



FINANCE COMMITTEE MEETING

FINAL REPORT

October 16, 2025

Northwoods Clubhouse, Mezzanine Room and Zoom

1. **Call to Order / Call for Quorum (4):** The Chair (Niedringhaus) called the meeting to order at 1:25 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, Niedringhaus, Pontius

Absent:

Staff Lead: Justin Malley (Director of Finance)

Board Liaison(s): Don Koenes

LRPC Liaison to FC: Jerry Meeks

TDA Staff: Nicole Bouteiller (Controller)

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 September 2025 Finance Committee Minutes. The Vice Chair indicated that all drafts had been circulated for comment prior to the meeting. Ms. Vietor had a requested change for a word in the document. It was agreed to submit the Minutes for a vote based on the change. A motion to approve the minutes was requested with Mr. Falk 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 has scheduled an update meeting in January 2026
3. Accounting policy for the annual assessment will be memorialized by Justin. Due to the budget/planning season, this item has been deferred until later in 2025.

FAQ sessions with Julie and Laura are occurring regularly with Justin. The sub-group is on track to produce a document by year end.

4. A review of COGS is a ‘shoulder season’ process and will include an examination of how reporting is being done, what is being reported, spoilage (amount and causes), etc.
5. Budget Process: The Board, Staff, and Finance Committee were very pleased with the process and collaboration that occurred this year. When queried about what could be improved, the Finance Committee indicated that more time allotted to distribute materials for review and discussion could assist in streamlining the process. Justin and Annie will discuss ways to implement a budget calendar. Also, a review of the insurance renewal process will occur since this component always occurs at the end of the planning process. Finally, staff agreed to review the number of meetings that would occur for the 2026 planning to assure that everyone was being efficient as possible.

4. Committee Management:

1. Recurring Tasks - Presentation and Discussion of September 2025 Financial Results: Mr. Malley reviewed September 2025 financial results. Highlights are:

- a. The September Net Operating Result was favorable to budget by \$51k. Reported revenue for September was unfavorable by \$9k. Through September, YTD NOR was favorable to budget by \$697k (10%). 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: +\$18k; Retail: +\$17k and Lessons, etc.: +\$5k). Tennis also had a favorable revenue contribution of \$31k to plan, with Daily Use being positive by \$8k and Lessons, etc. being positive by \$17k and Retail was positive by \$7k. Marina Consolidated revenue was unfavorable to plan by \$19k (daily usage fees: -\$2k; rentals: -\$8k and Marina F&B: -\$8k). While cooler weather impacted visitation and revenue (example, Marina results), positive variances in Golf and Tennis suggest a combination of “end of season” activity and discounting on apparel and equipment.
- c. F & B revenue was unfavorable for the month when compared to budget. The Lodge was unfavorable by \$2k; ACAC was unfavorable by \$7k; POTH was unfavorable by \$14k; the Marina was unfavorable by \$8k when compared to budget. While unfavorable visitor traffic, weather and reduced traffic at POTH contributed to the negative variances, spoilage at the Marina’s closing for the season and a mechanical issue with a refrigerator at POTH that created additional spoilage were significant contributors to the negative variances.
- d. Equestrian revenue was favorable to budget by \$5k While Direct Access and Use was unfavorable to budget by \$2k, Lessons/Camps/Boarding was favorable by \$7k
- e. Trout Creek revenue was unfavorable to budget by \$15k, principally in daily usage fees. Again reduced visitor traffic accounted for a majority of the variance.

- f. Bikeworks revenue was unfavorable to budget \$27k with the miss coming in the retail area.
 - g. Cost of Goods Sold (“COGS”) had mixed results. Due to the spoilage issue noted above for the Marina and POTH operations COGS for Food was 50.3% compared to a budget of 33.6%. Beverage COGS actual was 22.2% compared to a budget of 26.6% and Retail COGS was about on target with actual of 66.3% compared to a budget of 65.5%. Mr. Malley indicated that continuing efforts to put a framework in place to evaluate COGS was a priority.
 - h. Payroll costs were unfavorable to budget by \$35k or 2%.
 - i. Other Operating Expenses were favorable to budget by \$96k. Major variance categories were: Supplies and Maintenance favorable by \$62k; Staff expense was favorable by \$2k; Administration was favorable by \$22k; Utilities unfavorable by \$15k; and Capitalized Labor favorable by \$18k.
 - j. Year to date, Tahoe Donner is 10%% favorable to the NOR budget by \$697k and is 22% worse (-\$1.1 million) when compared to the same period last year.
- 5. **General Discussions:** A lengthy discussion occurred on the ERC refund, reporting and presentation in the financial statements. The Finance Committee will also modify the timing of our meeting schedule to make the FC monthly meeting and 5501 meeting more efficient.
- 6. **Long Range Planning Update:** Mr. Meeks covered 3 areas that were actively being worked on: 1.) the Long Range Community Plan will be presented to the Board in November; 2.) the 2026 strategic plan directives have been approved; 3.) the LRPC will have 2 openings in 2026 and are actively seeking members. Mr. Meeks also discussed the Member Survey and that the LRPC works closely with the Marketing Department to have pertinent questions be a part of the survey.
- 7. **Working Groups:** Members of the Finance Committee (Kodres and Vietor) are working on a Q and A for the member review. The target date for completion of all FAQ’s is by year end.
- 8. **Follow-up Items:**
 - a. Further review of COGS and processing functions.
 - b. Review Finance Committee calendar.
 - c. Begin draft of 2026 Finance Committee Task Plan.
- 9. **Next FC Meeting:** November 20, 2025, 2:00 - 3:30 pm, Northwoods Clubhouse, Mezzanine Room + Zoom.

Adjournment: A motion was made to adjourn by Ms. Ravano and seconded by Mr. Niedringhaus. The meeting was concluded at with a unanimous vote.

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