

COLLINSON & LACHANCE
ATTORNEYS AT LAW

BRENT P. COLLINSON
JASON LACHANCE

LOCATED AT:

MARTIS VALLEY PROFESSIONAL CENTER
9709 HIGHWAY 267, SUITE A
TRUCKEE, CA 96161
Phone (530) 587-9233 • Fax (530) 587-0443
www.bcjllaw.com

July 6, 2016

Tahoe Donner Association
Attn: Robb P. Etnyre, General Manager
11509 Northwoods Blvd.
Truckee, CA 96161

Re: 2016 Director Election Results, Revised

Dear Mr. Etnyre:

As the inspector of the 2016 elections for two members of the Board of Directors of the Tahoe Donner Association, this letter will provide in writing a summary of the election procedure and the results of that election. Initially, as you discovered, there was an inconsistency in the number of ballots cast when compared to the total number of votes cast. McClintock Accountancy Corporation identified the cause for the discrepancy (ballots cast as "quorum only" were overstated and the number of ballots casts for candidates was understated due to some ballots being cast for one candidate only). They have prepared a revised written summary of the results; a copy of those results are attached to this letter. The prior results dated June 26 and my June 30 letter to you should be destroyed. There was no change in the number of votes cast for each candidate. As announced on June 26th and as set forth in the Independent Accountants' Report from McClintock Accountancy Corporation, Darius Brooks and Jeff Schwerdtfeger were elected to serve on the Board of Directors.

The procedures for the election and the election materials themselves were in compliance with California Law. Specifically, the ballots for the election did not contain any information that identified the voter by name, address, lot, parcel, unit or otherwise. The materials provided to the voters included a "ballot envelope" that was sealed and placed inside a return envelope that had been pre printed with McClintock Accountancy Corporation's address. Those outer envelopes also included the property owner's name as well as the specific Tahoe Donner property description. It also included a space for the property owner's signature as is required by California Law. As also required by California Law, the ballots were opened and counted in a public meeting of the Association's Board. Additional ballots were counted and the results were verbally announced at the annual meeting of the members of the Association.

As inspector of elections, I reviewed and approved the election materials, including the ballots, ballot materials and Notice of the Annual Membership Meeting. This occurred prior to the materials being mailed to the members. From the information provided to me by both Tahoe Donner and McClintock Accountancy Corporation, I determined that there were 6,348 memberships eligible to vote. Because at least twenty-five percent (25%) of the members must vote, the required quorum was 1,587 ballots. With my oversight, I confirmed that the ballots that were personally submitted (as opposed to being mailed to McClintock Accountancy

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Corporation) were submitted with proper photo identification during the noticed polling hours. I also oversaw the opening and counting of the ballots, performing my duties in good faith and to the best of my ability.

A Special Meeting of the Board of Directors was held on June 24, 2016. That Meeting was open and noticed and any candidate or member could witness the opening, counting and tabulation of the ballots which I oversaw. A record was kept of the ballots so to confirm that only one (1) ballot was received from each eligible member, allowing only one vote per parcel. The ballots that had been received as of that time were opened in a fashion so as to maintain the secrecy of the individual ballots and voting members. The returned envelopes, after being checked to ensure that they were not duplicate ballots, were opened and the inner "ballot envelope" was then separately opened, normally by more than one person. The process was carried out so that the identity of the voter was kept separate and apart from that voter's actual ballot that was then tabulated.

The Annual Membership Meeting was held on June 26, 2016, which I also attended. At that Meeting (and at the June 24th Board Meeting), ballots were hand delivered. It was confirmed, through the use of photo identification, that each member personally delivering their ballot that the eligible member was entitled to vote. Those ballots were also separately opened and submitted to McClintock Accountancy Corporation without the individual ballots being attributable to any one voter.

I was responsible throughout the voting process for hearing and determining any challenges or questions in any way arising out of or in connection with the right to vote.

This process not only confirmed the validity of the ballots, but also that the entire election process was conducted with fairness to the members in accordance with California Law and Tahoe Donner Association's Governing Documents. Furthermore, our office designated McClintock Accountancy Corporation to hold the ballots for the entire election process as allowed by California Law.

As noted on Exhibit 1 to the Independent Accountant's Report provided by McClintock Accountancy Corporation, there were 2,011 ballots received, but 41 ballots were disqualified; a majority of which were disqualified due to the failure of the person submitting the ballot to sign the outer ballot envelope (as required by California Law). 104 ballots were submitted for quorum purposes only, resulting in 1,866 ballots being cast. This resulted in 3,572 total votes for candidates. Proxy votes were not allowed, nor were write-in votes or cumulative voting allowed.

