

The Board of Directors is being asked to assign to the Finance Committee, in conjunction with Management, additional Strategic project work that is intended to lay a stronger decision making foundation for continued financial success. These projects which would be undertaken in time for the development of the 2019 budget would include the following:

- **Elasticity of Demand Pricing Models** – historically Tahoe Donner has focused on growing revenue through pricing which would place the Association as a high volume low price contributor. The intent here is to 1) explore surge pricing for high volume seasonal holidays for both guests and the public and to determine the relationship between price and volume in the Association. Specifically, the Committee is being asked to develop pricing models that would focus on a higher level of pricing while maintaining a strong service quality and to show the impact on volume that might transpire.
- **Fiscal Year change to October 1 from January 1**- the committee and management is being asked to review the impact of changing the fiscal year so as to capture the full seasonality of our amenities. At the current time the results for areas like Cross Country and Down hill ski are spread across two fiscal years and thus gives an incomplete picture of amenity profitability. It would not be the intent to change when member assessments are due but rather to show a more complete financial picture especially in years when snow fall may be strong or weak.
- **Modeling the impact of holding annual member assessments to a range of no increase to the CPI plus no greater than 1 percent**- the intent of this exercise is to more strategically forecast the operating income that would need to be generated by members to supplement the overall loss of the Association each fiscal year. Members (current and future) would then have a stronger understanding of what may be required over a 5 year period. Further the Association would have a stronger understanding of capital expenditure levels that could be expended. The net result would be a stronger focus on longer term financial planning and a continued move away from the potential for special assessments.
- **Develop allocated overhead model for further association/amenity cost planning efforts** - per the board approved initiative at the April Meeting, the finance committee would work with management in determining costs that are strictly related to maintaining a Homeowners Association and those that relate to maintaining amenities in time for the fiscal 2019 business plan. The intent is to fully understand, in a non-political manner the true, fully loaded profitability of our amenities and provide greater insights into areas of improvement. Further the HOA would be separated and compared to the cost of what other HOA's incur to maintain a their Associations in compliance with all applicable laws.