

STONE MOUNTAIN MEMORIAL ASSOCIATION

November 13, 2006

A meeting of the Stone Mountain Memorial Association was held at 1:00 p.m. on Monday, November 13, 2006, at the Stone Mountain Inn, Stone Mountain Park, Stone Mountain, Georgia.

ASSOCIATION MEMBERS PRESENT

Tom Gilliland, Chairman

Greer Johnson, Vice Chair

Mark Baxter

Bill Chappell

Noel Holcomb

Mike Pentecost

Ray S. Smith, III

Joan Thomas

ASSOCIATION MEMBERS ABSENT

Brent Brown

OTHERS PRESENT

Curtis Branscome, C.E.O.

Bob Cowhig, Director of Planning & Construction

Gail Durham, Director of Finance

Jerry Spicer, Director of Administration & Public Safety

Alison Spencer, Assistant Attorney General

Other SMMA & HFEC Staff

CALL TO ORDER

Tom Gilliland, Chairman, called the meeting to order. A quorum was present.

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 September 25, 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

Ms. Durham stated that for the nine months ending September 30, 2006 total revenues were about \$8 million compared to a budget of \$7.6 million.

Total operating expenses were \$4.1 million year-to-date and about \$300,000 better than budget.

Net operating income before depreciation is \$4 million compared to the budget of \$3.2 million.

After depreciation expense, the excess of revenues over expense is \$962,000 which is \$937,000 better than budget.

Net cash provided from operating activities year-to-date is approximately \$3.8 million. Cash used on capital projects has been about \$2.9 million and the net increase in cash is about \$850,000. The investment and cash balance at the end of September of about \$24 million.

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

STONE MOUNTAIN PARK REPORT – HFEC

Gerald Rakestraw said that some of the Board members had attended the employee Christmas preview at Crossroads. He apologized that he could not attend because his wife was giving birth to their second daughter. He hoped that the people who did attend enjoyed the activities. The Board congratulated Mr. Rakestraw on the new addition to his family.

Flyers were distributed that described all the Christmas offerings. These mailers were sent to targeted homes in the area to promote the Park at Christmas. They are looking forward to a tremendous attendance.

Concrete cart paths are being constructed on the Stonemont golf course. All 18 holes are being converted from asphalt to concrete. This is a tremendous upgrade for the course and next year the Lakemont course will be improved.

Adoption of the “CODE OF THE STONE MOUNTAIN MEMORIAL ASSOCIATION, 2006”

The 1998 Code has been updated and revised for minor typographical errors and several substantive changes. We have changed Chapter Five to prohibit the general public from having or using any kind of fireworks. Chapter Eight has been updated to include the most recent construction codes.

As required by the by-laws this is the second presentation of the 2006 version of the Code and

the Board is requested to re-adopt the Code of the SMMA. Mr. Baxter moved to adopt the Code, Mr. Smith seconded and the motion was unanimously approved.

Mr. Smith asked if there was signage in the Park that prohibited fireworks. Mr. Branscome deferred the question to Mr. Spicer. Mr. Spicer stated that the signage would be placed appropriately now that the ordinance is in effect. Mr. Smith suggested that these be placed at the Campground and entranceways.

FIFTH AMENDMENT TO LEASE WITH SILVER DOLLAR CITY/STONE MOUNTAIN PARK

Mr. Branscome stated that at the joint meeting of the Finance and Development Committees this morning and following lengthy discussion, the Committees have recommended approval of the Fifth Amendment to the lease with Silver Dollar City/Stone Mountain Park to the full Board.

Mr. Baxter moved to approve the Fifth Amendment to the lease, Mr. Smith seconded and the motion was approved unanimously.

APPROVAL OF THE CONCEPT FOR "STONE MOUNTAIN CHRISTMAS"

Mr. Branscome stated that at the joint meeting of the Finance and Development Committees in September a concept was presented by HFEC for improving the Christmas program. Both Committees received this concept favorably at that time and the staff recommendation is to approve this concept. All developments plans are subject to detail approval, and detailed plans will be presented at a later date.

Mr. Pentecost moved to accept the concept, Mr. Smith seconded and the motion was unanimously approved.

2007 SKYRIDE PRICING REQUEST

Mr. Branscome stated that there were two items related to pricing under the lease agreement that SMMA retained the right to approve. These were the Skyride price and the parking fee. The individual Skyride price for persons not purchasing an all-attraction wristband has not been increased since 2003. At that time the price was increased from \$6 to \$7. HFEC has requested an increase to \$9 and to reinstate a child's ticket price at \$7. The child's price was eliminated in 2002. Mr. Rakestraw has indicated that a \$5 ticket price will be offered to guests in wheelchairs.

Mr. Baxter moved to approve the Skyride pricing, Mr. Holcomb seconded and the motion was unanimously approved

2007 SMMA BUDGET

The Finance Committee has reviewed the proposed 2007 Budget and recommended approval to the full Board. The budget includes an overall increase in expenses of 4.8%. The net excess of revenue over expenses after depreciation is \$853,000.

The only real program changes presented in the 2007 budget are in the Public Safety area. The part-time position of Assistant Chief of Police and Fire has been budgeted as a full-time position.

Mike Lee was introduced to the Board and will be filling this full-time position. The Director of Public Safety and Administration is retiring and this position will not be replaced. One additional Police Officer position has been added to the 2007 Budget to cover the early morning shift.

Mr. Pentecost moved to approve the 2007 Budget, Ms. Thomas seconded and the Budget was approved unanimously.

Mr. Branscome stated that the Fifth Amendment to the Lease includes SMMA funding the ballroom expansion project at Evergreen. SMMA will receive additional lease revenues in exchange for this funding in the form of increased rent payments. Mr. Gilliland asked when construction was to begin on this project. Mr. Branscome stated the project was currently in the beginning design phase. Randy McMichael said they were in the process of working with architects and putting together a bid package to identify a contractor. The Marriott management is eager to start the construction as soon as feasible.

OLD BUSINESS

None.

NEW BUSINESS

None.

ADJOURNMENT

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

Tom Gilliland, Chairman

Submitted by

Gail Durham, Secretary