

Finance Committee Minutes June 26, 2018

The Finance Committee met on Tuesday 26th at 6 pm at the club.

In attendance were committee members: Terry Cush, Frank Battat ,Ron Stolowitz, Jackie Gorton ,Stuart Keirle (chair) . John Honey- Treasurer, Chris Horne - MTC Manager and Herb Gottlieb - MTC Controller.

A quorum was noted.

At the request of Frank B, Herb will send to all FC members a copy of the month by month 2018 Board approved budget for review and further comment (this has now been done).

Discussion on results centered on The May numbers that showed a net loss of \$7,221 as compared to a projected loss of \$ 10,596. It was noted that the major contributor to this favorable variance was due to the \$ 4,738 net income derived from the Memorial Tournament.

The Cafe showed a good increase in top line revenues (through member usage) , offset by higher pay toll costs resulting in a small loss of \$1,969. Chris commented on the increased daily usage of the Cafe - particularly from drink sales - however staffing levels continue to be a problem and have curtailed the planned evening meal service.

The committee agreed that the Cafe was showing progress but they would like to review the performance again at our next meeting.

Comment was made regarding the lack of cash growth in May and as compared to year end 2017. Herb advised that in May there had been an extraordinary negative cash impact from operating activities, due to slower collection of receivables, increased inventory and accelerated liability payments. It is anticipated that the cash position should now improve through the end of the year.

A general discussion followed regarding our membership numbers and the recent success of bringing new members on board that will generate approx \$ 13,000 plus from Initiation fees. Chris advised that we were now technically "full" and that after discussion with the Board would wish to initiate a "waiting list" program that would include an amount of nonrefundable deposit to go onto the list.

The Committee also requested some feedback from the Board on the "planned" well published Club facility expansion. Chris raised two good points that such an extensive expansion could well trigger the need for a costly ADA compliance program to be put in place and that our conditional use permit restricts additional membership who could help pay for the anticipated capital costs. The question was then raised by the Committee as to likely costs involved in implement the expansion, which appears to have never been calculated, and bearing in mind The points raised by Chris whether the whole expansion idea should be shelved.

Finally, it was suggested that at some future date, ideally before the 2019 budget season that the FC meet with House and Grounds and Board representative to craft a capital expenditure plan that could incorporate the phasing and timing of any expansion plan and how such expansion could be funded.

The next Finance Committee meeting is scheduled for Tuesday August 28th.

The meeting adjourned at 7.15 pm with a thanks to all participants