



FINANCE COMMITTEE MEETING AGENDA

September 20, 2021

3:00-4:30 p.m.

Zoom

See Sidebar below for sign in information

PURPOSE

To provide financial advice, analysis, and information to the Board to better enable the Board to make sound business decisions. The issues addressed shall be primarily those of financial significance and will focus on recurring and special tasks.

This Meeting is being Recorded

9 Tools of Civility

- Pay Attention • Listen • Be Inclusive •
- Don't Gossip • Show Respect • Be agreeable • Apologize •
- Give Constructive Criticism • Take Responsibility •

It's not WHAT you say, It's HOW you say it!

MEETING PROTOCOLS

- Committee meetings are open to TDA members, not the public.
- Committee may adjust the agenda during the meeting by adding, deleting, and/or moving agenda items; agenda times are estimated.
- TDA members will have the opportunity to make comments on Agenda items following discussion by the Committee. The Chair will recognize members to comment on agenda items only when they occur in Agenda.
- Non-agenda comments may be raised during Member Comments.
- Action agenda items shall be designated either as "APPROVAL", "RECOMMEND" or "DISCUSSION". Items listed as RECOMMEND will include discussion and used when the Committee is making recommendations to the Board of Directors. Items listed as DISCUSSION are for ongoing updates on tasks or topics that might later be brought before the Committee or the TDABOD.

AGENDA

1. Call to Order / Call for Quorum (4): Chair (1 min)
 - a. Time: _____

Finance Committee Members (Quorum 4)
John Dundas, Chair
Terry Watson, Vice Chair
Cathy Ravano
Jim Colbert
Joseph Niedringhaus
Michael Rudolph
Julie Vietor
Board Liaisons
Steve Mahoney, Treasurer
Jim Roth, Secretary
Deputy Chair
Todd Martyn-Jones, DFA
GPC Liaison
Laura Lindgren
TDA Staff
David Mickaelian, GM
Robin Bennett, Exec Asst

Join Zoom Meeting
<https://tahoedonner.zoom.us/j/846039432?pwd=eVJwNlcrNVJtRCQOXpRN0w0TVVqdz09>
Meeting ID: 840 7603 9432
Passcode: 139617
One tap mobile
+16699006833,,84076039432# US (San Jose)
+12532158782,,84076039432# US (Tacoma)
Dial by your location
+1 669 900 6833 US (San Jose)
+1 253 215 8782 US (Tacoma)
+1 346 248 7799 US (Houston)
+1 929 205 6099 US (New York)
+1 301 715 8592 US (Washington DC)
+1 312 626 6799 US (Chicago)
Meeting ID: 840 7603 9432
Find your local number:
<https://tahoedonner.zoom.us/j/3LJvMVX>

2. **APPROVAL of Agenda:** Chair (2 min)

- a. 1st: _____
- b. 2^d: _____
 - 1. Vote: _____

3. **Member and Committee Member Comments:** Chair (5 min) TDA Member comments are welcomed at this time for matters not on the agenda and are limited to three minutes. Members are requested to identify themselves and to include Unit and Lot Number or Tahoe Donner address. Additionally, members may submit comments by email to the at financecommittee@tahoedonner.com. Only brief clarifying responses and questions are permitted for items not on the agenda.

4. **APPROVAL of Committee Draft Report, August 2021:** Chair (2 min)

- a. 1st: _____
- b. 2nd: _____
 - 1. Vote: _____

5. **Committee Tasks:**

- a. **DISCUSSION:** Financial Performance **Update** - DFA (10 min)
 - 1. Dashboard review of Past Month, Current Month and YTD.
- b. **DISCUSSION:** 2022 Budget Planning – Chair/DFA (20 min)
 - 1. Operating Fund (OF) Workshop Afterthoughts
 - a. Background:
 - 1. OF is required by Davis-Stirling Act.
 - 2. OF is funded based upon policy in Administrative Resolution 2018-4, Operating Fund Policy (<https://www.tahoedonner.com/wp-content/uploads/2018/12/2018-4-Operating-Fund-Policy-Resolution-signed.pdf>).
 - b. Remaining issues following September 9th budget workshop pertaining to the Operating Fund?
 - c. Is the OF Operating Reserve Contingency Reserve (OFCR) sufficiently funded? Should it be raised?
 - 1. Currently a minimum balance of \$750,000 up to 10% of current year's gross Operating Revenue Budget.
 - 2. Consider increasing going forward
 - d. What is impact of bonus incentive plan on the OF?
 - 1. Implementation?
 - 2. Does current incentive plan result in the desired outcomes?
 - 3. What behaviors are we trying to influence?
 - 4. Is this really to supplement low minimum wages?
 - e. Members paying annual assessment through eUnify; are there costs associated with this form of payment?
 - 2. Upcoming Capital Reserves Budget Workshop on September 23rd
 - a. Replacement Reserve Fund

