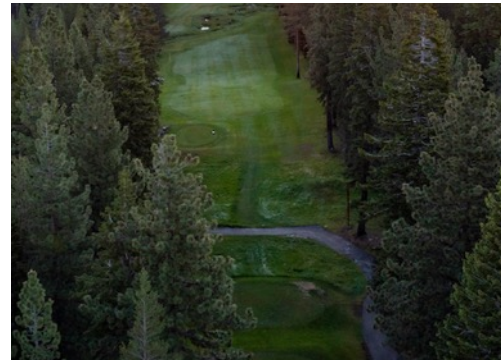
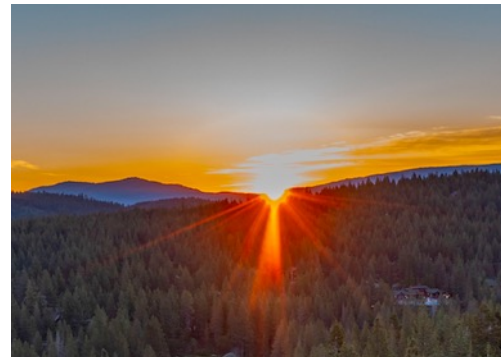
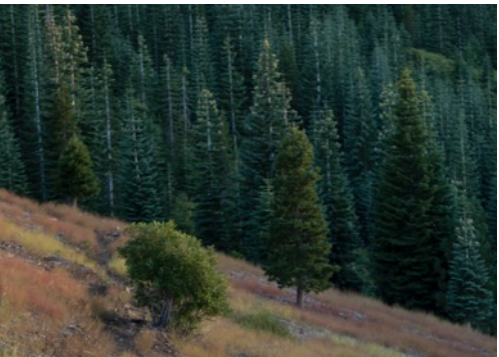




2023 CAPITAL FUNDS BUDGET REVIEW

SEPTEMBER 22, 2022



TODAY'S FOCUS – CAPITAL FUNDS

NEXT BUDGET WORKSHOP (#3) – OCT. 14, 2022

- Revisions to previously presented budgets, including recommendations from the Board relating to Operating Fund and three Capital Funds
- Total Annual Assessment recommendation

OBJECTIVES FOR TODAY'S WORK SESSION

- Brief update on Operating Fund
- Create a common understanding of Tahoe Donner's Capital Budgets
- Review the 5-Year Capital Improvement Plan
- Review proposed budgets and receive Board direction for:
 - Development Fund
 - Replacement Reserve Fund
 - New Machinery and Equipment Fund





OPERATING FUND UPDATE

Board requested an update or information regarding the following issues:

- **Vacant 2022 Budgeted Positions:** Costs and benefits to consider adding back into budget
- **2022 vs 2023 Staffing Comparison:** Identify changes from headcounts and wage pressures
- **Historical Revenue Generated by Users vs Annual Assessment**

All other requests will be addressed at Budget Workshop #3 on October 14, 2022

OPERATING FUND UPDATE – IMPACT OF ADDING BACK IN SELECT VACANT POSITIONS

POSITIONS

- **Financial Analyst:** Support budget and visitation data needs, assist in turning various data points into understandable impacts
- **Communications Associate:** Removed seasonal hours, which were incorporated in Workshop #1. Supports member engagement and outreach through email marketing, signage, planning, website updates and more
- **Maintenance Supervisor:** Helps lead field maintenance team to keep facilities and common areas functioning for member enjoyment and safety
- **Risk and Community Standards Specialist:** Supports peak-time community needs to maintain harmony and the residential feel of the community. Assist in safeguarding TDA assets

Total Financial Impact Including Burden for All Positions	\$238,000
Additional Cost per Owner	\$36
Projected Operating Fund Portion of Annual Assessment Including Positions	\$1,059

OPERATING FUND UPDATE – 2022 vs 2023 Staffing Comparison

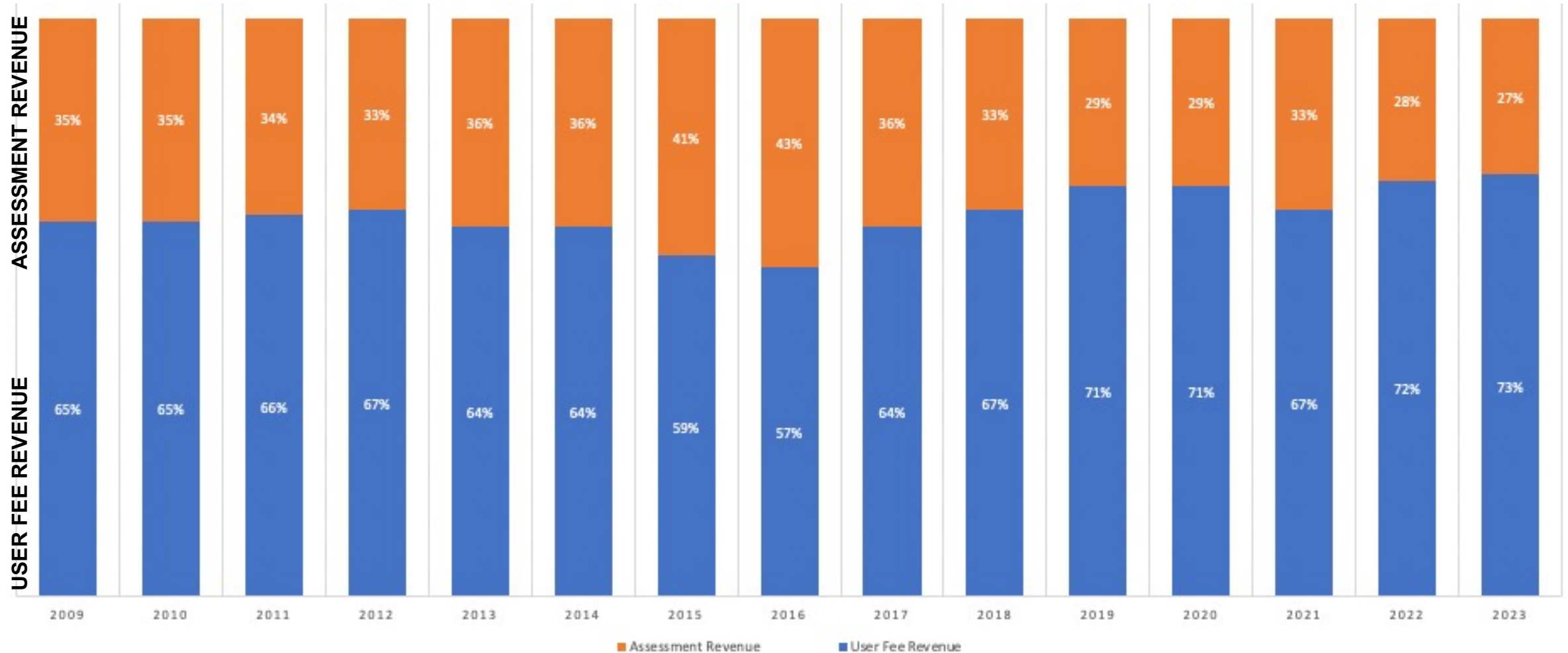
Key Takeaways

- Salaried Staffing FTE flat, but wages drive an increase in expense
- Hourly FTE increase by 1 in addition to wage increases, FTE doesn't include vacant positions from previous slide
- Seasonal staffing: Slight reduction in proposed hours for seasonal staff, however 6% increase in average wage causes an increase in expense

		2022 Budget	2022 Forecast	2023 Proposed Budget	Budget 2023 v 2022 F/cast		Budget 2023 v 2022 Budget	
					Variance		Variance	
					\$	%	\$	%
Salaries		\$4,495,909	\$4,709,915	\$5,058,669	\$348,754	7%	\$562,760	13%
Hourly Wages		\$6,750,521	\$6,834,330	\$7,335,218	\$500,888	7%	\$584,697	9%
Burden		\$2,781,895	\$2,932,638	\$3,177,977	\$245,339	8%	\$396,082	14%
Total		\$14,028,325	\$14,476,883	\$15,571,864	\$1,094,981	8%	\$1,543,539	11%
Salaried FTE		43	43	43	0	0%	0	0%
Hourly FTE		48	49	49	0	0%	1	2%
Seasonal Hours Total		201,338		200,506			-832	-0.41%
Average Rate of Pay		\$18.79		\$19.95			\$1.16	6.17%

OPERATING FUND UPDATE – HISTORICAL REVENUE GENERATED BY USER VS ANNUAL ASSESSMENT

Key Takeaway: The ratio ranges from 57%/43% split (2016) to proposed 73%/27% in 2023.
Average is 66%/34%



WHAT ARE IN THE CAPITAL FUNDS?

