

An aerial photograph of a resort facility. In the center, there are two large, rectangular swimming pools with blue water, surrounded by lounge chairs and umbrellas. To the left of the pools is a large, multi-story building with a green roof and wooden accents. In the foreground, there is a playground with various colorful equipment on a rubber mat. The entire facility is surrounded by a dense forest of tall evergreen trees. A parking lot with several cars is visible in the upper right corner. The overall scene is bright and sunny, suggesting a clear day.

# **CAPITAL FUNDS + FINANCIAL POLICIES UPDATE**

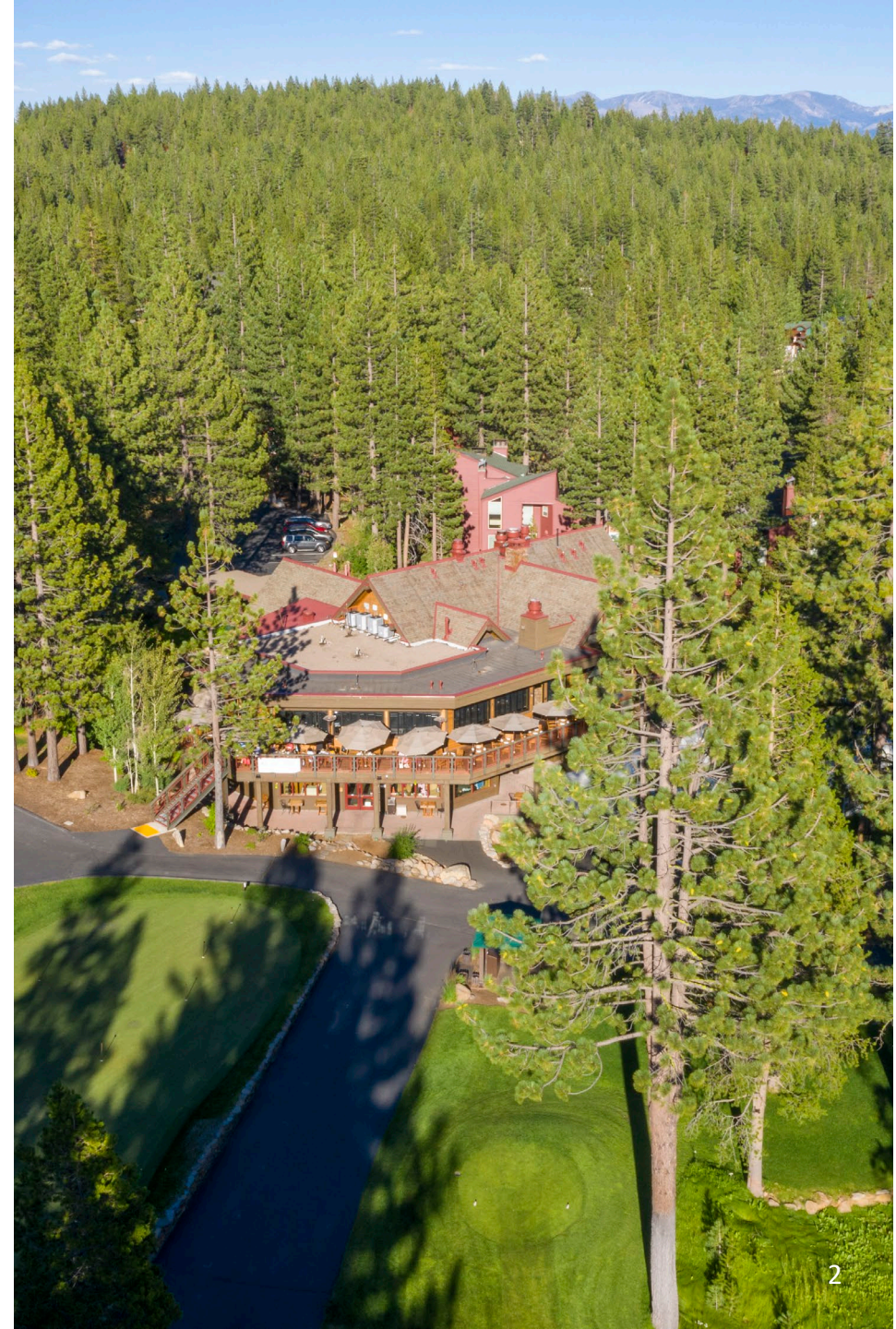
FEBRUARY 28, 2024



**TAHOE DONNER™**

# PROJECT OUTCOMES

- 2024 Annual Strategic Objective implemented
- The Capital Funds Policies and associated Funding Plans and/or Projections are updated
- An implementation plan is provided if there are changes to the funding plan and assessment projections
- Organizational alignment on long-range financial planning and policy implementation
- Policy adoption in time for the 2025 budget process (August – October 2024). ***Policy adoption timeline amended due to capacity constraints in June-Oct. Targeting year-end for draft policies.***

