

**SUMMARY MINUTES OF THE FEBRUARY 19, 2003**  
**BIG CANOE POA BOARD OF DIRECTORS MEETING**

Following an Executive Session, Jim Deach, President, brought the meeting to order in open session at the Canoe Lodge at 9:50 a.m. In attendance were Linda Greer, Jim Milton, Bill Byrne, Anita Michele, Secretary, Troy Ledbetter, General Manager and Debbie Pickett, Recording Secretary. Mickey Gallagher was absent from the meeting. There were seven property owners attending the meeting. Mr. Deach stated that during the Executive Session topics discussed were the Sconti area negotiations, which will be a high priority now that tornado cleanup is well underway, and the search for an Assistant General Manager/Chief Financial Officer. He stated that the Board is working with an outside search firm regarding the position, and they have already passed some resumes along to Mr. Ledbetter. The minutes of the January 22, 2003 meeting were reviewed. Following review, a motion to approve them was made, seconded and passed.

**FINANCIAL REVIEW**

The Financial Narrative produced prior to the meeting for the Board's review was attached to the minutes. Troy Ledbetter was asked to present the report to the Board.

Mr. Ledbetter stated that the POA operated \$61,600 better than budget for the month. He relayed that rain and cold temperatures have been a factor, which has resulted in slow cards sales for golf and tennis. Historically, when the weather is mild and dry in January, card sales are good as people are eager to play golf and tennis. Conversely, fitness card sales were better than budget as owners opted for indoor physical activities.

**Property Sales & Construction Data:**

Dwelling Units started - 9; Dwelling Units finished - 11 Dwelling Units under Construction - 10; Property Transfers - 42; New Lot sales - 2.

This month's near breakeven performance was primarily because timing issues in Golf Maintenance and Security helped to make up shortages in card sales. Also adding to the better than budget performances were increased plan submittals & fines (Architecture), road fees (Grounds), property transfers and interest income (Administrative).

Golf Operations was \$19,300 worse than budget for the month. Rounds played were over 60% less than budget (411 played). January golf card sales were 26% below budget. Golf merchandise soft goods gross revenues were down 65% (\$1,700 vs. \$4,800 budgeted).

Golf Maintenance was \$25,300 better than budget for the month. The savings were because fertilizer and chemicals are often purchased in January to get a special winter discount. This year winter discounts were not offered. The purchases will take place in the spring.

Fitness Center was \$6,500 better than budget for the month. Annual Fitness Card sales and daily fees were both better than budget.

Tennis was \$4,800 worse than budget for the month. Repairs and building maintenance costs were greater than budgeted.

Swim was on budget for the month. Lakes and Marina was \$500 better for the month. Card sales were better than budget.

Food and Beverage was \$500 better than budget for the month. Facility rental revenue was \$3,500 better than budget. The restaurant was closed for a week so that the staff could take vacation during a very slow period; also, during the week the restaurant was closed, a number of maintenance and repair issues were addressed. Mr. Ledbetter stated that beginning in March, the restaurant would be serving breakfast Wednesday through Sunday.

AECD was \$12,700 better than budget for the month. Architectural and Environmental Control Department submittals were better than budget by \$2,000. Fines were better than budget by \$8,500 on the strength of one tree cutting fine. There were also timing issues related to printing costs.

Grounds Maintenance was \$5,800 better than budget for the month. Road fees were \$2,200 better in tandem with increased AECD submittals. There were some savings in repair and maintenance versus budget; Facilities Maintenance was also on budget for the month as was Security.

General and Administrative was \$26,400 better than budget for the month. Interest income and transfer fees were all better than budget. Small savings in nearly every expense category from operating supplies to utilities paired with better than budget revenues of modest amounts in everything from recovery of bad debt to accounts receivable finance charges added to the savings. Lot and home dues were also better than budget by small amounts.

Mr. Deach stated that during Mary Wilson's tenure with Big Canoe, she created a financial model that will be used in future planning. Members of the Finance Committee are now refining that model.

