

OFFICIAL PROCEEDINGS
KEWEENAW MOUNTAIN LODGE BOARD
January 17, 2018

The regular monthly meeting of the Keweenaw Mountain Lodge Board held on January 17, 2018, 6:15 p.m. at the Courthouse, Eagle River, MI, followed the Organizational Meeting of the Board held at 6:00 p.m.

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

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 Rajala supported by Gayk and unanimously carried to set the Keweenaw Mountain Lodge meeting date as the 3rd Wednesday of each month at 6:15 p.m.

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

Motion by Rajala supported by Gayk and unanimously carried to approve the minutes as written from the December 20, 2017 regular monthly meeting.

Motion by DeMarois supported by Gayk to pay the bills in the following amounts: Vendors: \$21,802.27 Payroll: \$5,372.00. Board polled. Ayes: DeMarois, Gayk, Piche, Vivian, Rajala. Nays: None. Motion carried.

Coordinator Desnick went over the financials which are attached and gave the following updates:

- He is getting things geared up for the season
- Is having success in gathering up employees
- The golf course portion will be open prior to July but not known on what scale
- Membership information went out

Motion by Gayk supported by DeMarois and unanimously carried to transfer \$2,065 out of the Events Fund into the Depository account. Event reservation funds should go into this fund, not golf memberships.

Public comment was allowed.

Motion by Gayk to adjourn at 6:47 p.m. Meeting adjourned sine die.

Donald Piche, Chairman

Julie A. Carlson, Clerk

Keweenaw Mountain Lodge
Profit & Loss Prev Year Comparison
December 1 - 30, 2017

	Dec 1 - 30, 17	Dec 1 - 30, 16	\$ Change	% Change
Ordinary Income/Expense				
Cost of Goods Sold				
701 · BAR COST OF SALES				
701-03 · Soft Drinks	0.00	-109.50	109.50	100.0%
Total 701 · BAR COST OF SALES	0.00	-109.50	109.50	100.0%
702 · DINING COST OF SALES	0.00	-33.04	33.04	100.0%
Total COGS	0.00	-142.54	142.54	100.0%
Gross Profit	0.00	142.54	-142.54	-100.0%
Expense				
705 · EMPLOYEE COSTS				
705-01 · Hourly Wages	480.00	0.00	480.00	100.0%
705-02 · Salary Wages	4,000.00	4,000.00	0.00	0.0%
705-05 · Payroll Taxes	342.72	309.50	33.22	10.7%
705-25 · Workmans Comp.	-935.00	-568.00	-367.00	-64.6%
Total 705 · EMPLOYEE COSTS	3,887.72	3,741.50	146.22	3.9%
726 · SUPPLIES				
726-04 · Office Supplies	0.00	-59.45	59.45	100.0%
Total 726 · SUPPLIES	0.00	-59.45	59.45	100.0%
801 · OPERATING COSTS				
801-01 · Accounting/Bookkeeping Fees	40.00	0.00	40.00	100.0%
801-03 · Bank/Credit Card Fees	23.87	356.50	-332.63	-93.3%
801-04 · Dues and Subscriptions	480.00	590.00	-110.00	-18.6%
801-05 · Equipment Maint/Repairs	0.00	74.45	-74.45	-100.0%
801-07 · Facilities Maintenance	195.00	-31.14	226.14	726.2%
801-11 · Licenses and Permits	0.00	-50.00	50.00	100.0%
801-12 · Consulting Fees/Contract Fees	940.00	2,300.00	-1,360.00	-59.1%
801-13 · Telephone	262.63	251.14	11.49	4.6%
801-15 · Utilities	1,757.19	732.36	1,024.83	139.9%
Total 801 · OPERATING COSTS	3,698.69	4,223.31	-524.62	-12.4%
880 · MARKETING EXP				
880-01 · Advertisements	0.00	-785.00	785.00	100.0%
880-04 · Internet/Web Site	100.00	75.00	25.00	33.3%
Total 880 · MARKETING EXP	100.00	-710.00	810.00	114.1%
Total Expense	7,686.41	7,195.36	491.05	6.8%
Net Ordinary Income	-7,686.41	-7,052.82	-633.59	-9.0%
Net Income	-7,686.41	-7,052.82	-633.59	-9.0%

