

**TAHOE DONNER ASSOCIATION
BOARD OF DIRECTORS
ADMINISTRATIVE RESOLUTION 2025-##**

BUDGET DEVELOPMENT POLICY

WHEREAS, Tahoe Donner Association is legally required to comply with the Davis-Stirling Common Interest Development Act, which is commonly referred to as Davis-Stirling; and,

WHEREAS, Davis-Stirling requires that common interest developments prepare and distribute financial information to all of its Members that includes the association's estimated revenue and expenses on an accrual basis and a summary of the association's reserves and plan for funding the future maintenance, repair, restoration, or replacement of Major Association Components; and,

WHEREAS, Tahoe Donner Association shall regularly prepare and distribute to each member an annual budget and financial statements that includes a pro forma operating budget, a year-end report, an annual statement regarding delinquency/foreclosure policy, and a regular review of reserve accounts; and,

WHEREAS, the following policy constitutes the Budget Development Policy of Tahoe Donner Association and supersedes Resolution 2014-1, Financial Planning, Budgeting, and Reporting;¹

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Tahoe Donner Association approves and adopts the following Budget Development Policy:

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I. PURPOSE

The purpose of the Budget Development Policy is to establish a timely and effective Budget Development Process for planning, preparation, and approval of the Association's Annual Budget, including the Operating Fund, the Association's various Capital Reserves, and the Association's Capital Improvement Schedules.

II. IMPLEMENTATION

¹ Resolution 2014-1 superseded Resolution 98-6, Financial Planning and Budget Development Procedures.

Working in collaboration with the board and relevant committees, within 120 days of the first of the calendar year, the General Manager shall propose an annual Budget Development Process to the Board of Directors. This process shall provide for:

- Bottom-up budget development consistent with the Association's identified long-range and annual strategic goals.
- Committee involvement consistent with committee charters and task lists.
- Robust member communication for transparency and member education.

If the Board of Directors fails to ratify the Budget Development Process within 120 days of the first of the year, the General Manager and President shall implement a budget development process based upon the previous year's Budget Development Process.

III. REPORTING

The reporting provided to the members through the Association's Annual Budget Report, the Association's year-end Annual Report, and any other Association reporting publications, shall be consistent with all applicable requirements imposed by statute and the Governing Documents.

IV. APPROVAL

Approval of the Budget Development Policy and any changes, amendments, or modifications thereafter may only be accomplished at a properly noticed meeting of the Board, with reasonable time allowed for member comment.

ACCEPTED AND DATED: Month ##, 2025