DEVELOPMENT

- Anticipated Capital Improvements
- Ex: New buildings, additions and infrastructure improvements

REPLACEMENT RESERVE

- Funds that plan for maintenance/repair, replacement and restoration of common area components and facilities
- Ex: Replacing windows, furniture and computers

NEW MACHINERY + EQUIPMENT

- Funding for new items that improve operational efficiency or additional member services
- Ex: Additional treadmill or new software

A COMMITMENT TO LONG-RANGE PLANNING

- Board to review 20-Year Plan annually per Resolution 2017-3:
“It is anticipated that the content of the [Capital Funds Projection (CFP)] will be reviewed annually in accordance with the annual Financial Planning and Budget Procedures and will be formally updated as needed. Any changes to the CFP will be reviewed and approved by the Board.”
- Align with Long-Range Planning Committee Charter, which directs the committee to
“Support Staff in developing, updating and maintaining long-range planning documents for the Association to complement the Association’s Five-Year Strategic Plan.”
 - June 19: Committee reviewed and discussed 20-Year Plan as a preview for upcoming budget cycle
 - August 19: Reviewed 20-Year Plan and 5-Year Plans
 - September 8: Reviewed updated draft 20-Year Plan

20-YEAR PLAN

Amenity	Project	Discretionary/ Nondiscretionary	Strategic Plan Initiative	Proposed Year Const.
Association-Wide	Fueling stations for equipment - Downhill Ski, XC Ski, Golf fueling pads	Nondiscretionary	4	2028+
	Workforce Housing Feasibility Study/Project	Discretionary	3, 5	2023-2027
	Acquisition			
	Forestry			
	Campground			
	Mailboxes	Discretionary	5	2025
	Electric Vehicle Charging Stations & eBikes at select amenities as parking lot renovation projects come up on RR	Discretionary	3, 4, 5	2028+
	Solar opportunities	Discretionary	3, 4	ongoing
	Generator (The Lodge)	Nondiscretionary	1	2023
Alder Creek Adventure Center	Traffic Calming/Mobility Master Plan	Discretionary	1	2028+
	Snowmelt North Parking Lot (CASP - RR)	Nondiscretionary	1	2025
	Snowmaking - Phase 2	Discretionary	5	2024
Forestry	Office Remodel (RR component 2023)	Discretionary	5	2023
	New access road from Skislope with utilities including fiber - may be part of workforce housing above	Discretionary	5	2028+
	New storage building at Forestry Facility to replace multiple storage containers	Nondiscretionary	5	2028+
Northwoods Campus/Tennis	Campus Master Plan and Project	Discretionary	2, 5	start const 2026
	Parking Capacity Expansion	Discretionary		
	Northwoods Clubhouse Remodel/Replace	Discretionary		
	Tennis Building Remodel/Replace	Discretionary		
	Pool Expansion/Hot Tub	Discretionary		
	Rec Revamp (Playground, Horseshoe, Bocce, Archery, Volleyball, etc.)	Discretionary		
Downhill Ski Area	Downhill Ski Lodge Replacement	Nondiscretionary	2, 5	2023-2024
	Snowmaking Phase-2 - Eagle Rock	Discretionary	2	2025
	Conveyor Replacement (C2 and C3) with covers improve beginner area layout (assumes yurt is gone)	Discretionary	2, 5	2024, 2026
	RRF component			
	Mile Run Improvements	Discretionary	2	2028+

Bold – Building Replacement Projects

20-YEAR PLAN

Amenity	Project	Discretionary/ Nondiscretionary	Strategic Plan Initiative	Proposed Year Const.
Golf Course	Renovate Driving Range with shade structure include performance stage with power	Discretionary	5	2028+
	Ball Shed Building	Discretionary	5	2028+
	Cart Path Replacement – RR	Nondiscretionary		2023
	Course Restroom Remodel (3)	Nondiscretionary	2, 5	2023
Marina	Deck Expansion and Shade Structure	Discretionary	2	2023
	Revisit Beach Expansion Project - Expanded seating on hillside	Discretionary	2	2028+
	Bike Parking Enhancement - Add component to RR 2024	Discretionary	2	2024
	Marina and Day Camp Building Replacement	Non-discretionary	5	2027
The Lodge	Pavilion Family Dining Area Renovation	Nondiscretionary	2,5	2022
Trails and Open Space	South Euer Valley Road - Improvements	Nondiscretionary	2,4	2023
	Euer Valley Restoration Phase 1 (Coyote Crossing)	Nondiscretionary	2,4	2023
	Glacier Way Trailhead - Expansion and restroom improvement	Discretionary	2,5	2025
	Alder Creek Trail Fjord to Campground Improvements	Nondiscretionary	2	2028+
	Paved Class-1, 4-season trail from the Town's Trout Creek Trailhead to ACAC	Discretionary	2, 4, 5, 6	2024
	Trail enhancements to align with updated trails and open space master plan	Discretionary	2, 4, 5, 6	ongoing
	Nature Loop Trail at Trout Creek Lot	Discretionary	5	2023

Bold – Building Replacement Projects

20-YEAR PLAN

Amenity	Project	Discretionary/ Nondiscretionary	Strategic Plan Initiative	Proposed Year Const.
Trout Creek Recreation Center	Parking Lot Expansion and Entrance Reconfiguration - Needed for any future expansion at Trout Creek	Discretionary	5	2028+
	Snowplay Building w/ restroom and adequate storage	Discretionary	2, 5	2028+
	Expand Patio heating system - Hydronic heating rec. pool	Discretionary	5	2028+
	Splash Pad/Basketball Court revamp	Discretionary	2, 5	2028+
Maintenance	Maintenance Yard Fuel Station Replacement - Pump, tank replacement, and roof structure	Nondiscretionary	1, 5	2024
Campground	Bathhouse	Nondiscretionary	5	2026
IT	Micro trench fiber on cart path via TCRC-Lodge-Cart Barn-Golf Maintenance	Discretionary	5	2023
	Wireless from Trout to cell tower	Discretionary	5	2028+
	Suddenlink fiber to Top Shop	Discretionary	5	2028+
	Suddenlink fiber to Forestry - If/when install new road	Discretionary	5	2028+
	Network operations center expansion of Golf Maintenance Facility	Discretionary	5	2028+
	Fiber and power in all parking lots	Discretionary	5	ongoing
	Fiber from NWCH to TCRC - If/when paving trail	Discretionary	5	2026
	Fiber install from TCRC to Snowplay	Discretionary	5	2023
Projects Placed in "Parking Lot"	Teton Way Trailhead - Rustic improvement	Discretionary	2, 5	2032+
	Cook House at Euer Valley with year-round restrooms	Discretionary	2, 5	2032+
	Shade Structure at Bocce Courts	Discretionary	2, 5	2032+
	Mini Golf	Discretionary	2	2032+
	Adventure Park	Discretionary	2	2032+

LONG-RANGE PLANNING COMMITTEE 20-YEAR PLAN COMMENTS

Staff received the following comments from three committee members:

- An assumption was stated - there's no increase in Development Fund contribution. This may lead to constraints. Like to have the Board weigh in on this concern and how it may affect member enjoyment.
- Begin traffic and mobility planning in 2023. Recommend favorably impacting traffic and parking before it becomes more problematic.
- Electrical charging stations should be focused on TD's vehicle needs. Owners charge at home. Do not invest for public charging.
- Invest in owner parking needs, not public needs.
- Begin getting member input on the Northwoods Campus and Tennis in 2023. Northwoods should be considered nondiscretionary.
- Why are we investing in power and fiber to parking lots?
- Of those who provided input, there were varying comments on discretionary vs nondiscretionary labels of projects.

2022 CAPITAL IMPROVEMENT PROJECT STATUS

2022 Capital Improvement Projects

Amenity	Project	Status
Association-Wide	Generator Transfer Switches	ACAC still evaluating, planning for Generator at The Lodge in 2023
ACAC	Air conditioning/Airflow	Out to bid, projected completion in 2022
Downhill Ski Resort	Downhill Ski Lodge Replacement	In progress
Downhill Ski Resort	Snowmaking Phase 2 - Eagle Rock	Deferred to planning in 2024
Golf	Course Restroom Remodel (3)	Analysis revealed that vault toilets need minor refurbishment, plumbed restroom still looking for solutions. Scheduling planning and construction fall 2022 through fall 2023.
Golf	New Roof at Golf Course Maintenance	Out to bid, projected completion 2022
Golf	Pedestrian Bridge on 18	On schedule, engineering completed
Maintenance	Maintenance Yard Fuel Station Replacement Planning	Rolling planning to 2023
Marina	Marina Deck Expansion and Shade Structure	Design Development, rolling construction to 2023
The Lodge	ADA Parking Lot Improvements	Out to bid, construction pending permit issuance and contractor availability
The Lodge	Pavilion Family Dining Area Renovation	On schedule for fall construction
The Lodge	Grotto Enhancement	On schedule for fall construction
Trails and Open Space	Implement Trail/Trailhead Projects in the TMP	Master plan in progress
Trails and Open Space	Euer Valley Restoration Phase 1 (Coyote Crossing)	Timing of project being driven by TRWC grant funding requests, TRWC optimistic project to move forward in 2023
Trails and Open Space	South Euer Valley Road - Improvements	Timing of project being driven by TRWC grant funding requests, TRWC optimistic project to move forward in 2023

