

STONE MOUNTAIN MEMORIAL ASSOCIATION

January 22, 2007

A meeting of the Stone Mountain Memorial Association was held at 1:00 p.m. on Monday, January 22, 2007, at the Evergreen Conference Center, Stone Mountain Park, Stone Mountain, Georgia.

ASSOCIATION MEMBERS PRESENT

Tom Gilliland, Chairman

Greer Johnson, Vice Chair

Mark Baxter

Brent Brown

Bill Chappell

Noel Holcomb

Mike Pentecost

Ray S. Smith, III

Joan Thomas

OTHERS PRESENT

Curtis Branscome, C.E.O.

Bob Cowhig, Director of Planning & Construction

Gail Durham, Director of Finance

Alison Spencer, Assistant Attorney General

Gerald Rakestraw, HFEC V.P. General Manager

Other SMMA Staff

CALL TO ORDER

Tom Gilliland, Chairman, called the meeting to order.

APPROVAL OF MINUTES

A motion was made by Mark Baxter, seconded by Ray Smith, and unanimously approved to waive the reading of the minutes of the November 13, 2006 meeting and to adopt the minutes as printed. A draft copy of the minutes was sent to each Board Member prior to the meeting.

PUBLIC COMMENT

None.

FINANCE COMMITTEE REPORT

Mr. Branscome stated that the Finance Committee did not meet earlier to discuss the financial statements due to the tour of the Park, but Ms. Durham was prepared to present a summary of the November 30, 2006 year-to-date financial statements.

Ms. Durham stated that for the eleven months ending November 30, 2006 total revenues were about \$9.9 million and about \$700,000 better than budget.

Total operating expenses were \$5.1 million year-to-date and about \$190,000 better than budget.

Net operating income before depreciation is \$4.8 million compared to the budget of \$3.9 million or about \$880,000 better than budget.

After depreciation expense, the excess of revenues over expenses is \$1.2 million which is \$1.1 million better than budget.

Net cash provided from operating activities year-to-date is approximately \$4.6 million. Cash used on capital projects has been about \$3 million and the net increase in cash is about \$1.6 million. The investment and cash balance at the end of November is about \$24.3 million.

Greer Johnson moved to accept the Finance Committee report, Mike Pentecost seconded and the motion was approved unanimously.

STONE MOUNTAIN PARK REPORT – HFEC

Gerald Rakestraw participated in the tour of the Park prior to the Board meeting and showed the Board members the snow making equipment that was being demonstrated on the laser lawn. This type of equipment will be used during the Christmas season to produce "Snow Mountain." No formal HFEC report was presented.

AMENDMENT TO THE CAPITAL BUDGET

Mr. Branscome stated that the proposed capital budget amendment had been mailed to all Board members prior to the meeting for their review. Mr. Branscome reviewed the line items explaining that 2005 remains unchanged and 2006 has been changed to move the pedestrian tunnel project to 2007. 2007 also includes an additional \$300,000 for the culvert project so that the combined pedestrian tunnel and culvert projects total \$1.8 million.

The North Gate connector road has been moved from 2008 to 2007. The Evergreen ballroom project for \$6 million is included in 2007 as well. The Triangle Parking/Beautification project has been added to 2007 for \$1 million.

The Lake Siltation project has been deleted from 2008. This project would require lowering of the lake level and this would be a major event that would trigger compensation for lost revenue to HFEC. We have completed removal of silt around the golf course irrigation intake and near the Grist Mill. \$300,000 has been removed from the 2009 Lake Siltation project and the budget remains unchanged from 2010-2012.

The capital budget total remains the same except for the \$6 million addition in 2007 for the Evergreen ballroom.

Mr. Baxter moved to approve the capital budget amendment, Mr. Smith seconded and the motion passed unanimously.

OLD BUSINESS

After three years of SMMA providing compensation to the Georgia Tennis Foundation to manage and operate the Stone Mountain tennis facility, GTF has not been able to find a way to generate positive cash flow from the operation. GTF has been actively trying to find a sponsor and tennis operator that can bring positive cash flow and continue to promote tennis at this facility.

DeKalb County has expressed interest in SMMA assigning the entire management agreement to them. They would take this facility over with a 50 year lease from SMMA.

Discussions will take place during the next month or so and Mr. Branscome will continue to update the Board with any new developments.

NEW BUSINESS

Mr. Branscome distributed the bid compilation for the tunnel and culvert project. The low bidder was Sunbelt Structures at \$1,207,100. Purchases in excess of \$1 million require SMMA Board approval. Staff is recommending that the Board approve the low bid from Sunbelt Structures.

Mr. Pentecost moved to approve the bid, Ms. Thomas seconded and the motion passed unanimously.

ADJOURNMENT

There being no other business, the meeting was adjourned at 1:45 p.m.

Tom Gilliland, Chairman

Submitted by

Gail Durham, Secretary