



Finance Committee Meeting – Tuesday, May 17, 2022

Via Zoom Platform at 3:00 P.M.

Committee Members Present: David Light (Treasurer/Chair), Tracy Anne Phillips, Sherry Patterson, Barbara Stough, Joan Sauer, David Johnson

Absent: Paige Shockley

First Service Residential Staff: Barbara Daoust and Veronica Alvarez

Guest: Carl Buchwald

I. Call to Order: The meeting was called to order at 3:01pm.

II. Chair's Opening Remarks

David Light, New Board Treasurer and Chair of the Finance Committee introduced himself and discussed the committee's fiduciary responsibilities and explained their role as an advisory committee to the board.

III. Introductions

Each member introduced themselves and provided a brief background. David Light introduced Paige Shockley which was unable to make this meeting and the staff members in attendance.

IV. Agenda

Two topics were added to the agenda under New Business: I. Remove & Replace Trees at Hohokam Park Proposal and J. Unbudgeted Items Spending.

A motion was made by David Light and seconded by Tracy Phillips to accept the agenda as amended. Motion was passed unanimously.

V. Approval of March 15, 2022, Minutes

A motion was made by David Light and seconded by Tracy Phillips to approve the March 15, 2022 minutes as presented. Motion passed unanimously.

VI. Review 2022 Financials:

The committee was provided the 2022 March financial report by email. The April 2022 statements are not ready and will be forward to the committee by Veronica Alvarez in the next few days. Board Treasurer David Light will review and provide the April report for the board meeting next week. The committee will be reviewing the May financial statements next month.

VII. Old Business

A. Capital Reserve Tracking Tool

The committee reviewed the 2022 Capital Reserve tracking tool. David Light and the General Manager will meet separately to make some revisions.

B. 2018 Tax Return

Veronica Alvarez explained that the signed power of attorney was send to Butler Hansen and she will request an update from them.

VIII. New Business

A. Setting Up Payment Plans Prelegal

The committee discussed the need of setting up a payment plan policy prior to the prelegal process.

A motion was made by Tracy Phillips and seconded by David Light not to create another policy and don't allow payment plans prior to pre-legal. Motion was approved unanimously.

B. Initiate This Year's Reserve Study Update

Currently the reserve study has not been initiated for this year since the question about including or not Siena reserve fund components in the Master Association Study is still not resolved. It was suggested that the reserve study for this year be a without a site visit.

C. Review Siena's Reserve Fund and Reserve Study

1. The committee reviewed Siena's budget and the contribution to their reserve fund for 2022.
2. The committee discussed the re-separation of Siena's reserve study from the Master Association's reserve study. David Light provided a brief history and reasons to support this position.

A motion was made by Sherry Patterson and seconded by Tracy Phillips to recommend to the board to exclude Siena from the Master Association Reserve Study. Motion carried with for five votes in favor and one opposing vote casted by Joan Sauer.

D. Annual Audit

1. Review the Status of the 2020 Audit

The completion of the 2020 audit is pending additional information regarding the commercial parcel assessments. The board employed WLB to perform a boundary survey on six parcels to validate acreage. They have indicated that they are 90% complete with this project. The results will be shared with the board and the finance committee.

2. Recommend the engagement of 2021

Paul Hansen from Butler Hansen recommended to wait until the 2020 audit is closed before an engagement letter is presented.

E. Review of Investment Policy

Discussion ensued about the current policy which was adopted by the board. It was described as not flexible enough and very conservative. The interpretation of the current policy is that investments could not be considered below a certain rating. The committee assignment for next month's meeting is to review the policy and make suggestions.

F. Review Reserve Fund Investment Portfolio and Advisor

The committee discussed the investment portfolio and RBC advisor's performance. Concerns were expressed about fee that RBC is receiving for sub-contracting bond portion of the portfolio that was not disclosed to the association. The committee discussed researching other options available and to advise the board on their findings.

The committee agreed to table discussion on the following topics until next month.

- Siena Gate Reserve Components 2004 & 2006
- Review New Committee Charter

I. Remove & Replace Trees at Hohokam Park Proposal

The committee discussed the proposal from AAA Landscape for removing and replacing trees at Hohokam Park at a cost of \$8,403. The Parks & Landscape Committee has reviewed the proposal and is recommending to the board to go forward with the project. As per the Procurement Policy multiple bids on this size project are not required. Concern was expressed if removal of trees is part of AAA Landscape contract.

A motion was made by Tracy Phillips and seconded by Barbara Stough to accept the proposal pending contract review. Motion was unanimously approved.

The committee agreed to table discussion on the topic of "Unbudgeted Items Spending" until next month.

IX. Adjournment

The date and time of the next meeting is June 21, 2022, at 3:00pm.

A motion was made by Joan Sauer and seconded by Barbara Stough to adjourn the meeting at 5:29pm. Motion carried.