10:48 AM

01/16/18

Accrual Basis

Keweenaw Mountain Lodge
Profit & Loss Prev Year Comparison
January through December 2017

	Jan - Dec 17	Jan - Dec 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
641 · Lodging Income	440,645.84	424,861.70	15,784.14	3.7%
642 · Dining Room Income				
645 · Banquet Income	43,415.55	71,104.18	-27,688.63	-38.9%
642 · Dining Room Income - Other	115,001.24	132,110.93	-17,109.69	-13.0%
Total 642 · Dining Room Income	158,416.79	203,215.11	-44,798.32	-22.0%
643 · Bar Income	59,460.86	75,854.94	-16,394.08	-21.6%
644 · Golf Income				
Golf Fees	10,045.00	102,365.55	-92,320.55	-90.2%
Golf Sales	0.00	31,927.83	-31,927.83	-100.0%
644 · Golf Income - Other	95,444.25	0.00	95,444.25	100.0%
Total 644 · Golf Income	105,489.25	134,293.38	-28,804.13	-21.5%
664 · Interest Income	102.83	149.39	-46.56	-31.2%
680 · Less Allowances/Discounts	0.00	-1,010.67	1,010.67	100.0%
698 · Other Miscellaneous Revenue	0.00	2,272.12	-2,272.12	-100.0%
Total Income	764,115.57	839,635.97	-75,520.40	-9.0%
Cost of Goods Sold				
701 · BAR COST OF SALES				
701-01 · Beer/Wine etc	13,539.13	14,084.69	-545.56	-3.9%
701-02 · Liquor	6,409.04	7,073.00	-663.96	-9.4%
701-03 · Soft Drinks	1,773.97	3,006.45	-1,232.48	-41.0%
701-04 · Entertainment/Music	0.00	800.00	-800.00	-100.0%
701 · BAR COST OF SALES - Other	21.00	0.00	21.00	100.0%
Total 701 · BAR COST OF SALES	21,743.14	24,964.14	-3,221.00	-12.9%
702 · DINING COST OF SALES	55,484.81	95,536.51	-40,051.70	-41.9%
703 · GOLF COST OF SALES	6,928.01	23,381.71	-16,453.70	-70.4%
703.01 · Cost of Sales - Other	1,568.84	885.00	683.84	77.3%
704 · LODGING COST OF SALES	0.00	3,819.41	-3,819.41	-100.0%
Total COGS	85,724.80	148,586.77	-62,861.97	-42.3%
Gross Profit	678,390.77	691,049.20	-12,658.43	-1.8%
Expense				
705 · EMPLOYEE COSTS				
705-01 · Hourly Wages	285,850.12	332,746.81	-46,896.69	-14.1%
705-02 · Salary Wages	48,000.00	89,200.80	-41,200.80	-46.2%
705-03 · Overtime Wages	30,961.46	12,515.02	18,446.44	147.4%
705-05 · Payroll Taxes	64,468.45	84,687.57	-20,219.12	-23.9%
705-10 · Mileage Reimbursement	2,097.72	1,022.18	1,075.54	105.2%
705-12 · Uniforms	419.59	2,928.38	-2,508.79	-85.7%
705-25 · Workmans Comp.	4,567.98	7,805.00	-3,237.02	-41.5%
705-50 · Other Employee Costs	199.98	209.95	-9.97	-4.8%
705-99 · PY Payroll Tax Adj	173.26	-3,505.40	3,678.66	104.9%
Total 705 · EMPLOYEE COSTS	436,738.56	527,610.31	-90,871.75	-17.2%
726 · SUPPLIES				
726-01 · Cleaning/Janitorial	1,100.43	6,606.29	-5,505.86	-83.3%
726-02 · Firewood	2,565.00	2,529.50	35.50	1.4%
726-03 · Guest Complimentary	2,104.48	1,837.20	267.28	14.6%
726-04 · Office Supplies	4,549.71	6,428.86	-1,879.15	-29.2%
726-05 · Operating	19.70	4,374.53	-4,354.83	-99.6%
726-06 · Paper & Disposable	1,717.28	7,623.30	-5,906.02	-77.5%
726-07 · Small Tools & Supplies	3.86	3,518.46	-3,514.60	-99.9%
726-08 · Computer Eq-Under \$2,000	0.00	3,417.33	-3,417.33	-100.0%
726-09 · Decorations	0.00	767.32	-767.32	-100.0%
726 · SUPPLIES - Other	14.28	1,358.19	-1,343.91	-99.0%
Total 726 · SUPPLIES	12,074.74	38,460.98	-26,386.24	-68.6%

