

INFORMATION



May 05, 2021

Subject: 5501 Subcommittee Report – 04/27/21 Meeting on March 2021 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 subcommittee met on April 27, 2021 - from 3:00pm to 4:40pm and reviewed items in (1) above for March 2021 financial records.
 - a. The subcommittee reviewed March Financial Statements/Report. March Financials: [Financial Presentation](#)
- b. Investments Reconciliation for March separately reviewed by the Treasurer and the alternate board attendee (Jim Roth). Confirmation sent by the Treasurer to the GM, DFA, alternate Board attendee (Roth) and the Chair and Vice-Chair of the Finance Committee. (**Attachment A**)
- c. The subcommittee 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+ ACH and Checks report. Reviewed reconciliation detail for Tri Counties Bank Accounts- General, and Cash Receipts and tracked 3 randomly selected checks from check register to general ledger to bank statement. Reviewed back up for 3 checks from the check register.
- d. The subcommittee reviewed member delinquent accounts receivable reports. Note, the full Board is briefed in executive session monthly on this matter. To review in detail quarterly.
- e. Other discussion items included: Transfers made in March from Operating Tri Counties to Reserve and Development fund. Electronic transfer limits. Capital Funds summary for March.
- f. The subcommittee noted no adjustments necessary to the March 2021 financial statements. Items for follow-up at a future date include the following:

INFORMATION



Old, remains outstanding:

1. Investment account reconciliation training
2. Written Treasury Policy
3. Written Collection Policy

*Follow up review:

1. Stantec: Snowmaking XC (**Attachment B**)
2. Revised Assessment Pace (**Attachment C**)
3. January to March income statement & expense statements- To be sent separately to attendees and uploaded to SharePoint

g. Committee Attendees (Acknowledgment received via email confirmation for all listed below)

1. Steve Mahoney, Treasurer
2. Jim Roth, Director
3. Jim Colbert, Finance Committee designee
4. John Dundas, Finance Committee designee
5. Ed Melia, Finance Committee designee
6. David Mickaelian, General Manager
7. Annie Rosenfeld, Director of Risk Management
8. Tom O'Neil, Controller
9. Tracy Pearson, Accounting Manager
10. Additional Finance Committee Applicants: Julie Vietor

h. Next 5501 Meeting – April 2021 Review is scheduled for May 25, 2021.
(Board – Treasurer and Koenes)

Prepared by: **Tracy Pearson, Accounting Manager**

Board Agenda Meeting Date for Ratification: May 28, 2021

GM Approval for Agenda:

From: [Steve Mahoney](#)
To: [David Mickaelian](#); [Jim Roth](#); [Todd Martyn-Jones](#); [Tom O'Neil](#)
Cc: [John Dundas](#); [Terry Watson](#); [Tracy Pearson](#); [Robin Bennett](#)
Subject: *** REVISED *** Re: March 2021 TDA Bank and Investment Account Reconciliation, part of 5500 Review
Date: Wednesday, May 5, 2021 8:11:37 AM
Attachments: [TDA Mar 2021 REVISED Annotated Reconciliation.pdf](#)

*****THIS IS A REVISED STATEMENT ******

THIS REVISION CORRECTS AN EARLIER VERSION SENT MAY 4, 2021. I HAVE ALSO ATTACHED A REVISED ANNOTATED RECONCILIATION. GIVEN THE SIZE OF THE INVESTMENT STATEMENT FILE I HAVE NOT ATTACHED IT TO THIS EMAIL. IT REMAINS UNCHANGED FROM THE PREVIOUS VERSION.

Ladies and Gentlemen,

This note is a formal acknowledgment that I have completed a review of reconciliations of Tahoe Donner Association's ("TDA") operating and capital funds reserve accounts for the month of March 2021 as called for in Section 5500 of the California Civil Code.

In connection with this review, I have reviewed (i) month-end account statements for Tahoe Donner's principal operating and investment accounts as provided by TDA's banks and investment/brokerage firms, (ii) a summary reconciliation of activity in these accounts prepared by TDA's Controller (Tom O'Neil), and (iii) reconciliations of our principal bank accounts provided by our Accounting Department identifying differences between the bank-provided month end balance and TDA's general ledger balance as of March 31, 2021. I have made appropriate inquiries of TDA staff as to satisfy me that my review of the operating and reserve account investment and bank accounts was conducted in accordance with the requirements of CA Civil Code 5500.

I have enclosed (i) a pdf of the reconciliation worksheet for March containing my initials indicating that it is my opinion that the reconciliation is correct in all material respects, and (ii) a pdf of the actual account statements (*note, not included in this revised version, unchanged from the May 4 email*).

