

An aerial photograph of a resort complex nestled in a forest. The resort features several large swimming pools, a central building with a green roof, and a playground with colorful equipment. A parking lot with several cars is visible in the upper right. The surrounding area is densely wooded with tall evergreen trees.

CAPITAL FUNDS + FINANCIAL POLICIES UPDATE INITIATIVE

APRIL 2, 2025



TAHOE DONNER™

MEETING OVERVIEW

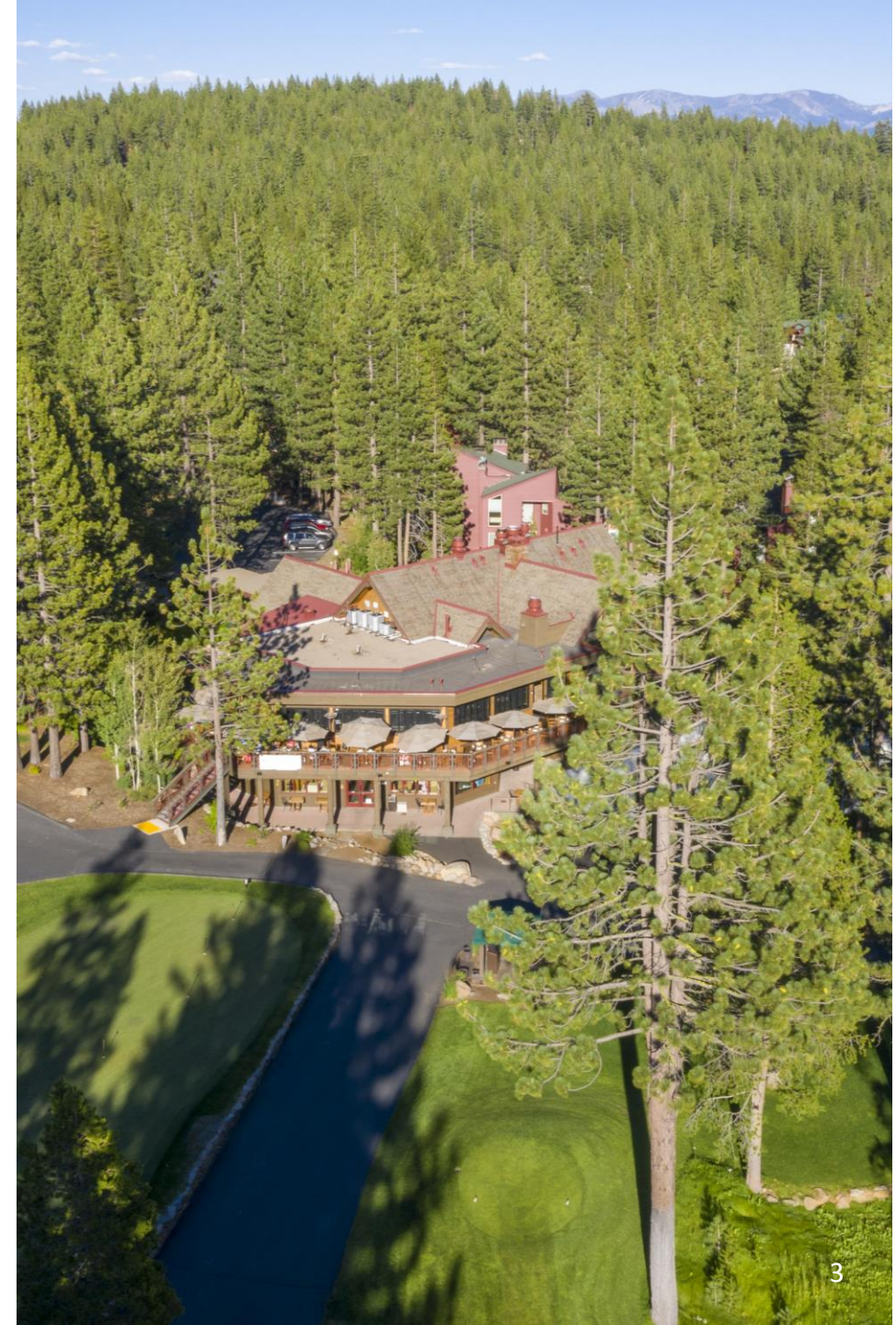
- Brief overview of changes to project outcomes
- Summary of work completed since the 2/28/25 board meeting
- Board and Finance Committee discussion and feedback to the Working Group on proposed draft updates to Tahoe Donner's capital and financial policies, with a particular focus on the following working drafts:
 - The General Policy on Capital Reserves and Capital Improvements
 - Reserve Study Fund Policy
 - Development Fund Policy
 - Financial Policies Glossary



PROJECT OUTCOMES

Updates since the 2/28/25 board meeting.

