

OFFICIAL PROCEEDINGS  
KEWEENAW MOUNTAIN LODGE BOARD  
March 21, 2018

The regular monthly meeting of the Keweenaw Mountain Lodge Board held on March 21, 2018, 6:15 p.m. at the Courthouse, Eagle River, MI, began with the Pledge of Allegiance.

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

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

Motion by Vivian supported by DeMarois and unanimously carried to approve the minutes as written from the February 21, 2018 regular monthly meeting.

Motion by DeMarois supported by Rajala to pay the bills in the following amounts: Vendors: \$1,536.05 Payroll: \$5,599.49. Board polled. Ayes: DeMarois, Vivian, Rajala, Piche. Nays: None. Motion carried.

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

- Things are on track for this time of the year
- Staffing is looking good, an F5 Operator will be needed
- Events continue to be booked

Public comment was allowed.

Motion by Rajala to adjourn at 6:30 p.m. Meeting adjourned sine die.

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Donald Piche, Chairman

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Julie A. Carlson, Clerk

5:50 PM

## Keweenaw Mountain Lodge

## Balance Sheet

03/17/18

As of February 28, 2018

Accrual Basis

	Feb 28, 18
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
001 · Vendor Payment Bank Acct 0273	741.84
002-a · Depository Account 0299	11,755.56
002-b · General Fund-Maint by Geri-0232	-3,750.54
002-d · Payroll Checking Account 0281	3,059.59
002i · In-House Purchases Acct 165	914.88
005 · Petty Cash	300.00
<b>Total Checking/Savings</b>	13,021.33
<b>Accounts Receivable</b>	
028 · Accounts Receivable	27.78
<b>Total Accounts Receivable</b>	27.78
<b>Other Current Assets</b>	
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
<b>Total 100 · Inventories</b>	2,176.43
106 · Fuel Inventory	10,447.88
99 · Prepaid Insurance	17,492.98
<b>Total Other Current Assets</b>	30,222.29
<b>Total Current Assets</b>	43,271.40
<b>Fixed Assets</b>	
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	294,659.44
148 · Capital Assets-Vehicles	22,607.66
149 · Less Accum. Depreciation	-3,239,295.57
<b>Total Fixed Assets</b>	3,139,351.97
<b>TOTAL ASSETS</b>	<b>3,182,623.37</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
202 · Accounts Payable	4,038.57
<b>Total Accounts Payable</b>	4,038.57
<b>Other Current Liabilities</b>	
203 · Advanced Deposits Payable	2,415.00
204 · Wedding deposits Payable	3,000.00
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	
Michigan Withholding	203.15
SUIMI-Company	288.56
231 · Payroll Liabilities - Other	89.19
<b>Total 231 · Payroll Liabilities</b>	580.90

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Accrual Basis

**Keweenaw Mountain Lodge**  
**Balance Sheet**  
As of February 28, 2018

	Feb 28, 18
232 · Tips-Not Yet Paid (Gratuity)	-21.27
233 · Accrued Payroll	2,000.00
251 · Accrued Interest Payable	492,199.87
<b>Total Other Current Liabilities</b>	<b>499,044.59</b>
<b>Total Current Liabilities</b>	<b>503,083.16</b>
<b>Long Term Liabilities</b>	
300 · Bonds Payable-Long Term	1,766,000.00
<b>Total Long Term Liabilities</b>	<b>1,766,000.00</b>
<b>Total Liabilities</b>	<b>2,269,083.16</b>
<b>Equity</b>	
30000 · Ask Accountant/Auditor	618.47
3001 · Over & Under	59.01
3100 · Retained Earnings	-828,064.21
399 · Net Assets Over Related Debt	1,759,066.15
Net Income	-18,139.21
<b>Total Equity</b>	<b>913,540.21</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>3,182,623.37</b>

