



COMMUNITY ASSOCIATION

Finance Committee Meeting - Tuesday, November 17, 2020

945 W. Vistoso Highlands Drive

Committee members present: Gayle Lopez, Treasurer/Chairperson, Members: Norm Bogen, David Light, Rob Quiri, Matt Wood and Susann Ventzke

Board members present: No additional board in attendance

Guests: None

Committee member attending via conference call: All members meeting via Zoom due to Covid 19 Pandemic

FirstService Residential staff present: Colleen Holland, General Manager, Veronica Alvarez, Lead Accountant, Susan Rodriguez, V.P.

ONGOING REFERENCE NOTE: For clarification purposes when looking at the financials: **347** in the heading indicates just VCA activity, **347A** is Sienna and **347Z** is the consolidation of the two.

The meeting was called to order at approximately 3:06pm.

Adopt Agenda – Motion by Matt Wood to adopt the existing agenda, seconded by Norm Bogen, motion carried unanimously.

Meeting Minutes – Approve October 20, 2020 and November 3, 2020 June 2020

Motion by Matt Wood to approve both sets of minutes with revisions, seconded by Norm Bogen, motion carried unanimously.

Review of Financials –October 2020

-Treasurer Lopez provided an overview of the Profit & Loss Report. Discussion ensued regarding flagged line items that correspond to unusual variances.

David had four comments he wanted to share: he is concerned about the yield statements based on historical information provided to RBC, .86 and .64 are poor to mediocre, discussed Sharp Ratio on Page 13 of the RBC proposal, we need less risk. ***Motion made by David Light to accept the October 2020 Financials, seconded by Susann Ventzke, motion carried unanimously.***

New Business

-Review/Recommendation of FSF/Morgan Stanley vs. RBC Reserve Investment Plan

- RBC Plan - David Light commented that it is desirable to have a Sharpe Ratio close to one. RBC plan was 3yr @ 0.86 & 5-yr @ .64. Benchmark consistently performs better, than product why? Susann Ventzke said fees looked high for the product. Gayle Lopez to confirm fee structure, return rate, and benchmark.
- FSR/Morgan Stanley - Plan did not indicate the credit quality of bonds or Sharpe Ratio. Gayle Lopez to ask FSR/MS to adjust plan to include bonds rated BBB or better and provide Sharpe Ration
- FC will evaluate both options and vote on plan to recommend to the BOD at December 1, 2020 FC meeting

-Outcome of On-Site Office Study Group – Gayle Lopez shared on-site office costs ~\$50,000/year. Not open to members since March 2020 due to COVID. Staff and some BOD members in favor of keeping open during COVID even though not open to public/members. Some BOD and 6 of 7 residents were of the opinion to close office, have staff move into FSR corporate offices for 6-12 month, then find suitable office space post COVID. BOD to vote on issue in December.

-Outcome of Siena Town Hall – Gayle Lopez shared that the November 16, 2020 went as well as could be expected. ~17 Siena homeowners participated. Residents attending now understand why assessments need to increase. Residents

were encouraged to form a Siena Homeowner's Group if they felt the need to have more organized input to the management of the community.

Homeowner Forum – No questions or comments

Adjournment - *Motion to adjourn by Matt Wood, seconded by Norm Bogen, all in favor - Meeting ended at 5:05pm*

The next Financial Committee meeting is scheduled for Tuesday, December 1, 2020 at 3pm