Finance Committee Meeting Minutes
Monday, July 1, 2024
5:30 PM - 7:00 PM

1. Call to Order at 5:30 PM (MDT) with a Quorum confirmed. In attendance were Committee Members David Bourcier (Chair), Geoff Quelch (Vice Chair), Jon Doyle, Mike Gulan, Linda Arms, and Bob LeGare (BOD Liaison). Secretary Ken Barritt was absent from tonight's meeting. Member Gulan recorded Minutes for tonight's meeting. Also in attendance were non-Committee Members Teresa LeGare (Resident) and Sharon Macway (Resident).

2. There were no changes to the July 1 Agenda. The Agenda was unanimously approved following an initial recommendation for approval from Member Quelch, with a second recommendation from Member Doyle. There were no changes to the June 3, 2024 Minutes. The Minutes were unanimously approved following an initial recommendation for approval from Member Doyle, with a second recommendation from Member Quelch.

3. Community Comment and Discussion. There were no comments or questions.

4. Review of Financial Statements. May 2024 financials were reviewed in summary by Chair Bourcier. Summary comments include:
    a. General Fund
        i. Revenues and expenses are in line with projections. The previously discussed $70K election expense will not be incurred in FY 2024. The FY 2024 budget could be amended later in 2024 to reflect this expense reduction
        ii. The transfer to "other fund" of $220K should have been accomplished within the Operations Fund from unencumbered balance to committed reserve. The budget of $400K transfer is for capital projects
    b. Operations Fund
        i. Revenue is on plan
        ii. Expenditures:
            1. The expense budget has now been time-phased to reflect seasonal activities, and is now showing a YTD under-run of $79K, with certain items being:
                a. Admin / $14K (3%), mostly insurance
                b. Utilities / $41K (25%), mostly water
                c. Landscaping / $17K (6%), mostly tract turnover
                d. Community / $10K (64%), mostly the timing of when the events will actually occur
                e. Facility Maintenance / $12K over budget (15%), various items
    c. Debt Service Fund
        i. No Issues
    d. Capital Projects Fund
        i. The tennis court resurfacing is under budget
        ii. $20K of erosion control expenses have been moved to the Operations Fund
        iii. $42K of new building expense was incurred for the month
    e. Fund Balances
        i. Even though $220K was transferred out of the General Fund and into the Operations Fund, it was not identified as committed reserve by Board Resolution. The balance of $885K should be $220K greater

5. Community Services Center Update. Member Doyle provided the following commentary:
   a. The City of Aurora has provided feedback on the Site Plan amendment, and the architect has drafted a response for the Community Services Center Committee to review. The intent is for the response to be posted with the City by July 5th. Additionally, the bid package that will outline the requirements that need to be met for interested parties is nearing completion. It is anticipated the request for bids will commence in August. Due diligence on each prospective bidder / building contractor will be done to ensure a quality vendor is chosen (which may not necessarily be the lowest bidder). Member Doyle will remain actively involved with the building project process.

6. Status of Current Projects.
   a. Long Range Financial Model (LRFM). Member Arms provided a very brief update, which is to say the process continues to move forward.

   b. 2025 Budget Planning. Chair Bourcier commented that the 2025 budget planning process is underway. It is anticipated that a first draft of the 2025 budget will be presented at the 8-5-24 IMD Finance Committee meeting. The biggest anticipated expense in FY 2025 will be the Community Services Center building. Overall expense increases for FY 2025 will likely approximate the level of inflation (5% to 10% range) on administrative services and grounds maintenance, plus the added cost of maintaining multiple acquired turf areas and open space tracts.

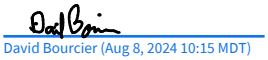
      BOD Liaison LeGare commented that a potential 2025 budget challenge may result from an anticipated voter initiative on the November 2024 ballot wherein Colorado legislation (if approved by voters) will limit annual mill levy increases to 5.5% beginning in 2026. If an anticipated voter initiative on the November 2024 ballot does not reverse this new Colorado legislation, the resulting impact is a notable increase in quarterly assessments (to be known as "fees" in FY 2025) to cover necessary expenditures in future years. General discussion amongst the IMD Finance Committee members on this possible challenge ensued.

   c. Combination of Operating and General Funds. No updated comments were given.

7. New Business. A new prospective candidate for the IMD Finance Committee was introduced during the meeting. The new candidate is Resident Sharon Macway. Ms. Macway is a former member of the IMD Committee (having served from January 2019 to December 2022 (the conclusion of her initial term)), and is desirous of returning in that capacity. Ms. Macway discussed her experience in civic involvement, including numerous years as an employee of the city of Palo Alto, CO. A general Q & A session ensued between the candidate and the IMD Finance Committee. Following this discussion, Ms. Macway removed herself from the video conference to allow for internal discussions amongst the IMD Finance Committee members. This internal discussion resulted in the unanimous recommendation that Ms. Macway's name be presented to the IMD BOD for appointment to the Finance Committee at its next meeting.

8. Adjournment - There being no further business, the meeting was adjourned at 6:12 PM (MDT).

The next regular monthly Finance Committee meeting is August 5, 2024, from 5:30 PM to 7:00 PM (MDT) via Zoom meeting.


David Bourcier (Aug 8, 2024 10:15 MDT)

2024-07-01 Finance Committee Minutes

Final Audit Report 2024-08-08

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