Of those 3,572 total votes, 985 votes were cast for Darius Brooks, 714 for Jeff Schwerdtfeger, 673 for James Stang, 622 for Courtney Murrell and 578 for Kenneth Knutsen. As announced on June 26th and as noted above, Darius Brooks and Jeff Schwerdtfeger were the two directors elected.


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I have designated McClintock Accountancy Corporation to be in custody of the ballots which they are to retain for one year (Civil Code Sections 5125 and 5145). After that one year has expired, the ballots, pursuant to Section 5125, shall be transferred back to the Association. There is no specification as to how long the Association is to keep the ballots nor is there any restriction on disposition of those ballots.

Bette Rohrback acted as the Elections Committee for Tahoe Donner. She indicated that she was compiling a list of suggestions for next year's election. Two suggestions that I have are as follows. First, the record date for voting should be established by the Board of Directors as being the date of mailing the ballots (this must be at least thirty days from the membership meeting). Additionally, the Bylaws require at least one opportunity for the candidates to address interested members. If only a single meeting is scheduled, it must be within 10 days prior to the annual membership meeting (Bylaws, Article VII, section 4(a), third paragraph). If the Board and Elections Committee decide to have only one such opportunity for candidates to meet the members, the Board may want to consider lengthening the time for that forum/opportunity to more than ten days in order to allow voters to have time to attend that forum, consider their votes and place their votes as most of the ballots were cast by mail.

In conclusion, thank you for the opportunity to provide this service to Tahoe Donner. If you do have any further questions or comments, please do not hesitate to contact this office.

Very truly yours,


BRENT P. COLLINSON

cc: McClintock Accountancy Corporation
Enclosure

McCLINTOCK ACCOUNTANCY CORPORATION

ROBERT J. McCLINTOCK, CPA
MICHAEL R. GRIESMER, CPA
ALICE HAHN

SHARON FERREIRA, CPA
KENDALL GALKA, CPA

305 WEST LAKE BOULEVARD
P. O. Box 6179
TAHOE CITY, CA 96145
TELEPHONE: 530-583-6994
FAX: 530-583-5405

11500 DONNER PASS RD.
SUITE B
P. O. Box 2468
TRUCKEE, CA 96160
TELEPHONE: 530-587-9221
FAX: 530-587-4946

Accountants' Report

Board of Directors
Tahoe Donner Association
11509 Northwoods Blvd.
Truckee, CA 96161

At your request, we have assisted in the count of member ballots voted in the 2016 election to determine the successful candidates for the open seats on the Tahoe Donner Association Board of Directors. Our work was performed solely to assist you in determining the result of the vote and to determine if a quorum of eligible Association members had returned ballots. We were not responsible for determining the validity of any ballot. That responsibility resided with the Association's appointed Inspector of Elections. The procedures we performed to determine the above are those outlined in our engagement letter. The results of our work are summarized on Exhibit I.

Because the procedures performed did not constitute an audit or review made in accordance with generally accepted auditing standards, this report relates only to the procedures performed as described above and does not extend to any financial statements of Tahoe Donner Association taken as a whole.

McClintock Accountancy Corporation

McCLINTOCK ACCOUNTANCY CORPORATION
Tahoe City, California
July 6, 2016

**TAHOE DONNER ASSOCIATION
2016 Board of Directors Election Results**

EXHIBIT I

<u>CANDIDATE (TWO POSITIONS OPEN)</u>	<u>VOTES</u>
Kenneth Knutsen	<u>578</u>
Darius Brooks	<u>985</u>
Jeff Schwerdtfeger	<u>714</u>
Courtney Murrell	<u>622</u>
James Stang	<u>673</u>
Write-in candidates	<u>0</u>
Total Votes	<u><u>3,572</u></u>

QUORUM SUMMARY		
<u>TYPE OF BALLOT</u>	<u>BALLOTS CAST</u>	<u>VOTES CAST</u>
Ballots w/ Candidate Votes	<u>1,866</u>	<u>3,572</u>
Quorum Purposes Only	<u>104</u>	<u>N/A</u>
Totals	<u><u>1,970</u></u>	<u><u>3,572</u></u>
Members Eligible to Vote	<u><u>6,348</u></u>	
Required quorum 25%	<u><u>1,587</u></u>	

OTHER INFORMATION	
Total Ballots Counted	<u>1,970</u>
Disqualified Ballots	<u>41</u>
Total Ballots Received	<u><u>2,011</u></u>

See Accountants' Report.