



## Finance Committee Meeting Minutes – Tuesday, July 21, 2022

### Via Zoom Platform

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

**Absent:** David Johnson

**First Service Residential Staff:** Barbara Daoust, Veronica Alvarez, and Kimberly Breland

**Guest:** Carl Buchwald and Gayle Lopez

I. **Call to Order:** The meeting was called to order at 3:00pm.

II. **Chair's Opening Remarks**

David Light mentioned he was committed to end the meeting prior to 5:00pm. Introduction of the new FSR Comptroller, Kimberly Breland was made.

III. **Agenda**

**A motion was made by David Light and seconded by Joan Sauer to accept the agenda as amended. Motion was passed unanimously. The following agenda changes were noted:**

**(1) to change the proposed motion language under VII. Business, B. to “consider changing investment advisor” from “change advisors”.**

**(2) Move topic VII., J. 2018 Tax Returns before VI. Review of the June 2022 Financials.**

IV. **Approval of June 21, 2022, Minutes**

**A motion was made by David Light and seconded by Joan Sauer to approve the June 21, 2022 minutes as amended. Motion passed unanimously. Minutes are to note the amendments made.**

V. **2018 Tax Return**

Staff has requested a fileable copy from CPA Todd Lundering. Once received copy will be sent to the Board Treasurer for signature.

VI. **Review 2022 Financials:**

The committee was provided the June 2022 financial report by email. The following points were discussed.

- Discussion ensued about FSR providing consolidated reports, detail chart of accounts, cash flow report and a signature page indicating who at FSR reviewed and approved the reports. Kimberly Breland will research what is available and will report back.
- It was noted that bad debt allowance is done quarterly but has increased significantly.

**A motion was made by Paige Shockley and seconded by Barbara Stough to accept the 2022 June Financial Report. Motion was approved unanimously.**

VII. **Business**

**A. Review of Investment Policy**

The committee reviewed the proposed changes suggested by David Light. Discussion ensued about having more than one company to manage the investment portfolio. This may lead to higher fees and the need for the association to monitor the investments more closely.

**A motion was made by David Light and seconded by Paige Shockley to add the word “companies” to conduct transactions under number 3 Delegation of Authority, page 3, seventh line down. Motion passed unanimously.**

**A motion was made by David Light and seconded Tracy Phillips to delete the words “fixed income” in section 2. Investment Objectives, c. Types of Investments last paragraph in i. Motion was approved unanimously.**

**A motion was made by David Light and seconded by Barbara Stough to delete f. entirely under section 2 Investment Objectives, c. Types of Investments, ii. Motion carried with four votes in favor and one opposing vote casted by Joan Sauer.**

#### **B. Review Reserve Fund Investment Portfolio and Advisor**

David Light reported that he contacted Karla Chung from FirstService Financial and was referred to Morgan Stanley. RBC will be a considered as a vendor in the process. A list of criteria and vetting process would need to be developed.

**A motion was made by David Light and seconded by Barbara Stough to recommend to the board to consider changing investment advisor. Motion passed unanimously.**

#### **C. New Committee Charter**

David Light reviewed the proposed changes with the committee members. Joan Sauer made suggestions to clean up the document language The committee authorized Joan to do so and forward copy to chair to be shared with the rest of the committee members prior to going to the board for adoption.

#### **D. Reserve Project Planning Project**

This topic was tabled for the next meeting.

#### **E. Review 2022 Budget and AAA Contract**

The current landscaping contract with AAA Landscape exceeds the budget amount approved in the 2022 budget. Joan Sauer pointed out that the budget line items were consolidated in 2022 from the 2021 budget. The problem presented was a budgeting issue.

Note: The committee decided at this point to table the rest of the topics to the August meeting.

### **VIII. Adjournment**

The date and time of the next meeting is August 16, 2022, at 3:00pm.

The meeting was adjourned at 5:17pm.