**Keweenaw Mountain Lodge**  
**Profit & Loss Budget vs. Actual**  
**January through February 2018**

	Jan - Feb 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
641 · Lodging Income	0.00	0.00	0.00	0.0%
642 · Dining Room Income	0.00	0.00	0.00	0.0%
643 · Bar Income	0.00	0.00	0.00	0.0%
644 · Golf Income				
Golf Fees	875.00	625.00	250.00	140.0%
Golf Sales	1,600.00			
644 · Golf Income - Other	0.00	0.00	0.00	0.0%
<b>Total 644 · Golf Income</b>	<b>2,475.00</b>	<b>625.00</b>	<b>1,850.00</b>	<b>396.0%</b>
664 · Interest Income	2.84	2.75	0.09	103.3%
698 · Other Miscellaneous Revenue	0.00	0.00	0.00	0.0%
<b>Total Income</b>	<b>2,477.84</b>	<b>627.75</b>	<b>1,850.09</b>	<b>394.7%</b>
<b>Cost of Goods Sold</b>				
<b>701 · BAR COST OF SALES</b>				
701-01 · Beer/Wine etc	0.00	0.00	0.00	0.0%
701-02 · Liquor	0.00	0.00	0.00	0.0%
701-03 · Soft Drinks	0.00	-342.50	342.50	0.0%
701 · BAR COST OF SALES - Other	0.00	0.00	0.00	0.0%
<b>Total 701 · BAR COST OF SALES</b>	<b>0.00</b>	<b>-342.50</b>	<b>342.50</b>	<b>0.0%</b>
702 · DINING COST OF SALES	0.00	0.00	0.00	0.0%
703 · GOLF COST OF SALES	0.00	0.00	0.00	0.0%
703.01 · Cost of Sales - Other	0.00	0.00	0.00	0.0%
<b>Total COGS</b>	<b>0.00</b>	<b>-342.50</b>	<b>342.50</b>	<b>0.0%</b>
<b>Gross Profit</b>	<b>2,477.84</b>	<b>970.25</b>	<b>1,507.59</b>	<b>255.4%</b>
<b>Expense</b>				
<b>705 · EMPLOYEE COSTS</b>				
705-01 · Hourly Wages	1,260.00	0.00	1,260.00	100.0%
705-02 · Salary Wages	8,000.00	8,000.00	0.00	100.0%
705-03 · Overtime Wages	0.00	0.00	0.00	0.0%
705-05 · Payroll Taxes	1,890.89	1,649.90	240.99	114.6%
705-10 · Mileage Reimbursement	700.31	0.00	700.31	100.0%
705-12 · Uniforms	0.00	0.00	0.00	0.0%
705-25 · Workmans Comp.	587.88	1,253.25	-665.37	46.9%
705-50 · Other Employee Costs	0.00	49.98	-49.98	0.0%
705-99 · PY Payroll Tax Adj	0.00	0.00	0.00	0.0%
<b>Total 705 · EMPLOYEE COSTS</b>	<b>12,439.08</b>	<b>10,953.13</b>	<b>1,485.95</b>	<b>113.6%</b>
<b>726 · SUPPLIES</b>				
726-01 · Cleaning/Janitorial	0.00	0.00	0.00	0.0%
726-02 · Firewood	0.00	0.00	0.00	0.0%
726-03 · Guest Complimentary	0.00	0.00	0.00	0.0%
726-04 · Office Supplies	265.10	116.88	148.22	226.8%
726-05 · Operating	0.00	0.00	0.00	0.0%
726-06 · Paper & Disposable	0.00	0.00	0.00	0.0%
726-07 · Small Tools & Supplies	0.00	0.00	0.00	0.0%
726 · SUPPLIES - Other	0.00	0.00	0.00	0.0%
<b>Total 726 · SUPPLIES</b>	<b>265.10</b>	<b>116.88</b>	<b>148.22</b>	<b>226.8%</b>