## **GENERAL MANAGER'S REPORT**

The General Manager's Report produced prior to the February 19, 2003 meeting for the Board's review was attached to the minutes. Mr. Ledbetter reported that the tornado storm damage cleanup is going well. All streets have been cleared with the exception of debris on Wilderness Parkway from the Marina to McElroy Mountain. The clean up crews will be working in the village area near Petit Dam and the ball field. When that clean up is completed, the crews will go to the Nature Valley and the greenbelt area between Blackgum and Willow. Through the end of January, the POA has spent approximately \$160,000 on removal of storm debris. The POA Maintenance Staff will be picking up small debris and cleaning the play field area. Mr. Ledbetter maintains that he still feels that the tornado damage can be cleaned up for approximately

\$350,000-\$400,000. This estimate, however, does not include restoration. Mr. Ledbetter stated that he would need the Board's direction to what extent the greenbelt areas affected by the storm will be improved. Mr. Ledbetter further stated that Larry Hubbard and George Porter are preparing a landscape plan for the play field area, which should be ready in approximately one week. Mr. Ledbetter also related that so far two playground equipment companies and have been contacted for information and pricing.

At the last Board Meeting, Mr. Ledbetter stated that he was requested to research how other communities such as Dunwoody handled the lot clean up situation following a tornado. Mr. Ledbetter related that he found that Dunwoody has several small associations that each handled their own clean up. The Board reviewed two proposals from George Nowack, the Board's outside Legal Counsel, regarding storm damage clean up.

As approved by the Board in the last meeting, seedlings were purchased from the Georgia Forestry Commission and have been made available to property owners. Mr. Ledbetter provided a copy of the communication to property owners, which was placed on the Web Site, Post Office and on Channel 12. He reported that a number of owners have taken advantage of the available trees to date.

Buckskull owners were each assessed \$1,945.95 for storm cleanup in the February billing. Prior to billing, Mr. Ledbetter sent out a letter informing the owners that they would be assessed in February. As of 2/13/03, Mr. Ledbetter stated that he has had at least half of the Buckskull owners contact him regarding this assessment.

During the month of January, Dawson County EMS responded to 14 calls, with 5 patients being transported and there were 9 refusals.

Mr. Ledbetter stated that he has requested Richard Newton, the POA's legal counsel in the AEMC issue to have someone search the legal records at the courthouse regarding the easements with AEMC. He reported that he has received no additional information from Mr. Newton regarding the easements.

Golf Maintenance continues to clean up storm debris along the golf course. Trees are also being removed in order to allow more sunlight in these areas as recommended in the USGA study conducted last year: Choctaw 1 green; Choctaw 2 tee & green; Choctaw 3 green.

Mr. Ledbetter provided the Board with a draft of the letter to delinquent owners and also a Resolution for the Board's review and consideration. Following discussion a motion was made, seconded and passed adopting the Resolution as presented regarding the obligation of every owner of a lot to pay annual assessments or charges and special assessments and charges to the Association. Article VI, Section 7 of the Covenants provides that any assessment that is more than thirty (30) days past due shall be deemed delinquent. The approved resolution states that any owner who is shown on the Association's books and records of account to be more than six months delinquent in the payment of any assessment to the Big Canoe Property Owners Association, Inc. shall be required to pay an admission fee of \$100.00 per vehicle, per trip to

drive a vehicle on the Association's roads. It was agreed by the Board that this fee is a penalty and will not be applied against the delinquent account.

Mr. Ledbetter stated that he has had no further response from Cranston, Robertson & Whitehurst regarding Disharoon Cove Dam. He will call and emphasize the need to get moving on the project.

Mr. Ledbetter provided a Summary of Changes to the Architectural Control Guidelines and The Rustic Mountain Guidelines for the Board's review and approval. Board members agreed that they would like to study the changes and be provided copies of all current guidelines. This topic will be discussed at the next board meeting.

Mr. Ledbetter reported that Donovan Design Company installed the Lake Sconti Restaurant and Golf Club sign on Monday, February 10, 2003. Mr. Byrne will contact Mr. Donovan regarding the status of specifications for uniform street signage.

The Board also discussed signage at the entry gates and agreed that banners, which are normally hung throughout the year (Mission Conference, Tour of Homes, Oktoberfest), will be allowed to be hung until a decision has been made by the Board regarding some type of alternative for both gates.

Report on Amenity Cards Sold as of 2/13/03: Silver, Platinum & Gold 77; Golf 176; Range Plan 156; Swimming 30; Fishing 77; Fitness 415; Tennis 49.

Robert Schmit, Food and Beverage Manager has introduced new lunch and dinner menus at the Lake Sconti Restaurant. Mr. Ledbetter reported that many compliments have been received on the new menu. Beginning in March, breakfast will be served at the Lake Sconti Restaurant Wednesday through Sunday.

