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FINANCE COMMITTEE

Thursday, December 22, 2016 3:30 pm – 4:30 pm

NLTRA Conference Room

PRELIMINARY MINUTES

COMMITTEE MEMBERS IN ATTENDANCE: Erin Casey, Ramona Cruz, Eric Pilcher (via phone), and Mike Salmon (via phone)

COMMITTEE MEMBERS NOT PRESENT: Wally Auerbach

RESORT ASSOCIATION STAFF: Al Priester, Sandy Evans Hall, Lauren Sully, Natalie Parrish

OTHERS IN ATTENDANCE: None

A. Call to Order – Establish Quorum:

- The meeting was called to order at 3:40 pm by Eric Pilcher and a quorum was established.
- Eric left meeting 3:41 pm.

B. Public Forum: None

C. Agenda Amendments and Approval

(M/S/C Mike Salmon/Ramona Cruz/3-0-0) Motion to Approve Agenda/Amendments.

D. Approval of Finance Committee Meeting Minutes for November 29, 2016.

(M/S/C Erin Casey/Ramona Cruz /3-0-0) Motion to Approve the November 29, 2016 Finance Committee Minutes.

E. REVIEW/DISCUSSION OF ACTION ITEMS:

Action Item 4: QuickBooks A/R customer and A/P vendor reconciliation.

- Discussion: Utilized the built in reconciliation features of QuickBooks for NLTRA and NLTMC for A/R. However, A/P discrepancies were mostly caused by using General Journal entries and will have to be corrected as we can. Ongoing process to get A/P and A/R discrepancies from 2011 and 2013 to zero balances. This action item will remain until that process is completed.
- 11/29/16 Meeting: Cleaning up QuickBooks – continuing to make adjustments.
- 12/22/16 Meeting: Continuous and most likely not be completed for numerous months. Balances in vendors and customers accounts that do not effect financials. This is a low priority and will be updated as we make progress.

Action Item 6: Al to identify where the budget is for Traffic Management and confirm the amounts that are recorded on #5953 & #5955 are correct. Awaiting resolution with County.

- Discussion: Acceptance of the Audited Financials by the County will resolve this outstanding item where NLTRA paid Traffic Management expenses that were not included in the fiscal 15/16 Contract. Have not recorded A/R for that – it would act as an offset. \$32,000.00 – awaiting resolution with County.
- 11/29/16 Meeting: Awaiting confirmation with Daniel, will get this resolved tomorrow 11/30/16 and should have a final number at that time.
- 12/22/16 Meeting: Reconciled with Daniel Vick on Dec 7, 2016 for what was owed back to the County. Resolved and completed on Dec 7, 2016.

Action Item 9: Al to confirm Administration allocation for 2016-2017.

- Discussion: Negotiations are ongoing with the County. Will not be going back to 15/16, address this and make changes.
- 11/29/16 Meeting: Ongoing as we negotiate the 17/18 Contract. Something to continue to talk about. Keep this item on here.
- 12/22/16 Meeting: Ongoing.

Action Item 14: From 10/27/16 Finance Committee Meeting, Memo of Management's Position on Accounting Policies.

- 11/29/16 Meeting - Discussion: Still open. Trying to have that complete for packet going to the board so that it can be approved for part of our policies and procedures. Will present it at the December Finance Committee Meeting so it can be reviewed prior to taking it to the board in January.
- 12/22/16 Meeting: Due to it being a short month, push forward to next month. No pressing issues.

Action Item 15: Prior month income and current month income does not equal change in Balance Sheet Equity.

- 11/29/16 Meeting - Discussion: Print closing date exceptions – anything that has happened after the month has been closed.
- 12/22/16 Meeting: AI did do some work on this and found the ability in QuickBooks to print closing date exceptions, which lists every entry made after the closing date. Add to closing process.

Action Item 16: Audited Marketing Reserve of \$316,000 different from Financials \$304,000.

- 11/29/16 Meeting - Discussion: \$316,000 on audit adjustments is different from the \$304,000 on the financial statements. About a \$12,000 difference.
- 12/22/16 Meeting: Financials and audit are in agreement. AI to call Daniel to review this and also discuss the allowance for doubtful account so we can get this removed.

Action Item 17: Re-budget decrease in Marketing Reserve of \$12,371

- 11/29/16 Meeting - Discussion: Record keeping on their part. They considered it a deposit and we expensed it. Difference between what was incurred and deposited resulted in a refund check. In regards to Iron Man. It crossed over fiscal years. Erin said I think it would be paid back to the County. It would have been part of marketing TOT funds that we received for events.
- 12/22/16 Meeting: Has been done. Erin working on the contract side of it for the County which will go to the Board of Directors at the meeting on January 4th, 2017.

Action Item 18: CHP refund should be paid back to County.

- 11/29/16 Meeting - Discussion: It would be helpful to see the annual budget in the report.
- 12/22/16 Meeting: Completed, has been paid back.

Action Item 19: Include Full Annual Budget. In Budget vs Actual Reports.

- 11/29/16 Meeting - Discussion: Memo summarizing re-budgeting marketing reserve. \$12,000. Identify reduction in marketing reserve to be utilized for 16/17 by NLTRA. Take a look when we reforecast.
- 12/22/16 Meeting: Looking to have it in December's Financials.

Discussion and Possible Approval of November 2016 Financial Statements.

- AI informed the Committee that cash balances are fairly high and will be presenting to the board this next meeting resolutions to open new accounts so we can get total cash in various institutions below the \$250k threshold for FDIC Insurance.
- A/R over 120 days are outstanding and for commissions. To track and control commission's payable within QuickBooks, we are entering the Direct Contacts as a \$.01 invoice, which we do not send invoices for.
- A/R for TOT is still on the books and will disappear in December, we paid the check and the offset it to A/R.
- We wrote off a significant amount of WebLink A/R that were over 120 days, which goes against the allowance for doubtful accounts and took it into a negative position. We are continuing to replenish the allowance for doubtful accounts over the following months based on 15% of invoicing. Our largest invoicing month is in January and that 15% will bring us back up to a normal credit balance for a contra-asset account.
- Daniel asked how far out we are from getting a comparative balance sheet.

Action for AI: December Financials to include a comparative balance sheet for current month (detail), last month (summarized) and last year's year end audited balances - Action Item 20

- AI informed the Committee that we received a \$3300.00 refund check from Employers Assurance (Workman's Comp) for last FY 15/16. Contract makes allowances for refunds but not for prior period expenses. As per contract, this will be paid back to County. Appears as a current year expense.

Action for AI: Contract negotiation for 17/18 to address holding accounts for refunds and expenses from the prior year at a specified date - Action Item 21

- 6 month re-forecasted budget will be presented to Finance Meeting in February, after the approval of December's financials.
- AI clarified that professional fees 5920-00 were budgeted in salaries and wages.

Action for AI: To include a staff report and an item in the staff report on a continuous basis stating the variance between professional fees and salaries and wages, and that they should be looked at together - Action Item 22

(M/S/C Erin Casey/Ramona Cruz /3-0-0) Motion to Approve November 2016 Financial Statements.

F. Supplemental Information

- Dashboard Report: November 2016
 - Discussion: Good increases all around. Membership has a significant drop because we have written off several members. Previous Membership count has been off, some members never paid and were continued to be invoiced when they should have been dropped.

G. Approval of CEO Expenses for November 2016.

(M/S/C Erin Casey/Ramona Cruz /3-0-0) Motion to Approve CEO Expenses for November 2016.

H. Committee Member/Placer County Rep Comments

I. Adjourn

- Finance Committee Meeting was adjourned at 4:40 pm.