2021 Capital Improvement Projects Rolled to 2022

Amenity	Project	Status
ACAC	ACAC Trailhead & Boardwalk	Under construction, projected completion fall 2022
ACAC	TDXC Snowmaking & Shed	Under construction, projected completion fall 2022
TCRC	Snowplay Snowmaking	Completed

5-YEAR CAPITAL IMPROVEMENT PROJECT OVERVIEW

Amenity	Project	2023	2024	2025	2026	2027
Association Wide	Workforce Housing Feasibility Study/Project	75,000	250,000	1,500,000	1,000,000	1,500,000
Association Wide	Mailboxes		75,000	737,794		
ACAC	Snowmelt North Parking Lot		30,000	250,000		
Campground	Campground Bathhouse			51,000	459,000	
Downhill Ski Resort	Downhill Ski Lodge Replacement	14,718,058	6,198,493			
Downhill Ski Resort	Snowmaking Phase 2 - Eagle Rock		50,000	1,025,000		
Downhill Ski Resort	Conveyor Replacement		90,000		290,000	
Golf	Course Restroom Remodel (3)	100,000				
Golf	Pedestrian Bridge on 18	130,000				
Golf	Cart Path Replacement	865,456				
Maintenance	Maintenance Yard Fuel Station Replacement	105,575	1,350,000			
Marina	Marina Deck Expansion and Shade Structure	349,443				
Marina	Day Camp Building Replacement				100,000	390,000
Northwoods	Campus Master Plan and Project		150,000	700,000	3,000,000	3,000,000
Northwoods	Bocce Court Remodel	70,023				
The Lodge	Lodge Generator	278,000				
Trails and Open Space	Implement trail/trailhead projects in the TMP	230,000	80,000	250,000	250,000	100,000
Trails and Open Space	Class-1 Trail from Trout Creek Trailhead to ACAC Planning		200,000	200,000	200,000	
Trails and Open Space	Glacier Way Parking Lot Expansion	55,000	555,000			
Trails and Open Space	Euer Valley Restoration Phase 1 (Coyote Crossing)	945,557				
Trails and Open Space	South Euer Valley Road	137,000				
Total		18,059,112	9,028,493	4,713,794	5,299,000	4,990,000

CAPITAL PROJECTS FOR 2023

5-YEAR CAPITAL FUNDING PLAN

WORKFORCE HOUSING FEASIBILITY STUDY/PROJECT

Amenity:	Association-wide
Project Description:	Tahoe Donner and the greater Truckee-Tahoe region as a whole are undergoing a vast workforce housing shortage. The Association needs to be proactive in this area to continue attracting and retaining employees. The feasibility study will look at workforce housing needs, potential solutions and opportunities, including but not limited to: Potential acquisitions, the Tahoe Donner campground and the Forestry campus. This Study will also include potential solutions to integrate with other employers in the area.
Strategic Plan Initiative:	3, 5
Appropriations beyond the five-year plan are needed to complete the project:	Unknown



	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services	75,000	250,000				
	Construction			1,500,000	1,000,000	1,500,000	
	Total	\$ 75,000	\$ 250,000	\$1,500,000	\$ 1,000,000	\$ 1,500,000	\$2,825,000
Funding Source	Development Fund	75,000	250,000	1,500,000	1,000,000	1,500,000	
	Replacement Reserve Fund						
	Total	\$ 75,000	\$ 250,000	\$1,500,000	\$ 1,000,000	\$ 1,500,000	\$2,825,000

5-YEAR CAPITAL FUNDING PLAN

DOWNHILL SKI LODGE REPLACEMENT

Amenity:	Downhill Ski Resort
Project Description:	The downhill ski lodge has exceeded its useful life for the association and needs to be replaced.
Strategic Plan Initiative:	1, 2, 5
Appropriations beyond the five-year plan are needed to complete the project:	No



	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services						
	Construction	14,718,058	6,198,493				
	Total	\$14,718,058	\$6,198,493	\$ -	\$ -	\$ -	\$20,916,551
Funding Source	Development Fund	11,218,058	6,198,493				
	Replacement Reserve Fund	3,500,000					
	Total	\$14,718,058	\$6,198,493	\$ -	\$ -	\$ -	\$20,916,551

5-YEAR CAPITAL FUNDING PLAN

GOLF COURSE RESTROOMS

Amenity:	Golf
Project Description:	The three golf course restrooms, built in 1992, have a useful life of 30 years and are due on the Replacement Reserve Fund for a remodel. Analysis revealed that vault toilets need minor refurbishment; plumbed restroom still under investigation. Scheduling planning and construction fall 2022 through fall 2023.
Strategic Plan Initiative:	2, 5
Appropriations beyond the five-year plan are needed to complete the project:	No



	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services	10,000					
	Construction	90,000					
	Total	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$100,000
Funding Source	Development Fund						
	Replacement Reserve Fund	100,000					
	Total	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$100,000

5-YEAR CAPITAL FUNDING PLAN

GOLF COURSE PEDESTRIAN BRIDGE ON 18

Amenity:	Golf
Project Description:	The golf course's pedestrian bridge over Trout Creek on the 18th fairway has failed. Full replacement is necessary.
Strategic Plan Initiative:	2, 5
Appropriations beyond the five-year plan are needed to complete the project:	No



	Phase	Budget					Total
		2023	2024	2025	2026		
Project Costs	Professional Services						
	Construction	130,000					
	Total	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$155,000
Funding Source	Development Fund						
	Replacement Reserve Fund	130,000					
	Total	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$155,000

5-YEAR CAPITAL FUNDING PLAN

GOLF COURSE CART PATHS

Amenity:	Golf
Project Description:	Re-paving of cart paths. Involves root removal, some grinding in areas (but not completely pulverized) and some patching with full asphalt overlay throughout.
Strategic Plan Initiative:	2, 5
Appropriations beyond the five-year plan are needed to complete the project:	No

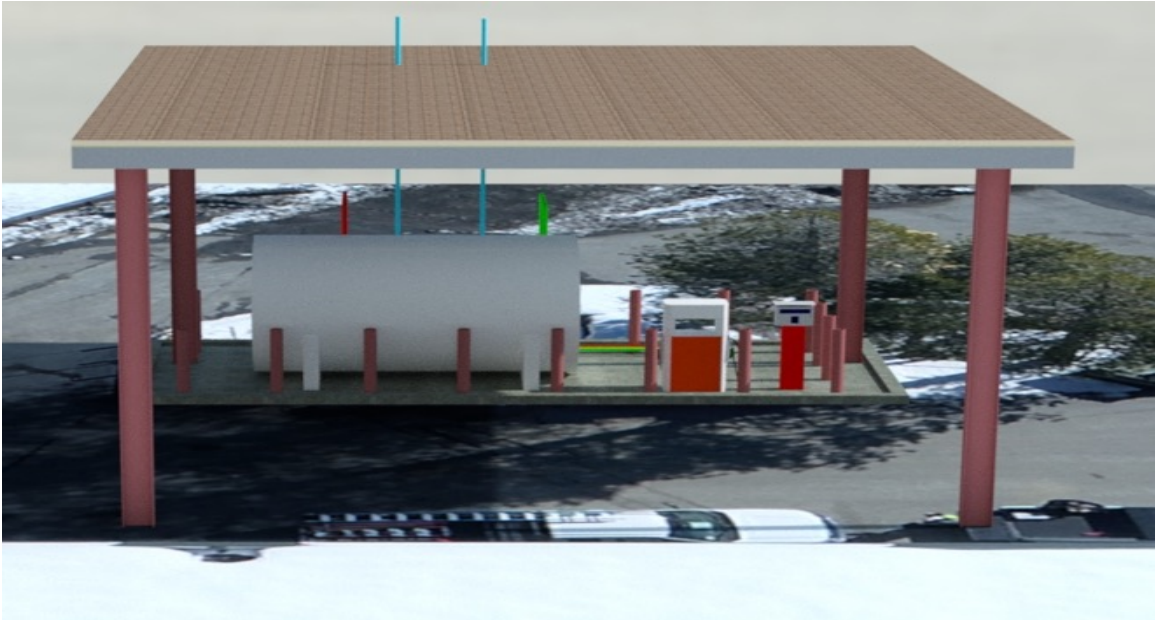


	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services						
	Construction	865,456					
	Total	\$ 865,456	\$ -	\$ -	\$ -	\$ -	\$865,456
Funding Source	Development Fund						
	Replacement Reserve Fund	865,456					
	Total	\$ 865,456	\$ -	\$ -	\$ -	\$ -	\$865,456

5-YEAR CAPITAL FUNDING PLAN

MAINTENANCE YARD FUEL STATION REPLACEMENT

Amenity:	Maintenance
Project Description:	The fuel tank and pump system at the maintenance yard is up for replacement. The project includes replacement of the fuel tank, pad, pump, new card lock system, roof structure and electric vehicle charging stations for future association electric vehicles.
Strategic Plan Initiative:	1, 5
Appropriations beyond the five-year plan are needed to complete the project:	No