The Board next reviewed the proposed letter, which will be sent to property owners regarding tornado damage cleanup and what will be required of property owners. In accordance with the requirements provided for in Article VII, Section 2, the Board determined that the following steps are necessary with regard to the maintenance of lots that suffered damage: (1) All fallen trees must be cut up and laid down in an orderly fashion, with all tree trunks and limbs in full contact with the ground to speed decay. (2) All visible root balls within 75 yards of a street shall be removed to an off site location and disposed of. (3) It is recommended that all damaged areas be fertilized with 10-10-10-fertilizer to promote new growth.

Pursuant to Article VIII, Section 3 of the Declaration, the necessary steps must be completed within sixty (60) days from the date of this letter. In the event that property owners fail to complete these steps to remove and maintain debris on the lot, the Association shall be entitled to enter upon the lot to provide the required maintenance. Any and all costs and expenses incurred by the Association in performing this maintenance shall be the sole cost of the owner.

The Association is hopeful that all lot owners will perform the necessary removal and maintenance of this tornado debris so that Big Canoe can be restored to its original character and beauty.

## **UNFINISHED BUSINESS**

The Big Canoe Organization and Management Study Group (Larry Toney, Chairperson, Rosemarie Heindel, Guerry Massey and Fred Miller) provided the Board with a progress report on their studies. Topics which have been discussed in the focus group sessions include: (1) Market Value (2) Full Cost Accounting (3) Streamlining Processes (4) Revenue Generation (5) Community Diversity. A partial result of the survey (2 of 4 focus groups have been held) was provided to the Board for review. It was agreed that a preliminary report from the Organization and Management Study Group would be presented at the April Town Hall Meeting. The final report will be presented in the August Town Hall Meeting.

Mr. Deach requested an update from Mr. Ledbetter regarding the noise problems at Big Canoe. Mr. Ledbetter stated that he had preliminary discussions with an acoustical consultant. Mr. Ledbetter agreed to contact the consultant regarding a proposed policy.

Ms. Greer next provided the Board with an update on the water supply study. She stated that there has been a delay in getting some information from Cranston, Robertson & Whitehurst, but they have provided a list of what is needed to the water company.

**Mr. Ledbetter reported that we have had no response from the State of Georgia regarding Lake Petit Dam.**

Mr. Deach stated that he and Mr. Ledbetter reviewed the AECC violations on the greenbelt surrounding Lake Petit. It was agreed that Mr. Ledbetter would have legal counsel review this issue. This topic was tabled for discussion until the next meeting.

Mr. Deach reported that work continues on the community census project. A draft of the Big Canoe Survey was provided to the Board for review.

The Board was brought up to date on the committee, which has been formed to study the cleanup of the tornado storm damage, restoration and possible redesign of the village area. Mr. Deach stated that the first couple meetings of this group was to look five to ten years in the future, what might be needed at that time and what could be done now to prepare for it. The area being looked at by the group extends from the bottom of Petit dam to the Lake Sconti Restaurant and Golf shop. The group's immediate focus is the play field. Larry Hubbard and George Porter, landscape architects, are working on a design for the area. Linda Greer suggested that this study group be given formal status as a POA Committee and has agreed to write the charge to the committee.

Mr. Deach inquired as to what is going to be done with the water department building on the hill below the Lake Petit dam. He stated that many people have asked when the building would be repaired. Mr. Byrne replied that a decision would be made in two weeks to either rebuild or tear the building down.

The Board next reviewed bad debt expense in the amount of \$38,742 for 2002. Following discussion, a motion was made, seconded and passed authorizing recognition of bad debt of the list of accounts presented by Mr. Ledbetter effective December 31, 2002. Mr. Ledbetter confirmed that this is an accounting transaction, not a forgiveness of debt. The Accounting Department continues to pursue the collection of all bad debts. Historically recovery of bad debt equals or exceeds the amount written off.

The Board next discussed a request for a contribution from the POA in the amount of \$1,000 to assist in funding the summer day camp program at the chapel. It was pointed out that the POA donates use of the swim club and the swim fees for the day camp. Following discussion, a motion was made and seconded. The motion failed with two votes in favor and two abstentions.

Mr. Deach related to the Board that the next Community Council Meeting will be held on March 3, 2003 at the Broyles Center. He remarked that Linda Greer would be leading this meeting.

The next meeting of the POA Board of Directors will be March 19, 2003. A motion was made and seconded to adjourn the meeting. The motion passed and the meeting was adjourned at 12:10 a.m.

This report is an incomplete and unofficial summary of information provided to the Board and the Board's activities at this meeting, which is produced prior to approval of the official minutes for purpose of timely property owner communication.