There are several follow-up items (identified in my handwritten notes on the reconciliation) that need management's attention. The most important of them include:

1. Notes 5, 6, 7 - There are Operating, Replacement Reserve and Development Fund balances at Stifel invested in their Bank Insured Deposit Program that significantly exceed the FDIC insurance limits. Todd; please provide an update on our program to correct this.

Todd and Tom; I'd like to go over all of my notes and comments with you. Please nominate a time on Thursday May 6 that works for you.

Given my concerns about the security of sensitive Tahoe Donner information, only senior staff members, the Chair and Vice chair of the Finance Committee, and the other member of TDA's Board of Directors who attended the March 5501 Sub-Committee meeting (Jim Roth) will receive the reconciliation and account statement materials.

Jim, please review the attached reconciliation and account statements and send an email to this group acknowledging that you too are satisfied with the reconciliation. Thank you.

Tracy, please attach this note to the 5501 report that is circulated to the full Board at a future meeting, thanks.

Please reach out if you have any questions.

Regards,

Steve Mahoney
Mobile: 415 866 8525
smahoney@tahoedonner.com

Tahoe Donner Association
CAPITAL PROJECT FUND EXPENDITURE Approval Form

Submitted By: Ali Concannon

Submitted Date: 4/9/2020

Project Name: CROSS COUNTRY - Snowmaking Ph 1 & 2 - Soft Costs

Project Year: 2020

PO / Project Number: 031-110- 224

Dept # / Name: 110 / Cross Country

Task Code: 01, 02, 04

Project G/L Coding:

Expenditure Type - Fund	GL Code	Amount *
Capital - Replacement Reserve Fund	902-59991	
Capital - New Machinery & Equipment Fund	905-59991	
Capital - Development Fund, Unrestricted	903-59991	\$ 100,000
Capital - Development Fund, Restricted	903-59992	
Expense - Replacement Reserve Fund	902-59993	
Expense - Development Fund	903-59993	
PROJECT Total		\$ 100,000

* Ensure all costs included;
sales tax, installation,
freight, etc.

Board Approved Budget Amount \$ 100,000

Variance - Favorable (Unfavorable) \$ - 0%

Project & Project Amount agree to initial Board approved Expenditure Budget > Yes / No

NO

If Project Total Variance is Unfavorable by \$1500+ or 5%+; Explain below:

By Vendor (s) Amounts:

Vendor Name & Location	Amount *
Santec	\$7,475.25
PROJECT Total BUDGET	\$ 100,000

REC'D MAR 17

Comments:

BoD Approved \$100,000 under Development for XC Snowmaking Ph 1 & 2

Capital Review & Approval:Director of Capital Projects : Jon MitchellDate: 4/10/20Director of Risk Management & Real Property: Annie RosenfeldDate: 5/29/20Director of Operations: Miguel SloaneDate: 5/29/20



INVOICE
Approved by J Mitchell 3/16/21
PO#031-110-224/02 \$7,475.25
AC 3/9/21

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Invoice Number	1762632
Invoice Date	March 5, 2021
Customer Number	158910
Project Number	185704959

Bill To

Tahoe Donner Association
Jon Mitchell
11509 Northwoods Blvd.
Truckee CA 96161
United States

Please Remit To

Stantec Consulting Services Inc. (SCSI)
13980 Collections Center Drive
Chicago IL 60693
United States
Federal Tax ID
11-2167170

Project Description: Tahoe Donner Snowmaking Operations Project

Stantec Project Manager:	Bezy, Bernadette
Authorization Amount:	\$26,151.00✓
Authorization Previously Billed:	\$18,570.93✓
Authorization Billed to Date:	\$26,046.18✓
Current Invoice Due:	\$7,475.25✓
For Period Ending:	February 19, 2021

- Follow up with the Town of Truckee regarding the Use Permit.
- Complete the LSAA and 401 permit applications

Due upon receipt or in accordance with terms of the contract

INVOICE

Page 2 of 3

Invoice Number

1762632

Project Number

185704959

Top Task 200 Professional Service**Low Task 200.002 Use Permit****Professional Services**

Category/Employee	Hours	Rate	Current Amount
Gray, Katherine Dunnavan Gross (Kate)	5.75	154.00	885.50
	<u>5.75</u>		<u>885.50</u>
Professional Services Subtotal	<u>5.75</u>		<u>885.50</u>

Low Task 200.002 Subtotal 885.50**Low Task 200.004 Environmental Permitting****Professional Services**

