

From: Alan Dashen, Chair, Finance Committee

Subject: Progress Report – Finance Committee

The Finance Committee has had one meeting since the committees were formed, primarily due to a wedding and other major events at the Dashen household. However, we expect to be quite busy in the next few months partly because of the budget process for 2008 which will start shortly.

The current Finance Committee members are:

Alan Dashen, Chair	G 48
Susan Dahl, Board Rep	A 19
Jon Rypdahl	G 51
Scott Wilson	E 38
Rick Hoffman	M 26

Representing HI Staff:

Chuck Motson	E 17
Melody Smith	B 12

The Finance Committee goals, as set forth by the prior committee meetings and HI workshops, are:

1. Convert from Capability to Needs Based Budgeting
2. Develop and Fund a Reserve Plan
3. Examine Alternative Funding Strategies

At the Finance Committee meeting we had, the goals were discussed, with general agreement that these were good goals to pursue. In addition the Committee discussed as that an appropriate role for the Finance Committee would be to understand and review the budget and budget process and subsequently present recommendations to the Board. The objective of this goal would be to provide additional information to the Board to assist in the budget process. The goal would in no way impact the Board's authority to approve or disapprove budgets.

During the discussion of the three previously identified goals, it became clear that the goals are closely intertwined. For example, given current revenue sources HI is limited on improvements it can make and maintenance that could be provided. However, if other sources of funds could be identified, other needs could be fulfilled.

Tied closely to this is the need to establish a reserve fund or series of reserve funds and to adequately fund these over a period of years so that HI can address replacement or repair of major infrastructure without needing to unexpectedly borrow funds.

The next meeting of the Finance Committee is scheduled for Saturday, August 11, at 9 AM at the HI Office.

If you have any question or comments, please contact me or any of the Committee members.