

Finance Committee Report – May 2022

We met on May 23 and May 24 to work on the Reserves Study Update. We had several big changes which will impact our Reserves. We are still having issues with ground water infiltration of our sewer lines. One small break in a sewer line has been identified, but it is not large enough to account the approximately 2000 gallons of ground water that enters during a rainstorm. The last time we had a problem like this, it cost over \$20,000 to locate and repair (sleeving the broken sewer pipes). The P-trap replacement project, which will reduce the cost of monitoring and maintaining the sewer lines, is still critically needed. We had planned to spend \$4000 on repairing and replacing sewer lines, but needed to increase it to a total of \$25,000 in 2022.

The other big addition to the near term Reserves spending is the retirement of the smaller Septic systems (Field A and B for the Laundry Room/Upper Restrooms and the Lower Restrooms). Our current permit for the new septic system requires us to complete these projects by March 2025. We do not have accurate estimates yet but added “placeholders” of \$20,000 in 2023 and \$35,000 in 2024. Barb will work on getting better estimates for us before the final update.

Our Reserves have been steadily improving, but these large and necessary projects are going to have an impact and will delay our reaching 70% Funding. We will have a better update once we have more definitive data on the actual costs. Additionally, it turns out that we are required to have an on-site visit for the Reserves Study Update. We also expect that the rates for inflation and savings will need to increase (estimating going from 3% to 5% annually for inflation, and from 1% to 1.5% for savings). We have forwarded the work and updates already identified and Susie is coordinating the date and time for the site visit.

The other major changes are that we have pushed Radclyffe (Building and deck), Ramada, and the Tool Shop replacement projects to 2035. We are requesting that the BOD task the Long Range Planning Committee to assess what we want and need as a community and develop plans on how to achieve them. There are many factors that need to be considered beyond the finances.

We also reviewed the April Financials. Overall, everything is close to the budget except for Electric Expenses and Recovery, and the cost of our septic manager. The electric usage is constantly increasing each year (primarily due to more people staying here for more of the year and colder weather). Barb contested the billing from the septic management company and was able to get the bill reduced. The contract is up for renewal and Barb and the BOD will be reviewing it carefully.

In addition to the current members, we have several new people who have signed up for the Finance Committee. These include Mary Hoffner, Teri Charlesworth, and Gail Young. We request the BOD to approve their membership.