1. Background
 - a. RRF is required by Davis-Stirling Act.
 - b. RRF is funded based upon policy in Administrative Resolution 2019-1, Replacement Reserve Fund Policy (<https://www.tahoedonner.com/wp-content/uploads/2020/03/2019-1-Signed-Reso.pdf>).
 - c. Reserve Study is the base documentation for determining RRF planned expenditures in the coming year.
 2. List of projects to be performed or deferred is presented by Staff to the Board for approval annually during budget planning.
- b. New Equipment Fund (NEF)
1. Background:
 - a. NEF is Association reserve account that allows for the acquisition of capital assets necessary for more efficient operations, or to provide equipment in support of services, programs, activities, and events to the membership.
 - b. NEF is funded base upon policy in Administrative Resolution 2017-4 (<https://www.tahoedonner.com/wp-content/uploads/2018/01/2017-4-New-Equipment-Fund-Policy-Resolution.pdf>).
 - c. Once procured capital assets become a part of the RRF.
 2. Minimum funding for this reserve is \$25,000 unless greater needs are identified in the annual budget process.
- c. Development Fund (DF)
1. Background:
 - a. DF is Association reserve account to be maintained and administered on an annual basis to finance capital improvement projects (building upgrades and additions, building replacements, and real estate acquisition that do not qualify for funding from the RRF.
 - b. DF is funded in accordance with policy in Administrative Resolution 2017-3, Development Fund Policy (<https://www.tahoedonner.com/wp-content/uploads/2018/01/2017-3-Development-Fund-Policy-Resolution.pdf>).
 - c. This reserve fund has historically been underfunded since assumption by the TDABOD from the developers. Primarily to artificially keep

annual assessments low without regard to future major expected common expenses.

2. Last year's proposal to resolve building replacement reserve shortfall still on the table.
3. Requirements of current and previous DF resolutions have never really been implemented which contributes to continued underfunding (20-Year outlook)
4. Pending action to establish a capital improvement program that covers all our capital needs through proper identification of prioritization of infrastructure enhancement and replacement requirements.

- c. **DISCUSSION: Downhill Ski Lodge Update - Colbert (15 min)**
 1. Downhill Ski Lodge On-line Zoom (September 14, 2021)
 2. Special TDABOD Meeting on Downhill Ski Lodge Project (September 8, 2021)
 3. Discussion about Return on Investment (ROI) as it pertains to Association capital investments.
 - a. ROI comes in the form of homeowner enjoyment and return on your personal residence
 4. When is next Downhill Ski Lodge Meet up on Zoom??
- d. **DISCUSSION: Long-Range Capital Improvement Program – Chair (15 min)**
 1. FC Special Task #3
 2. Working Group: Dundas, Niedringhaus, Vietor
 3. What are next steps?
 - a. Workplan in conjunction with Staff?
 - b. Deliverables?
 - 4.
- e. **DISCUSSION: Cost of Services Study and Amenity Access – Vice Chair (15 min)**
 1. FC Special Task #4
 2. Working Group: Watson, Ravano, Niedringhaus
 3. What are next steps?
 - a. Workplan in conjunction with Staff?
 - b. Deliverables?
- f. **DISCUSSION: 5501 Committee Report - Treasurer/DFA/FC Attendees (5 min)**
 1. DRAFT Report-TBD
 2. FC Attendees for upcoming Meetings (3-5 pm) via Zoom
 - a. September 28, 2021
 1. Member: Niedringhaus
 - b. October 26, 2021
 1. Member: Vietor
 - c. November 23, 2021
 1. Member: ?????

- g. **DISCUSSION:** Financial and Governance Frequently Asked Questions – Dundas/Mahoney (5 min)
 - 1. Consideration of reviewing and updating document no longer on the website.

- 6. **Next FC Meeting: October 21, 2021, 3:00-4:30 pm, To Be Determined: just Zoom or Northwoods Clubhouse, Mezzanine Room/Zoom**
 - a. **Other Meetings:**
 - 1. 2022 Budget Workshop, September 23, 2021, Panelists
 - 2. Regular TDABOD Meeting, September 24, 2021, 9:00 am, Sign up
 - 3. 5501 Subcommittee Meeting, September 28, 2021, 3:00-5:00 pm

- 7. **Preliminary Agenda Topics:** Chair (2 min)
 - a. Enter Topics

- 8. **Adjournment:** Chair
 - a. 1st: _____
 - b. 2nd _____
 - 1. Vote: _____