

OFFICIAL PROCEEDINGS
KEWEENAW MOUNTAIN LODGE BOARD
April 19, 2017

The regular monthly meeting of the Keweenaw Mountain Lodge Board held on April 19, 2017, 6:15 p.m. at the Courthouse, Eagle River, MI began with the Pledge of Allegiance.

Commissioners present: Bob DeMarois, Sandy Gayk, Don Piche, Del Rajala. Absent: Jim Vivian

The meeting was posted in the Courthouse on the bulletin board and the agenda for the meeting was posted on the door of the Courthouse.

Motion by Gayk supported by Rajala and unanimously carried to approve the agenda as presented.

Motion by DeMarois supported by Gayk and unanimously carried to approve the minutes as written from the March 15, 2017 regular monthly meeting and the April 6, 2017 special meeting.

Motion by Gayk supported by Rajala to pay the bills in the following amounts: Vendors: \$13,326.75 Payroll: \$2,919.78. Board polled. Ayes: DeMarois, Gayk, Rajala, Piche. Nays: None. Motion carried.

Financials were available at the meeting. See attached financials. The bottom line for the end of March is -\$6,904.70.

Harvey Desnick, Keweenaw Mountain Lodge Coordinator gave the following update:

- Hiring is underway and going great
- The water system will be turned on soon
- Everything will be cleaned
- The new website looks great and will be able to book reservations through it
- Has contacted the parties with events scheduled

Public comment was allowed.

Motion by Rajala to adjourn at 6:45 p.m. Meeting adjourned sine die.

Donald Piche, Chairman

Julie A. Carlson, Clerk

9:56 AM

Keweenaw Mountain Lodge
Profit & Loss
March 2017

04/17/17

Accrual Basis

	Mar 17	Mar 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
644 · Golf Income				
Golf Fees	5,975.00	10,680.00	-4,705.00	-44.1%
Total 644 · Golf Income	5,975.00	10,680.00	-4,705.00	-44.1%
664 · Interest Income	1.04	43.83	-42.79	-97.6%
Total Income	5,976.04	10,723.83	-4,747.79	-44.3%
Gross Profit	5,976.04	10,723.83	-4,747.79	-44.3%
Expense				
705 · EMPLOYEE COSTS				
705-02 · Salary Wages	5,000.00	2,200.00	2,800.00	127.3%
705-05 · Payroll Taxes	515.30	458.23	57.07	12.5%
705-25 · Workmans Comp.	608.25	645.00	-36.75	-5.7%
705-99 · PY Payroll Tax Adj	0.00	-3,505.40	3,505.40	100.0%
Total 705 · EMPLOYEE COSTS	6,123.55	-202.17	6,325.72	3,128.9%
726 · SUPPLIES				
726-04 · Office Supplies	229.56	0.00	229.56	100.0%
Total 726 · SUPPLIES	229.56	0.00	229.56	100.0%
801 · OPERATING COSTS				
801-03 · Bank/Credit Card Fees	452.15	181.85	270.30	148.6%
801-04 · Dues and Subscriptions	60.00	0.00	60.00	100.0%
801-08 · General Insurance	1,422.75	1,422.75	0.00	0.0%
801-09 · Grounds Maintenance	182.40	0.00	182.40	100.0%
801-11 · Licenses and Permits	1,685.87	3,531.50	-1,845.63	-52.3%
801-12 · Consulting Fees/Contract Fees	960.00	983.00	-23.00	-2.3%
801-13 · Telephone	51.99	915.30	-863.31	-94.3%
801-15 · Utilities	1,027.31	300.00	727.31	242.4%
801-18 · Other Expenses	0.00	159.95	-159.95	-100.0%
Total 801 · OPERATING COSTS	5,842.47	7,494.35	-1,651.88	-22.0%
880 · MARKETING EXP				
880-01 · Advertisements	610.16	1,390.55	-780.39	-56.1%
880-04 · Internet/Web Site	75.00	75.00	0.00	0.0%
Total 880 · MARKETING EXP	685.16	1,465.55	-780.39	-53.3%
Total Expense	12,880.74	8,757.73	4,123.01	47.1%
Net Ordinary Income	-6,904.70	1,966.10	-8,870.80	-451.2%
Net Income	-6,904.70	1,966.10	-8,870.80	-451.2%

