

Mohave Sportsman Club Treasurer Report January 2023

1. November and December financials have been submitted to accounting service and are pending completion. The President and I have been working since assuming our positions on November 12th to get past due bills paid, access the bank accounts, access credit card and debit card accounts and transition the club to a new accounting service (Burton Carter). We have successfully transitioned the banking and filed the mandatory reports with the Arizona Corporations Commission. More is happening now. The previous administration did not respond to communications and requests for turnover of documents, accounts, pass words and most importantly documents belonging to the corporation. Our corporate records are a mess.
2. It became very obvious to us upon our first meeting with the current accounting and payroll service that nothing had been accomplished in order to transition the club to the new, recommended accounting service (Burton Carter). The club was formally notified on 1 October 2022 that Honey's would be closing in January 2023 and accounts were to be transferred to Burton Carter and others in the local area. No one from MSC responded to Honey's requests for guidance on the transition nor did anyone communicate with Honey's regarding the MSC preference. As a result the President and I initiated transition on December 27th after learning of this transition on December 22nd by visiting Burton Carter. We are in the process of setting up payroll, general accounting and tax services with Burton Carter at this point. No bid yet on cost of services but we have little choice in the matter. I am pending W-4 and direct deposit documents from employees and can then set up payroll with Burton Carter. We are paying the price of ZERO preparation for this major change.
3. Payroll processed late due to lack of hours input and check processing. Payroll for the first period of January will be late due to lack of W-4 and direct deposit documents.
4. I have been diving in to what exists of the corporate financial records. They are a disaster. Honey's will attest to the lack of attention to sound financial management. Currently our financial records are at Honey's and I will physically take them to Burton Carter when the November and December financial reports are closed out. Burton Carter will do our 2022 annual tax filings and reports. No bid on the work due to lack of time to transition.
5. This club has no budget, no Policies and Procedures for Financial Operations, Employee Management, Payroll, Credit Card and Debit Card Management, Small Purchasing or Contracting nor are there any internal controls to prevent waste, fraud and abuse.. There is nothing to guide employees and board members in how to get things done so we are flying blind and working on our experience to get things in order. We also lack a Reserve Fund Study and associated Reserve Fund Plan to help us project and fund major expenditures on our capital equipment and real property.
6. The Arizona minimum wage increased by \$1.05 per hour from 12.80 to 13.85. Also increasing on 1 January 2023 are our Workman's Compensation Policy premiums. This increase along with a 12% increase in Workman's Compensation rates will rapidly drain our budgets. Short of our checking account balance of approximately \$46,000.00 we have NO RESERVES and no ability to respond to a major incident.
7. The inflation rate in Arizona is one of the highest in the nation and has reached 20% over the past 24 months. Everything from energy to finished products cost more. We depend upon volunteer labor to help defray some costs but many costs are fixed and steadily increasing. There has been no budget hence we cannot do reason-based budget projections and plan for increased costs.