



Finance Committee Meeting Minutes – Tuesday, December 20, 2022

Via Zoom Platform

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

Absent: Paige Shockley

First Service Residential Staff: Barbara Daoust and Charles Gruber

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

II. Chair's Opening Remarks

David Light mentioned there were two main items that the Finance Committee needs to address during the meeting, the review of the 2022 November Financial report and the Wealth Management Proposals.

III. Agenda

A motion was made by Barbara Stough and seconded by Tracy Phillips to approve the agenda as presented. Motion was approved unanimously.

IV. Review the Minutes from November 22, 2022

The following changes were made to the November 22, 2022:

- Under Section V., to add that under the Siena Financial report that water was not billed.
- To add to Section VI., Reserve Fund Policy, Joan Sauer was to forward verbiage regarding the inflation rate.

A motion was made by Joan Sauer and seconded by Barbara Stough to approve the November 22, 2022, as amended. Motion was unanimously approved.

V. Review of 2022 November Financial Report

The following points were discussed by the committee.

- Requested a Cash Flow Statement to be included in the December 2022 Financial Report.
- Research the credit to Mattamy Homes for \$21,670.
- Look into the credit received from Carpenter Hazlewood of \$6,811.69.
- GL 5000RO – Accrual for office rental (\$3,201) should be from January thru August of 2022.
- Verify that the monthly reserve contribution is being deposited in the Reserve US Bank MMA account.
- Research Commercial Assessment amount since it is under budget.
- 5040 Administration is over budget. John Kemper via email explained that the expense has increase since additional homes have been added to the community.
- Research GL code 5770 General Maintenance.

A motion was made by Joan Sauer and seconded by Sherry Patterson to accept the November Financial report. Motion unanimously passed.

VI. Business

A. Capital Reserve Tracking Tool

The Committee reviewed the Capital Project Tracking Tool and had no questions.

B. Reserve Study Report

The revised reserve study was distributed to the committee and the board. It was pointed out that the revised copy indicates that the reserve is funded at 59%.

C. Review Wealth Management RFP's

The committee reviewed and discussed the four responses received from Schwab, RBC, Morgan Stanley and Freestone Capital Management.

The following comments were made:

- Schwab was disqualified since their proposal was incomplete and even though additional time was given to them to respond.
- It was noted that Freestone custodial fees were vague.
- Three references were requested from each firm. Both Morgan Stanley and RBC provided them.
- David Light expressed his opinion, that Morgan Stanley is the preferred company. He found that RBC is slow in responding to questions and did not disclose that they were using a subcontractor for the bonds which resulted in additional fees. Concerns were expressed on how the association is going to know if Morgan Stanley is on top of things. The committee agreed to put together a matrix to review and David Light will inform the responders they will need more time. Tracy Phillips and David Light will be working on the matrix for this project.

D. Money Market Accounts

The Committee reviewed the materials from Karla Chung from FirstService Financial. David Light suggested that the committee take Ms. Chung's advice. There was question about the security of the funds if the amount is over \$250,000. David mentioned he believes that there was extended coverage and he will contact Karla Chung to verify. He will share his findings with the committee members.

E. Audits

David Light reported that the board accepted the 2022 audit. He encouraged the members to share any comments with him directly.

F. GL Line Item 5040

This topic was addressed earlier in the meeting.

F. Reserve Fund Policy

The board requested more time to review the proposed policy and will be holding a work session on this topic.

VII. Adjournment

A motion was made by Barbara Stough and seconded by Joan Sauer to adjourn the meeting at 4:58pm.