

MTC FINANCE COMMITTEE MEETING

Monday September 25 2017

Members Present

John Honey, Jackie Gorton ,Ron Stelowitz, Frank Battat, Stuart Keirle

Absent (with tendered apologies) : Terry Cush (Chair) and Art Wasserman

Management : Chris Horne (GM) , Herb Gottlieb (Financial Consultant) , Marty Marks (Board Chair)

The meeting was called to order at 6.05 PM.

Email notes of August 21st 2017 were reviewed and Jackie requested that they be amended to include the fact that during the Kitchen profitability section of meeting she had produced copies of menus and pricing from Mt Tam – for review and as a gauge for our kitchen pricing.

At the request of stand in Chair Stuart – he handed over the meeting to Chris and Herb to provide an update on the financial reporting and control system under implementation. Chris pointed out that after meeting with the Membership Committee it was ascertained that the club has a membership of approx 360. This number includes associates, junior, social and others and as of now we have 300 active members. Our tentative goal is to have 320 active memberships. All new members are now paying the full initiation fee of \$2050 for single and \$2800 for family

Membership revenues are a driver for the club- and the club needs to ensure that there are adequate court facilities at all times with sufficient revenue being generated from membership to cover the club “fixed” operating expenses – with any surplus being placed into reserves for continued fixed asset improvements.

Herb presented the committee with proposed financial reporting documents, cautioning this was still a work in progress. The format presents the club operations split into 9 separate categories so that the reader is able to see where performance is good and where improvement are required. The result is that we are now showing on a monthly and year to date basis net income from operations on a EBITA basis (Earnings before interest, taxes and amortization) , On this basis through August 2017 the club Net operating income (EBITA) is \$ 10,129 . Other income/expenses items including initiation fees, bad debt write offs and depreciation show a YTD loss of \$ 38,727. Herb also advised that in future the committee will be receiving as part of the financial numbers package a monthly cash flow statement.

The committee was pleased to learn that our accounting records are being maintained on Quickbooks Desktop 2017 as opposed to the two old Quick books for recording and using journal entries to create management accounts. The committee thanked Chris and Herb for the work completed and generally were impressed with the proposed financial management reporting format.

A general discussion ensued relating to the implementation of the POS system and how this will integrate into the financial reporting system. It was agreed that by the next Finance Committee meeting

we will know what House and Grounds 2018 proposed projects are , and these will need to be incorporated into the 2018 budget.

Next Finance Committee meeting will be held on Monday October 23rd at MTC.

The meeting concluded at 7.15 PM