

**Tahoe Donner Association**  
**2019 Budget - Summary - OPERATING FUND 10/19/2018 Draft**

Prepared 10/24/2018

	<u>Revenue</u>		<u>Costs</u>		<u>N O R</u>		
<b>2018 Budget</b>	12,460,000		18,545,000		(6,085,000)		
simple 3yr avg adj	362,000	3%	(467,000)	-3%	829,000		simple 3yr average 2018F, 2017A, 2016A
adj for price	454,000	4%	826,900	4%	(372,900)		adj for pricing changes / merit/caminwage impacts & anomolies
<i>TL Normalization</i>	<i>816,000</i>	<i>7%</i>	<i>359,900</i>	<i>2%</i>	<i>456,100</i>		3yr avg plus pricing changes/merit/caminwage impacts & anomoly adj
<b>2019 Baseline</b>	<u>13,276,000</u> <b>6.5%</b>		<u>18,904,900</u> <b>1.9%</b>		<u>(5,628,900)</u>		<b>starting point for 2019 drivers Rev+7% Costs+1%</b>
Pricing driver	705,000	6%	157,300	1%	547,700		pricing increases, ccfees on rev increase, inflation
Merit 3.0%			323,800	2%	(323,800)		
Regulatory			245,200	1%	(245,200)		CA Min Wage increase impact
Covenants/STR	105,000	1%	87,700	0%	17,300		
+Financial Analyst			91,500	0%	(91,500)		
Forestry+Chipping			57,200	0%	(57,200)		adding 3rd chipping crew, excluding capex
Forestry 8yr-6yr cycle			164,900	1%	(164,900)		
Capital impacts	84,000	1%	33,800	0%	50,200		
Alder Cr Café	80,000	1%	44,200	0%	35,800		banquet events growth
Insurance			114,000	1%	(114,000)		\$54,000 renewal increase plus \$60,000 incremental coverage
All other changes	70,000	1%	53,500	0%	16,500		<i>WC renewal savings generally offset Health Ins cost increase</i>
<b>2019 Budget</b>	<u>14,320,000</u> 15%		<u>20,278,000</u> 9%		<u>(5,958,000)</u> 2.1%		net 4% favorable NOR change

Baseline Test	Revenue	Costs	
	12,771,030	<b>2016 A</b>	<b>Costs &gt; See next page for Costs detail rollforward to Baseline 2019</b>
	13,116,557	<b>2017 A</b>	
	12,577,924	<b>2018 F</b>	
3yr simple avg	<b>12,821,837</b>		
pricing 3.5% avg	448,764		
Baseline Test	<u>13,270,601</u>		
Variance to Baseline 2019	0.0%		

**Tahoe Donner Association**  
**2019 Budget - Summary - OPERATING FUND 10/19/2018 Draft - TOC Rollforward - Normalizations to BASELINE**

Prepared 10/24/2018

	<u>Cogs</u>		<u>Payroll Direct</u>		<u>Payroll Burden</u>		<u>Expenses</u>		<u>Total Operating Costs (TOC)</u>		
2016 A	1,552,809		8,930,137		2,481,451		4,310,244		17,274,641		2016 A
2017 A	1,634,550		9,571,886		2,601,447		4,431,526		18,239,410		2017 A
2018 F	1,526,480		9,871,724		2,622,505		4,698,003		18,718,712		2018 F
<b>3yr simple avg</b>	<b>1,571,280</b>		<b>9,457,916</b>		<b>2,568,468</b>		<b>4,479,925</b>		<b>18,077,588</b>		<b>3yr simple avg</b>
1	Merit 3% on 60%	0%	170,000	2%	25,500	1%		0%	195,500	1%	3% 3yrs, add 3% to get to Baseline, for 60% of PD
2	CAMWage 4.8% on 40%	0%	182,000	2%	27,300	1%		0%	209,300	1%	\$10.50 3yrs avg, add 4.8% to get to Baseline \$11.00, for 40% of PD
3	Cogs changes adj	13,720	1%	0%	0%		0%	0%	13,720	0%	inflation factor on cogs
4	Market Rop Issues	0%	30,000	0%	4,500	0%		0%	34,500	0%	various areas ROP growth > than ca min wage/3% merit noted above
5		0%	0%	0%	0%		0%	0%	-	0%	
6		0%	0%	0%	0%		0%	0%	-	0%	
7	ASO	0%	55,000	1%	8,250	0%		0%	63,250	0%	BL>3yrAvg-Resources added in '18 not in 3yr avg and vacancies in '16 & '17
8	Mktg/Comm	0%	40,000	0%	6,000	0%		0%	46,000	0%	BL>3yrAvg Marketing/Comm. adj for high turnover in 2016 and 2017
9	General	0%	0%	0%	0%		74,000	2%	74,000	0%	BL>3yrAvg - Board Expense/Legal/Insurance/PropTaxes primary drivers
10	Trails	0%	0%	0%	0%		20,000	0%	20,000	0%	BL>3yrAvg - capz labor credit in Expenses in 2017A influencing 4yr avg
11	Maintenance	0%	0%	0%	0%		25,000	1%	25,000	0%	BL>3yrAvg - Utilities, R&M costs, Insurance, Fuel costs inflations
12	XC Ski	0%	0%	0%	0%		45,000	1%	45,000	0%	BL>3yrAvg - Utilities, R&M costs, Insurance, Fuel costs inflations
13	DH Ski	0%	0%	0%	0%		56,000	1%	56,000	0%	BL>3yrAvg - Utilities, R&M costs, Insurance, Fuel costs inflat, Snowmaking
14	All other, misc	0	0%	13,184	0%	10,682	0%	21,175	45,042	0%	All other, misc inflations on 3yr avg
<b>2019 Baseline</b>	<b>1,585,000</b>	0.9%	<b>9,948,100</b>	5.2%	<b>2,650,700</b>	3.2%	<b>4,721,100</b>	5.4%	<b>18,904,900</b>	4.6%	starting point for 2019 drivers, see 1st Page
									<b>1.2%</b>		<b>BASELINE 2019 versus 2018 Budget</b>
									<b>18,674,000</b>		<b>2018 Budget</b>

	<u>Payroll Taxes</u>		<u>Workers Comp</u>		<u>Health Insurance</u>		<u>Retirement</u>		<u>Payroll Burden Total</u>		
<b>3yr simple avg</b>	<b>988,605</b>		<b>713,398</b>		<b>712,924</b>		<b>153,542</b>		<b>2,568,468</b>		<b>3yr simple avg</b>
Growth via rows 1 to 14 above	51,960	5%	26,960	4%	43,000	6%	22,706	15%	144,625	6%	including FTYR turnover, auto-enrollment, and ACA impacts
Inflation not in 3yr Avg	14,000	1%	0%	0%	104,000	15%	0%	0%	118,000	5%	Health Care Costs - Renewals and ACA impacts
Deflation not in 3yr Avg	0%	0%	(180,000)	-25%	0%	0%	0%	0%	(180,000)	-7%	Workers Compensation favorable renewal trend
rounding	(64)	0%	42	0%	(124)	0%	(248)	0%	(394)	0%	rounding
<b>2019 Baseline</b>	<b>1,054,500</b>	7%	<b>560,400</b>	-21%	<b>859,800</b>	21%	<b>176,000</b>	15%	<b>2,650,700</b>	3%	starting point for 2019 drivers, see 1st Page
									(0)		