

Charter of the Finance Committee

1. **Authority:** Article IX of the By-Laws requires that the Board of Directors appoint a Finance Committee to supervise the annual audit of the Association's books and to prepare a proposed annual budget.
2. **Purpose:** To provide for the financial integrity of the Association.
3. **Membership and Meetings:** The committee shall consist of at least two voting members, including the chair, and the Treasurer of the Board of Directors, who shall serve ex-officio. The Board shall appoint the committee at its reorganization meeting to serve until the close of the next annual meeting. The committee shall meet as needed during the summer and the fall to supervise the annual audit, to prepare proposed annual operating and capital budgets, and to approve the statement of income and expenditures to be presented to the membership at its regular annual meeting. The committee shall report the results of all of these activities to the Board as they occur.
4. **Delegated Powers:** The committee is delegated the authority to supervise the annual audit, to prepare proposed annual operating and capital budgets, and to approve the statement of income and expenditures to be presented to the membership at its regular annual meeting.
5. **Limitations on Actions:** The committee shall not prepare the proposed operating and capital budgets until it has sought proposed line items and other necessary financial input from all other committees.
6. **Knowledge:** Committee members must be familiar Article VI of the Declaration of Covenants, Conditions, and Restrictions, Articles III and VII of the Articles of Incorporation, and Articles VIII, IX, and XII of the By-Laws. Committee members otherwise need possess only common sense, good financial sense, and a feel for organization and efficiency.
7. **Duties and Responsibilities:**
 - a. To begin supervising no later than August the annual audit by the Board approved certified public accounting firm.
 - b. To resolve all issues in the audit so that the results may be presented to the entire membership no later than the regular annual meeting.
 - c. To solicit budget input from committees no later than August so that the committee can evaluate the requests against the financial status of the community and present proposed annual operating and capital budgets to the Board of Directors for its examination in October. To include in its proposed budgets a recommended assessment amount for the coming calendar year, which amount shall not show a decrease from the previous year in its allocation for the capital reserve unless the reduced allocation will fully fund the reserve accounts. To provide additional

notice to the Board of Directors if it is recommending that assessments be increased by an amount which would require the approval of the membership of the Association.

d. The Chair of the Finance Committee shall be responsible for the preparation of the Reserve Study. The Chair shall work in close consultation with chair of the Maintenance Committee during all phases of the preparation of the Reserve Study.

8. Special Issues: None.

9. Effective Date: August 13, 2009

Mike Shigley
Committee Chair

David McAuley
President, Board of Directors