Category/Employee	Hours	Rate	Current Amount
Ferguson, Tracie J	0.50	173.00	86.50
	<u>0.50</u>		<u>86.50</u>
Glendening, Paul	1.00	154.00	154.00
	<u>1.00</u>		<u>154.00</u>
Gray, Katherine Dunnavan Gross (Kate)	10.25	154.00	1,578.50
	<u>10.25</u>		<u>1,578.50</u>
Kersten, Meagan Marie O'Deegan	5.50	143.00	786.50
	<u>5.50</u>		<u>786.50</u>
Professional Services Subtotal	<u>17.25</u>		<u>2,605.50</u>

Low Task 200.004 Subtotal 2,605.50**Top Task 200 Total 3,491.00****Top Task 201 Tahoe Donner Cross Country Ski Snowmaking Project**

INVOICE

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Invoice Number

1762632

Project Number

185704959

Low Task 201.001

Tahoe Donner Cross Country Ski Snowmaking Project

Professional Services**Category/Employee****Hours****Rate****Current
Amount**

Agarwal, Shawn Kumar

0.75

127.00

95.25

0.75**95.25**

Gray, Katherine Dunnavan Gross (Kate)

22.00

154.00

3,388.00

22.00**3,388.00**

Malhotra, Rupeet

2.50

173.00

432.50

2.50**432.50**

Oats, Meghan Sklar (Meghan)

0.50

137.00

68.50

0.50**68.50****Professional Services Subtotal****25.75****3,984.25****Low Task 201.001 Subtotal****3,984.25****Top Task 201 Total****3,984.25**

Total Fees & Disbursements

\$7,475.25

INVOICE TOTAL (USD)**\$7,475.25**

Task 02
031-110-224

XC Snowmaking Ph1&2

[illegible]

