

Finance Committee Meeting Minutes

MEETING DATE AND TIME: Wednesday, October 23, 2024, at 7:00 pm

MEETING LOCATION: Buzz Ware Village Center,
2119 The Highway, Arden, Delaware, 19810

ATTENDEES

Ben Gruswitz – Village Chair
Lorna Lee – Finance Chair
Lindsey Mix – Committee member
Ken Rosenberg – Committee member
Don Lipari – Ardencroft Treasurer
Wyn Achenbaum – Ardencroft Association Director
Jim Schwaber - Ardencroft Association Director
Polly Brown – resident
Ken Morrison – resident
Janet Williams – resident

CALL TO ORDER

Lorna Lee called the meeting to order at 7:07 pm

REVIEW AND APPROVAL OF MINUTES

There were 2 places in the minutes where the name Lindsey Mix was misspelled as Lindsay Mix. A corrected version will be submitted.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

External audit of Village Assembly finances

This needs to be done by an external CPA. It may be workable to have this done as part of an audit of the Ardencroft Association finances. The Committee will investigate CPAs and get quotes to be presented to the Village during the 2025 Budget meeting.

Public hearing of rental value of lands in Ardencroft

This began with an overview of the difference between taxes on land versus housing values, the upcoming county tax reassessment, and school versus county taxes. Valuable insights were provided by the two Association Directors present. There was general consensus to avoid making any changes to the formulas that determine how the land rent is calculated.

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The current land rent base rate is 0.2503 per square foot (with a discounted rate of 0.1752 per sq. ft. for land greater than 10,000 sq. ft.). The Committee inquired if the Directors would provide some basic financial information, such as the current reserve fund balance, as data to make an informed decision about the base rate. There have been four years of increased land rent rates which have brought the reserve fund (assets) of the Association back up to a comfortable amount. In past years this situation would call for making a small or no increase (0% to 4%) to the rate.

However, the impending County tax reassessment creates great uncertainty. Once the individual property tax reassessments are in hand the Directors will consider which properties may be overtaxed and then make appeals. The Finance Committee may be able to help gather extra information to help this complicated process.

Recommendation of rental value to the Ardencroft Association Directors

The Committee recommends to the Directors that there be no change to:

1. the current land rent rates
2. the current structure of charging a flat rate for all properties, regardless of location; and the current discounted rate for properties greater than 10,000 square feet.

If the County reassessment results in an overall tax increase then it may be prudent to raise the land rent rates.

PUBLIC COMMENT

There was no public comment on matters outside of the tax rate recommendation.

NEXT SCHEDULED MEETING

March 19, 2025

The Association fiscal year is January 1 to December 31 (note contrast with the Village Assembly fiscal year being July 1 to June 31). The Association Directors make budget plans in January, therefore in future years the public hearing for land rent assessment will be held in January rather than in the fall.

The Committee is considering whether to schedule another meeting in January, 2025.

ADJOURNMENT

Lorna Lee adjourned the meeting at 8:43 pm.

Respectfully submitted,

Ken Rosenberg