

**From:** [Steve Mahoney](#)  
**To:** [David Mickaelian](#); [Jim Roth](#); [Todd Martyn-Jones](#); [Steve Hogan](#)  
**Cc:** [John Dundas](#); [Michael Rudolph](#); [Joe Niedringhaus](#); [Patricia West](#)  
**Subject:** Tahoe Donner Association 5501 Sub-Committee Meeting Acknowledgement For September 2022  
**Date:** Sunday, November 6, 2022 5:10:44 PM  
**Attachments:** [TDA Account Statements September 2022.pdf](#)  
[TDA 09 2022 Account Reconciliation.pdf](#)

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Ladies & Gentlemen;

This note is a formal acknowledgment that a Sub-Committee of the Tahoe Donner Association (“TDA”) Board of Directors (S. Mahoney and J. Roth) along with members of TDA’s accounting staff and Finance Committee met on November 1, 2022 to complete the financial review called for by Section 5500 (and permitted by Section 5501) of the CA Civil Code (“Davis-Stirling Act”) for the month of September 2022.

The group (or a sub-group made up of those Directors who attended the meeting for items marked with an \*) reviewed the following items as called for by CA Civil Code 5500:

- 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.

As TDA’s Treasurer, I have reviewed (i) the September 2022 month-end account statements for Tahoe Donner’s principal operating and investment accounts as provided by TDA’s banks and investment/brokerage firms, and (ii) a summary reconciliation of activity in the these accounts prepared by TDA’s accounting staff. I have made appropriate inquiries of TDA staff as to satisfy me that my review of the statements for the operating and capital funds’ accounts provided by our investment firms and banks was conducted in accordance with the requirements of CA Civil Code 5500. I also confirm that the reconciliations I reviewed are accurate in all material respects in accordance with the requirements of section 5500 of the Davis – Stirling Act.

I have enclosed pdfs of the bank and investment account statements that I reviewed. During my review, I identified several items that require staff follow-up, annotated on the account reconciliation, including:

1. The Eaton Vance Corporate Bond account within the Replacement Reserve Fund contains a Bank of America Corp. 3.95% Subordinated Note due April 2025 that is rated BAA1/A/BBB+. This bond is not strictly compliant with TDA’s Investment policy (only one A3/A- or higher rating). Please conduct the consultation process - called for by our Investment Policy - with TDA’s investment advisor, and the Finance Committee

to determine if we should continue to hold this investment.

2. The Wells Fargo Securities Replacement Reserve Fund account is very heavily weighted to money market fund investments. Consider extending maturities via a US Treasury investment to gain a better yield more appropriate for this long term asset account.
3. Please confirm that the cash on hand at the Marina (\$5600) has been closed out.

Jim, please review the attached account statements and reconciliation. If you too are satisfied that we have met the requirements of Sections 5500 and 5501 of the CA Civil Code, then please send a note to this group acknowledging your agreement. Thank you.

Patty, please arrange for this email message (without the attachments) to be attached to the September 5501 Meeting report that is circulated to the full Board at a future meeting.

Thanks to all for your participation. Please reach out if you have any questions.

Regards,

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