



MENDOCINO COUNTY TOURISM COMMISSION, INC. FINANCE COMMITTEE MEETING MINUTES

The Finance Committee shall be composed of a total of three (3) Directors, with a preference for Directors with financial experience, including but not limited to service as treasurer for other organizations. The Committee shall be chaired by the Treasurer of the Corporation. The Executive or its designee shall attend all Finance Committee meetings as a non-voting member to provide staff support. The Committee shall be responsible for informing and advising the Board in the fulfillment of its financial duties and obligations, including but not limited to preparing and reviewing budgets and financial statements, and for selecting a Certified Public Accountant to perform financial reviews and audits-bylaws Article 6, Section 6.1, (d) (i)

REGULAR MEETING: Tuesday, October 24, 2017 **TIME:** 1:00 PM

PLACE: Visit Mendocino County, 390 West Standley Street, Ukiah, CA 95482 (small conference room)

**Please note: To abide by the Brown Act, call-in locations must be listed on the agenda. If anyone from the public is calling in during the meeting, it must be done at the posted locations above.*

I. CALL TO ORDER

II. ROLL CALL – Members Magdaleno and Ishwar present. Staff present, Executive Director Humason, K CodyChacon & Contractor Daphne Haney. Public present; Shari Schapmire & Lloyd Wier

III. PUBLIC COMMENT – None.

IV. CHAIR'S COMMENTS – Chair Magdaleno welcomes Mendocino County liaison's Shari Schapmire and Lloyd Wier. We are hoping this meeting will become an annual event to keep lines of communication open and to ensure both organizations are on the same page and to strengthen our relationship.

V. COUNTY LIAISON & AUDITOR MEETING: Shari Schapmire and Lloyd Wier attending to answer finance questions on new payment schedule and reporting. A list of questions was presented to Shari and Lloyd prior to attending and Q&A is as follows:

Q1. With the County moving to a quarterly payment schedule, are those funds being held collecting interest and if so, is that amount incorporated into our payment?

A1. Yes, and the interest was part of the payment, however, with the move to a quarterly collection the money is not there in the account to collect interest. For example, with the July, August, September, payments are not collected until October and then paid in November so whatever that average daily interest is, will be paid out as well.

Q2. Will VMC continue to bill the County monthly with the new quarterly payment schedule in place?

A2. We will have to wait until the end of the quarter in order to measure the bill that you will need to send. Typically, that will be the first week of the month that payment is due to VMC.

Q3. How is the progress of short-term rentals and 'glamping' operators becoming part of the BID/TOT process? And is there a forecast of revenues VMC can expect from these operators?

A3. County staff has taken on this project and has had amazing results. About \$200,00.00 has been collected within the last few years concerning short term rentals/VRBO/Airbnb in which VMC has seen approximately \$30,000.00 of. Reoccurring revenue for VMC is looking about \$20,000.00 annually from short term rentals. In the past, The Board was not interested in pursuing 'glamping' and camping however there is a new interest in this ordinance and the Board is taking another examination to determine what this looks like moving forward.

Q4. Can the County provide the annual amount for the 3% County fee starting at the end of this current fiscal year? If so, can that information be provided when the 13th payment is sent to us?

A4. Yes, the 3 % admin fee will be part of the 13th payment. This fee is based on staff hours worked and is actually up to 3% and not fully 3% in totality.

Q5. Is the County fee based on the BID & Match? Or just the BID?

A5. The County fee is based on the BID amount only.

Q6. Is the County tracking the BID funds monthly and are those amounts reported to VMC on a monthly basis?

A6. No monthly tracking will exist.

Q7. Please clarify new BID funds flow process.

A7. The BID collected by lodging in the 1st quarter (July, August, September) is paid to the County by the end of October and VMC is paid within the first two weeks of the following month (November).

VI. ACTION ITEM: APPROVE MINUTES FROM AUGUST 29, 2017 MEETING - Member Ishwar motions to approve and Member Magdaleno seconds. **Motion Approved 2-0.**

VII. ACTION ITEM: REVIEW & RECOMMEND FOR APPROVAL – 2015/16 AUDIT – The 2015/16 Audit Report was not available at this time for review. This item will be on the next Finance Committee Agenda in December.

VIII.2016-17 AUDIT UPDATE – All requested information has been given to the CPA, Joe Arch. Next step, Joe will be coming into the office to complete his audit.

IX.DISCUSS HISTORICAL REPORT OF RETAINED EARNINGS – This item is on hold pending VMC's CPA, Joe Arch's visit. Joe will be attending the next finance committee's meeting in December. Spending of the retained earnings will be spaced over a course of 3 years. Executive Director Humason will give a presentation to the Board. Committee would also like to have the reporting structure of the carry over and contingency clarified.

X.REVIEW, DISCUSS & RECOMMEND FOR APPROVAL

- a. JULY FINANCIALS – Committee reviewed and recommended for approval to the Board.
- b. AUGUST & SEPTEMBER FINANCIALS - Committee reviewed and recommended for approval to the Board.
- c. AUGUST & SEPTEMBER CREDIT CARD STATEMENT AND RECEIPTS - Committee reviewed and recommended for approval to the Board.
- d. AUGUST & SEPTEMBER STAFF & CONTRACTOR REIMBURSEMENTS - Committee reviewed and recommended for approval to the Board.
- e. AUGUST & SEPTEMBER AR AGING REPORTS - Committee reviewed and recommended for approval to the Board.
- f. AUGUST & SEPTEMBER AP OVER 30 REPORTS - Committee reviewed and recommended for approval to the Board.
- g. AUGUST & SEPTEMBER CHECK REGISTERS - Committee reviewed and recommended for approval to the Board.
- h. CASH FLOW REPORT - Committee reviewed and recommended for approval to the Board.

XI.FUTURE AGENDA ITEMS

- a. Update on CPA's advice of P&L Structure & the Reserve Contingency
- b. REVIEW CURRENT YEAR 17/18 BUDGET & DISCUSS POSSIBLE RECOMMENDATIONS FOR ADJUSTMENTS – This item was postponed pending CPA's visit in December.

XII.SET NEXT MEETING -

XIII.ADJOURNMENT