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FINANCE COMMITTEE

Thursday, June 22, 2017 at 3:00 pm.

NLTRA Conference Room

PRELIMINARY MINUTES

COMMITTEE MEMBERS IN ATTENDANCE: Christy Beck, Mike Salmon via telephone, Ramona Cruz via telephone, Chad Fenstermacher via telephone.

COMMITTEE MEMBERS NOT PRESENT: Erin Casey, Dave Brown, and Eric Pilcher.

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

OTHERS IN ATTENDANCE: None

A. Call to Order – Establish Quorum:

- Christy Beck called the meeting to order at 3:04pm and a quorum was established.

B. Public Forum: None

C. Agenda Amendments and Approval. (MOTION)

M/S/C (Ramona Cruz/Mike Salmon/4-0-0)

D. Approval of Finance Committee Meeting Minutes for May 25, 2017. (MOTION)

M/S/C (Ramona Cruz/Mike Salmon or Chad/4-0-0)

E. REVIEW ACTION ITEMS:

- Discussion about commission revenue and commissions payable to Jason and Greg.
- Commission revenue is booked in the month in which the event concluded.
- Goal for the Finance Committee for fiscal year 17-18, to document the commission process.
- What does the contract say in regards to when payment is due, 30 days, 60 days?

Ramona Cruz left the meeting.

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

- 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.
- 03/30/17 Meeting: We may end up having to start a new set of books in QB at some point (fresh start) if we can't get these resolved. Ongoing, will stay ongoing.
- 04/27/17 Meeting: We may have to start new books as long as we can maintain 16/17 actuals to be able to provided year over year comparison.
- 05/25/17 Meeting: Still ongoing process.
- 06/22/17 Meeting: We were able to clear some vendors and customers zero balances in QuickBooks, but this is still an ongoing process. Previous bills and payments were entered as journal entries, which creates issues for removal.

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.
- 03/30/17 Meeting: Ongoing with Erin at the County. Ongoing - S/B resolved by next few meetings.

- 04/27/17 Meeting: Still ongoing, Erin is busy working with Sandy and will work this out.
- 05/25/17 Meeting: Still ongoing, working with the County and the contract.
- 06/22/17 Meeting: We now have a one-month contract for July, but this is ongoing until we have a final agreed upon contract.

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.
- 02/23/17 Meeting: Due to IT Consultant's deletion of QB files, deferred until recovery complete.
- 03/30/17 Meeting: Was on hold while recovering financials in QB. Ongoing.
- 04/27/17 Meeting: Thought we would be caught up by this meeting, did not have time. Will try and get this done by next meeting.
- 05/25/17 Meeting: Still open, we are closing the Marketing Coop audit soon and will have that finished as soon as that is done.
- 06/22/17 Meeting: We will update the commission procedures. We do have policies and procedures, they just need to be updated.

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

- 03/30/17 Meeting: Lost our ability to get this report but will be able to produce for next meeting.
- 04/27/17 Meeting: We have comparative balance sheet for this year and last. AI has not been able to get to report writer since we lost data. Report writer you can combine reports and create custom reports. Templates need to be re-engineered. We can and will save these outside of QB going forward.
- 05/25/17 Meeting: We have it generated automatically in the system for current month. To get last month and year-end audited balances requires statement writer approach, which has not been started yet. Other reports have priority. This remains ongoing.
- 06/22/17 Meeting: 24:00 We have the various month detail for last year, but have not been able to do the template format that was being requested by Mike, hoping to have an opportunity to get this done if we extend the cutoff date for June 30. Remains open.

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

- 03/30/17 Meeting: In process, ongoing.
- 04/27/17 Meeting: AI to follow-up with Erin.
- 05/25/17 Meeting: Still ongoing.
- 06/22/17 Meeting: Remains Open.

Action Item 23: Provide explanation of incongruity in commission revenue decreasing year over year while commission expense to employees increased year over year.

- 06/22/17 Meeting: Direct contacts impact this, where the lead comes from NLTRA but may not have been the first one. NLTRA pays commission expense but no revenue is generated. Discussion to be continued. Create action item for commission policy and procedures.

***Action Item:** Flushing out roles and goals for commission's policy and procedures.

F. Discussion and possible approval of May 2017 Financial Statements. (MOTION)

- A/R declined 55% YOY.
- Membership A/R declined 50% YOY, we have \$3,900 reserved in account 1201-02 (allowance for doubtful accounts)
- Membership Director, Natalie, has been working to address accounts over 120 days and working backwards. Of the \$9,590 that is over 120 days, has already collected \$2,400 and has commitments of people paying of \$5,700. Looking at a possible write-off of about \$600 from that category.
- Membership shows a loss for this month, last month there was a profit. This is because the amount owed to RSC for the Awards Dinner had to be negotiated, which did not conclude until the end of May. We should have accrued this.
- This does go against our retained earnings, which is at \$22,000, but would indicate that we expect a small profit for the month of July, which should take this down to about \$12,500 and if our collections continue the way they have been in the last 3 weeks, we may be able to make the decision that we over accrued bad debt expense for