- 2024 and 2025 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). *The policy adoption timeline was amended in 2024 due to capacity constraints. Targeting the first half of 2025.*
- ***New: Include other Capital and Financial Policy updates identified in the Multi-Year Policy Review and Update Schedule as part of the initiative.***

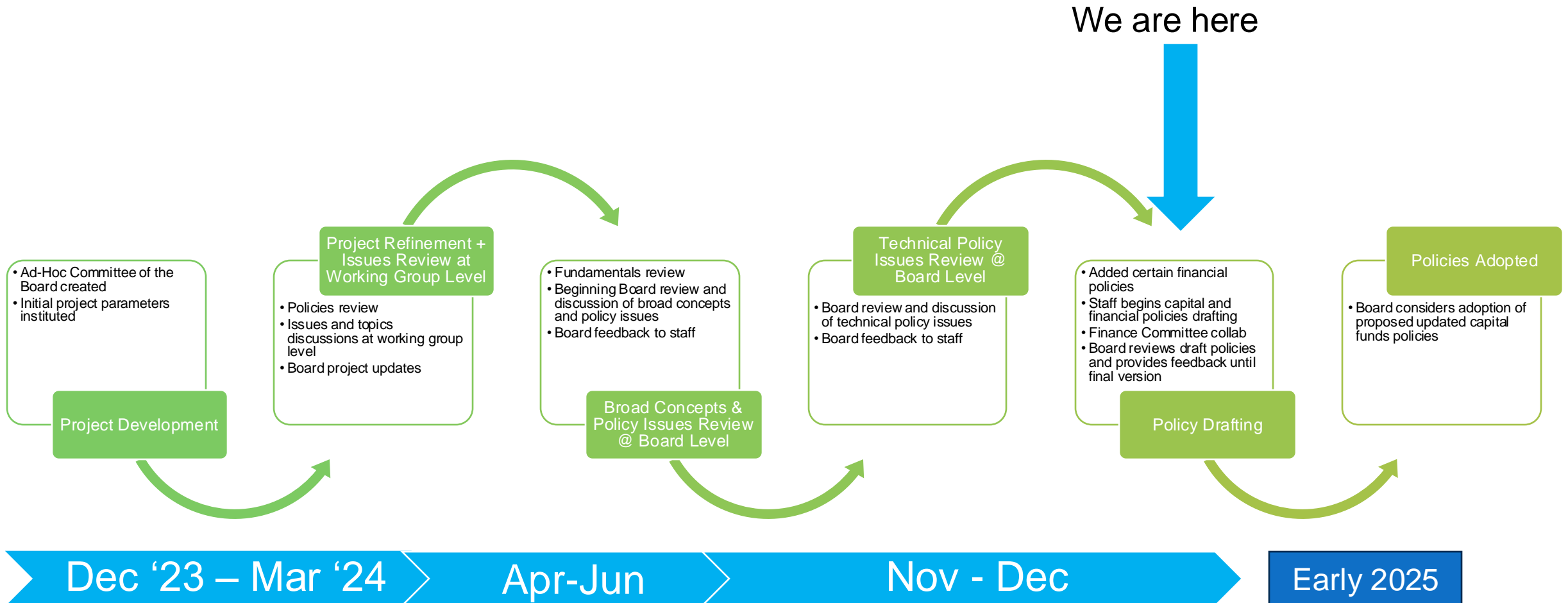


PROJECT OBJECTIVES

- 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 processes



POLICIES UPDATE – PATH TO POLICY



DISCUSSION

DISCUSSION FOCUS

- General capital funds policy framework
 - Draft details remain a work-in-progress
- Working draft policies:
 - The General Policy on Capital Reserves and Capital Improvements
 - Reserve Study Fund Policy
 - Development Fund Policy
 - Financial Policies Glossary

QUESTIONS FOR DISCUSSION

- Do we have a general consensus on the basic policy framework?
- Are there any points of confusion about the framework that require discussion or clarification?
- Do we need to add any terms to the glossary? Do we have a general consensus about the definitions currently in the glossary?
- Does the board have any specific questions or concerns that should be addressed at subsequent meetings?
- What other feedback does the Board and Finance Committee want to provide to the Working Group?



NEXT STEPS

- Special Finance Committee meeting – discuss draft policies and provide feedback to the Working Group
- Working Group integrates feedback from the 4/2/25 board meeting and Special Finance Committee into the working draft policies
- Special Board Meeting April 21, 2025: Discussion and feedback focusing on the following working drafts:
 - Capital Asset Policy
 - Budget Development Policy
 - Authorization Levels Policy
 - Investment Policy
- Regular Board Meeting April 25, 2025: Discussion and feedback focusing on the Operating Fund Policy



THANK YOU