

Finance Meeting - Directors Update #5

A finance meeting with John Tennock occurred Tuesday, April 23, with four Directors attending (Trinh, Craig, Dave and Cindee), and Peter O'Hara.

Points of discussion:

- John anticipates having our new financial system up and running at the beginning of the new financial year. In lieu of an annual audit, he will begin working with our new External Finance Officer, Annette Ward of Annette Ward Bookkeeping Services at Sevenoaks, to oversee our monthly income and outgo, along with billing of membership levies and joining fees. John is also working with Alan Blake to simplify our work claim and expense claim procedures with web-based forms that will work across a wide range of devices.
- There is a need for longer-range planning of budgets and project oversight as Goolawah becomes a larger community, and as sites fill up. Currently joining fees are providing the necessary income to complement our levies to meet our budget needs but it is anticipated this will fall off.
- If our income exceeds \$150,000, we will need to consider paying GST, which would either add 10% to our levies, or reduce our available income by 10%. This is not foreseen for the immediate future but may need to be considered eventually. Implications to be explored.
- In examining our expenditures on Annual budgets (Fire Management, Tractor and Machinery Maintenance, Road Maintenance) it was seen that actual expenditure often did not reflect budgeted amounts. Rather than simply assigning the same amounts for next year, each committee will be asked to evaluate expected needs and adjust their budgets accordingly. The Director in charge of each portfolio will liaise with these committees to formulate prospective budgets for next financial year.

- Similarly, for ongoing projects and plans (The Last Resort, cemetery, Camp Kitchen, fire striker housing), budgets need to be formulated for next financial year. Again, Directors will work with project heads to come up with likely estimations.
- It is important to establish a contingency budget for immediate needs or unplanned expenses: for example, the recent large equipment mulching along Frog Hollow and the completion of Ironstone dam.
- We are seeing that in order to follow through with projects and to handle any unexpected expenses, we need either more income or more liquidity. This means we either have to raise levies or distribute our income differently.
- We still do not have a hard figure on costs of tarring Nevertire Road, but all attendees agreed that continuing to add to the DA Road Fund and therefore locking up those funds (that account currently sits at \$250,000) may not be the best use of our money. Rather than raise levies, it was agreed that next financial year we will not add to the Road Fund, but instead those same monies will be added to our Annual Levies account for use for other budgeted expenses and approved projects. The Road Fund will remain at \$250,000 to be spent for road costs, as planned. If actual costs balloon, we will revert to adding to the Road Fund. If they reduce, we can allocate remaining funds elsewhere.
- All members are invited to come forward to present any and all ideas for community projects they would like to see funded. We realize that at this point this may look more like a 'wish list', but why not consider all ideas? We, as a community, can prioritize as funds become available. Please contact one of the Directors if you have a project you would like considered: Roads, Machinery – Kevin; Water (Flood Warden), Social Events – Craig; Working Bees, DAs – Dan; Policy, Complaints, Media, Newsletter – Cindee; Flora and Fauna, Land Care, Pig Control, Fire – Dave; Camp Kitchen, Membership –

Trinh. If your project does not fall in these categories, please call one of us and we will figure out who is best suited to help you. As the budget needs to be formulated within the next few months, we ask that you present your idea/s by the end of May. Happy brainstorming!