Keweenaw Mountain Lodge
Profit & Loss
 January through March 2017

04/17/17

Accrual Basis

	Jan - Mar 17	Jan - Mar 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
644 · Golf Income				
Golf Fees	6,600.00	10,680.00	-4,080.00	-38.2%
Total 644 · Golf Income	6,600.00	10,680.00	-4,080.00	-38.2%
664 · Interest Income	3.79	74.07	-70.28	-94.9%
Total Income	6,603.79	10,754.07	-4,150.28	-38.6%
Cost of Goods Sold				
701 · BAR COST OF SALES				
701-03 · Soft Drinks	-342.50	-109.50	-233.00	-212.8%
Total 701 · BAR COST OF SALES	-342.50	-109.50	-233.00	-212.8%
702 · DINING COST OF SALES	0.00	321.60	-321.60	-100.0%
Total COGS	-342.50	212.10	-554.60	-261.5%
Gross Profit	6,946.29	10,541.97	-3,595.68	-34.1%
Expense				
705 · EMPLOYEE COSTS				
705-02 · Salary Wages	13,000.00	6,600.00	6,400.00	97.0%
705-05 · Payroll Taxes	2,165.20	1,374.12	791.08	57.6%
705-25 · Workmans Comp.	1,861.50	1,935.00	-73.50	-3.8%
705-50 · Other Employee Costs	49.98	0.00	49.98	100.0%
705-99 · PY Payroll Tax Adj	0.00	-3,505.40	3,505.40	100.0%
Total 705 · EMPLOYEE COSTS	17,076.68	6,403.72	10,672.96	166.7%
726 · SUPPLIES				
726-04 · Office Supplies	346.44	166.00	180.44	108.7%
726-05 · Operating	0.00	15.75	-15.75	-100.0%
Total 726 · SUPPLIES	346.44	181.75	164.69	90.6%
801 · OPERATING COSTS				
801-03 · Bank/Credit Card Fees	1,249.95	270.55	979.40	362.0%
801-04 · Dues and Subscriptions	385.00	200.00	185.00	92.5%
801-05 · Equipment Maint/Repairs	0.00	805.56	-805.56	-100.0%
801-07 · Facilities Maintenance	1,475.00	0.00	1,475.00	100.0%
801-08 · General Insurance	4,268.25	4,268.25	0.00	0.0%
801-09 · Grounds Maintenance	182.40	0.00	182.40	100.0%
801-11 · Licenses and Permits	1,885.87	3,731.50	-1,845.63	-49.5%
801-12 · Consulting Fees/Contract Fees	4,610.00	3,639.78	970.22	26.7%
801-13 · Telephone	245.72	1,528.40	-1,282.68	-83.9%
801-15 · Utilities	3,825.40	4,434.44	-609.04	-13.7%
801-18 · Other Expenses	0.00	159.95	-159.95	-100.0%
Total 801 · OPERATING COSTS	18,127.59	19,038.43	-910.84	-4.8%
880 · MARKETING EXP				
880-01 · Advertisements	1,051.32	2,769.39	-1,718.07	-62.0%
880-02 · Brochures/Print Materials	59.41	0.00	59.41	100.0%
880-04 · Internet/Web Site	1,325.00	225.00	1,100.00	488.9%
880-05 · Sales & Marketing Expense	0.00	100.00	-100.00	-100.0%
Total 880 · MARKETING EXP	2,435.73	3,094.39	-658.66	-21.3%
999 · Reconciliation Discrepancies	0.00	0.00	0.00	0.0%
Total Expense	37,986.44	28,718.29	9,268.15	32.3%
Net Ordinary Income	-31,040.15	-18,176.32	-12,863.83	-70.8%
Other Income/Expense				
Other Expense				
970 · CAPITAL EXPENDITURES				
970-01 · Lodge Improvements	0.00	2,466.75	-2,466.75	-100.0%
Total 970 · CAPITAL EXPENDITURES	0.00	2,466.75	-2,466.75	-100.0%
Total Other Expense	0.00	2,466.75	-2,466.75	-100.0%
Net Other Income	0.00	-2,466.75	2,466.75	100.0%
Net Income	-31,040.15	-20,643.07	-10,397.08	-50.4%

Keweenaw Mountain Lodge

Balance Sheet

04/17/17

As of March 31, 2017

Accrual Basis

	Mar 31, 17
ASSETS	
Current Assets	
Checking/Savings	
001 · Vendor Payment Bank Acct 0273	-385.84
002-a · Credit Card Bank Account 0299	16,698.85
002-b · General Fund-Maint by Geri-0232	-153,837.27
002-d · Payroll Checking Account 0281	4,168.14
002-f · Advanced Deposits 0074	70,510.00
002-j · PayPal Funds Available	9,261.48
002i · In-House Purchases Acct	1,217.78
Total Checking/Savings	-52,366.86
Accounts Receivable	
028 · Accounts Receivable	527.78
Total Accounts Receivable	527.78
Other Current Assets	
Accounts receivable - Other	105.00
100 · Inventories	
101 · Golf Inventory	3,687.70
104 · Liquor Inventory	4,559.42
105 · Food Inventory	6,023.75
Total 100 · Inventories	14,270.87
106 · Fuel Inventory	10,447.30
99 · Prepaid Insurance	14,702.99
Total Other Current Assets	39,526.16
Total Current Assets	-12,312.92
Fixed Assets	
130 · Capital Assets-Land	201,400.00
132 · Capital Assets- Land Imp.	521,004.90
134 · Infrastructure	553,318.37
136 · Capital Assets-Bld. & Fixture	4,781,193.77
146 · Capital Assets- Equipment	271,804.97
148 · Capital Assets-Vehicles	25,433.92
149 · Less Accum. Depreciation	-2,675,182.62
Total Fixed Assets	3,678,973.31
TOTAL ASSETS	3,666,660.39
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
202 · Accounts Payable	5,649.46
Total Accounts Payable	5,649.46
Other Current Liabilities	
203 · Advanced Deposits Payable	63,210.00
204 · Wedding deposits Payable	14,000.00
206 · Gift Card Payable	1,000.00
228-a · Sales Tax Payable	13.40
231 · Payroll Liabilities	
Michigan Withholding	212.50
SUIM-Company	1,164.12
231 · Payroll Liabilities - Other	89.19
Total 231 · Payroll Liabilities	1,465.81
251 · Accrued Interest Payable	270,582.37
Total Other Current Liabilities	350,271.58

Keweenaw Mountain Lodge
Balance Sheet
As of March 31, 2017

	<u>Mar 31, 17</u>
Total Current Liabilities	355,921.04
Long Term Liabilities	
300 · Bonds Payable-Long Term	1,766,000.00
Total Long Term Liabilities	1,766,000.00
Total Liabilities	2,121,921.04
Equity	
3100 · Retained Earnings	-680,301.96
384 · Reserve for Debt Service	770.12
385 · Reserve for Construction	649.50
399 · Net Assets Over Related Debt	2,254,661.84
Net Income	-31,040.15
Total Equity	1,544,739.35
TOTAL LIABILITIES & EQUITY	<u><u>3,666,660.39</u></u>