Keweenaw Mountain Lodge
Profit & Loss Prev Year Comparison
January through December 2017

	Jan - Dec 17	Jan - Dec 16	\$ Change	% Change
801 · OPERATING COSTS				
801-01 · Accounting/Bookkeeping Fees	425.00	240.00	185.00	77.1%
801-02 · Audit Fees	5,300.00	5,300.00	0.00	0.0%
801-03 · Bank/Credit Card Fees	16,944.98	21,246.76	-4,301.78	-20.3%
801-04 · Dues and Subscriptions	2,644.94	2,351.88	293.06	12.5%
801-05 · Equipment Maint/Repairs	14,936.42	16,832.16	-1,895.74	-11.3%
801-06 · Equipment Rental	10,950.51	14,221.78	-3,271.27	-23.0%
801-07 · Facilities Maintenance	13,014.09	30,407.68	-17,393.59	-57.2%
801-08 · General Insurance	4,268.25	17,073.00	-12,804.75	-75.0%
801-09 · Grounds Maintenance	5,322.64	8,320.75	-2,998.11	-36.0%
801-10 · Laundry Expense	27,751.15	30,157.45	-2,406.30	-8.0%
801-11 · Licenses and Permits	4,804.14	3,681.50	1,122.64	30.5%
801-12 · Consulting Fees/Contract Fees	18,655.00	24,235.83	-5,580.83	-23.0%
801-13 · Telephone	2,972.53	3,943.51	-970.98	-24.6%
801-15 · Utilities	62,088.89	64,640.72	-2,551.83	-4.0%
801-16 · Van & Truck Exp - Gas & Repairs	3,350.70	5,425.53	-2,074.83	-38.2%
801-17 · Waste Removal	7,308.62	7,750.03	-441.41	-5.7%
801-18 · Other Expenses	0.00	871.58	-871.58	-100.0%
801-19 · Security Systems	0.00	1,052.20	-1,052.20	-100.0%
801-20 · Satellite TV	3,602.08	0.00	3,602.08	100.0%
801 · OPERATING COSTS - Other	0.00	48.80	-48.80	-100.0%
Total 801 · OPERATING COSTS	204,339.94	257,801.16	-53,461.22	-20.7%
880 · MARKETING EXP				
880-01 · Advertisements	2,226.32	10,253.80	-8,027.48	-78.3%
880-02 · Brochures/Print Materials	59.41	0.00	59.41	100.0%
880-04 · Internet/Web Site	2,280.00	900.00	1,360.00	151.1%
880-05 · Sales & Marketing Expense	0.00	561.90	-561.90	-100.0%
880-08 · Donations	0.00	425.00	-425.00	-100.0%
880-90 · PY Adj For Events	0.00	0.00	0.00	0.0%
Total 880 · MARKETING EXP	4,545.73	12,140.70	-7,594.97	-62.6%
900 · DEPRECIATION EXPENSE	0.00	144,727.71	-144,727.71	-100.0%
999 · Reconciliation Discrepancies	0.00	0.09	-0.09	-100.0%
Total Expense	657,698.97	980,740.95	-323,041.98	-32.9%
Net Ordinary Income	20,691.80	-289,691.75	310,383.55	107.1%
Other Income/Expense				
Other Income				
13000 · Over/Short	0.00	0.00	0.00	0.0%
699 · Operating Transfers In	0.00	126,962.00	-126,962.00	-100.0%
Total Other Income	0.00	126,962.00	-126,962.00	-100.0%
Other Expense				
21000 · Other Expenses				
21500 · Loss on Sale of Assets	0.00	4,743.16	-4,743.16	-100.0%
21000 · Other Expenses - Other	0.00	0.00	0.00	0.0%
Total 21000 · Other Expenses	0.00	4,743.16	-4,743.16	-100.0%
23000 · Tips Wash Account	0.00	0.00	0.00	0.0%
970 · CAPITAL EXPENDITURES				
970-01 · Lodge Improvements	0.00	0.00	0.00	0.0%
970-02 · Computer Eqt & Software	3,599.97	0.00	3,599.97	100.0%
970-03 · Furniture/Fixtures	512.00	0.00	512.00	100.0%
970-05 · Kitchen Equipment	0.00	0.00	0.00	0.0%
Total 970 · CAPITAL EXPENDITURES	4,111.97	0.00	4,111.97	100.0%
990 · DEBT SERVICE				
Interest Expense	0.00	73,872.50	-73,872.50	-100.0%
Total 990 · DEBT SERVICE	0.00	73,872.50	-73,872.50	-100.0%
99000 · Casualty & Theft Loss	0.00	1,644.41	-1,644.41	-100.0%
Total Other Expense	4,111.97	80,260.07	-76,148.10	-94.9%
Net Other Income	-4,111.97	46,701.93	-50,813.90	-108.8%
Net Income	16,579.83	-242,989.82	259,569.65	106.8%

