



Finance Committee Meeting Minutes

Tuesday, May 16, 2023

Via Zoom Platform or In Person at 1117 E Rancho Vistoso Blvd., Suite 103,
Oro Valley, AZ 85755

Committee Members Present: Ted Dann (Treasurer/Chair), Linda Corsey, Joan Sauer, Paige Shockley, and Barbara Stough

First Service Residential Staff: Barbara Daoust, Kimberly Breland and Colin Rinne

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

II. **Chair's Opening Remarks**

Ted Dann mentioned that the committee members will have an opportunity to discuss the Project Tracking Tool and review the process of transitioning Carpenter Hazlewood accounts. Also, he touched upon the scheduled for working on the 2024 budget.

III. **Agenda**

A motion was made by Paige Shockley and seconded by Ted Dann to approve the agenda as presented. Motion was approved unanimously.

IV. **Review the Minutes from April 18, 2023**

A motion was made by Ted Dann and seconded by Barbara Stough to approve the April 18, 2023, minutes as presented. Motion unanimously passed.

V. **Review of April 2023 Financials**

The committee reviewed and discussed the Treasurer's report and the following highlights.

- The Operating Fund balance as of April 30, 2023, is \$1,095,329. This is sufficient to cover current and foreseen cash needs of the association.
- The Reserve Fund balance is \$3,483,187.
- The liquidity of the association is strong to meet the association needs.
- The account receivable balance is \$221,835 and account payable balance is \$795,156 which is made up of prepaid assessments and unclaimed property and security deposits which may revert to VCA.
- Total income for the month of March is \$175,913 which is \$25,710 under budget because of lower revenues from late fees, residential and commercial assessments.
- Total expenses for April are \$188,099 which is \$37,950 under budget for the month and year to date \$119,337 under budget.
- The monthly contribution of \$79,167 was made to the reserve fund. Total year to date contribution is \$316,667.
- A total of \$30,762 was spend out of the reserve fund in April with a total of \$75,302 year to date.
- Siena's operating fund balance year to date is \$14,288 and the reserve fund year to date is \$212,687.
- It was pointed out that the Morgan Stanley portfolio consisted of more than bonds.
- Discussion ensued about the investments marked to market and unrealized/realized gains accounting for the reserve fund. A question was asked on the Morgan Stanley fee structure.

A motion was made by Linda Corsey and seconded by Paige Shockley to accept the 2023 April Financial Report and Treasurer's Report. Motion was unanimously approved.

VI. Old Business

A. Capital Reserve Tracking Tool

General Manager reviewed the projects slated for this year. It was agreed upon that the current tracking tool be utilized for the rest of the year. Any revisions will be implemented for 2024.

B. Unclaimed Property/Security Deposits

Colin Rinne reported that through his research he found a journey entry in December 2019 moving the \$17,992 from GL 40002 homeowner refunds to GL 3023 security deposits. The committee supported to address this issue with Butler Hansen when dealing with the 2021 and 2022 audits.

C. Possible Additional Carpenter Hazlewood Auditing

Ted Dann reported that the board is addressing this issue at the executive session next week.

VII. New Business

A. Reserve Study

Ted Dann suggested that a VCA representative be present to participate in the site inspection with the reserve group to ensure the association gets an accurate count.

VIII. Adjournment

Next meeting is tentatively scheduled for Tuesday, June 20, 2023, at 3:00pm.

A motion was made by Linda Corsey and seconded by Joan Sauer to adjourn the meeting at 3:58 PM.