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Accrual Basis

**Keweenaw Mountain Lodge**  
**Profit & Loss Budget vs. Actual**  
**January through February 2018**

	Jan - Feb 18	Budget	\$ Over Budget	% of Budget
<b>801 · OPERATING COSTS</b>				
801-01 · Accounting/Bookkeeping Fees	40.00	0.00	40.00	100.0%
801-02 · Audit Fees	0.00	0.00	0.00	0.0%
801-03 · Bank/Credit Card Fees	62.97	797.80	-734.83	7.9%
801-04 · Dues and Subscriptions	120.40	325.00	-204.60	37.0%
801-05 · Equipment Maint/Repairs	0.00	0.00	0.00	0.0%
801-06 · Equipment Rental	0.00	0.00	0.00	0.0%
801-07 · Facilities Maintenance	177.00	1,475.00	-1,298.00	12.0%
801-08 · General Insurance	2,754.00	2,845.50	-91.50	96.8%
801-09 · Grounds Maintenance	0.00	0.00	0.00	0.0%
801-10 · Laundry Expense	0.00	0.00	0.00	0.0%
801-11 · Licenses and Permits	1,500.00	200.00	1,300.00	750.0%
801-12 · Consulting Fees/Contract Fees	1,780.00	3,650.00	-1,870.00	48.8%
801-13 · Telephone	526.59	193.73	332.86	271.8%
801-15 · Utilities	513.41	2,798.09	-2,284.68	18.3%
801-16 · Van & Truck Exp - Gas & Repairs	0.00	0.00	0.00	0.0%
801-17 · Waste Removal	0.00	0.00	0.00	0.0%
801-20 · Satellite TV	0.00	0.00	0.00	0.0%
<b>Total 801 · OPERATING COSTS</b>	<b>7,474.37</b>	<b>12,285.12</b>	<b>-4,810.75</b>	<b>60.8%</b>
<b>880 · MARKETING EXP</b>				
880-01 · Advertisements	238.50	441.16	-202.66	54.1%
880-02 · Brochures/Print Materials	0.00	59.41	-59.41	0.0%
880-04 · Internet/Web Site	200.00	1,250.00	-1,050.00	16.0%
<b>Total 880 · MARKETING EXP</b>	<b>438.50</b>	<b>1,750.57</b>	<b>-1,312.07</b>	<b>25.0%</b>
<b>900 · DEPRECIATION EXPENSE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>999 · Reconciliation Discrepancies</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Total Expense</b>	<b>20,617.05</b>	<b>25,105.70</b>	<b>-4,488.65</b>	<b>82.1%</b>
<b>Net Ordinary Income</b>	<b>-18,139.21</b>	<b>-24,135.45</b>	<b>5,996.24</b>	<b>75.2%</b>
<b>Other Income/Expense</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Net Income</b>	<b>-18,139.21</b>	<b>-24,135.45</b>	<b>5,996.24</b>	<b>75.2%</b>

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Accrual Basis

**Keweenaw Mountain Lodge**  
**Profit & Loss Prev Year Comparison**  
**February 2018**

	Feb 18	Feb 17	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>644 · Golf Income</b>				
Golf Fees	875.00	625.00	250.00	40.0%
Golf Sales	825.00	0.00	825.00	100.0%
<b>Total 644 · Golf Income</b>	1,700.00	625.00	1,075.00	172.0%
<b>664 · Interest Income</b>	1.30	0.75	0.55	73.3%
<b>Total Income</b>	1,701.30	625.75	1,075.55	171.9%
<b>Gross Profit</b>	1,701.30	625.75	1,075.55	171.9%
<b>Expense</b>				
<b>705 · EMPLOYEE COSTS</b>				
705-01 · Hourly Wages	780.00	0.00	780.00	100.0%
705-02 · Salary Wages	4,000.00	4,000.00	0.00	0.0%
705-05 · Payroll Taxes	976.07	826.70	149.37	18.1%
705-10 · Mileage Reimbursement	360.59	0.00	360.59	100.0%
705-25 · Workmans Comp.	0.00	608.25	-608.25	-100.0%
<b>Total 705 · EMPLOYEE COSTS</b>	6,116.66	5,434.95	681.71	12.5%
<b>726 · SUPPLIES</b>				
726-04 · Office Supplies	153.84	0.00	153.84	100.0%
<b>Total 726 · SUPPLIES</b>	153.84	0.00	153.84	100.0%
<b>801 · OPERATING COSTS</b>				
801-03 · Bank/Credit Card Fees	33.35	309.73	-276.38	-89.2%
801-08 · General Insurance	1,377.00	1,422.75	-45.75	-3.2%
801-11 · Licenses and Permits	0.00	200.00	-200.00	-100.0%
801-12 · Consulting Fees/Contract Fees	820.00	1,580.00	-760.00	-48.1%
801-13 · Telephone	262.76	79.54	183.22	230.4%
801-15 · Utilities	513.41	2,767.79	-2,254.38	-81.5%
<b>Total 801 · OPERATING COSTS</b>	3,006.52	6,359.81	-3,353.29	-52.7%
<b>880 · MARKETING EXP</b>				
880-01 · Advertisements	238.50	0.00	238.50	100.0%
880-04 · Internet/Web Site	100.00	75.00	25.00	33.3%
<b>Total 880 · MARKETING EXP</b>	338.50	75.00	263.50	351.3%
<b>Total Expense</b>	9,615.52	11,869.76	-2,254.24	-19.0%
<b>Net Ordinary Income</b>	-7,914.22	-11,244.01	3,329.79	29.6%
<b>Net Income</b>	-7,914.22	-11,244.01	3,329.79	29.6%

