

# COVID-19 MAY + SUMMER PLANS

BOARD OF DIRECTORS MEETING APRIL 25, 2020

# PURPOSE

- Update on Association operations
- Review of working assumptions and principles to drive operating plans for May and Summer months
- Inform membership of discussion and plans for modified operations, services and programs
- Address financial questions
  - Assessment
  - Recreation Fee
  - Delinquent assessment late fees and interest

# COVID-19 LEADERSHIP RESPONSE

- GOALS
  - ENSURE EMPLOYEE AND MEMBER SAFETY AND HEALTH
    - Governor's Exec Order
    - Best practices, social distancing, and strict protocols for essential workers
  - CORPORATE RESILIENCE
    - Financial impact to organization; short, mid and long-term
    - Member impact and value
    - Address employee impacts
      - Support
      - Retention
  - RECOVERY
    - Ensure employee base is solid and able to respond to ramp up when allowed
    - Stabilize volatility where possible
    - Conservative expense to minimize loss while providing services within agency edicts, and risk tolerance
  - COMMUNICATION
    - Clear and frequent communication with members and staff

# COVID-19 ASSOCIATION UPDATE

- CALIFORNIA EXEC. ORDER – MANDATORY STAY AT HOME, ESSENTIAL FUNCTIONS ONLY
  - No defined end date
  - 6 Steps announced
- FEDERAL COVID-19 GUIDANCE EXTENDED TO MAY 15
  - New Guidelines for Opening Up America Again
- MEMBER AND EMPLOYEE COMMUNICATIONS PLAN – FREQUENT + CLEAR
- AMENITY AND FACILITY TEMPORARY CLOSURES
  - Initiated temporary closures starting Friday, March 13 through Sunday, March 16
  - Announcement to temporary close amenities and facilities until March 31
  - CA Executive Order announced May 19- NO END DATE
    - Mandatory stay at home; essential functions only
    - Tahoe Donner Impact– unable to open amenities until lifted

# BOARD AND MANAGEMENT TEAM PLAN - MARCH

- EMPLOYEES STATUS – 3/16-31
  - Seasonal Employees – Layoff for end of season
  - Part-Time Employees – Layoff
  - Full-Time Employees – Categorized for essential functions; reduced hours for many
- MARCH - FURLOUGH BONUS
  - Seasonal and Part-Time – paid for hours scheduled 3/16-3/21
  - Full-Time – for though furloughed in March, bonus equal to 40 hours

# BOARD AND MANAGEMENT TEAM PLAN- APRIL

- PART TIME REMOTE WORK / ONSITE
  - Varied – average 24hrs per week
  - Employees may use PTO and Sick balances to offset reduction subject to balances available
  - Eligible for state and federal aid depending on stipulations by agencies
- FULL TIME REMOTE WORK
  - 40hr work week
  - Required to take 5 days PTO in April;
  - Can be taken all at once or spread out in the month
- CLOSURE IMPACTED
  - Offered 10hr work week – remote work or essential function maintenance/custodial on site
  - Employees may use PTO and Sick balances to offset reduction subject to balances available
  - Eligible for state and federal aid depending on stipulations by agencies

# BUILDING ASSUMPTIONS FOR PLANNING

- REGULATIONS IMPACT SCENARIOS
  - Executive order continues most of summer - UNREALISTIC
  - Full release and life goes back to 'normal' – UNREALISTIC
  - Slow release on restrictions starting sometime in summer – MOST REALISTIC
- REGIONAL RECREATION AND OTHER LIKE INDUSTRIES:
  - Mixed approaches
- TDA CORE FUNCTIONS:
  - Homeowner Association – member service, accounting, communication/marketing, architectural standards/covenants, facility maintenance, land management, security, and safety
    - Adaptability for volume changes, technology enhancement
  - Recreation Amenities – minimum offering; keep it simple
- EMPLOYEE COMPETENCIES AND FUNCTIONS:
  - Essential staff for core functions
  - Cross-functionality
  - Maintenance of human capital

