

January 1, 2024

Big Canoe Property Owners,

On behalf of the entire staff, I would like to thank all the Property Owners who contributed to the Employee Holiday Fund. We would like to wish everyone a very prosperous New Year!

The POA Board of Directors passed the 2024 Operating and Capital Budgets at the November 16, 2023 meeting. This was accomplished after five months of work and meetings by staff, the Finance Committee, and the Board of Directors.

The 2024 Budget Philosophy was based on:

- Safety, maintaining our assets, and employee recruitment/retention.
- Maintaining the 2024 headcount equal to the 2023 year-end unless justified by Finance Committee and Board
- Managers focused on the five strategic plan objectives when building their 2024 plans.

The approved Operating Budget includes the changes outlined below:

- Infrastructure
 - Road striping on all primary roads including gate-to-gate
 - Dam inspections for all lakes – not mandated but good practice
 - 15% increase in Property/Liability/Auto/D&O insurance
- Safety
 - Cyber security and Architectural Control Software
- Employees
 - Salary survey benchmarking was conducted using Glassdoor and focused on job titles, job functions, employer size, and the Jasper, GA area
 - Positions below minimum were brought to minimum, many positions were brought closer to mid-point and a 3.8% merit pool was established for the remaining employees
 - Benefits – Health benefits were negotiated to a 13% increase
- Property Owner Experience
 - No membership increases
 - Food & Beverage results remain flat to 2023 with entertainment on Friday nights and more food/bar options at the Beach Club.
 - Golf – new carts expected in June, less sod budgeted (no predicted winter deep freeze), fewer chemicals and fertilizer, and fewer rounds due to Choctaw rejuvenation. Cart fees increase by \$1 for 18-holes.
 - Aquatics – lower setup costs for inflatable waterpark
 - Racquet Club – new clay for all six tennis courts

The approved assessment increase is \$15/Lot and \$25/Lot with Dwelling all towards operations. No increase for the capital portion. The Capital Contribution Fee is \$4,000 for closings on or after January 1, 2024, and the lease administration fee is \$187. This increase is also effective January 1.

The budgeted net income before depreciation is \$4,191,356. Comprehensive net income (after depreciation, Capital Assessments, and Capital Contribution Fee is \$2,739,023. This pays for our debt service and partially funds the replacement capital budget. The POA continues to be in strong financial health. The Operating and Capital budgets have been posted on the POA website under My Big Canoe/ POA/Financials or use the following link <https://members.bigcanoepoa.org/Default.aspx?p=dynamicmodule&pageid=163&ssid=100168&vnf=1> . The 10-year cash flow statement reviewed by the Board of Directors and Finance Committee shows strong financial health for the POA in the upcoming years.

The two pie charts below demonstrate where your assessment increase dollars are spent and assessments are spent.

Happy New Year!

Jayne Hagan, Director of Finance

