



MENDOCINO COUNTY TOURISM COMMISSION, INC.

Finance Committee

MINUTES

DATE: Thursday, June 29, 2016 **TIME:** 1:00

PLACE: Mendocino County Tourism Commission, 390 W. Standley St., Ukiah, CA 95482

GUESTS: Daphne Haney, Jodi Smith, Jennifer Seward, John Kuhry

- I. CALL TO ORDER-The Chair called the meeting to order at 1:13 PM.
- II. ROLL CALL-Marcus Magdaleno, Debra DeGraw (phone-in), Jitu Ishwar (phone-in)
- III. CHAIR'S COMMENTS- The Chair stated that the new ED will start on July 11th and that he is looking forward to working with him. The Chair hopes that the ED will run the organization well and assist the Finance Committee.
- IV. PUBLIC COMMENTS-Daphne stated that the MCTC Ukiah office has been sold. Once the new lease has been provided, she will cut the rent check. The Fort Bragg MCTC office rent will be raised by \$50.00 starting September 1st.
- V. APPROVE MINUTES FROM JUNE 2ND, 2016—Minutes were approved with the following insertion to Item VI. stating that *"The Finance Committee instructed the Bookkeeper to construct a letter to MCPA to set up a meeting in order to review payments and determine the proper amount that was transferred to MCTC."*
- VI. DISCUSS TRACKING VALUES OF VACATION/LEAVE/SICK-TIME ACCRUED BY STAFF ON FINANCIAL REPORTS— Jennifer Seward brought the balance sheet that her company uses and a copy of what she would like to see tracked. Though the Bookkeeper follows GAAP practices she would like to defer to the CPA (Jerry Murphy) as to whether the amount should be on the books or not. The Chair requested to have the value amount at end of fiscal year for vacation/liability to be accounted for on the balance sheet. Jennifer will send the Bookkeeper a template to show projected value in her template form as well as adjusted value for year end on balance sheet. Jennifer also suggested looking at unemployment to cover obligation just in case the business closes.
- VII. REVIEW MAY CREDIT CARD STATEMENTS AND RECEIPTS—The June 22nd credit card bill totals \$5800. The large charge (\$10,000) from Creel Printing also incurred a credit card fee of 3% that MCTC had to pay for. From now on MCTC will prepay Creel if possible by check. The credit card that we have now requires personal information from employees, however nothing shows up on their credit; it is merely a security issue. Jennifer suggested that the contractors and employees be held to the standards of the Employee Policy Manual (EPM). In terms of organizing receipts with the credit card statements: there should be a form that states categorized summaries for each trip

including dates, location traveled to and standard reimbursement amount. Receipts for FAMS should include organization name and business cards. Jennifer suggested that MCTC bill back to contractors what is outside their contract and the MCTC Board Chair send out an email to staff/contractors to review the EPM and no receipts should be paid or reimbursed without clear description especially for FAMS. A review of the contracts should be conducted to see whose cell phones MCTC should be paying and how. The Bookkeeper suggested two plans for the cell phone payments: business plans or a cell phone stipend. The Committee was split as to whether they should determine a figure and seek reimbursements for overpayment to contractor Scott Schneider. It was decided that the Committee will review Scott's contract and take it to the BOD for a determination. In reviewing the last Verizon phone bill there doesn't seem to be anything egregious. The Finance Committee will task the new ED with most of the financial review in the future.

VIII. REVIEW CURRENT STAFF & CONTRACTOR REIMBURSEMENTS—The Committee reviewed staff/contractor reimbursements and found no questionable items listed.

IX. REVIEW AND POSSIBLE ACTION TO APPROVE MAY FINANCIALS (PAYABLES, CHECK REGISTER, P&L, and BALANCE SHEET— Marcus will close the secondary MCTC Savings account; leaving only one checking and one savings in operation. Contract Media was over budget. 5% inflated, due to contractor payments (Scott Schneider). P&L Budget performance showed 109% increase in income. Tourism activity is significantly higher. John Kuhry pointed out that historically MCLA received the overage, now MCTC will receive it from the County. The January reimbursements made to MCTC would have gone to contingency but was reflected as income. The Treasurer does not believe that the current amount of income reflects the amount of income corrected. MCTC income is based on County BID budget. John Kuhry directed the Committee to page 8 where the numbers are higher than the percentage of budget. Advertising, Public Relations, Website, Advert/Media line item containing Advertising: email marketing- Media Planned Management (Creative Concepts) where their contract went up and way over budget. Expenses were over-budget however there were several that were not likely factored into the previous FY budget drafts such as Searchwide, two extra contractors, website issues, and a board retreat. Co-op Website Maintenance, Consumer Trade Shows; (page 9) showed Signage as over budget due to the HWY 20 gateway signage installation. The Committee would like the ED to address these issues as to why we are using a budget if we are consistently going over. **Motion to approve May financials made by Debra DeGraw; Seconded by Jitu. Motion passed (3-0).**

X. UPDATE ON STAFF CREDIT CARDS— Staff credit cards are all ordered with the Communications Coordinator to be ordered soon. Computer programs are now being transferred over to the new credit card.

XI. FINALIZE CC CHARGE INFO FORM TO BE USED BY STAFF WHEN PROVIDING CC RECEIPTS— The Office Manager and Bookkeeper came up with a concise stamp for employees and contractors to use on receipts and invoices when submitting them for the credit card statement. The information obtained answers some question by the Finance Committee such as purpose of bill in regards to certain events, FAMS or media stays.

XII. UPDATE AND DISCUSS OVER-PAYMENT OF BID FROM THE COUNTY—The Treasurer had a conversation with Jon Moore and it was determined that the credit (\$208K) will be applied to April/May. He will also be sending a report to Bookkeeper that clarifies the exchange.

XIII. UPDATE ON AUDIT PROCESS WITH JERRY MURPHY, CPA—A letter will need to be sent to the bank to authorize the CPA to get a list of authorized signers on the old account. The CPA also

needs a list of information including: payroll (quarterly year-end), personnel's W2, tax returns, employee handbook as well as information on if any Board members receive compensation or if any large changes in organization has occurred.

XIV. SET NEXT MEETING—1PM, Wednesday August 3rd, 2016. Location TBD.

XV. ADJOURNMENT- The Chair adjourned the meeting at 3:57 PM