

INFORMATION



April 9, 2019

Subject: 5501 Committee Report - 4/1/2019 Meeting on February 2019 Financial Records

BACKGROUND:

California recently passed AB2912 which is effective January 1, 2019, created new civil code 5500/5501.

1. Civil Code 5500 Items Monthly Review Meeting Items
 - a. Current reconciliation of association's operating accounts
 - b. Current reconciliation of association's reserve accounts
 - c. Current year's actual operating revenues and expenses compared to budget
 - d. Latest account statements prepared by the financial institutions for all accounts
 - e. An income and expense statement for the association's operating and reserve accounts
 - f. Check register, monthly general ledger, and delinquent assessment receivable reports
2. Civil Code Monthly CA5501 Report
 - a. A statement that subcommittee members have reviewed the items in 1. above
 - b. A statement regarding any findings of noteworthiness, including any corrections which need to make in subsequent the review month and or subsequent months.
 - c. Acknowledgment by subcommittee participants of participation in review

REPORT:

- a. The committee met on April 1, 2019 from 2pm to 4:30pm and reviewed items in 1. above for February 2019 financial records.
- b. The committee performed a drill-down on random selection, The Lodge Restaurant and Pub and reviewed all aspects of general ledger details and related accounting policies and procedures. This will be performed on one department each 5501 meeting. No exceptions noted. The committee discussed current POS system, Aloha, pros and cons, and that there are likely newer better POS software's in the market now, such as Clover.
- c. The committee reviewed investments reconciliation in detail. Feedback was provided regarding content of section F12 Investments of monthly financials, as well as, other reconciliation detail/schedules refinement.
- d. The committee reviewed of trial balance, General Ledger, check register and supporting reconciliations. One random selection on check register was traced back through to General Ledger detail with no exceptions.
- e. The committee reviewed member delinquent accounts receivable reports. Note, the full Board is briefed in executive session monthly on this matter.

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- f. The committee noted no adjustments necessary to the February 2019 financial statements. Items for follow-up at a future date include the following:
 - a. Active Network's RTP One POS System and EMV Compliance – check on status
 - b. Physical Inventories – Accounting staff to perform audits of monthly F&B counts recommended
 - c. Software Systems – A schedule of Point of Sale (POS) and Workorder System was provided. See Attachment A.

- g. Committee Attendees (Acknowledgment received via email confirmation for all listed below)
 - a. Jeff Connors, Treasurer
 - b. Michael Fajans, Secretary
 - c. Steve Mahoney, Finance Committee designee
 - d. Marty Anderson, Finance Committee designee
 - e. Michael Salmon, Director of Finance
 - f. Melanie Rives, Controller
 - g. Tracy Pearson, Senior Accountant

Prepared by: Michael Salmon, Director of Finance

Board Agenda Meeting Date for Ratification: April 27, 2019

GM Approval for Agenda: _____

Tahoe Donner Association
POS/Workorder Systems

Aloha

Lodge
Pizza on the Hill
Summer F&B

RTP

Marina
Tennis
Equestrian
Bikeworks
Cross Country
Alder Creek Café
Winter F&B
Ski Retail
Ski Rental
Ski School
Ticket Office
Snowplay
Troutcreek
Member Services

Reserve America

Campground

Square

Special Events
Food Trailer

Llama

ASO

M+

Maintenance

Draft