

## **FINANCE COMMITTEE CHARTER**

### **Reviewed/Revised 2011**

The Finance Committee is established as a standing committee. The Committee will consist of a minimum of five (5) members with the Chairperson to determine the needed final number. The Committee will select a chairperson and an assistant chairperson. The members shall serve at the discretion of the Board, and will be reviewed yearly.

Terms: Members 1 year - 3/1 to 2/28/29

Chairpersons 2 years - 3/1 to 2/28/29

A majority of members will constitute a quorum and will make their recommendations to the Board in writing. A quorum is needed to pass any financial recommendation.

Duties:

To hold regularly scheduled meetings, as posted and open to HOA members, to review monthly operating statements, bank reconciliations, monitor investments, and submit written reports/recommendations along with meeting minutes to the Board.

Review and advise the Board in writing on investment strategies for HOA funds.

Review the Replacement Fund periodically (as designated by the Committee and the HOA Manager) and project its health for twenty (20) year periods of time, and report to the Board in writing.

Review the HOA's insurance policies regarding liability, umbrella, and other coverage with written reports made to the Board on a yearly basis.

To perform any internal audit function as deemed necessary, working with the Board Treasurer and HOA Manager. The specific audit function could involve any particular department or area within the budget, which is deemed necessary and essential at the time. A written report will be made to the Board of the findings.

The Committee will make recommendations to the Board in the Budget process which will proceed as follows:

April - Board will meet with the Project Review/Long Range Planning Committee to hear and review their recommendations for projects in the upcoming year.

May - Board will meet with Department Heads and the Manager to discuss department needs for the upcoming year.

June - Board will meet and review input received to date and discuss the potential course for the upcoming year.

August - the first draft of the budget will be released to Board and Committee for study.

September - the Board will meet with the Finance Committee to review the Budget line by line with a draft readied for presentation at the Board's September Business Meeting. Homeowners will be invited to make comments and submit written suggestions to the Board up to the second (2) week of October.

October - Board will again review the Budget for presentation for a vote at the October Business Meeting.