Finance Committee Report
September 2020

The Finance Committee met on September 21 and 22, 2020 via Zoom.

The first meeting was focused on the 99-year leases and input received from our attorney.

In the past, we have simply issued a new 99-year lease whenever lots are bought and sold. However, our new attorney has advised that we need to stop that practice. DBLA is the owner of all of the lots. All that a leaseholder is legally authorized to do (once the BOD has voted to not exercise their right of first refusal), is to transfer the existing lease and the remaining time to a new owner. In other words, if a leaseholder has a 99-year lease and wants to sell their interest in the lease after 20 years, they can only transfer the remaining 79 years to a new owner.

The Finance Committee is working on several proposals and procedures regarding buying additional years and lease renewals, which they will present at the November Work Session for community discussion. In the meantime, the BOD has a fiduciary responsibility to stop the automatic issuance of new 99-year leases, and to notify all leaseholders that going forward that the leases will be transferred or reissued without any additional time.

On the 22nd, we reviewed the August Financials, the Jan – August Budget performance, and the current status of the Septic Project expenses. Our operations budget is still on track. The Septic Project cost and the impact on our Reserves continue to be a major concern. The August Financial Statements will be included in the BOD Meeting Minutes and posted on the website.

Budget week is scheduled for Oct 19 – 23, starting at 10 am each morning except for Thursday (BOD Work Session). The Finance Committee will brief on the draft budget proposal and ask for community input at the Work Session.

The new CPA will start on Oct 1 and will be working with the Finance Committee and BOD to review and establish effective accounting policies and procedures. Additional Finance Committee meetings added as needed to accomplish that task.

Respectfully submitted,

Kate Higgins,
Chair, Finance Committee