



FINANCE COMMITTEE MEETING

FINAL REPORT

July 17, 2025

Northwoods Clubhouse, Mezzanine Room and Zoom

1. **Call to Order / Call for Quorum (4):** The Vice Chair (Rudolph) called the meeting to order at 1:39 pm PDT after noting that a quorum was present.

Attendees (All attendees present on either Zoom Video Conference Call or in person at Northwoods Clubhouse):

Members: Rudolph, Vietor, Ravano, Falk, Kodres, Pontius

Absent: Niedringhaus

Staff Lead: Justin Malley (Director of Finance)

Board Liaison(s): Don Koenes

LRPC Liaison to FC: Jerry Meeks

TDA Staff: Annie Rosenfeld (General Manager), Nicole Bouteiller (Controller)

Board Member: Jay Wertheim

2. **Member and Committee Member Comments:** A request was made by the Vice Chair for comments by any Member or Committee Member who wished to do so. No Member comments were forthcoming.

3. **Follow-up Items:**

1. Approval of the June 2025 Finance Committee Minutes. The Vice Chair indicated that all drafts had been circulated for comment prior to the meeting. However, it was indicated by Committee members that more time was needed to review the document. It was agreed to table review and approval of the Minutes until the August meeting.
2. The Investment Management Working Group needs to schedule a meeting. Ms. Kodres and Mr. Malley provided an update. The process is moving forward. Investment guidelines have been provided to all investment advisors/managers. A meeting is contemplated to be held in the fall with the advisors. Further discussion will occur at the August meeting.
3. Accounting policy for the annual assessment will be memorialized by Justin.

4. **Committee Management:**

1. **Recurring Tasks - Presentation and Discussion of June 2025 Financial Results:**

Mr. Malley reviewed June 2025 financial results. Highlights are:

- a. The net operating result for June was unfavorable to budget by \$132k (-13%). The principal causal factors were: Incentive payments timing from the winter season (increased by \$169k) and corrections from prior periods payments (\$85k). Note that the prior period correction did not impact 2025 year to date totals.
 - b. While monthly results were negatively impacted by the incentive payments expense, approximately half of the departments had results that compared favorably to revenue budgets. Golf had outstanding performance with a positive \$183k performance to the revenue plan for the month.
 - c. Total revenue for June was favorable to budget by \$142k (+10%). All departments, excepting Other Revenue, were positive. Other Revenue's miss was due to timing of an expected Forestry Grant for work performed.
 - d. Year to date, Tahoe Donner is 7% favorable to the NOR budget by \$333k and is 36% favorable when compared to the same period last year.
 - e. Revenue for the month was favorable to budget by \$142k (10%) with most revenue streams contributing favorably.
 1. As noted above, Golf operations were favorable to budget by \$183k, with direct access (\$105k), retail (\$24k) and lessons (\$54k) contributing the majority of the favorable variance.
 2. Tennis Center operations were favorable by \$11k to budget.
 3. Marina Consolidated was favorable to budget by \$5k with Marina F&B contributing an unfavorable -\$3k which was offset by a positive 9k in daily usage fees (note rounding of numbers).
 4. F&B revenue was favorable to budget by \$8k. The Lodge had an unfavorable variance of \$43k that was offset by favorable variances in POTH (\$11k), ACAC (\$5k) and Summer F&B (39k) when compared to budget.
 5. Trout Creek (\$7k), Bikeworks (\$9k) and Equestrian (\$2k) had favorable revenue variances.
 - f. Cost of Goods Sold ("COGS") had lower actuals than budgeted with Food COGS actual of 30.0% versus budget of 33.4%; Beverage COGS actual of 21.8% versus budget of 26.4% and Retail COGS actual of 61.4% versus budget of 72.7%.
 - g. Payroll costs were unfavorable to budget by \$316k. It is presumed that a majority of the unfavorable variance is due to the incentive payments. Other Operating Expenses were favorable to budget by \$47k.
5. **General Discussions:** Plans for the 2026 budget process were discussed and target dates for departmental budget schedules were discussed.
 6. **Long Range Planning Update:** Mr. Meeks provided an overview of LRPC activities. Capital planning will encompass 10 and 20 year plans. A member survey is also in development to assist in the planning process
 7. **Working Groups:** Updates are noted above for budget and investment groups.

8. Follow-up Items:

- a. Staff to review accounting for the annual assessment.
- b. Further review of COGS and processing functions.
- c. Update on the Investment Management working group meeting schedule.
- d. Review Finance Committee calendar.
- e. Review incentive compensation accounting accrual amounts and timing.

9. Next FC Meeting: August 21, 2025, 2:00 - 3:30 pm, Northwoods Clubhouse, Mezzanine Room + Zoom.

Adjournment: A motion was made to adjourn by Ms. Ravano and seconded by Ms. Kodres. The meeting was concluded at 3:12 pm PDT with a unanimous vote.

Prepared and submitted by Michael Rudolph, Vice Chair, Finance Committee