



Finance Committee Meeting Minutes – Tuesday, August 16, 2022
Via Zoom Platform

Committee Members Present: David Light (Treasurer/Chair), Tracy Anne Phillips, David Johnson, Paige Shockley, Barbara Stough, Joan Sauer, and Carl Buchwald

Absent: Sherry Patterson

First Service Residential Staff: Barbara Daoust, and Kimberly Breland

Guest: Gayle Lopez

I. Call to Order: The meeting was called to order at 3:02pm.

II. Chair's Opening Remarks

David Light commented that Sherry Patterson will be on temporarily leave from the committee and Carl Buchwald will be a voting member of the committee until her return.

Due to the late distribution of the July financial statements the committee will meet on August 22, 2022, at 3:00pm to review the report.

III. Agenda

The following change was made to the agenda; delete J. investment Policy under VI. Business.

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

IV. Approval of July 19, 2022, Minutes

The result of the third motion was added under VII. A. Review of Investment Policy.

A motion was made by David Light and seconded by Tracy Phillips to approve the July 19, 2022 minutes as amended. Motion passed unanimously.

V. Review of July 2022 Financials

Deferred to the August 22, 2022, meeting date.

VI. Business

A. Reserve Project Process Proposal

Tracy Phillips presented the Reserve Project Process as outline in the packet. She reviewed the pros and cons of the process.

A motion was made by Tracy Phillips and seconded by David Light to recommend the process to the board. Motion failed with three votes in favor and four opposing votes casted by Carl Buchwald, Paige Shockley, Joan Sauer, and David Johnson.

B. AAA Audit Proposal Review Reserve Fund Investment Portfolio and Advisor

There were three AAA Landscape invoices found showing that the preferred pricing was not used per the contract due to a software issue. The General Manager did request all proposals to be broken out going forward. Tracy Phillips volunteered to conduct the auditing of the invoices. The committee discussed concerns in going back three years, the expense of using an independent auditor and utilizing committee members to perform the audit. Members suggested to go back to the current year only.

A motion was made by Tracy Phillips and seconded by Paige Shockley to recommend to the board to conduct an audit and to review all proposals to ensure preferred pricing was used per the contract. Motion carried with four votes in favor and three opposing votes casted by Paige Shockley, Carl Buchwald and Joan Sauer.

C. Committee Events Proposal/Unbudgeted Items Spending

A motion was made by Tracy Phillips and seconded by David Light to discontinue the bi-annual shredding event. After discussion the motion was amended by Tracy Phillips and seconded by David Light to discontinue the shredding event or to have AAA Landscape pay for the event per the contract in sponsoring community events up to \$5,000. Motion was unanimously approved.

A motion was made by Tracy Phillips and seconded to have all community events paid for by AAA Landscape up to \$5,000. Motion was unanimously approved.

D. 2023 Budget Preparation

The General Manager mentioned that the board needs to adopt the 2023 budget at the October 27, 2022, General Session Meeting. Additional meeting dates will be set up. The committee members split up to review the expense categories as follows:

Barbara & Carl – Administrative

David Johnson & Tracy – Landscaping

Paige & Joan – Utilities/Common Area

David Light- Reserve Expenses

E. 2023 Committee Budget Requests

Copies of committee budget requests have been included in the Finance Committee's packet.

F. Capital Reserve Tracking Tool

The General Manager and Chair will be working on the tracking tool for the next month's meeting.

G. Siena Gate Reserve Components 2004 & 2006

This topic was tabled until the September 20th meeting for discussion.

H. 2018 Tax Return Update

After the Board Treasurer signed the returns, copies were mailed.

I. Reserve Study Update

Association Reserve expects to have the report ready by September 14, 2022. The inflation rate still needs to be decided upon.

K. Reserve Fund Investment Portfolio and Advisor

Committee discussed Wealth Management partners such as RBC, Stanley Morgan, Goldman Sachs and Neuberger Berman. Suggestion was made to find local base companies. The committee will be developing a vetting process.

L. Committee Charter

This topic was addressed at the July 19, 2022, meeting.

VII. Adjournment

The date and time of the next meeting is September 20, 2022, at 3:00pm.

The meeting was adjourned at 5:04pm.