



OPEN MEETING

**FINANCE COMMITTEE MEETING  
REPORT OF THE REGULAR OPEN SESSION**

Tuesday, March 30, 2021 – 1:30 p.m.  
Virtual Meeting

**MEMBERS PRESENT:** Azar Asgari – Chair, Sue Margolis, Carl Randazzo, Andre Tornig, Diane Casey Advisor: Dick Rader

**OTHERS PRESENT:** Manuel Armendariz, Elsie Addington

VMS – Juanita Skillman

Dan Quirk – SageView Advisory Group

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Betty Parker, Jeff Parker, Steve Hormuth, Jose Campos, Christopher Swanson

**Call to Order**

Director Asgari chaired the meeting and called it to order at 1:30 p.m.

**Acknowledgment of Media**

The meeting was streamed live on the Laguna Woods Village website.

**Approval of Agenda**

By consensus, the agenda was approved with the following addition:

- Investment Policy

**Approval of the Regular Meeting Report of February 23, 2021**

By consensus, the committee meeting report was approved with the following revision:

- Remove Director Gilmore from “Members Absent” section of report.

**Chair Remarks**

William Shakespeare said, “No legacy is so rich as honesty.” We all, whether VMS staff or directors of boards, come to our seats of responsibility for a limited time. In life, no one has a truly permanent job; however, it is possible to accrue lasting honor when we leave a legacy of honesty behind.

Common human experience tells us that a very few can claim lifelong ethical purity. Thus, we might accept that life is an unfolding of new opportunities for doing good for others. Taking ownership of mistakes is the first and most powerful way to breathe life into many evolving human situations.

I would like to encourage both the Management Service staff and our various boards to continually affirm our common resolve to be constantly honest and open to our residents. It may be that the bridge of trust between VMS and the residents has a crack...but it is not broken...and I hope that this crack becomes sealed by creating a channel of honest dialog between the residents and VMS.

### **Member Comments (Items Not on the Agenda)**

None.

### **Department Head Update**

Betty Parker, Chief Financial Officer, provided updates on the 2022 budget process, 2020 audit and insurance broker services.

### **Review Preliminary Financial Statements dated February 28, 2021**

The Committee reviewed financial statements for February 28, 2021 and questions were addressed.

### **Compensation and Outside Services**

The Committee reviewed the report.

### **Investment Update/Investment Policy**

Dan Quirk, account executive from SageView, responded to committee interest in adding a small equity position to the United Mutual investment portfolio. Discussion ensued.

A motion was made and carried unanimously to recommend an update to the Investment Policy to allow for equities.

### **Delayed Payment of Invoices**

Ernesto Munoz, Maintenance and Construction Director, discussed reasons for delayed submission of moisture intrusion invoices at year-end. No action was needed or taken as an accrual of all delayed invoices was submitted to Accounting in time to be correctly captured as a 2020 expense. Measures will be put in place for year-end 2020 to avoid a similar issue.

### **Temporary Borrowing from Operating and Reserves**

The committee discussed the recommendation from staff on the practice of temporary borrowing from Operating and Reserve Funds, especially during the months of large payments such as property taxes where timing of payment differs from timing of assessments.

A motion was made and passed unanimously to adopt a policy of temporarily borrowing monies from the reserve fund to pay for operating expenditures consistent with the Davis Stirling Act and Civil Code Section 5515. Payback of the borrowed monies to the advancing fund is not to exceed three months, as opposed to the 12-month payback period allowed under Civil Code 5515.

**Bank Fees**

Staff provided a verbal update and the item is on the next GRF finance committee meeting for discussion.

**Budget Task Force**

Director Margolis requested that additional meetings be scheduled for the upcoming 2021 budget process; to be coordinated with the CEO.

**Future Agenda Items**

None.

**Committee Member Comments**

None.

**Date of Next Meeting**

Tuesday, April 27, 2021 at 1:30 p.m. and will be held virtually.

**Recess to Closed Session**

The meeting recessed to closed session at 4:30 p.m.

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[azar asgari \(Nov 16, 2021 13:21 PST\)](#)

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Azar Asgari, Chair






# United Finance Report 2021-03-30 OPEN

Final Audit Report

2021-11-16

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