

STONE MOUNTAIN MEMORIAL ASSOCIATION
DEVELOPMENT AND FINANCE COMMITTEES MEETING
September 20, 2010

A joint meeting of the Development and Finance Committees of the Stone Mountain Memorial Association was held at 11:00 a.m. on Monday, September 20, 2010, at Evergreen Conference Center, Stone Mountain Park.

FINANCE COMMITTEE MEMBERS PRESENT

Bill Chappell, Chairman Finance Committee
Brent Brown
Greer Johnson, Vice Chairman
Mike Pentecost

DEVELOPMENT COMMITTEE MEMBERS PRESENT

Mark Baxter, SMMA Chairman
Ray S. Smith III, Chairman Development Committee (by telephone)
Joan Thomas

MEMBERS ABSENT

Chris Clark
Carolyn Meadows

OTHERS PRESENT

Curtis Branscome, C.E.O.
Bob Cowhig, Director of Planning and Construction
Gail Durham, Director of Finance and Secretary

Call to Order

The meeting was called to order.

Year-to-Date Financials

Ms. Durham reviewed the year-to-date financial statements for the eight months ended August 31, 2010. Total revenues were \$6.7 million and operating expenses were \$4.3 million. After interest income and depreciation expense the excess of revenue over expense was about \$14,000. A loss of \$241,171 was budgeted; therefore, the Association is about \$255,000 ahead of budget year-to-date. The primary unknown heading into the last quarter of 2010 is whether FEMA will reimburse the remaining expenses incurred related to the storm damage in 2009. This amounts to about \$521,000 as of August 31, 2010 and includes the bridge span project.

Total cash and investments at August 31, 2010 was \$9.3 million. About \$10 million has been used on capital projects in 2010 and \$1.3 million in cash has been provided from operating activities. The cash balance is expected to be close to \$5 million at year end based on projects in progress. Ms. Durham said that the balance sheet also reflects about \$800,000 that has been paid to the Marriott escrow accounts as the 5% reserve contribution required under the terms of the lease. SMMA agreed to fund this reserve as part of the last lease amendment. These funds will be used as part of the renovation and refurbishing of

Evergreen Conference Center and Stone Mountain Inn. Marriott will provide an accounting of items purchased and SMMA will capitalize those purchases when they occur.

Mr. Chappell thanked Mr. Branscome, Ms. Durham, and Mr. Cowhig for keeping the SMMA Board informed about finances and capital projects. Mr. Branscome said he would return the compliment because so many boards do not want to receive these reports or look at the financial reporting. The SMMA Board always reviews and asks questions regarding the financial activities at Stone Mountain Park. Mr. Branscome stated that this is the largest fiduciary responsibility of any board and to understand if the organization is fiscally fit and responsible.

Review of Ancillary Facilities Agreement

Mr. Branscome reviewed a draft of the "Ancillary Facilities Agreement". This agreement will replace the original one that was signed with Silver Dollar City/Stone Mountain Park in 1998. This agreement addresses areas that are outside of the leased area. The Grist Mill Pavilion is in the natural district, but this agreement allows the rental of the pavilion. The major areas included are use of recently vacated buildings by SMMA Services operations. SDC/SMP needs a facility to work on their vehicles and Duck Ride equipment. They also need space to store goods and materials to be used in the Evergreen interior restoration. This storage space will be provided through use of the gym at the Forest Hills Baptist Church. SDC/SMP will also use the grounds maintenance facility in their maintenance operation. This area will be fenced and screened so that it will not be unsightly from the road. Mr. Smith inquired about environmental issues that should perhaps be incorporated with this agreement. Mr. Branscome said that all the provisions of the master lease apply under this Ancillary Facilities Agreement and environmental issues are covered in the master lease.

Ms. Thomas and Ms. Johnson commented that SDC/SMP has an unsightly amount of seemingly junk that should be stowed away or trashed. Mr. Branscome said a lot of the items in the Yellow Daisy parking area are related to Snow Mountain and will be reused. Mr. Branscome stated that he felt it would be appropriate for Board members who feel strongly about this trash issue to voice their concerns in the afternoon session when the agreement is brought to a vote. Mr. Brown commented that they have made some progress in the railroad shop area, but there is still room for improvement.

Mr. Branscome said that there will be a tour after the Board meeting for any member who would like to view some of the recent renovation efforts.

Meeting adjourned at 11:35 p.m.

Notes taken by
Gail Durham, Secretary