# COVID-19 ASSOCIATION UPDATE

- BUSINESS PRIORITY FOCUS (MAY -JUNE)
  - MEMBER COMMUNICATIONS
  - FIRE/EMERGENCY PREPARATION
    - Fire season will be upon us soon
    - Forestry ramping up
    - 2020 Defensible Space compliance- compliance deadlines will flex for individual member requests
  - ANNUAL REPORT/MAY TDNEWS + JUNE TDNEWS
  - ELECTIONS
    - Separate agenda item update
  - SURVEYS
    - Suggestion to hold on 'market research' type surveys = Amenity Access Policy
    - Member survey – great feedback from board; sending to Finn Group for development
  - CAPITAL PROJECTS: Separate agenda item update
  - CORE FUNCTIONS OF AN HOA- ARCHITECTURAL STANDARDS, COVENANTS, ASSET MAINTENANCE AND PROTECTION
  - STRATEGIC PLAN/OBJECTIVES UPDATE
  - DIRECTOR OF FINANCE AND ACCOUNTING RECRUITMENT



# MAY ACTIVITIES

- CORE HOA FUNCTIONS
  - Administrative : member services, accounting, architectural standards/covenants, communication
  - Facility Maintenance
    - Amenity seasonal cleanup and preparation – basic needs for safety, maint/repair, cleanliness
  - Specific Call Outs
    - Golf Course Maintenance – capital projects and minimum maintenance on course outside capital projects
    - Trails – opening of trail system, signage, maintenance and reserve replacement capital projects which enhance member enjoyment
  - Emergency preparedness : Forestry programs, risk management and safety programs
- AMENITIES:
  - Assuming Executive Order will continue through May
  - Self-Directed Recreation in the Neighborhood
    - Examples : Trails system; Bikeworks – repair as a transportation mechanism and ancillary to trail system
  - Preparation for modified operations – basic/minimum (see next slide)
  - Food and Beverage
    - Curbside order at one location analysis
  - Messaging: communicate heavily on what members can do rather than focus on what they can't do

# SUMMER EVENTS + PROGRAMS

- CORE HOA FUNCTIONS
  - Administrative; Standards; Facility Maintenance; Emergency preparedness
- CANCELLATION OF GROUP LIKE EVENTS WHERE SOCIAL DISTANCING AND HYGENIE REQUIREMENTS NEGATE OFFERING
  - Summer Concert Series – July 3 & 4
  - Group bookings
  - Recreation programing: Camps, clinics, etc. minimal to no offerings
    - To make definite decisions in early May
- AMENITIES:
  - Self-Directed Recreation in the Neighborhood
  - Minimum Modified Operations - Dependent on regulatory conditions and guidelines
    - Focus on employee and member safety
    - Slow to open the grain gate principle
    - Limited use principle
    - Inventory of 'space' controlled
    - Outdoor restrooms available
  - Food and Beverage
    - Curbside order at one location; possible expansion to distanced dining

# FINANCIAL REPORTS

- MARCH UNAUDITED FINANCIALS
- COVID-19 FORECAST & COVID
- SUMMER PLANS MODELING WORK IN PROGRESS

# FINANCIAL DISCUSSION + ACTION

- ASSESSMENT
  - No change to 2020
  - Payment plans are always an option on a case-by-case basis
- RECREATION FEE
  - Purpose of Recreation Fee
  - Refund?
  - Daily access fees only at amenities for 2020?
- DELINQUENT ASSESSMENT LATE FEES AND INTEREST
  - Approximately ~200 out of 6471 properties delinquent for 2020 assessment; pacing same as last year
  - Generally by May, ~52 properties delinquent; many of whom are multi-year delinquencies
  - ACTION: Consideration to suspend delinquency fees and interest for 2020 delinquent assessments only from April 1 to a defined end date

# QUESTIONS?