

## Financial Committee

### Meeting Minutes – April 11, 2014

Attendees – Dave Runyon, Al Squire, Laura McNeil, Tony Lupino,

Absent: Dorothy Nolie

Agenda:

- Review and recommended change to the operating agreement with the new restaurant vendor.
- Discuss 2014 Budget – current status
- Discuss 2013 tax returns, accountant's findings

Ms. Nolie's written input prior to the meeting was noted and was appreciated by the committee.

The first order of business was a review of the restaurant vendor agreement provided to the committee by Doug Young. The committee did an extensive item-by-item review and made corrections and suggested changes as needed.

An amended draft was emailed to Doug before the meeting adjourned, with the recommendations for changes included in the draft. Also the committee recommended that BoD member Harry Talmon review the agreement to ensure that insurance language is appropriate, and also that executive committee member Mark Cacoza review from a legal perspective.

The 2014 budget was discussed as the next agenda topic. Much of the time was spent orienting Mr. Lupino to the nature of the documents available. We talked about the need to have a more organized way to present the information, but noted that Quickbooks "is what it is". We also noted that the conversations are sometimes based in accrual accounting language and other times in cash basis. Dave remarked to the group that the Cash view was most appropriate to a view of the budget at this time of year. Tony challenged the group to do better. It was also discussed and agreed that the declining membership numbers is a concern. The percentage of revenue from memberships is lower than we would like it to be, and we are becoming more and more dependent on outside play to sustain the Club. The danger in this is that weather can play havoc with our revenue.

We agreed to provide Tony and Dorothy with background information on past years, etc. When we get together next, he will have better context.

Discussion about the effect of stock sales and buy-back was next.

We reviewed all available data, and concluded that the amount budgeted for Stock buy-back when combined with the amounts received from non-stock payments and Stock payments will not result in a budget deficit. This is good news, budget wise.

Reminder to all – The BoD moved that any notification to the Club to turn-in a share of stock for repayment received after April 15 will be deferred to the next calendar year. This was done to make in-year budgeting and cash-flow possible. The financial committee is operating on the assumption that this resolution is in effect.

Finally, Mr. Squire and Mr. Lupino discussed the tax returns from 2013 at some length. Mr. Lupino asked for some follow-up information to aid his understanding of where to stand and what we might do. Everyone will provide Tony with the data that he needs to assist us.

Mr. Lupino closed the meeting with a reiteration of Mr. Squire's suggested and expressed need that and Audit Committee be formulated and active.