

**RIVER STRAND GOLF & COUNTRY CLUB**  
**7155 Grand Estuary Trail, Bradenton, FL 34212**

**FINANCE COMMITTEE MEETING**  
**March 30, 2017**

**MINUTES**

The meeting of the River Strand Finance Committee (Committee) was held on March 30, 2017 at 4:00 PM in the main conference room to conduct financial related business of the Association.

**Call to Order:** The meeting was called to order at 4:00 PM by Chairperson, Alan Sukoneck

**Determination of Quorum:** Quorum was established.

**Committee Members Present:**

Alan Sukoneck; Paul Bondy; Tim Curran, and Linda O'Brien.

**Board Liaison:**

Scott Hancock, Present

**Others in Attendance:**

Shaun Fitzer, ICON LCAM; Board Members present were Terry Lyons and Chuck Glasser; and approximately 12 residents.

**Proof of Notice:** Notice was sent to residents electronically this month.

**Approval of Minutes:** There were no prior minutes to approve as the March 30, 2017 meeting was the first BOD authorized meeting of the Committee.

Alan Sukoneck opened the floor to comments from residents that were limited to no more than 3 minutes and only on agenda items. There were no initial questions, but, as the meeting proceeded, questions, and or explanations were provided, and viable directions for progress were validated.

**Old Business:** There was no Old Business as the March 30, 2017 meeting was the first meeting of the Committee.

**New Business:**

1. Finance Committee Charter: A draft of the charter had been prepared by the Board of Directors (BOD) which was reviewed by the Committee. Alan Sukoneck attached to the draft an outline of the committee's major responsibilities. Several adjustments to that draft are to be evaluated by the Committee and further revisions may be forthcoming, and then sent to the BOD for final approval.
2. December 31, 2016 Audit Status: It was determined that everything that had been requested from ICON had been sent to the auditors. ICON has requested that the auditors confirm their timetable for completion of the 2016 audit. If satisfactory confirmation is not immediately received and, after discussion, it was determined that the BOD would send a follow up notice to have the audit completed as soon as possible, but no later than the required due date of 4/30/17, and further that the auditors begin the 2/28/17 audit ASAP.

3. Allocation of revenue and expense between Golf only and Social Members: It has been a long standing omission from the auditors of logical data support on how the original allocations were made, and if there were any subsequent modifications thereto. Alan Sukoneck mentioned that Pat Cattnach, the ICON GM for RSGCC, has been requested to document the allocations factors using both current theory and rationale. The finance committee shall also begin the dissecting and evaluation of such allocations before the development of the 2018 budget. Any irregular allocations calculated in previous years may be challenged as part of the transition settlement with Lennar.
4. Accounts Receivable Past Due Collection policy: Significant discussion and comments were heard from many committee members and residents, as well as the current policy for the collection of past due member account balances (now being documented by ICON) that are now being semi-enforced by Shaun Fitzer. The Committee will review the policies that will set forth proper timetables of notices and enforcement procedures, and then submit the policies to the BOD for their approval. However, at the next meeting of the BOD to be held April 3, 2017, Shaun Fitzer will present recommendations to the BOD for the suspension of privileges for members with balances 90 days, or more, past due. Shaun Fitzer was asked to develop a streamlined version of the current ICON aged past due accounts receivable report that is easier to review.
5. Update on ICON Policy and Procedure Manuel: Shaun Fitzer explained that the current system software, IBS, is handicapping his efforts to adequately blend the two existing software packages, and he is setting up a meeting next week to see if adaptations can be made to further detail currently processed data. He was requested by the Committee to submit a Table of Contents for the Policy and Procedures Manual that he is currently developing.
6. Review of Financial Statements for the two months ended February 28, 2017: The review of the 2/28/17 financials set forth almost identical monthly profits of \$164,000 for the first two months of 2017. Pat Cattnach prepared an analysis of the month of February 2017 actual, budget and prior year Revenue and Expense account comparisons with narrative discussions for accounts with a 5%+/- variance. It was requested that, in the future, Pat prepare a similar analysis for each full quarter of 2017 and then cumulative for 6 months, 9 months and 12 months. While these two months are "peak" months, a careful review indicates several shortcomings which includes: decreasing gross profits in food and beverage; the huge cost of allowing dues to be paid by credit card; the lack of accruals for mulch (SFH); low interest income rates on reserve funds presently offered by BB&T Bank; and numerous shortfalls in the financial statement presentation (i.e. reducing the balance sheet to two pages, and not comingling "wash accounts" in both revenue and expenses for Bulk Cable and Single Family Home Landscaping (SFH). All of these items will be prioritized and evaluated, with a recommendation to be submitted to the BOD. A resident attending the meeting, who has long served on the Restaurant Committee, volunteered to review and report back to the Committee with an analysis of the decreasing gross profits in food and beverage as well as the one time profit margin on sales of steaks that were offered to members as a way to utilize their March 31, 2017 food minimum requirements. Paul Bondy and Linda O'Brien will research

and report at the next Committee meeting competitive interest rates offered by other lending institutions. Shaun Fitzer also commented that new insurance coverage has raised the limit significantly above the current FDIC insured maximum of \$250,000.

7. Other: A resident was confused about the \$125.00 quarterly food minimum for the first quarter of 2017. It was explained that there was no overcharging of any type, and that it was only a mechanism to change the food minimum from a calendar year basis to a fiscal year basis (4/1/xx-3/31/xx) in all future years.
8. The next Finance Committee Meeting will be on Thursday April 27, 2017 from 4:00PM to 5:30PM

Adjournment: A motion was made to adjourn. It was seconded and passed. The meeting ended, as scheduled, at 5:30 PM.

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Submitted by:  
Paul Bondy, Secretary