



COMMUNITY ASSOCIATION Finance Committee Charter

PURPOSE

The purpose of the finance committee charter is to provide:

- Guidance and structure to the function and duties of the finance committee.
- An effective and consistent process by which the Finance Committee will provide recommendations to the Stoneridge Community Association Board of Directors in matters pertaining to the finances of the Association.

RESPONSIBILITIES

The Finance Committee (Committee) is commissioned by and reports to Association's Board of Directors (Board). The committee is responsible for advising the board on matters pertaining to the finances of the association. The committee has no authority to make decisions, authorize expenditures or act on behalf of the Association without the authorization of the Board.

RESPONSIBILITIES

The Finance Committee is responsible for:

- Reviewing the monthly financials of the Association
- Participating in the development of the annual operating budget.
- Reviewing the financial ramifications of major proposed transactions, new programs or services
- Making recommendations regarding Reserve transfer allocations
- Making recommendations to the Board regarding investment of the Association's funds
- Recommending such revenue increases or decreases that are necessary to maintain the well-being of the Association
- Conducting special project work related to the finances of the Association as directed by the board
- Providing the Association manager with a timely and accurate list of recommendations to be presented to the board
- Reviewing the Association Assessment Collection Policy and making recommendations, as needed
- Provide the Association manager with a monthly status report

ORGANIZATION

- **Members:** The Finance Committee shall consist of three to six members appointed by the Board. The Committee shall elect one member to serve as Chairman of the

committee. The Chairman shall be appointed for a term of one (1) year and may be reappointed for consecutive terms.

- **Committee Chairman:**
 - The chairman shall insure that the meetings are conducted in accordance with proper parliamentary procedure and in a professional manner.
 - The chairman shall act as liaison between the committee and the property Manager and present all Committee recommendations to the Manager for review by the Board.
- **Secretary:** A community member will be selected to act as secretary. The secretary will prepare the minutes of each meeting and present them at the next scheduled meeting for review and approval by the committee. The chairman will provide the approved minutes to the Association Manager for posting on the association web site and bulletin board. Minutes may be approved by electronic vote if the vote to approve is unanimous. In the event that a unanimous vote is not reached, the vote must be taken at the next scheduled meeting.

TERMS of OFFICE

Committee membership shall be for a period of two (2) years from the date of appointment, and members may serve without term limits by appointment of the Board.

In the event a committee member must vacate his/her seat prior to completion of a term, the committee shall determine if an immediate replacement is necessary and if so, petition the Board to appoint a replacement to serve the remainder of the vacated seat's term.

Within the normal term cycle, Committee members must notify the Board, Committee chair and the Association Manager of their intent to continue on the committee as a member or to not renew as a member at least three months prior to the end of his/her term

MEETINGS

The Committee shall meet at least once each month, the date and time to be determined by mutual agreement of its members. If deemed necessary, additional meetings can be established by the committee or at the request of the Board. Recommendations put forth by the committee must represent the position of the majority of the existing committee members. A quorum of at least three members is necessary to conduct business. Telephonic participation in committee meetings is permitted but not encouraged

COMMITTEE COMMITMENT

Committee members shall make the commitment and have the duty to facilitate and foster positive communication with the Board, Management Staff and the Community. All communications shall be transparent, informative, effective, timely, factual and pertinent. Committee members understand that recommendation or actions are based on what is in the best interest of the community as a whole, not in the interest of any individual. All committee members shall be in good standing with the Association. Committee members must uphold the

highest degree of confidentiality related to individual home owners or other sensitive information

BOARD OF DIRECTORS LIAISON

The board shall appoint one of its members to act as liaison with the committee. The board representative shall only act as a source of information concerning committee functions and shall not influence or manipulate discussions or recommendations of the committee. The Board Liaison will not vote on any recommendations except in the event of a tie vote. In such case, the board representative may vote.