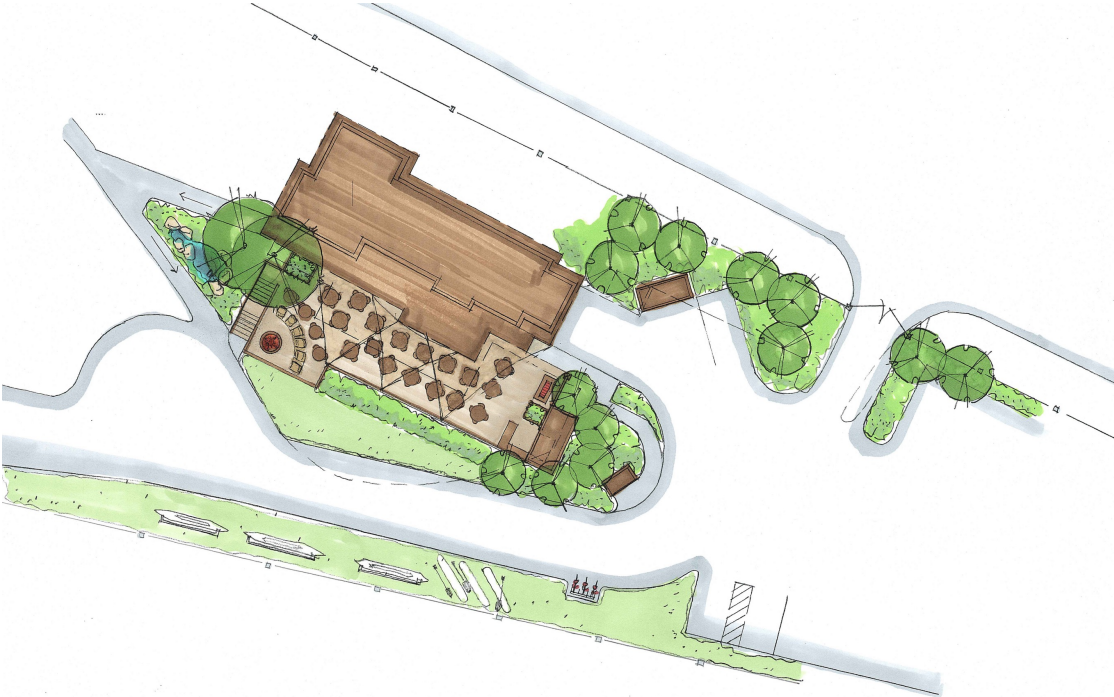


	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services	105,575					
	Construction		1,289,011				
	Total	\$ 105,575	\$1,289,011	\$ -	\$ -	\$ -	\$1,394,586
Funding Source	Development Fund	105,575	575,000				
	Replacement Reserve Fund		714,011				
	Total	\$ 105,575	\$1,289,011	\$ -	\$ -	\$ -	\$1,394,586

5-YEAR CAPITAL FUNDING PLAN

MARINA DECK EXPANSION + SHADE STRUCTURE

Amenity:	Beach Club Marina
Project Description:	The marina is lacking deck space and shade structure adjacent to the grill. The project proposes expanding the existing deck into the lawn area and better utilizing the space for member enjoyment.
Strategic Plan Initiative:	2
Appropriations beyond the five-year plan are needed to complete the project:	No



	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services						
	Construction	349,443					
	Total	\$ 349,443	\$ -	\$ -	\$ -	\$ -	\$349,443
Funding Source	Development Fund	222,000					
	Replacement Reserve Fund	127,443					
	Total	\$ 349,443	\$ -	\$ -	\$ -	\$ -	\$349,443

5-YEAR CAPITAL FUNDING PLAN

BOCCE COURT REMODEL

Amenity:	Northwoods Clubhouse
Project Description:	The bocce courts have reached the end of their useful life and are in need of refurbishment
Strategic Plan Initiative:	2, 5
Appropriations beyond the five-year plan are needed to complete the project:	No



	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services						
	Construction	70,023					
	Total	\$ 70,023	\$ -	\$ -	\$ -	\$ -	\$ 70,023
Funding Source	Development Fund						
	Replacement Reserve Fund	70,023					
	Total	\$ 70,023	\$ -	\$ -	\$ -	\$ -	\$ 70,023

5-YEAR CAPITAL FUNDING PLAN

LODGE GENERATOR

Amenity:	The Lodge Restaurant & Pub
Project Description:	Due to the expected future rolling power outages for fire prevention protocols and the need for emergency shelter areas for members, Tahoe Donner facilities need backup power solutions. The project provides for an outdoor generator at The Lodge for backup power.
Strategic Plan Initiative:	1
Appropriations beyond the five-year plan are needed to complete the project:	No



	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services						
	Construction	278,000					
	Total	\$ 278,000	\$ -	\$ -	\$ -	\$ -	
Funding Source	Development Fund	278,000					
	Replacement Reserve Fund						
	Total	\$ 278,000	\$ -	\$ -	\$ -	\$ -	

5-YEAR CAPITAL FUNDING PLAN

IMPLEMENT TRAIL/TRAILHEAD PROJECTS

Amenity:	Trails and Open Space
Project Description:	An updated Trails and Open Space Master Plan is currently being conducted. This funding is a placeholder for future projects that arise from that study.
Strategic Plan Initiative:	2, 4, 5, 6
Appropriations beyond the five-year plan are needed to complete the project:	Yes



	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services	80,000		25,000	25,000		
	Construction	150,000	80,000	225,000	225,000	100,000	
	Total	\$ 230,000	\$ 80,000	\$ 250,000	\$ 250,000	\$ 100,000	\$ 990,336
Funding Source	Development Fund	150,000	80,000	250,000	250,000	100,000	
	Replacement Reserve Fund	80,000					
	Total	\$ 230,000	\$ 80,000	\$ 250,000	\$ 250,000	\$ 100,000	\$ 990,336

5-YEAR CAPITAL FUNDING PLAN

GLACIER WAY PARKING LOT EXPANSION

Amenity:	Trails and Open Space
Project Description:	The Glacier Way Trailhead parking area is one of the most popular trailheads for both summer and winter use. The current parking lot is undersized for its current use. There is also a need for permanent restroom facilities in this area. The project expands the parking lot and adds a permanent restroom facility to the site.
Strategic Plan Initiative:	2, 5
Appropriations beyond the five-year plan are needed to complete the project:	No



	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services	55,000					
	Construction		550,000				
	Total	\$ 55,000	\$550,000	\$ -	\$ -	\$ -	\$605,000
Funding Source	Development Fund	55,000	450,000				
	Replacement Reserve Fund		105,000				
	Total	\$ 55,000	\$555,000	\$ -	\$ -	\$ -	\$610,000

5-YEAR CAPITAL FUNDING PLAN

EUER VALLEY RESTORATION PHASE 1 (COYOTE CROSSING)

Amenity:	Trails and Open Space
Project Description:	Euer Valley has undergone numerous human impacts from various activities over the past several decades. Tahoe Donner teamed up with the Truckee River Watershed Council to begin restoration of the valley. The phase 1 project includes stream channel work and recreation improvements, including a new bridge across Prosser Creek and a boardwalk providing access across the valley (Coyote Crossing).
Strategic Plan Initiative:	2, 4
Appropriations beyond the five-year plan are needed to complete the project:	No



	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services						
	Construction	945,557					
	Total	\$945,557	\$ -	\$ -	\$ -	\$ -	\$ 945,557
Funding Source	Development Fund						
	Replacement Reserve Fund	355,721					
	Grant - Watershed Council	589,836					
	Total	\$945,557	\$ -	\$ -	\$ -	\$ -	\$ 945,557

5-YEAR CAPITAL FUNDING PLAN

SOUTH EUER VALLEY ROAD

Amenity:	Trails and Open Space
Project Description:	South Euer Valley Road is a multi-purpose doubletrack road that runs along the south side of Euer Valley. The road provides trail connectivity access in the summer and is utilized as a cross country trail in the winter. It is the only emergency access road on the south side of the valley. The road is in need of maintenance to continue providing these services.
Strategic Plan Initiative:	2, 4
Appropriations beyond the five-year plan are needed to complete the project:	No



	Phase	Budget					Total
		2023	2024	2025	2026	2027	
Project Costs	Professional Services	12,000					
	Construction	125,000					
	Total	\$ 137,000	\$ -	\$ -	\$ -	\$ -	\$137,000
Funding Source	Development Fund						
	Replacement Reserve Fund	125,000					
	Grant - Watershed Council	12,000					
	Total	\$ 137,000	\$ -	\$ -	\$ -	\$ -	\$137,000

DEVELOPMENT FUND

WHAT IS THE DEVELOPMENT FUND?

