



FINANCE COMMITTEE MEETING REPORT

November 14, 2019

Mezzanine Room | Northwoods Clubhouse

ATTENDANCE

Members: Dundas, Ravano, Hunter, Bonzon, Anderson, Melia, Johns,

Absent: Leibow, Eyton-Lloyd, Mahoney

Ex-officio: Salmon

Board Liaisons: Connors, Koenes

GPC Liaison: Steve Miller

TD Members: Terry Watson (Investment Subcommittee), Courtney Murrell (GPC Member), Jim Colbert, Jim Stang

AGENDA ITEMS

1. Call to Order, Call for Quorum Approval of Agenda, Approval of Committee

Report: 3:00 pm, quorum present (7). Agenda approved by unanimous vote (Johns 1st, Anderson 2nd). October 10, 2019 Committee Report approved by unanimous vote (Johns 1st, Anderson 2nd).

2. Member and Committee Member Comments: No input from members or committee members.

3. Committee Management:

a. FC Member renewal applications and Committee Membership:

i. 5 members up for renewal; all five have submitted requests to renew.

ii. 5 members have term expirations in 2022.

iii. Currently have two vacancies.

1. One application on file, Terry Watson. FC recommends approval; awaiting TDABOD action.

2. Steve Miller has applied for membership and submitted application and biographical description. Was reviewed by FC and recommended to TDABOD for approval.

3. Connors indicated that actions will likely occur at December 2019 TDABOD Meeting.

b. 2020 FC Meeting Calendar & Beyond: Calendar for 2020 presented. DRAFT displayed a three-year outlook and added column to indicate TDABOD meeting dates. Short discussion about staggered meeting times in Jan-Mar. Attendees agreed that we change to standardized 3:00 pm -5:00 pm time frame.

- c. Review and Adjust FC Committee Tasks: Time to review assigned tasks. Connors and Koenes agreed to review current Task List and provide feedback at the next FC Meeting on December 12, 2019.

4. Old Business:

- a. Auditor Selection Wrap-up: Announced to FC that McClintock is new Auditor for the Association. Other bidders have been thanked. McClintock has begun 2019 audit process by reviewing past audits (comparative process). Will require some changes in election process as McClintock processed ballots and require new firm to accomplish the task. Connors thanked Ravano, Mahoney, and Melia for their involvement in the selection process.
- b. Status of Finance Committee Charter: No new charter drafted at this date. Board working through what it is that they are looking for in charters.

5. Recurring Business:

- a. GPC Liaison Report: Dundas provided verbal update on actions of GPC, Communications Subcommittee and Downhill Ski Hill Lodge (DHSL) Subcommittee. Main takeaways:
 - i. Reconfiguring the entrance to Trout Creek Recreation Center will reduce parking spaces. Lost spaces must be recouped, and ongoing actions include utilizing on street parking and reducing size of driving range. Increased space requirements being driven by Town of Truckee.
 - ii. DHSL has decision paper pending to move the project into Phase IV of Capital Projects Process. Expected to be on November 23, 2019 TDABOD Meeting Agenda. BOD also considering deeper dive into remodel vs. replacement and hold a discussion group to answer questions.
 - iii. 5501 Subcommittee Report: Salmon did short review of two recent 5501 Meetings, October 18 and 22. Calendar for upcoming 2020 meeting is forthcoming or Dir, F&A.
 - 1. Links to DRAFT Reports:
 - a. <https://cdn1.tahoedonner.com/wp-content/uploads/2019/11/13202731/5501-Committee-Report-20191018.pdf>
 - b. <https://cdn1.tahoedonner.com/wp-content/uploads/2019/11/13202805/5501-Committee-Report-20191022.pdf>
 - 2. FC Attendees for upcoming meetings are:
 - a. November 26: Anderson
 - b. December 23: Dundas

6. New Business:

- a. Review Actual to Budget Monthly and Yearly Financial Performance): Salmon provided review of monthly and year to date financials. Links to information at:
 - i. <https://cdn1.tahoedonner.com/wp-content/uploads/2019/11/13171439/2019-09-Finance-Package.pdf>

- ii. <https://cdn1.tahoedonner.com/wp-content/uploads/2019/11/13170944/FC-Briefing-201910.pdf>
 - b. Review Development Fund and Replacement Reserve Fund Activity (**Jul- Sep**):
Links to pertinent pages found at:
 - i. <https://cdn1.tahoedonner.com/wp-content/uploads/2019/11/12182302/F14-Capital-Funds-Reports.pdf>
 - c. Investment Subcommittee Report (**Jul-Sep**) – Watson discussed recent meeting(s). Toying with changing some of the investment criteria contained in existing Investment Policy (<http://www.tahoedonner.com/wp-content/uploads/2017/07/2015-5-Investment-Policy.pdf>). Dundas indicated that any changes to investment policy strategy must be accomplished by a revision to the current board resolution. This requires Board approval and should be done via draft investment policy prepared by the subcommittee, reviewed by the FC and then decision paper prepared and forwarded through the FC the BOD. Indicated that draft of revised policy would be created and shared with FC Members at the next Meeting.
 - d. Creation of 3-part TD News financial series: Discussion took place concerning the need for additional funding of the Development Fund. This is outcropping from action submitted to the TDABOD at end of this year’s budget cycle. Suggested that a three-part article be prepared to educate our ownership and provide rationale for increase capital reserves to repair, improve or replace aging infrastructure. Three parts would cover:
 - i. Capital Reserves History
 - 1. Aging facilities
 - 2. Funding shortfalls
 - ii. Short Term Solutions
 - iii. Long Term SolutionsConnors and Koenes agreed in concept.
7. **Next FC Meeting: December 12, 2019, 3:00-5:00 pm, Mezzanine Room, Northwoods Clubhouse:** Chair (2 min)
8. **Preliminary Agenda Topics:** Chair (5 min)
 - a. Review Actual to Budget Monthly and Yearly Financial Performance (DFA)
 - b. Investment Performance, Strategy, Cash flow, Results (DFA)
 - c. GPC Liaison Report (GPC LNO)
 - d. Election of FC Chair (Chair)
 - e. Summer Amenities Financial Review (DFA)
 - f. 5501 Subcommittee Report (DFA)
 - g. Breakout of General Department (DFA)
 - h. Investment Policy Revision Discussion (Watson)
9. **Adjournment:** 4:55 pm (Hunter 1st, Anderson 2nd).

Prepared and Submitted by John Dundas, Vice-Chair, Finance Committee