



FINANCE COMMITTEE MEETING

FINAL REPORT

August 21, 2025

Northwoods Clubhouse, Mezzanine Room and Zoom

1. **Call to Order / Call for Quorum (4):** The Chair (Niedringhaus) called the meeting to order at 2:45 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: Niedringhaus, Rudolph, Vietor, Ravano, Falk, Pontius

Absent: Kodres

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), Timea

Grisset (Executive Assistant)

Board Member: Jay Wertheim

2. **Member and Committee Member Comments:** A request was made by the 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 and July 2025 Finance Committee Minutes. The Vice Chair indicated that all drafts had been circulated for comment prior to the meeting. A motion to approve the minutes was requested with Mr. Rudolph providing a 1st and Ms. Ravano providing a 2nd to the motion. A unanimous vote to approve the Minutes and forward for inclusion in the Board Minutes occurred.
2. The Investment Management Working Group needs to schedule a meeting with individual advisors. Mr. Malley provided an update and indicated that meetings would be scheduled in September as the budget process was in final stages of preparation. The process is moving forward. Investment guidelines have been provided to all investment advisors/managers.
3. Accounting policy for the annual assessment will be memorialized by Justin.

4. Committee Management:

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

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

- a. The July Net Operating Result was favorable to budget by \$50k. However, reported revenue for July was unfavorable to budget by \$120k. Golf was a bright spot with revenue favorable by \$86k. Expense management was also favorable and resulted in a monthly \$170k positive performance to budget. More detailed explanations of performance are presented in the comments below.
- b. Golf operations had positive contributions to budgeted revenue in all categories for the month (Direct access and use: +\$43k; Retail: +\$30k and Lessons, etc: +\$13k). Tennis also had a favorable contribution of \$22k, with Daily Use being positive by \$9k and Lessons, etc. being positive by \$12k. Offsetting these favorable results, were Marina operations being unfavorable to budget by \$16k, F & B operations unfavorable by \$73k, Trout Creek unfavorable by \$7k, Bikeworks unfavorable by \$13k and Equestrian unfavorable by \$25k.
- c. Specifically for F & B, the Lodge was unfavorable by \$30k, ACAC unfavorable by \$16k, POTH unfavorable by \$7k, Marina F & B unfavorable by \$9k and Summer F & B unfavorable by \$12k. Expectations were for greater visitor traffic, but cooler weather appears to have kept visitor counts lower than the prior year.
- d. Equestrian revenue was lower than expectations due to lower visitor traffic coupled with a higher budget plan which was missed. Staff felt that the overall renewal plan had a number of factors that were negatively influencing performance.
- e. Year to date, Tahoe Donner is 7% favorable to the NOR budget by \$345k and is 34.33% worse when compared to the same period last year.
- f. Cost of Goods Sold ("COGS") had lower actuals than budgeted with Beverage COGS being 18.6% versus a budgeted 26.5% and Retail being 57.8% versus a budget of 76.5%. Food was 34.7% actual for the month versus a budget of 32.4%
- g. Payroll costs were unfavorable to budget by \$22k.
- h. Other Operating Expenses were favorable to budget by \$192k. Major variance categories were: Supplies and Maintenance favorable by \$228k which was due to timing variances; Staff expense was unfavorable by \$8k; Administration was unfavorable by \$11k and Capitalized Labor unfavorable by \$60k (forestry).

5. General Discussions: Plans and status for the 2026 budget process were discussed at length with a first draft of the budget being presented to the Board at its regular meeting on August 29.

6. Long Range Planning Update: Mr. Meeks provided an overview of LRPC activities.

7. **Working Groups:** Updates are noted above for budget and investment groups. FAQ reviews have been scheduled for September.

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:** September 18, 2025, 2:00 - 3:30 pm, Northwoods Clubhouse, Mezzanine Room + Zoom.

Adjournment: A motion was made to adjourn by Mr. Falk and seconded by Mr. Pontius. The meeting was concluded at 3:28 pm PDT with a unanimous vote.

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