- Established to accumulate funds for large-scale projects
- Large-scale projects are identified through the 20-Year Capital Plan
- This includes building replacements, amenity expansions, additions, land acquisitions and infrastructure improvements

2022 DEVELOPMENT FUND HIGHLIGHTS

- Snowmaking at Cross Country
- Snowmaking at Snowplay
- Alder Creek Adventure Center Trailhead and Trail Restoration
- Alder Creek Adventure Center Air Condition/Airflow
- Downhill Ski Resort Lodge Planning
- Lodge Pavilion Family Dining Area Renovation

Beginning Balance	\$10,601,403
Assessment Funds	\$3,592,515
Interest Income	\$93,000
2020 Operating Surplus Transfer	\$696,534
Expenditures	
Income Tax Expense	-\$11,000
Bad Debt Expense	-\$7,000
Overhead/Payroll	-\$117,083
Capital Additions/Expenditures/ Land Acquisition	-\$1,060,183
Inflation	-\$60,000
Ending Balance	\$13,728,187

2023 DEVELOPMENT FUND HIGHLIGHTS

- Downhill Ski Lodge Construction to Begin
- Workforce Housing Feasibility Study Kickoff
- Backup Generator at the Lodge Restaurant & Pub Facility
- Marina Deck Expansion Construction
- Implement Trail/Trailhead Projects in the Trails Master Plan



DEVELOPMENT FUND

	Forecast 2022	Budget 2023
Beginning Balance	\$10,601,403	\$13,728,187
Assessment Funds	\$3,592,515	\$4,492,262
Interest Income	\$93,000	\$136,000
2020 Operating Surplus Transfer	\$696,534	
Expenditures		
Income Tax Expense	-\$11,000	-\$11,000
Bad Debt Expense	-\$7,000	-\$7,000
Overhead/Payroll Allocations	-\$117,083	-\$170,000
Capital Additions/Expenditures	-\$1,060,183	-\$12,203,633
Inflation	-\$60,000	-\$606,308
Ending Balance	\$13,728,187	\$5,358,508

2023 BUDGET CYCLE – DEVELOPMENT FUND EXPENSES

5-YEAR CAPITAL FUNDS PROJECTION

Amenity	Project	2023	2024	2025	2026	2027
Association Wide	Workforce Housing Feasibility Study/Project	75,000	250,000	1,500,000	1,000,000	1,500,000
Association Wide	Mailboxes			300,000		
ACAC	Snowmelt North Parking Lot (CASP)					
Campground	Campground Bathhouse			51,000	357,000	
Downhill Ski Resort	Downhill Ski Lodge Replacement	11,218,058	6,198,493			
Downhill Ski Resort	Phase 2 Snowmaking - Eagle Rock		50,000	1,025,000		
Maintenance	Maintenance Yard Fuel Station Replacement	105,575	575,000			
Marina	Deck Expansion and Shade Structure	222,000				
Marina	Day Camp Building Replacement				100,000	390,000
Northwoods	Campus Master Plan and Project		150,000	700,000	3,000,000	3,000,000
The Lodge	Lodge Generator	278,000				
Trails and Open Space	Implement Trail/Trailhead Projects in the TMP	150,000	80,000	250,000	250,000	100,000
Trails and Open Space	Glacier Way Parking Lot Expansion	55,000	450,000			

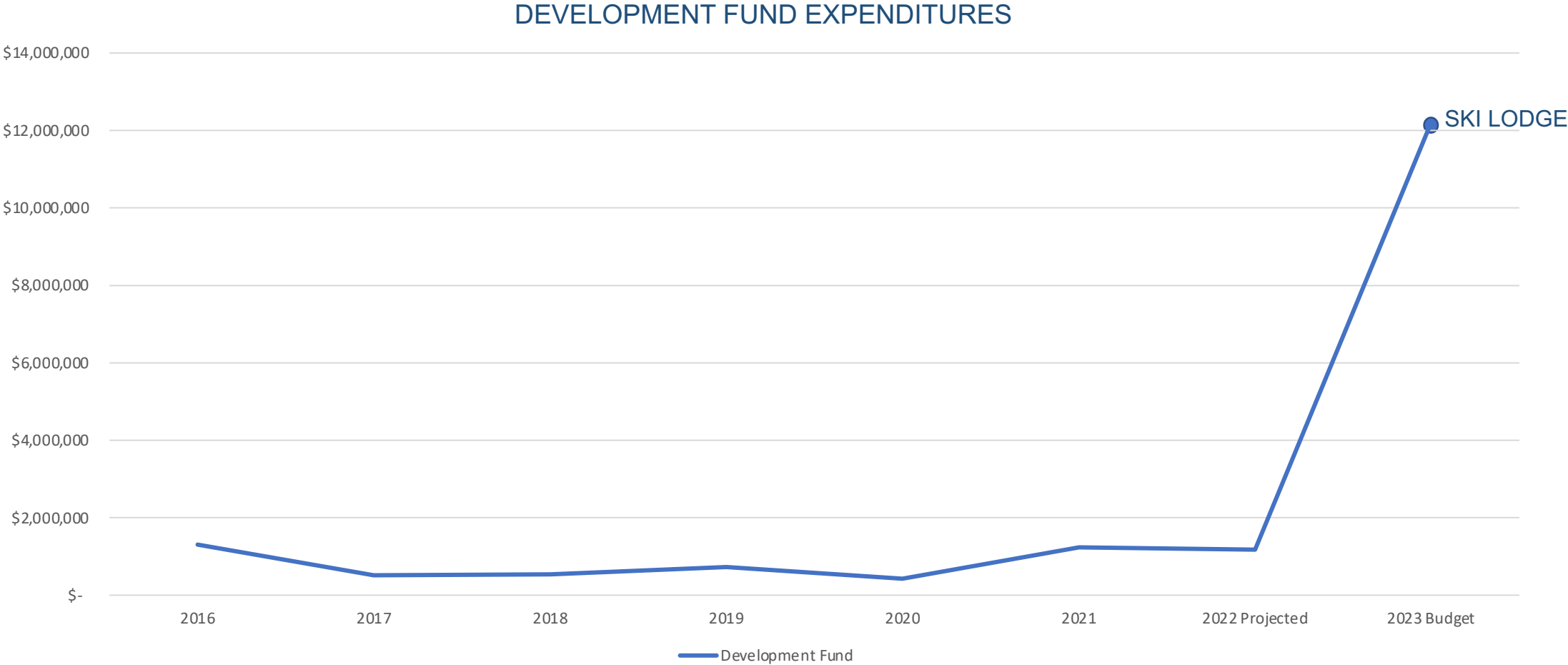
5-YEAR DEVELOPMENT FUND PROJECTION

Estimated Annual Totals, exclude RRF, Inflation Factor, and Direct/Allocated Overhead	2023	2024	2025	2026	2027
	12,103,633	7,753,493	3,826,000	4,707,000	4,990,000
Direct and Allocated Overhead	170,000	176,800	183,872	191,226	198,875
Land Acquisition	100,000	100,000	100,000	100,000	100,000
Expenditures Total	12,373,633	8,030,293	4,109,872	4,998,226	5,188,875
Inflation Factor 4.9% (Projected in 2021 at 4.5%)	606,308	806,249	634,238	1,054,038	1,402,115
Total Including Inflation	12,979,941	8,836,542	4,744,110	6,052,264	6,590,990
Operating Fund Surplus Transfer					
Interest Income 1.0%	136,000	54,000	22,000	31,000	26,000
Income Tax Expense	11,000	4,000	2,000	2,000	2,000
Bad Debt Expense	7,000	7,000	7,000	7,000	7,000
Projected Development Fund Portion of Annual Assessment	694	867	867	867	867
Annual Contribution	4,492,262	5,612,091	5,612,091	5,612,091	5,612,091
Beginning	13,728,187	5,358,508	2,177,057	3,058,037	2,639,865
Ending	5,358,508	2,177,057	3,058,037	2,639,865	1,677,966

5-YEAR IMPACT ON DEVELOPMENT FUND ASSESSMENT

Year	Proposed Increase Each Year From 2021	Proposed Development Fund Portion of Assessment Increased 25% per Year Through 2024
2022	\$111	\$555
2023	\$139	\$694
2024	\$173	\$867
2025	\$0	\$867
2026	\$0	\$867
2027	\$0	\$867

5-YEAR DEVELOPMENT EXPENSES



REPLACEMENT RESERVE FUND

WHAT IS THE REPLACEMENT RESERVE FUND (RRF)?

- The fund is used to account for the financial resources designated for the repair, restoration, replacement or maintenance of major common area components of the association
 - Components must have a minimum threshold of \$2,000 in the aggregate
 - Components must have a useful life greater than 1 year and less than 30 years
- Board policy to maintain a minimum 25% funding level year to year
- A 30-year reserve funding and expenditure plan is produced every 3 years and updated annually for the purpose of scheduling and analyzing funding needs
- TDA completed the 3-year update in preparation for the 2023 budget cycle



3-YEAR RESERVE STUDY OVERVIEW

Site Tour – Hughes Reserves conducted a three-day physical inspection of property

- Current database of components is generally accurate
- Some components may be too granular. Opportunity to reduce number of components and simplify.
- Some new components were identified and will be added to the database. Examples: landscape restoration, irrigation restoration, campus-wide annual allowances for maintenance, etc.
- Conducted detailed desktop analysis of study with TDA staff
 - Review and update current replacement cost of major components
 - Review and update useful life and corresponding replacement years





3-YEAR RESERVE STUDY FINDINGS

Overall Study Updates and Changes:

- Ensure component replacements are consistent with 5-Year Capital Funds Projection (example - start deferring Northwoods Clubhouse components to proposed project year)
- At the recommendation of consultant, combine components to simplify overall study
- Adjust inflation from the current value of 2.5% to 3.5%. Despite the large increase in costs on some items for the near future, it is the opinion of Hughes Reserves that, over the course of the 30-year study, a 3.5% inflation rate should be sufficient going forward, as this is the average over the last 109 years. *This opinion is based on historical data from previous economic hardships.*

3-YEAR RESERVE STUDY FINDINGS, cont.

