co-ed Water Fitness (WC)

Saturday, December 29<sup>th</sup>

8:30 am Fit & Tone (WC)  
8:30 am Racquetball (CRC)  
8:35 am Deep Water (WC)  
9 am B Men Tennis (CRC)  
9:30 am Advance Line Dancing (CRC)  
10:30 am Wallyball (CRC)  
11 am A Men Tennis (CRC)  
12:30 pm Badminton (CRC)

**Monday, December 31<sup>st</sup>**

**All Rec Facilities close at 5 PM**

8 am Aerobic Fit & Tone (KAC)  
8 am Basketball (CRC)  
8:30 am Racquetball (CRC)  
8:30 am Aerobics (WC)