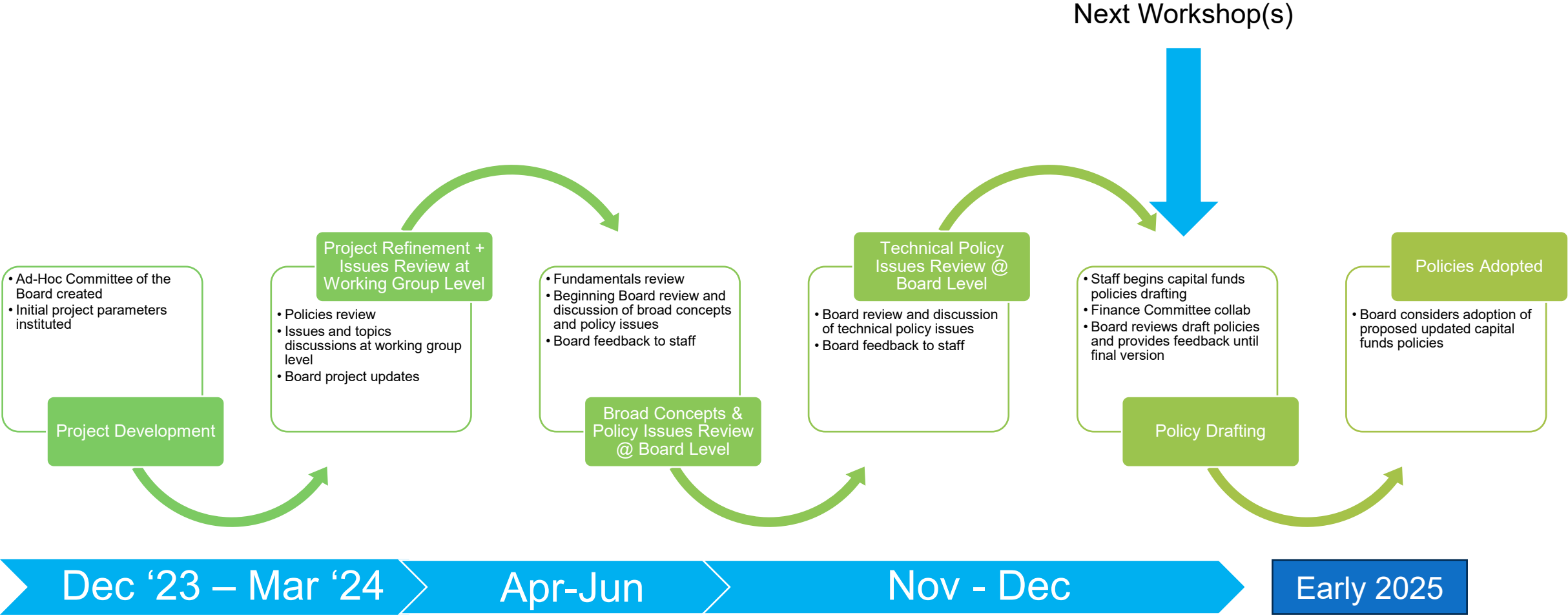


# PROJECT OBJECTIVES

- Clarify and communicate the Association's legal obligation for planning, saving, and the expenditure of capital improvement reserve funds
- Align and integrate the 2023 Community Association Institute (CAI) Reserve Study Standards with policies
- Create an effective facility replacement policy and funding plan within existing reserve funds or an alternative
- Develop a sustainable and more normalized capital funding plan
- Define a transition plan to grow into savings that creates a more normalized Annual Assessment
- Define all terminology and update policies to reflect adopted procedures and process



# CAPITAL FUNDS POLICIES UPDATE – PATH TO POLICY



# SINCE LAST BOARD 10/25/24 UPDATE

Initiated drafting of policies

Wrapping in financial policies identified in the Multi-Year Policy Review and Update Schedule (See board materials for schedule)

Staff and Working Group Meeting(s)

- Mechanics of implementation
- Draft policies
- Overarching concepts



**THANK YOU**