



FINANCE COMMITTEE MEETING REPORT

August 8, 2019

Mezzanine Room | Northwoods Clubhouse

ATTENDANCE

Members: Leibow, Dundas, Ravano, Eyton-Lloyd, Melia, Mahoney (Phone)

Absent: Hunter, Bonzon, Anderson, Johns

Ex-officio: Salmon,

Board Liaisons: Connors, Koenes (Phone)

GPC Liaison: Sullivan (GPC Chair for Miller, GPC Liaison)

TD Members: Courtney Murrell, Riesa Meyer

AGENDA ITEMS

1. **Call to Order, Approval of Agenda, Approval of Committee Report:** 3:03 pm, quorum present. Agenda approved by unanimous vote (Ravano 1st, Eyton-Lloyd 2nd). July 11, 2019 Committee Report approved by unanimous vote (Melia 1st, Ravano 2nd).
2. **Member and Committee Member Comments:**
 - a. Leibow commented on lack of support from the Treasurer to appoint Terry Watson as a member of the Finance Committee at the last TDABOD Meeting. Terry's nomination was pulled from Consent Calendar by the Treasurer pending rewrite of FC Charter. Committee currently short two members and Terry's background, recent participation on the Informal Investment Subcommittee, commitment to serving on the FC as an at-large member, and as a Member in good standing qualifies him for appointment. It is requested that his appointment be reconsidered and approved by the BOD at the August 2019 TDABOD Meeting
 - b. Ravano requested that FC Meeting be recorded. Plan is to do so going forward.
3. **Committee Management:** No discussion concerning this item.
4. **Old Business:**
 - a. Status of RFP for Auditor Tasking: DFA provided RFP Matrix to the Committee containing potential firms who have been requested to submit proposals for consideration to become auditors for the Association. Matrix to be used by the subcommittee (Melia, Mahoney, Ravano) to rank proposal. Aim to get this completed at the September 2019 TDABOD Meeting. Date to be picked to accomplish rankings.
5. **Recurring Business:**
 - a. GPC Liaison Report: Dundas provided short review of recent GPC Meeting.
 - i. Trails and Open Space Subcommittee conducting trails survey. To be done this month.

- ii. GPC looking for volunteers to help create a statement of work to be used to solicit firms to help create the Association Master Plan.
 - iii. Downhill Ski Lodge Subcommittee moving from Stage 3 to Stage 4 in the process to replace the Downhill Ski Lodge. Sizing of the facility still up not firm and will dictate cost of new building. Highest estimate is for \$15 million for total replacement.
 - iv. FC members (Mahoney and Ravano) assisting GPC in developing financial analysis of current consideration for added snowmaking at cross country, downhill and snow play to provide business interruption contingency for low snow years.
- b. 5501 Subcommittee Report: DFA and participating FC members continue to have positive comments as to the educational value of these meetings. Tom John's was FC member in attendance. Upcoming participants are as follows:
- i. August 20: Bonzon or Eyton-Lloyd
 - ii. September 24: Ravano or Mahoney
 - iii. October 22: Eyton-Lloyd, Ravano or Mahoney
- c. Informal Investment Subcommittee Update: Mahoney briefed Committee on actions which included the following:
- i. New multi-year cash flow projection model to better synchronize investment tenor/yield to expected capital spending requirements for both RRF and DF. Both models are in-progress and subject to refinement.
 - ii. There will be some consideration to revising our current investment policy to improve flexibility while maintaining the overall safety of the principal.
 - iii. Some consideration to be discussed with Investment Advisor regarding shift in portfolio to improve financial results.
- 6. New Business:**
- a. July Preliminary Financial Results and June Monthly Financial Report Review: DFA provided updates.
- i. July preliminary data can be found at: <https://www.tahoedonner.com/wp-content/uploads/2019/08/July-Prelims-for-FC.pdf>.
 - ii. June Financials are located at: <https://www.tahoedonner.com/wp-content/uploads/2019/07/2019-06-Finance-Package.pdf>
 - iii. June 2nd Quarter data is at: <https://www.tahoedonner.com/wp-content/uploads/2019/08/Q2-Financial-Briefing-v2c.pdf>
- b. Review Development Fund and Replacement Reserve Fund Activity:
- i. Information about capital funds for the quarter see Page 11 of the attached: <https://www.tahoedonner.com/wp-content/uploads/2019/08/Q2-Financial-Briefing-v2c.pdf>
 - ii. Detailed information for year to date is contained in each Monthly Financial Report on TDA Website in Section F14. Section is at: <https://www.tahoedonner.com/wp-content/uploads/2019/08/F14-Capital-Funds-Reports.pdf>

- c. Participate in Annual Budget Process (Annual Recurring Task, General Resolution 2014-1, Financial Planning, Budgeting, and Reporting): Discussed dates for upcoming Board, FC, and Staff Budget Workshops. 1st Workshop slated for September 12 which will be a combination workshop/FC meeting. Subsequent dates not firm pending determination of the date for the September 2019 TDABOD Meeting.
 - d. Budget (financial) Planning Software Tools Discussion: DFA presented information about budget modeling tools that would be useful to the Association in accomplishing financial planning and analysis. Three service providers seem to have the best potential for TDA applications. Costs range from \$30K-60K per year. Appears to have good long term benefits and replaces current reliance on complex Excel based spreadsheets.
7. **Next FC Meeting: September 12, 2019, 1:00–5:00 pm, Mezzanine Room, Northwoods Clubhouse:** Budget Season is upon us ergo next month we will be meeting as follows:
- a. 1:00-4:00pm, Annual Budget Workshop (Total of 3 workshops planned but not solidified)
 - b. 4:00-5:00 pm, FC Meeting
8. **Preliminary Agenda Topics:**
- a. Participate in Annual Budget Process (Annual Recurring Task, General Resolution 2014-1, Financial Planning, Budgeting, and Reporting)
 - i. Budget Planning & Workshops
 - b. Update on Auditor RFP by Subcommittee
 - c. GPC Liaison Report
 - d. 5501 Subcommittee Report
 - e. Investment Subcommittee Update
 - f. Review Actual to Budget Monthly and Yearly Financial Performance (Monthly Recurring Task)
9. **Adjournment:** 5:24 pm (Ravano 1st, Melia 2nd).

Prepared and Submitted by Corey Leibow, Chair, Finance Committee