

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.