

**Finance Committee Meeting
Monday, September 6, 2022
4:30 – 5:30 PM**

STANDING BUSINESS - Call to Order / Quorum - In attendance were Committee Members: Russ Paper (Chair), Peter Schreck (Vice-Chair), Debbie Hardesty (Secretary), Dennis Colwell, Sharon Macway, Barbara Shahapurkar, and Geoff Quelch. Steve Harms was absent. A quorum was obtained—non-committee in attendance, Kate Innes and Justin Janca from Public Alliance, plus one resident Sue Rothstein. The meeting was called to order at 4:30 PM.

There were no proposed changes to the Agenda or August Board Minutes. The agenda and minutes were unanimously approved.

Community Comment – None.

Committee Member Application – Jon Doyle provided his history and past HOA experience. There was an opportunity for the FC to ask questions of Jon. There was then a motion made by the FC and unanimously approved to make the recommendation to the BOD to appoint Jon Doyle to the IMD Finance Committee.

OLD BUSINESS

1. Review of Financials – Member Colwell will address the July Financial Statements in the 2023 Budget portion of the agenda.
2. Status of Current Projects
 - Long-Range Financial Model (LRFM) – Co-Chair Schreck reported that the LRFM is ready for use in the 2023 Budget process and any projections needed for the budget. Member Quelch has expressed an interest in joining this committee. - **OPEN**
 - Quarterly Dashboard – Chair Paper reported that the Committee (Chair Paper, Members Colwell, and Hardesty) had prepared the Dashboard. With the upcoming budget process, the Dashboard will be reviewed and focus on what the FC and Board want to measure in 2023. – **OPEN**
 - Master Schedule of Contracts –Member Macway announced the schedule is up to date with the contracts received. – **OPEN**
 - Process for Disbursement of Reserves – Chair Paper explained the use of this process and the example spreadsheet prepared by Member Macway for tracking this process, with fields which include Topic, a brief description of the project, prior years budget, prior years actual and place for tracking this year advances by category and future years. – **OPEN**
 - Resident Education –Chair Paper said the slide deck had been finalized and used in three separate presentations. Aug 2 – Picnic Park had six residents attend, Aug 4 - Inspiration Pool had two residents attend, Aug 11 - Hang

out Park had 12 residents attend, The Aug 23 - Watering Hole has been rescheduled for Sept 8. An additional presentation has been scheduled for September 13 at Hilltop. Due to the site of this presentation, this will be for Hilltop residents only. Chair Paper and Member Macway will make the presentations. Handouts have been prepared and will be available. Talk this to your neighbors, and all financial committee members were encouraged to attend when possible.

- Revenue Project / Analyze mill levy schedule – Chair Paper has spoken with three resident realtors. They feel it would be easier and less confusing to support district activities with the Mill Levy vs. dues.
 - Executive Summary – Co-Chair Schreck will provide the Executive Summary to the Board meeting this month. – **OPEN**
3. New Building Update – Chair Paper, as FC liaison, said the next Services Center Committee meeting (open to all residents) would be Wednesday evening. The committee is gathering bids for a Survey to detail the site and a Civil Engineer to determine cost estimates to connect to the existing utilities. The site being explored is by the all-ages pool, including some of the sand volleyball courts. The committee is working with a designer on that.

NEW BUSINESS

1. 2023 Budget – Chair Paper outlined the timeline and process for the Budget Process.
 - June – Email committee chairs and management company announcing the start of the budget process.
 - July – Review the current vendor contract list, update the LRFM, and follow up-up with various Committee Heads regarding getting information from them.
 - August – Review current YTD financials, make sure they are plugged in, and determine if the forecast of the 2022 budget is appropriate. 1st Draft of the following year’s Budget presented to Finance Committee. Identify potential unanticipated budgeted events. Review the Reserve Study for budget implications for next year.
 - September – Review the August abstract and certification for the Inspiration Property Tax roles, and refine the operating budget using any updated information resulting from the budget process to date. Update the budgets for the Debt Service Fund, Capital Fund, and General Fund. Reconcile the Operating Fund and the General Fund for transferring considerations.
 - October – Refine budget presented and recommended to the Board.
 - November – Board has a fiscal obligation to adopt a budget and certify a Mill Levy
2. A Draft 2023 Operating Budget was shared with the Committee, and Member Colwell walked through the document. The budget uses an 8% inflationary factor for 2023 and an

estimated average homes of 1,768 in 2023. There are items where 2023 contracts have not been finalized, but after all line items were discussed, the bottom-line Revenue – Expenses (\$27,907).

3. The General Fund, after the Board vote in 2022 to keep the high mill levy, will end 2022 with a high balance which will plug into the 2023 beginning balance. There were some spreadsheets snafus, and a corrected Draft Budget will be sent to the Committee tomorrow.
4. The Capital Fund has revenue from Property taxes – ARI and transfer from the General Fund and Operating Fund Reserve to support the ending balance
5. **Adjournment**
A motion was made to adjourn the meeting and approved unanimously, closing the session at 6:17 PM.

Next Meeting:

Budget Working Meeting, September 26 4:30 Zoom Meeting

Monthly Finance Committee October 3, 2022, 4:30 to 6:00 PM Zoom Meeting


Russel A. Papp (Oct 3, 2022 17:43 MDT)