



Finance Committee Meeting Minutes

Tuesday, February 20, 2024

Via Zoom Platform or In Person at 1171 E Rancho Vistoso Blvd., Suite 103,
Oro Valley, AZ 85755

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

Absent: Linda Corsey

First Service Residential Staff: Barbara Daoust, and Colin Rinne

Guest: Matt Wood

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

II. **Chair's Opening Remarks**

Ted Dann mentioned that Butler Hansen has completed the 2021, 2022 audit reports and 2021 tax returns.

III. **Agenda**

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

IV. **Review the Minutes from January 16, 2024**

A motion was made by Joan Sauer and seconded by Ted Dann to approve the January 16, 2024, minutes as presented. Motion unanimously passed.

V. **Review of January 2024 Financials**

The committee reviewed and discussed the Treasurer's report and the January financial reports.

- The VCA Operating Fund balance as of January 31, 2024, is \$895,742. This is sufficient to cover current and foreseen cash needs of the association.
- The Reserve Fund balance is \$4,141,609.
- The liquidity of the association is very strong to meet the association's needs.
- The account receivable balance is \$151,374 and total operating liabilities balance is \$866,981 which is made up of prepaid assessments, unearned income and accrued expenses.
- Total income for the month of January is \$213,263 which is \$6,064 over budget.
- Total expenses for January are \$196,346 which is \$21,394 under budget.
- The monthly contribution of \$66,667 was made to the reserve fund.
- A total of \$27,125 was spent out of the reserve fund in January.
- Reserve Investments managed by Morgan Stanley as of January 31:

Cash and Equivalents	\$ 84,582
Savings & Time Deposits	\$ 38,176
ETFs and CEFs	\$ 26,370
Municipal Bonds	\$ 39,675
Corporate Fixed Income	\$ 167,175
Government Securities	\$ 1,225,485
Certificates of Deposit	\$ 1,822,081
Mutal Funds	\$ 147,215
Net Unsettled Purchases/Sales	\$ -
Total	\$ 3,550,761

- Siena's operating fund balance year to date is \$6,337 and the reserve fund year to date is \$236,996.
- Joan Sauer to email questions to General Manager on the Morgan Stanley report.
- It was pointed out that the bond discounts were not amortized correctly. Colin Rinne will investigate this matter.

A motion was made by Barbara Stough and seconded by Joan Sauer to accept the 2024 January Financial Report, Morgan Stanley and amended Treasurer's Report. Motion was unanimously approved.

VI. Old Business

A. Capital Reserve Tracking Tool

The committee reviewed the spreadsheet. Expenses were reconciled to the January 2024 financials.

B. 2021 Final Audit Report

The board accepted the report at the January 25, 2024, meeting.

VII. New Business

A. 2022 Audit

The committee reviewed the report submitted by Butler Hansen. It was noted the 2022 reserve study was used for both the 2021 and 2022 audit supplemental information.

A motion was made by Joan Sauer and seconded by Barbara Stough to recommend approval to the board of the 2022 audit report.

B. Reserve Transfers Direct to Morgan Stanley

The committee agreed to defer any reserve fund transfers from the U.S. Bank account to Morgan Stanley until after the granite project pay out. This topic will be revisited in the month of April.

VIII. Adjournment

Next meeting is tentatively scheduled for Tuesday, March 19, 2024, at 3:00 PM.

The meeting was adjourned at 3:33 PM.