



**TAHOE DONNER ASSOCIATION
BOARD OF DIRECTORS**

BOARD RESOLUTION 2020-1

**BOARD REVIEW OF FINANCIAL RECORDS IN ACCORDANCE WITH CALIFORNIA
CIVIL CODE SECTION 5500 AND 5501**

WHEREAS, the State of California approved Assembly Bill Number 2912 on September 14, 2018, which modifies Civil Code Section 3, Section 5500 and adds Section 5501, which dictates specific board of director responsibilities for monthly review of financial records of the association;

WHEREAS the new law became effective January 1, 2019 and the association shall be in compliance with these new law requirements;

NOW, THEREFORE, under the authority of the Board, the Board resolves the following to be in compliance with the new law:

Beginning in January 2019 and every month thereafter, a board designated subcommittee shall review the following matters and issue a report (known as the CA5501 Report) on said review. These review meetings shall be open to Association members. The Report shall be ratified at the board meeting subsequent to the review by subcommittee.

- a. Board appointed Subcommittee members
 1. Board Treasurer
 2. The Board will appoint up to three (3) non-Director Association members. Applications will be accepted from the membership-at-large without exclusion to participation on any other committee. If there is at least one qualified applicant from the Finance Committee, preference for at least one of the three positions will be to an applicant from the Finance Committee to serve as a liaison to the Finance Committee for purpose of avoiding duplication of historical financial analysis as may apply to the tasks assigned to the Finance Committee.
 3. Director of Finance and Accounting
 4. Controller
 5. Optional Attendees – General Manager, other Finance Committee Members
- b. Monthly Review Schedule will be determined by the DFA in conjunction with the Treasurer with consideration for the monthly close cycle.

The 2nd Board director designee subject to change (the designee shall find a replacement director if cannot make the meeting due to schedule conflict).

c. 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

d. Monthly CA5501 Report

- a. A statement that subcommittee members have reviewed the items in c. above
- b. A statement regarding any findings of noteworthiness, including any corrections which need to be made to the review month and or subsequent months.
- c. As applicable, a statement of any policy concerns discovered in the course of the monthly review, for consideration by the Board
- d. Acknowledgment by subcommittee participants of participation in review

ACCEPTED AND DATED: March 2, 2020

CHARLES C. WU, President

JEFF CONNORS, Treasurer



DON KOENES, Vice President

JENNIFER JENNINGS, Director

JAMES ROTH, Secretary