

Walker Lake Shores Landowners Association

FINANCE COMMITTEE REPORT for Oct 21, 2023 BOD meeting

MEMBERS: Carol Gillen (Chair), John Carroll, Dan Murphy, and Alla Pilster

Sept 26, 2023 COMMITTEE MEETING – members in attendance: Alla, Carol, and Dan

Oct 5, 2023 SPECIAL ROAD BUDGET SESSION - with Acting Road Chair, Mike DeVita – members in attendance: Carol, Dan and John.

- I. BANK STATEMENTS: Aug bank statements were emailed to the committee members on Sept 13 and again on Sept 26. Reviewed & acknowledged by all members.
- II. 2024 BUDGET: Finance Committee discussion is focused on the Road portion. The Proposed Road Committee Budget request, the Proposed Assessments to fund it, and Road Income & Expense year-over-year are attached for the board's review.
 - A. 2024 Road Committee Budget requests \$164,350 increase in expenditures, a 15.8% increase in expense over \$141,920 in 2023 is projected, and a 17% increase in income is recommended to meet it (to account for delinquency).
 - B. Borrowing to support a large scale project was explored briefly last year, then interest rates increased. This was quickly rejected for 2024 since interest rates have continued to increase and have been approximated at 9-10% for us. Loans divert Road Repair dollars to interest payments to the bank.
 - C. Road Budgets year over year since 2011 are reviewed, including projections to year end for 2023 and discussion of the effect on Road Reserve. A historical view of asphalt vs gravel road repairs was also discussed.
 - D. Road Assessments year over year since 2019 are reviewed and, after broad-ranging discussion, 3 scenarios created and discussed.
 1. A flat 17% increase across all Road Assessment tiers (preserving Road Reserve).
 2. Would the community support a single year assessment increase for a large scale project? Would likely require a one-time increase at 3x's current assessment levels, but if we had a specific goal and a single year increase, could we garner support? Payment schedules could be employed to help community members with the burden.
 3. **Increase AAF to \$125, draw \$10,000 from Road Reserve & increase each Road Assessment tier \$10 --- COMMITTEE RECOMMENDS THIS APPROACH TO THE BOARD to fund the increase as requested in the Road Committee budget.**

The next regularly scheduled meeting of the Finance Committee will be held on Tuesday, Oct 24, 2023, at 7:00 pm via Zoom.