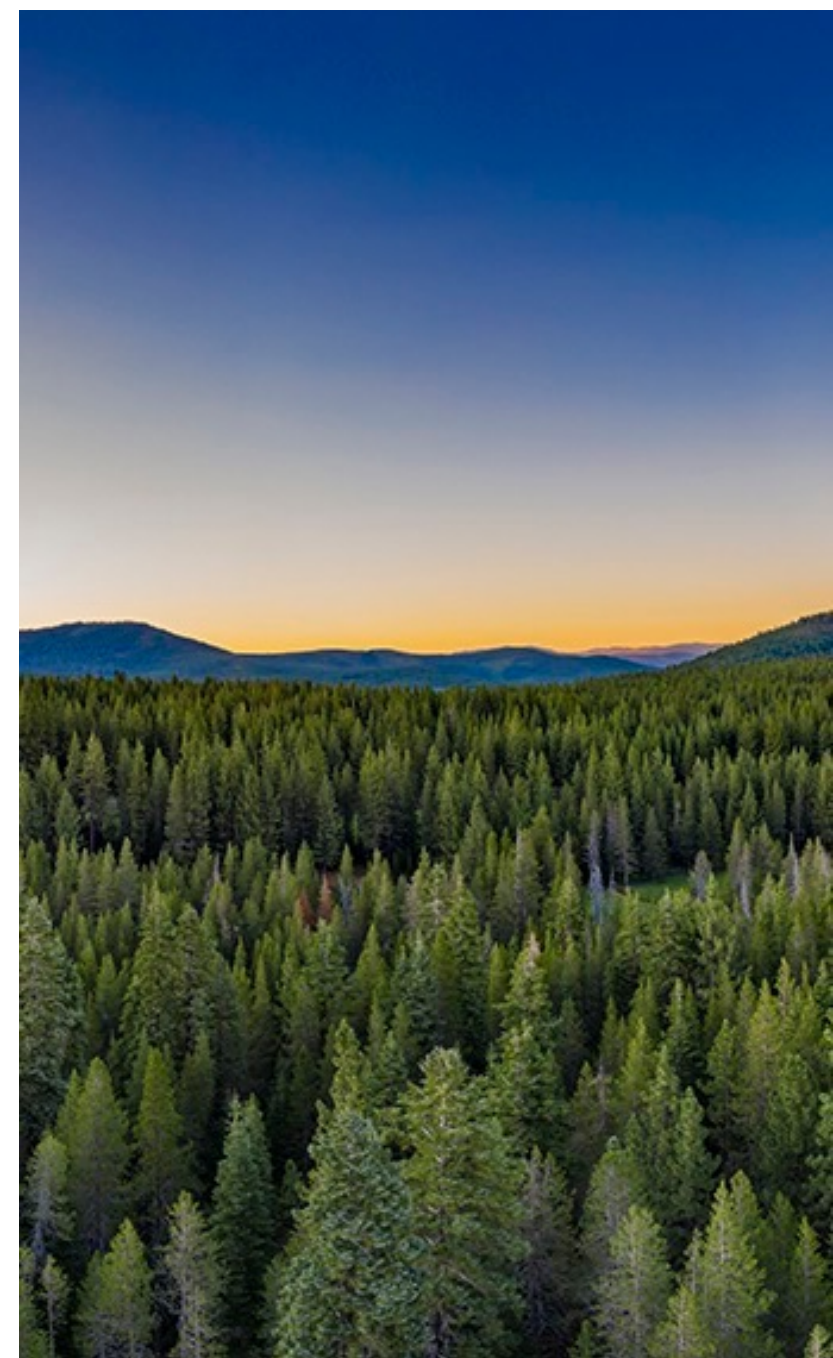
Specific Component Updates, Changes or Recommendations

- **Asphalt Milling/Paving** – Add parking lot/road replacement component at all amenities due to ongoing damage incurred from freeze/thaw conditions
- **Concrete/Curbs/Walkways** – Add annual allowance for removal and replacements due to ongoing damages incurred from snow removal operations
- **Landscape Restoration** – Add landscape component at amenities. Intend to restore landscape areas to the original design; replace trees and shrubs that have been removed over the years; 20-year cycle
- **Irrigation Restoration** – Add irrigation component at amenities. In conjunction with Landscape Restoration, the dated irrigation system also needs to be restored; 20-year cycle
- **Landscape Upkeep**– Add annual allowance for landscape removal and replacements due to ongoing damages incurred during extreme winter snow conditions
- **Utility Replacement** – Add annual utility infrastructure allowance due to aging infrastructure
- Due to age and massive size of campus, consider adding **professional service/engineering components** to study existing conditions and expected remaining useful life. This will support developing a strategy for future replacements of the major component categories (roofs, parking lots, pools, golf course, etc.)

2022 REPLACEMENT RESERVE FUND HIGHLIGHTS

PROJECTS/REPLACEMENTS

- New Roof at Golf Course Maintenance Building – Out to Bid
- Pedestrian Bridge on 18 – Planning
- The Lodge ADA Parking Lot Improvements – Out to Bid
- Pavilion Family Dining Area Renovation – Pending Permits and Board Approval
- Trails Master Plan – Adopt Master Plan Fall 2022
- Euer Valley Restoration Phase-1 (Coyote Crossing) – Continue Planning
- South Euer Valley Road – Continue Planning
- Multihog Snowblower – Purchased and in Transit

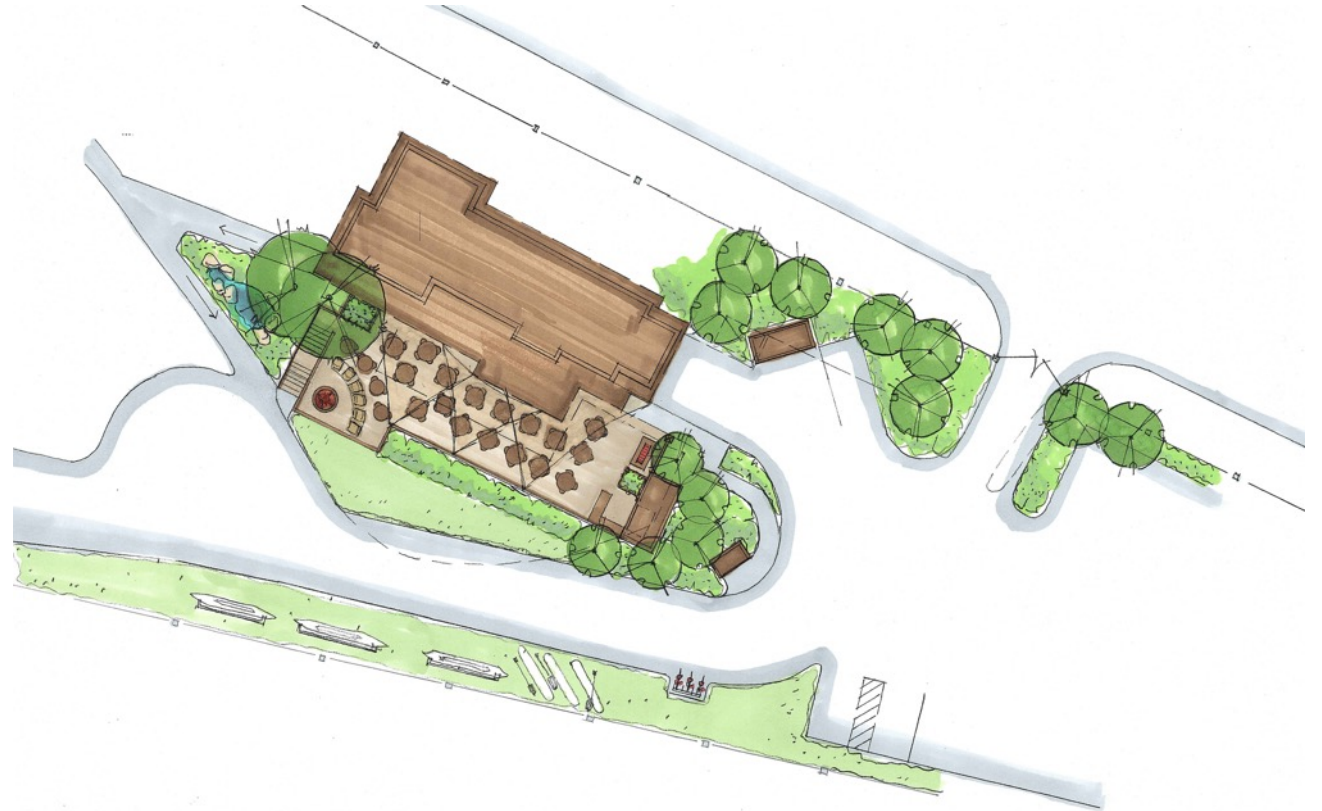


2023 REPLACEMENT RESERVE FUND HIGHLIGHTS

PROJECTS/REPLACEMENTS

- Golf Course Restroom Remodel
- Pedestrian Bridge on 18
- Golf Cart Path Replacement
- Marina Deck Expansion
- Bocce Court Refurbishment
- Trail Projects
- Replacement of End-of-Life Assets:
 - Bikes and Helmets
 - ACAC Fencing
 - Golf Club Car