Attachment C

Tahoe Donner Association Annual Assessment Pace Report

Source: MSDL - Period Sensitive Aged AR

2021 AA (term 72)					2020 AA (term 71)					2019 AA (term 69)				
	# Units	%	\$AA	\$Total	# Units	%	\$AA	\$Total		# Units	%	\$AA	\$Total	
Invoiced: 11/15/20XX	6,473	100%	\$ 2,241	\$ 14,505,993	6,473	100%	\$ 2,065	\$ 13,366,745		6,473	100%	\$ 1,965	\$ 12,719,445	
Payments Rcvd as of: 11/30/20XX	(486)	-7.5%	\$ 2,241	\$ (1,088,873)	(423)	-6.5%	\$ 2,065	\$ (873,711)		(492)	-7.6%	\$ 1,965	\$ (967,143)	
Balance as of: 11/30/20XX	5,987	92.5%	\$ 2,241	\$ 13,417,120	6,050	93.5%	\$ 2,065	\$ 12,493,034		5,981	92.4%	\$ 1,965	\$ 11,752,302	
Payments Rcvd as of: 12/31/20XX	(527)	-8.1%	\$ 2,241	\$ (1,180,108)	(361)	-5.6%	\$ 2,065	\$ (746,206)		(353)	-5.5%	\$ 1,965	\$ (693,699)	
Balance as of: 12/31/20XX	4,414	68.2%	\$ 2,241	\$ 9,892,700	4,650	71.8%	\$ 2,065	\$ 9,601,934		4,616	71.3%	\$ 1,965	\$ 9,070,948	
Payments Rcvd as of: 1/31/20XX	(1,202)	-18.6%	\$ 2,241	\$ (2,693,722)	(1,473)	-22.8%	\$ 2,065	\$ (3,043,675)		(1,538)	-23.8%	\$ 1,965	\$ (3,022,257)	
Balance as of: 1/31/20XX	3,212	49.6%	\$ 2,241	\$ 7,198,978	3,177	49.1%	\$ 2,065	\$ 6,560,292		3,079	47.6%	\$ 1,965	\$ 6,050,112	
Payments Rcvd as of: 2/05/20XX	(455)	-7.0%	\$ 2,241	\$ (1,019,656)	(296)	-4.6%	\$ 2,065	\$ (611,737)		(266)	-4.1%	\$ 1,965	\$ (523,045)	
Balance as of: 2/05/20XX	2,757	42.6%	\$ 2,241	\$ 6,179,322	2,881	44.5%	\$ 2,065	\$ 5,948,555		2,813	43.5%	\$ 1,965	\$ 5,527,067	
Payments Rcvd as of: 2/12/20XX	(502)	-7.8%	\$ 2,241	\$ (1,124,460)	(570)	-8.8%	\$ 2,065	\$ (1,177,246)		(562)	-8.7%	\$ 1,965	\$ (1,104,390)	
Balance as of: 2/12/20XX	2,255	34.8%	\$ 2,241	\$ 5,054,862	2,311	35.7%	\$ 2,065	\$ 4,771,309		2,251	34.8%	\$ 1,965	\$ 4,422,677	
Payments Rcvd as of: 2/19/20XX	(500)	-7.7%	\$ 2,241	\$ (1,119,517)	(417)	-6.4%	\$ 2,065	\$ (860,113)		(607)	-9.4%	\$ 1,965	\$ (1,193,406)	
Balance as of: 2/19/20XX	1,756	27.1%	\$ 2,241	\$ 3,935,345	1,894	29.3%	\$ 2,065	\$ 3,911,196		1,643	25.4%	\$ 1,965	\$ 3,229,271	
Payments Rcvd as of: 2/26/20XX	(762)	-11.8%	\$ 2,241	\$ (1,707,935)	(725)	-11.2%	\$ 2,065	\$ (1,497,324)		(654)	-10.1%	\$ 1,965	\$ (1,286,077)	
Balance as of: 2/26/20XX	994	15.3%	\$ 2,241	\$ 2,227,410	1,169	18.1%	\$ 2,065	\$ 2,413,872		989	15.3%	\$ 1,965	\$ 1,943,194	
Payments Rcvd as of: 2/28/20XX	(2)	0.0%	\$ 2,241	\$ (4,040)	(257)	-4.0%	\$ 2,065	\$ (530,725)		(226)	-3.5%	\$ 1,965	\$ (443,639)	
Balance as of: 2/28/20XX	992	15.3%	\$ 2,241	\$ 2,231,450	912	14.1%	\$ 2,065	\$ 1,883,147		763	11.8%	\$ 1,965	\$ 1,499,555	
Payments Rcvd as of: 3/19/20XX	(761)	-11.8%	\$ 2,241	\$ (1,705,659)	(703)	-10.9%	\$ 2,065	\$ (1,451,333)		(599)	-9.3%	\$ 1,965	\$ (1,177,148)	
Balance as of: 3/19/20XX	231	3.6%	\$ 2,241	\$ 528,084	209	3.2%	\$ 2,065	\$ 431,814		164	2.5%	\$ 1,965	\$ 322,407	
Payments Rcvd as of: 3/26/20XX	(30)	-0.5%	\$ 2,241	\$ (67,573)	(11)	-0.2%	\$ 2,065	\$ (21,775)		(14)	-0.2%	\$ 1,965	\$ (27,315)	
Balance as of: 3/26/20XX	200	3.1%	\$ 2,241	\$ 460,511	199	3.1%	\$ 2,065	\$ 410,039		150	2.3%	\$ 1,965	\$ 295,092	
Payments Rcvd as of: 03/31/20XX	(29)	-0.5%	\$ 2,241	\$ (65,575)	(20)	-0.3%	\$ 2,065	\$ (41,320)		(12)	-0.2%	\$ 1,965	\$ (23,194)	
Balance as of: 03/31/20XX	171	2.6%	\$ 2,241	\$ 394,936	179	2.8%	\$ 2,065	\$ 368,719		138	2.1%	\$ 1,965	\$ 271,898	
Payments Rcvd as of: 4/28/20XX	(53)	-0.8%	\$ 2,241	\$ (118,943)	(43)	-0.7%	\$ 2,065	\$ (89,545)		(62)	-1.0%	\$ 1,965	\$ (120,981)	As of 4/30
Balance as of: 4/28/20XX	118	1.8%	\$ 2,241	\$ 275,993	135	2.1%	\$ 2,065	\$ 279,174		77	1.2%	\$ 1,965	\$ 150,917	As of 4/30
Payments Received Total:	(6,355)	-98%	\$ 2,241	\$ (14,230,000)	(6,338)	-98%	\$ 2,065	\$ (13,087,571)		(6,396)	-99%	\$ 1,965	\$ (12,568,528)	

Variance (Qty/\$) 2021 vs 2020:	17	\$ 176	1,142,429
%Variance 2021 vs 2020:	0.27%	8.52%	8.73%
Variance (Qty/\$) 2021 vs 2019:	(41)	\$ 276	1,661,472
%Variance 2021 vs 2019:	-0.65%	14.05%	13.22%

Annual Assessment as of 4/28/2021 vs 4/30/xx

	2021	2020	2019
Paid	6,355	6,338	6,396
Unpaid	118	135	77
Invoiced	6,473	6,473	6,473
Paid	98%	98%	99%
Unpaid	2%	2%	1%

