



FINANCE COMMITTEE MEETING

FINAL REPORT

May 15, 2025

Northwoods Clubhouse, Mezzanine Room and Zoom

1. **Call to Order / Call for Quorum (4):** The Chair (Niedringhaus) called the meeting to order at 1:55 pm PDT after noting that a quorum was present.

Attendees (All attendees present on either Zoom Video Conference Call or in person at Northwoods Clubhouse):

Members: Rudolph, Niedringhaus, Vietor, Ravano, Falk, Kodres

Absent: Pontius

Staff Lead: Justin Malley (Director of Finance)

Board Liaison(s): Don Koenes, Benjamin Levine

LRPC Liaison to FC: Jerry Meek

TDA Staff: Annie Rosenfeld (General Manager), Nicole Bouteiller (Controller)

2. **Member and Committee Member Comments:** A request was made by the Chair for comments by any Member or Committee Member who wished to do so. No Member comments were forthcoming.

3. **Follow-up Items:**

1. Approval of the April 2025 Finance Committee Minutes. The Vice Chair indicated that all drafts had been circulated for comment prior to the meeting. A motion was made for approval of the Minutes with Ms. Ravano providing a first and Mr. Niedringhaus providing a second. A unanimous approval was given by FC Members.
2. Discussion about Cost of Goods Sold (COGS). Mr. Malley indicated the timing of entering vendor invoices is having an impact on COGS. From a process standpoint, receiving late invoices and posting them has skewed the COGS calculations. Mr. Malley indicated that the finance team will be reviewing ways to improve the process.
3. The payroll error continues to be researched, and an update will be provided in June by the Controller. This is not a material item but one that needs resolution.
4. The Investment Management Working Group needs to schedule a meeting. Mr. Levine indicated that a draft investment policy would be forthcoming for review.

5. The annual assessment accounting was deferred until the next meeting.

4. **Committee Management:**

1. **Capital Planning Project:** Julie Vietor has replaced Cathy Ravano as a member of the working group. Work continues on policies with a preview of the Building Replacement Model as a next step. A target date for approval of all the policies at the Board level is at the end of June.
2. **Recurring Tasks - Presentation and Discussion of April 2025 Financial Results:** Mr. Malley reviewed April 2025 financial results and indicated that there would be a further issuance of April results with some late entries being posted. This was subsequently provided and is the basis for commentary below. Highlights are:
 - a. The net operating result for April was flat - unfavorable to budget by approximately \$1.5k (0%). Results were primarily influenced by a shortfall in revenue that was offset by lower operating expenses.
 - b. Year to date, Net Operating Revenue is favorable to budget by \$366k and is \$1.6 million favorable when compared to the same period last year.
 - c. Revenue for the month was unfavorable to budget by \$134k (-22%) with all revenue streams excepting Retail being unfavorable to their respective budgets.
 1. Downhill and Cross Country Direct Access and Use were \$65k unfavorable to budget. Cross Country was most of the variance (\$60k) or 92% of the total variance. Lessons and Rentals were also off by a combined \$24k negative variance to budget. The late season snowfall in April influenced attendance at both operations.
 2. Trout Creek Recreation was essentially flat to budget.
 3. Consolidated Food and Beverage revenue was unfavorable to budget by \$38k with the Lodge being the main contributor of the negative variance (-\$32k or 84% of the total variance).
 - d. Cost of Goods Sold ("COGS") had higher actuals than budgeted with Food COGS actual of 38.7% versus budget of 34.0%; Beverage COGS actual of 25.6% versus budget of 26.1% and Retail COGS actual of 86.4% versus budget of 70.0%. End of season retail sales were presumed to contribute to the COGS variance versus budget.
 - e. Payroll costs were under budget by \$6k. Other Operating Expenses were favorable to budget by \$129k and offset the shortfall in revenue. While staff expenses were unfavorable to budget by \$8k, favorable categories were: Utilities (\$29k); Supplies and Maintenance (\$12k); Administration and Other (\$69k); Capitalized Labor (\$29k).
5. **General Discussions:** The Finance Committee calendar will be reviewed and rebuilt based on updated projects of Finance Staff including the budget planning process for 2026. Mr. Malley indicated that the budget process will have a rhythm that will follow the board meeting schedule.

6. **Long Range Planning Update:** Mr. Meek provided an update on the LRPC work. A member survey is slated to be sent out.
 7. **Working Groups:** Updates are noted above.
 8. **Follow-up Items:**
 - a. Staff to review accounting for the annual assessment.
 - b. The Director of Finance will provide an update on the payroll error status.
 - c. Update on the Investment Management working group meeting schedule.
 9. **Next FC Meeting:** June 19, 2025, 1:30 - 3:00 pm, Northwoods Clubhouse, Mezzanine Room + Zoom.
- Adjournment:** A motion was made to adjourn by Ms. Kodres and seconded by Ms. Ravano. The meeting was concluded at 2:45 pm PDT with a unanimous vote.

Prepared and submitted by Michael Rudolph, Vice Chair, Finance Committee