See project overviews for details



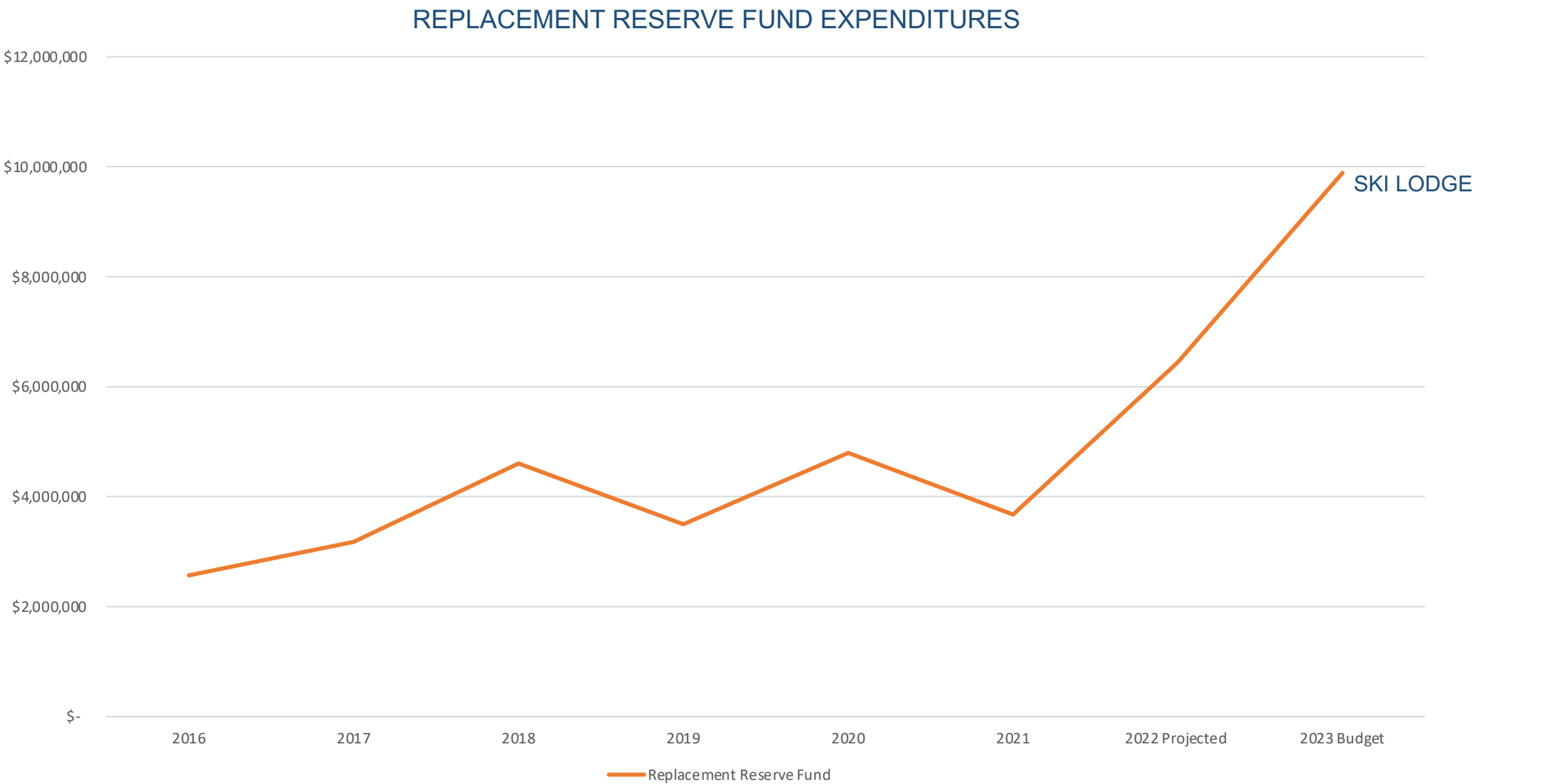
REPLACEMENT RESERVE FUND

	Forecast 2022	Budget 2023
Beginning Balance	\$15,629,024	\$14,778,500
Assessment Funds	\$5,485,104	\$5,708,668
Interest Income	\$111,579	\$116,881
Salvage Receipts	\$36,025	\$46,925
Expenditures		
Consulting	-\$7,600	-\$7,800
Bad Debt	-\$13,000	-\$13,000
Income Tax	-\$25,000	-\$25,000
Overhead/Payroll Allocations	-\$203,000	-\$215,000
Capital Additions/Expenditures	-\$6,238,632	-\$9,671,979
Ending Balance	\$14,778,500	\$10,718,195

30-YEAR CASH FLOW/CAPITAL BUDGET SUMMARY DRAFT

Year	Annual Percent Change to Capital / Reserve Assessment	Capital / Reserve Account Beginning Balance	Expired Useful Life of Components Expressed in Dollars aka "Fully Funded"	Percent Ratio of Fully Funded Value to Capital / Reserve Balance	Annual Dollar Change to Capital / Reserve Assessments	Annual Member Capital / Reserve Assessment	Annual Avg. Capital / Reserve Assessment / Members	Change in Avg. Annual Capital / Reserve Assessment / Members	Monthly Avg. Capital / Reserve Assessment / Members	Change in Avg. Monthly Capital / Reserve Assessment / Members	Estimated Interest, Net of Tax	Annual Expenditures	Capital Contingency	Ending Balance
1/1/2023	4.00%	14,778,500	41,913,184	35.26%	219,564	5,708,668	881.92	33.92	73.49	2.83	116,742	(9,886,979)	-	10,716,931
1/1/2024	4.00%	10,716,931	38,797,613	27.62%	228,347	5,937,015	917.20	35.28	76.43	2.94	95,844	(6,535,239)	-	10,214,551
1/1/2025	4.00%	10,214,551	40,715,804	25.09%	237,481	6,174,495	953.88	36.69	79.49	3.06	95,806	(5,776,132)	-	10,708,721
1/1/2026	4.00%	10,708,721	42,701,967	25.08%	246,980	6,421,475	992.04	38.16	82.67	3.18	110,008	(3,924,224)	-	13,315,980
1/1/2027	4.00%	13,315,980	46,351,143	28.73%	256,859	6,678,334	1,031.72	39.68	85.98	3.31	122,436	(6,693,858)	-	13,422,892
1/1/2028	4.00%	13,422,892	47,472,966	28.27%	267,133	6,945,468	1,072.99	41.27	89.42	3.44	119,523	(7,807,986)	-	12,679,897
1/1/2029	4.00%	12,679,897	48,674,897	26.05%	277,819	7,223,286	1,115.91	42.92	92.99	3.58	121,215	(6,232,101)	-	13,792,297
1/1/2030	4.00%	13,792,297	50,868,562	27.11%	288,931	7,512,218	1,160.55	44.64	96.71	3.72	126,776	(7,536,896)	-	13,894,395
1/1/2031	4.00%	13,894,395	52,096,604	26.67%	300,489	7,812,707	1,206.97	46.42	100.58	3.87	138,770	(5,434,175)	-	16,411,697
1/1/2032	4.00%	16,411,697	55,822,262	29.40%	312,508	8,125,215	1,255.25	48.28	104.60	4.02	165,045	(5,069,294)	-	19,632,662
1/1/2033	4.00%	19,632,662	59,954,560	32.75%	325,009	8,450,223	1,305.46	50.21	108.79	4.18	186,398	(7,194,275)	-	21,075,008
1/1/2034	4.00%	21,075,008	62,255,477	33.85%	338,009	8,788,232	1,357.68	52.22	113.14	4.35	205,897	(6,177,988)	-	23,891,150
1/1/2035	4.00%	23,891,150	65,818,982	36.30%	351,529	9,139,762	1,411.98	54.31	117.67	4.53	232,861	(6,300,077)	-	26,963,695
1/1/2036	4.00%	26,963,695	69,495,325	38.80%	365,590	9,505,352	1,468.46	56.48	122.37	4.71	258,735	(7,186,065)	-	29,541,717
1/1/2037	4.00%	29,541,717	72,557,380	40.71%	380,214	9,885,566	1,527.20	58.74	127.27	4.89	279,004	(8,315,871)	-	31,390,417
1/1/2038	4.00%	31,390,417	75,010,318	41.85%	395,423	10,280,989	1,588.29	61.09	132.36	5.09	300,810	(7,668,436)	-	34,303,779
1/1/2039	4.00%	34,303,779	78,257,399	43.83%	411,240	10,692,228	1,651.82	63.53	137.65	5.29	328,279	(7,934,830)	-	37,389,456
1/1/2040	3.00%	37,389,456	81,638,492	45.80%	320,767	11,012,995	1,701.37	49.55	141.78	4.13	356,640	(8,261,504)	-	40,497,588
1/1/2041	3.00%	40,497,588	85,073,420	47.60%	330,390	11,343,385	1,752.42	51.04	146.03	4.25	379,503	(9,837,848)	-	42,382,628
1/1/2042	3.00%	42,382,628	87,267,856	48.57%	340,302	11,683,687	1,804.99	52.57	150.42	4.38	401,040	(9,266,312)	-	45,201,043
1/1/2043	3.00%	45,201,043	90,545,399	49.92%	350,511	12,034,197	1,859.14	54.15	154.93	4.51	410,717	(13,149,899)	-	44,496,059
1/1/2044	3.00%	44,496,059	90,441,953	49.20%	361,026	12,395,223	1,914.91	55.77	159.58	4.65	421,593	(9,736,655)	-	47,576,221
1/1/2045	3.00%	47,576,221	94,131,811	50.54%	371,857	12,767,080	1,972.36	57.45	164.36	4.79	386,250	(23,952,115)	-	36,777,436
1/1/2046	3.00%	36,777,436	85,003,719	43.27%	383,012	13,150,092	2,031.53	59.17	169.29	4.93	349,768	(10,668,352)	-	39,608,944
1/1/2047	3.00%	39,608,944	89,432,244	44.29%	394,503	13,544,595	2,092.48	60.95	174.37	5.08	380,060	(10,140,736)	-	43,392,863
1/1/2048	3.00%	43,392,863	94,773,807	45.79%	406,338	13,950,933	2,155.25	62.77	179.60	5.23	379,818	(18,167,582)	-	39,556,032
1/1/2049	3.00%	39,556,032	92,895,658	42.58%	418,528	14,369,461	2,219.91	64.66	184.99	5.39	383,819	(10,042,614)	-	44,266,698
1/1/2050	3.00%	44,266,698	99,547,006	44.47%	431,084	14,800,545	2,286.50	66.60	190.54	5.55	413,485	(13,445,950)	-	46,034,777
1/1/2051	3.00%	46,034,777	103,548,173	44.46%	444,016	15,244,561	2,355.10	68.60	196.26	5.72	437,038	(12,305,840)	-	49,410,536
1/1/2052	3.00%	49,410,536	109,123,873	45.28%	457,337	15,701,898	2,425.75	70.65	202.15	5.89	479,044	(10,383,049)	-	55,208,428

