

INFORMATION



December 8, 2020

Subject: 5501 Committee Report – 11/24/20 Meeting on October 2020 Financial Records

BACKGROUND:

California legislature Assembly Bill #2912, effective January 1, 2019, created new civil code 5500/5501.

1. Civil Code 5500 Items Monthly Review Meeting Items
 - a. Current reconciliation of the association's operating accounts,
 - b. Current reconciliation of the 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, and
 - 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 noteworthy findings, including any corrections to be made in a further review of the month and or subsequent months, and
 - c. Acknowledgment by subcommittee participants of their participation in the review.

REPORT:

- a. The committee met on November 24, 2020 - from 2:00pm to 3:30pm and reviewed items in (1) above for October 2020 financial records.
- b. The committee reviewed October Financial Statements/Report.
- c. Investments Reconciliation for October to be reviewed with Treasurer and sent to meeting attendees. Tracked Interest from GL detail back to bank statement.
- d. The committee reviewed the trial balance, General Ledger, check register and supporting reconciliations. Several check payments and reconciliations were reviewed noting no exceptions. The committee review \$10,000+ payments report. Reviewed reconciliation detail for Tri Counties Bank Account- Cash Receipts and tracked and ACH from the 10k plus ACH Report back to the Tri Counties Statement.
- e. The committee reviewed member delinquent accounts receivable reports. Note, the full Board is briefed in executive session monthly on this matter.
- f. Other discussion items included: ASO Fine balance, Forecast on Capital Funds Summary needs update. Noted by TDA staff and will include with November package.
- g. The committee noted no adjustments necessary to the October 2020 financial statements. Items for follow-up at a future date include the following:

Continuing,

1. ASO Deposits- Old deposits on file to be investigated by ASO Manager

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2. Capital Funds Summary- Jon Mitchell and Accounting Staff to analyze forecast for FYE 2020 and for carry over projects into 2021.

Old, remains outstanding:

1. Investment account reconciliation training
 2. Investments Reconciliation July - September
 3. RRF Savings for April
 4. Process for allocating capital projects payroll
 5. Rec Fee and Overhead adjustment write up
 6. Written Treasury Policies
 7. Financials on to Tahoe Donner Website (Financials section) April – August
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- h. Committee Attendees (Acknowledgment received via email confirmation for all listed below)
 1. Steve Mahoney, Treasurer
 2. Courtney Murrell, Director
 3. Cathy Ravano, Finance Committee designee
 4. Jim Colbert, Finance Committee designee
 5. John Dundas, Finance Committee designee
 6. Terry Watson, Finance Committee designee
 7. David Mickaelian, General Manager
 8. Tom O'Neil, Controller

 - i. Next 5501 Meeting – November 2020 Review is scheduled for December 22, 2020 (Board – Treasurer and J. Roth) (Finance Committee – Ravano, Dundas, Watson)

Prepared by: **Tom O'Neil, Controller**

Board Agenda Meeting Date for Ratification: December 18, 2020

GM Approval for Agenda: