



## FINANCE COMMITTEE MEETING DRAFT REPORT

**January 14, 2021**

**Mezzanine Room | Northwoods Clubhouse**

### **ATTENDANCE Via Zoom Video Conference Call**

Members: Dundas, Ravano, Watson, Melia, Colbert, Eyton-Lloyd

Absent: Bonzon

Ex-officio Members: O'Neil (Comptroller)

Board Liaisons: Mahoney (Treasurer)

GPC Liaison: Lindgren

FC Applicants: Gauny, Rudolph, Niedringhaus, Yoo

TDA Members: Levine

TDA Staff: Bennett, Rosenfeld

### **AGENDA ITEMS**

1. **Call to Order / Call for Quorum:** Meeting called to order by Dundas, Chair, at 3:02 p.m. 5 Member quorum present (Eyton-Lloyd joined a few minutes late).
2. **Approval of Agenda:** Motion to approve Agenda, Colbert 1st, Ravano 2nd; passed 5-0.
3. **Approval of Committee Report, October 8, 2020:** Motion to approve Report, Melia 1st, Ravano 2nd; passed 5-0.
4. **Member and Committee Member Comments:** Dundas commented that the agenda for today's meeting is somewhat light since the strategic planning process is still ongoing and that committee tasks for 2021 have yet to be agreed. There was a brief discussion of the relaxation of the covid restrictions and the impact on outside dining at both the Downhill Ski Lodge and the ACAC. Colbert commented that there had been over 35 participants at the virtual meeting earlier in the day to discuss the use of the TD trails by e-bikes, and that a further 5 meetings were planned. Colbert and Levine encouraged everyone to attend one and provide feedback.
5. **Committee Management:** O'Neil informed the Committee that a new DFA has been selected and will start on January 19. Todd Martyn-Jones brings experience of working at Homewood and Mount Bachelor resorts as well at a major events management company in Reno, and has a deep accounting background. Mahoney commented that he was a keen outdoorsman, has vacationed at Tahoe Donner in the past and was judged to have by far the best character and culture fit with TD's management. Mahoney also informed the

Committee that Mickaelian was unable to attend today's meeting as he is recovering from a skiing accident that occurred over the weekend.

**6. Committee Tasks:**

**a: Financial Updates:**

**1. December 2020 Financial Update:** O'Neil reported that revenues for December were \$865k under budget. Expenses were also lower, particularly payroll expenses which were \$400k lower than budget.

**2: Year to Date 2020 Financial Update:** O'Neil reported that the NOR for the full year will be a loss of ~\$5.6 million, which is ~\$480k better than the budgeted NOR (in both cases before allocation of the annual assessments to the Operating Fund). Downhill Ski had significantly fewer visits than expected (5,000 visits versus 10,000 budgeted), while cross-country skiing was exactly the reverse (10,000 visits versus 5,000 budgeted). The contingency fund balance will be ~\$2.6 million including the \$480k NOR variance for 2020, which leaves us in a solid position to handle weather and Covid-19 impacts during the remainder of the winter season.

**3. YTD January 2021 Financial Update:** January to date has been a slow month, although cross-country and snowplay have both been very popular. F&B has been very slow due to the enforced closures. Sales of cross-country season passes for this year are 5,000 versus 4,000 last year and 2,700-3,300 in each of the prior three years.

O'Neil also reported that the finance team is working through the information request list received from the external auditors. Annual Assessment receipts are running slightly ahead of last year at the same point in time. He also said that a new F&B Manager, Steve Turner, has been appointed and has started work. Gauny asked about the software replacement project. O'Neil provided an update, indicating that the team has been doing due diligence on one application which is excellent on the HOA accounting but is limited in its reporting capacities. He is waiting for the new DFA to start to decide whether to progress with this application or to start looking at other applications. Gauny offered to help if needed, since managing this type of projects is her professional background. O'Neil expressed his appreciation for the offer of help.

**b: 5501 Committee Report:**

1. Dundas referred the Committee to the 5501 Committee Report circulated with the agenda.

2. The attendees for the upcoming meetings are:

January 26: FC Members: Watson, Colbert Melia  
FC Applicants: Rudolph, Gauny

February 23: FC Members: Watson, Colbert  
FC Applicants: Vietor, Niedringhaus

March 23: FC Members: Watson, Melia, Ravano  
FC Applicants: Yoo, Gauny, Rudolph, Niedringhaus

**c: GPC Liaison Report:**

Lindgren advised the Committee that the GPC had not held a meeting since the last FC meeting.

**d: Downhill Ski Lodge Update:**

Colbert reported that 4 architectural firms had been interviewed and that they had selected the firm which was unanimously preferred by all the members of the interviewing panel. That recommendation was sent to the TDA Board which has approved it. Pros Consulting is providing an update to the TDA Board at its next meeting on the results of the membership survey to which they received 2,600 responses. Colbert also requested the Committee to look at the FAQ section on the Downhill Ski Lodge section of the TD website and, in particular, at the financial information contained therein. He requested members to pass any comments either to him or to the Director of Capital Projects, Jon Mitchell.

**e: Other:**

Watson requested Mahoney to update the Committee on the Investment Policy recommendation to the TD Board. Mahoney reported that the Board had approved the policy with one amendment which constrains the maximum remaining term of corporate bond investments to 5 years versus the 7 years in the recommendation. Mahoney offered to send the corrected version to Bennett so that she can obtain the necessary Board signatures and post the policy to the TD website.

7. **Next Meeting:** The next Committee meeting is scheduled for February 11, 2021 3:00-4:30pm, via Zoom.

8. **Preliminary Agenda Topics for Next Meeting:**

- Financial Update
- GPC Liaison Report
- 5501 Committee Report
- Downhill Ski Lodge Update

9. **Adjournment:** With no further business to discuss, Dundas adjourned the meeting at 3:55p.m.

Prepared and Submitted by Terry Watson, Vice Chair, Finance Committee