Keweenaw Mountain Lodge
Balance Sheet
 As of December 31, 2017

	Dec 31, 17
ASSETS	
Current Assets	
Checking/Savings	
001 · Vendor Payment Bank Acct 0273	8,555.05
002-a · Depository Account 0299	16,086.31
002-b · General Fund-Maint by Geri-0232	18,124.73
002-d · Payroll Checking Account 0281	5,555.33
002-f · Advanced Deposits (events) 0074	2,065.00
002i · In-House Purchases Acct 165	914.88
	51,301.30
Accounts Receivable	
028 · Accounts Receivable	27.78
	27.78
Total Accounts Receivable	27.78
Other Current Assets	
Accounts receivable - Other	105.00
100 · Inventories	
101 · Golf Inventory	1,287.87
104 · Liquor Inventory	2,911.42
105 · Food Inventory	-2,022.86
	2,176.43
106 · Fuel Inventory	10,447.88
99 · Prepaid Insurance	18,352.47
	31,081.78
Total Other Current Assets	31,081.78
Total Current Assets	82,410.86
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	4,785,657.17
146 · Capital Assets- Equipment	291,059.47
148 · Capital Assets-Vehicles	22,607.66
149 · Less Accum. Depreciation	-3,100,897.68
	3,274,149.89
Total Fixed Assets	3,274,149.89
TOTAL ASSETS	3,356,560.75
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
202 · Accounts Payable	7,664.18
	7,664.18
Total Accounts Payable	7,664.18
Other Current Liabilities	
203 · Advanced Deposits Payable	4,615.00
204 · Wedding deposits Payable	-2,200.00
205 · Gift Certificates Payable	-778.80
206 · Gift Card Payable	-357.11
228-a · Sales Tax Payable	2.83
228-b · Use Tax Payable	-2.16
230 · Room Assessment Tax Payable	5.33
231 · Payroll Liabilities	
Federal (941)	549.72
Michigan Withholding	190.40
SUIMI-Company	1,990.84
231 · Payroll Liabilities - Other	89.19
	2,820.15
Total 231 · Payroll Liabilities	2,820.15

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01/16/18
Accrual Basis

Keweenaw Mountain Lodge
Balance Sheet
As of December 31, 2017

	Dec 31, 17
232 · Tips-Not Yet Paid (Gratuity)	-725.70
233 · Accrued Payroll	2,000.00
251 · Accrued Interest Payable	418,327.37
Total Other Current Liabilities	423,706.91
Total Current Liabilities	431,371.09
Long Term Liabilities	
300 · Bonds Payable-Long Term	1,766,000.00
Total Long Term Liabilities	1,766,000.00
Total Liabilities	2,197,371.09
Equity	
30000 · Ask Accountant/Auditor	937.08
3001 · Over & Under	59.01
3100 · Retained Earnings	-617,452.41
399 · Net Assets Over Related Debt	1,759,066.15
Net Income	16,579.83
Total Equity	1,159,189.66
TOTAL LIABILITIES & EQUITY	3,356,560.75