

Lake Cable Recreation Association
Finance Committee Minutes
August 25, 2023

Members Present: Schonhoft, Barnes, Pittman
Representing Staff: Keller, Kostich
Board President Cupari

The members of the committee met this day to review several items primarily related to the transition from one Treasurer to another and to discuss the Quickbooks tools available to assist the Association in preparing an annual budget and revenue forecasts for the new fiscal year starting on October 1, 2023.

Discussion began with Schonhoft demonstrating the resources available in Quickbooks to assist with the budgeting process. He displayed several statements with historical information that would provide a base starting point to begin the process. Several statement options were displayed and Schonhoft demonstrated how these could be customized to highlight different periods. Kostich explained how to drill down on general ledger account detail to see all transactions in any particular GL. The accounts receivable aging reports were reviewed and discussed and it was noted that we still have a few members with outstanding balances, primarily late fees. It was determined that these balances would be added to member dues invoices for the 2024 season and would need to be paid in full before any "24" boat stickers are provided.

Discussion continued regarding the two monthly QuickBooks Accounts Receivable Aging Reports; By Type and Aging Summary. In past reviews, the By Type report balance did not agree with the Balance Sheet. Kostich stated that she will review, then revise the By Type report so that the total matches the stated Account Receivable amount on the Balance Sheet.

Barnes stated that the July Income Statement and Balance sheet for the Association and Cable Shores, LLC had been posted to the website as stated at the Board meeting. These statements can be viewed by signing into the website and accessing the members only drop-down menu in the upper right-hand corner of the screen. Once there it is necessary to click on "Financials" to access the statements.

Barnes discussed with the Committee the issue of possible revisions to the Room Rental Fee schedule for 2024. Keller made a recommendation to the Board to consider several revisions. The Board referred this issue to the Finance Committee for consideration during the budgeting process. The Finance Committee agreed to consider the issue in the context of reviewing all revenue sources for 2024 and projected spending levels. A final recommendation would be presented to the Board with the fiscal year 2024 budget.

Next, the Committee discussed the process needed to change signatories on all Association bank and investment accounts. Schonhoft must initiate the changes and to do that he needed a copy of the Minutes of the August 15, 2023 Board meeting reflecting the changes in Board members and the Treasurer's position. The accounts held are currently at Huntington, Westfield and Vanguard. It was decided that Keller and Cupari would be added to the accounts as authorized signers. Keller asked about the issue of layered security in the Vanguard account. In other words, requiring two signatures to withdraw or transfer funds from that account to another Association account. Schonhoft will discuss that with Vanguard to see if that is possible. In addition, Pittman suggested that transfers out of the Vanguard account be further restricted to only permit funds to go to the Association's checking account at Huntington. *(Schonhoft later confirmed with Vanguard that once the Signatories are changed, two (2) signatures will be required to transfer funds out to the LCRA Association Checking at Huntington Bank)*

Barnes stated that after the changes are made, he would like to confirm the balances in all Association accounts by comparing the statement reconciliations to the actual statements provided by the financial institutions where funds are held. Finally, in regard to the investment of Association reserve funds, additional discussion took place about the purchase of brokered certificates of deposit through the Vanguard account. These investments provide good return, are easily liquidated and can be purchased at various terms to plan for and provide the Association with liquidity for operating funds as needed. Deposit insurance limits on all accounts were also discussed.

Schonhoft and Cupari asked for an update on recruiting and hiring the newly created Accounting/Office Manager position. Barnes stated that he and Keller were still revising the position description to include Office Manager duties as directed by the Board at the August 15, 2023 Board meeting. Once that was complete the position description would be reposted. *(This has now been completed and the position is reposted on the website)*

Finally, discussion took place regarding two additional transition related items. Keys to offices and physical security was discussed. It was determined that office locks should be changed as all keys have not yet been returned. Also, the role of system administrator in Quickbooks was discussed as well as access levels for employees and Board. It was decided that Schonhoft should remain the system admin at least until January 2024 when a new Board is seated and roles are assigned.

There being no further business the next meeting of the Finance Committee was scheduled for October 9, 2023 at 10:30 am at the Clubhouse.

Submitted by Stan Barnes