**Keweenaw Mountain Lodge**  
**Profit & Loss Prev Year Comparison**  
**January through February 2018**

	Jan - Feb 18	Jan - Feb 17	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>644 · Golf Income</b>				
Golf Fees	875.00	625.00	250.00	40.0%
Golf Sales	1,600.00	0.00	1,600.00	100.0%
<b>Total 644 · Golf Income</b>	2,475.00	625.00	1,850.00	296.0%
<b>664 · Interest Income</b>	2.84	2.75	0.09	3.3%
<b>Total Income</b>	2,477.84	627.75	1,850.09	294.7%
<b>Cost of Goods Sold</b>				
<b>701 · BAR COST OF SALES</b>				
701-03 · Soft Drinks	0.00	-342.50	342.50	100.0%
<b>Total 701 · BAR COST OF SALES</b>	0.00	-342.50	342.50	100.0%
<b>Total COGS</b>	0.00	-342.50	342.50	100.0%
<b>Gross Profit</b>	2,477.84	970.25	1,507.59	155.4%
<b>Expense</b>				
<b>705 · EMPLOYEE COSTS</b>				
705-01 · Hourly Wages	1,260.00	0.00	1,260.00	100.0%
705-02 · Salary Wages	8,000.00	8,000.00	0.00	0.0%
705-05 · Payroll Taxes	1,890.89	1,649.90	240.99	14.6%
705-10 · Mileage Reimbursement	700.31	0.00	700.31	100.0%
705-25 · Workmans Comp.	587.88	1,253.25	-665.37	-53.1%
705-50 · Other Employee Costs	0.00	49.98	-49.98	-100.0%
<b>Total 705 · EMPLOYEE COSTS</b>	12,439.08	10,953.13	1,485.95	13.6%
<b>726 · SUPPLIES</b>				
726-04 · Office Supplies	265.10	116.88	148.22	126.8%
<b>Total 726 · SUPPLIES</b>	265.10	116.88	148.22	126.8%
<b>801 · OPERATING COSTS</b>				
801-01 · Accounting/Bookkeeping Fees	40.00	0.00	40.00	100.0%
801-03 · Bank/Credit Card Fees	62.97	797.80	-734.83	-92.1%
801-04 · Dues and Subscriptions	120.40	125.00	-4.60	-3.7%
801-07 · Facilities Maintenance	177.00	1,475.00	-1,298.00	-88.0%
801-08 · General Insurance	2,754.00	2,845.50	-91.50	-3.2%
801-11 · Licenses and Permits	1,500.00	200.00	1,300.00	650.0%
801-12 · Consulting Fees/Contract Fees	1,780.00	3,650.00	-1,870.00	-51.2%
801-13 · Telephone	526.59	193.73	332.86	171.8%
801-15 · Utilities	513.41	2,798.09	-2,284.68	-81.7%
<b>Total 801 · OPERATING COSTS</b>	7,474.37	12,085.12	-4,610.75	-38.2%
<b>880 · MARKETING EXP</b>				
880-01 · Advertisements	238.50	441.16	-202.66	-45.9%
880-02 · Brochures/Print Materials	0.00	59.41	-59.41	-100.0%
880-04 · Internet/Web Site	200.00	1,250.00	-1,050.00	-84.0%
<b>Total 880 · MARKETING EXP</b>	438.50	1,750.57	-1,312.07	-75.0%
<b>999 · Reconciliation Discrepancies</b>	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	20,617.05	24,905.70	-4,288.65	-17.2%
<b>Net Ordinary Income</b>	-18,139.21	-23,935.45	5,796.24	24.2%
<b>Net Income</b>	-18,139.21	-23,935.45	5,796.24	24.2%

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**Keweenaw Mountain Lodge**  
**Statement of Cash Flows**  
January through February 2018

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	<u>Jan - Feb 18</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	-18,139.21
Adjustments to reconcile Net Income to net cash provided by operations:	
99 · Prepaid Insurance	-13,770.00
202 · Accounts Payable	-3,657.36
204 · Wedding deposits Payable	3,000.00
231 · Payroll Liabilities:Federal (941)	-549.72
231 · Payroll Liabilities:Michigan Withholding	12.75
231 · Payroll Liabilities:SUII-Company	-1,702.28
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Net cash provided by Operating Activities	-34,805.82
<b>FINANCING ACTIVITIES</b>	
30000 · Ask Accountant/Auditor	-0.01
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Net cash provided by Financing Activities	-0.01
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Net cash increase for period	-34,805.83
Cash at beginning of period	47,827.16
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Cash at end of period	<u><u>13,021.33</u></u>