

MINUTES OF FINANCE COMMITTEE
MARIN TENNIS CLUB

April 24th, 2018

In Attendance

Stuart Keirle(Chair), Terry Cush, Jackie Gorton, Ron Stolowitz, John Honey (Treasure and Board liaison)

Chris Horne- MTC Manager, Herb Gottlieb – MTC Controller.

The meeting was called to order at 6.05 pm and a quorum was noted.

Jackie mentioned her concern re the club not obtaining competitive bids for construction work at the club – and a possible conflict of interest where such work is undertaken by a member or a Club Director. John advised that his company had undertaken numerous plumbing/water tasks at his cost as a service to the Club but did agree with all present that in future any major construction project should be placed on a proposal basis with at least two competing bids.

Chris and Herb then presented the financial result numbers through March quarter and for the month of March. A copy of Chris's variance explanation note is attached. The March month result of \$ 11,969 was encouraging – and YTD through March the club results show a positive variance to Budget of \$18,375 – (Actual Loss of \$ 14,130 compared to a budgeted loss of \$ 32,505).

Terry raised questions regarding revenue items. He noted that the unused café reward points were being shown under Member Fees, where as in prior years this income item had been reported in the Café(kitchen) income- Herb to research as Terry also suggested that this “extraordinary” income item should be reported as “other income” as opposed to operational income.

Terry also commented on the amount of initiation fees shown in “other income”, being significantly below what we should have anticipated – based on fact that the approved 2018 budget shows a target of \$ 84,800 for the year. Subsequent to our meeting Herb provided a breakdown of how this target is planned to be achieved over the remaining 9 months.

Chris advised the committee of the success in obtaining a new \$ 40,000 loan from Bank of Marin. This loan which has been fully drawn will amortize over 5 years at a fixed interest rate of 6% pa and requires a monthly fixed payment of \$ 777.88 commencing in June.

Chris also advised the latest update on the Top Spin Café project. The club has received an unscheduled visit from the City health authorities who were apparently concerned on the remodeling plans and as a result certain items have had to be shelved and as such no major construction alterations will be permitted. However, following adjustments to the project plan the Health authorities have given a

“pass’ grade to the Café operations. From a financial prospective to date the club has only spent \$ \$ 9,389 primarily on equipment. Chris felt that to complete and conform with Health requirements total expenditure should not exceed \$ 30,000 in total.

The committee discussed whether it might make sense to return \$ 10,000 of the loan to Bank of Marin, bearing in mind no early prepayment fee would apply. The committee thought that an option might be for the club to use this available funding to move forward on overdue H&G items and ,in particular, the Men’s Locker Room project. The committee agreed to defer a decision on this issue until next month’s committee meeting, pending feedback from H& G and the Board.

The next Finance Committee meeting is scheduled for Tuesday May 29th at 6 PM at MTC.

With no further business the meeting adjourned at 7.10 pm.