RRF EXPENSES – 5-YEAR



NEW MACHINERY + EQUIPMENT FUND



WHAT IS THE NEW MACHINERY AND EQUIPMENT FUND?

Used to acquire new items identified as necessary to be more efficient in operations, or to provide new services to the membership

2023 PURCHASES

- Commercial Umbrellas at the Lodge Pavilion
- Golf Tractor Front-End Loader Attachment





NEW MACHINERY + EQUIPMENT FUND

	Budget 2023
Beginning Balance	\$291,126
Assessment Funds	\$0
Interest Income	\$220
Expenditures	
Capital Additions/Expenditures	-\$121,000
Ending Balance	\$170,346

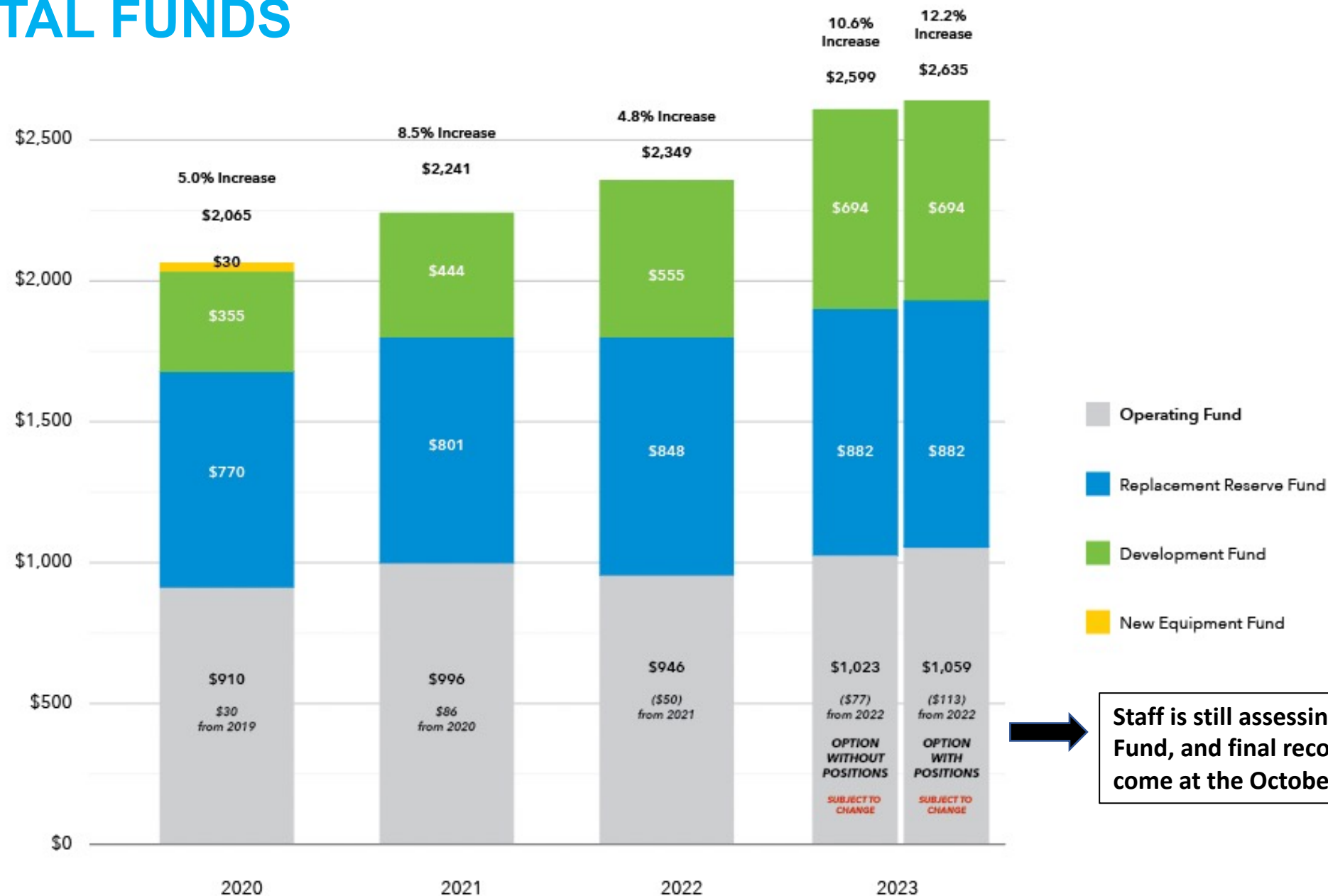
Resolution 2017-4

"A contingency reserve minimum balance of \$25,000 will be maintained in the NEF, with Board approval required to draw down below this minimum."

Note: Resolution does not represent the proper name of the New Machinery and Equipment Fund

ANNUAL ASSESSMENT

DRAFT ASSESSMENT CONTRIBUTION TO OPERATING + CAPITAL FUNDS



Staff is still assessing the Operating Fund, and final recommendation will come at the October 14 meeting.

USING STAFF'S CURRENT BUDGET ASSUMPTIONS, THE IMPACT TO THE:

	Portion of the 2023 Budget	\$ increase from previous year	% increase from previous year
Replacement Reserve Fund	\$882	\$34	4%
Development Fund	\$694	\$139	25%
New Machinery + Equipment Fund	\$0	\$0	n/a
Operating Fund Options	\$1,023 (without positions)	\$77	8%
	\$1,059 (with added positions)	\$113	12%
TOTAL	\$2,599 (without positions)	\$250	10.6%
	\$2,635 (with added positions)	\$286	12.2%

NEXT MEETING'S FOCUS

- **UPDATED OPERATING FUND BUDGET**
- **UPDATED REPLACEMENT RESERVE CAPITAL BUDGET**
- **UPDATED DEVELOPMENT FUND CAPITAL BUDGET**
- **UPDATED NEW MACHINERY AND EQUIPMENT CAPITAL BUDGET**
- **TOTAL ANNUAL ASSESSMENT RECOMMENDATION**



QUESTIONS?

THANK YOU



TAHOE DONNER™