



Finance Committee Meeting Minutes

Tuesday, September 17, 2024

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

Committee Members Present: Joe Affinati (Treasurer, non-voting member), Joan Sauer, Barbara Stough, and Bob Mariani

Absent: Robin Perkins and Paige Shockley

First Service Residential Staff: Barbara Daoust and Timothy Holt

Guest: Matt Wood

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

II. **Chair's Opening Remarks**

No comments made.

III. **Agenda**

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

IV. **Review the Minutes from September 17, 2024**

A motion was made by Joan Sauer and seconded by Bob Mariani to approve the July 16, 2024, minutes as presented. The motion unanimously passed.

V. **Review of August 2024 Financials**

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

- The VCA Operating Fund balance as of August 31, 2024, is \$529,303. This is sufficient to cover current and foreseen cash needs of the association.
- The Reserve Fund balance is \$4,066,680.
- The liquidity of the association is very strong to meet the association's needs.
- The account receivable balance is \$191,437 and total operating liabilities balance is \$551,470 which is made up of prepaid assessments, unearned income and accrued expenses.
- Total income for the month of August is \$209,323 which is \$7,748 over budget.
- Total expenses for August are \$193,132 which is \$25,342 under budget.
- The monthly contribution of \$66,667 was made to the reserve fund. YTD reserve total is \$589,284.
- Reserve Investments managed by Morgan Stanley as of August 31:

Cash and Equivalents	\$ 4,330.41
Savings & Time Deposits	\$ 910,176.05
ETFs and CEFs	\$ 455,136.20
Government Securities	\$ 252,123.89
Certificates of Deposit	\$1,935,462.42
Mutual Funds	\$ 109,205.90
Total	\$ 3,666,434.87
- Siena's operating fund balance year to date is \$5,986 and the reserve fund year to date is \$257,267.

A motion was made by Joan Sauer and seconded by Bob Mariani to accept the 2024 August

Financial and Morgan Stanley Reports, and revised Treasurer's Report. Motion was unanimously approved.

- Joan Sauer will email questions on the August 2024 Statement for accounting staff to review and response on the following items:
 1. Insurance Claim – \$3,114 on page 12
 2. Shows Telephone at \$831 and Internet at \$0 on page 16.
 3. Water/Sewer shows Siena expense (P5100) of \$193 on pages 16 and 23.
 4. Reserve Fund/Investment Charges, the May 2024 amount looks large on page 16.
 5. USB Operating Account statement indicates deposit coverage fee on page 48.
 6. USB Operating Savings does not have the monthly deposit coverage fee statement on page 58.

VI. Old Business

A. Capital Reserve Tracking Tool

The committee reviewed the spreadsheet.

B. 5 Year Financial Plan

At next month's meeting the 5 Year Financial Plan revisions will be presented to the committee for discussion.

C. Financial Investment Policy

A revised policy will be presented to the committee for review and discussion at the October meeting.

D. 2025 Reserve Study

The revised report was accepted by the board.

VII. New Business

A. 2025 Siena/VCA Draft Budget

The committee reviewed and discussed the Siena Draft 2025 Budget which reflects no assessment increase.

A motion was made by Joan Sauer and seconded by Barbara Stough to recommend to the board the approval of the Siena 2025 Draft Budget which reflects no assessment increase. Motion was unanimously approved.

Discussion ensued on the 2025 VCA Draft Budget with an assessment increase of \$7.00 per quarter.

Management will contact Butler Hansen for advice on corporate tax liability for 2025.

A motion was made by Bob Mariani and seconded by Joan Sauer to recommend approval to the board of the 2025 VCA Proposed Budget with a \$7.00 per quarter increase and to include an additional VCA staff member for half a year. Motion was unanimously approved.

VIII. Adjournment

Next meeting is tentatively scheduled for Monday, October 21, 2024, at 3:00 PM. A budget workshop meeting is scheduled for Monday, October 7, 2024, at 3:00 PM.

A motion was made by Bob Mariani and seconded by Barbara Stough to adjourn the meeting at 4:56 PM. Motion carried.