

**RounTrey Community Association, Inc.
Finance Committee Charter**

COMMITTEE PURPOSE:

To monitor Association finances and provide guidance to the Board to assist the Board in fulfilling its fiscal responsibilities and to facilitate proper administration and protection of Association/resident funds.

COMMITTEE RESPONSIBILITIES:

- Coordinate with the Advisory Committee and its subcommittees to prepare and submit a proposed budget of expenses to the Board of Directors by September 1 of each year.
- Advise the Board and make recommendations regarding Association assessments and special assessments based on budgetary needs of the Association.
- Coordinate the budget review process with the Advisory Committee subcommittees to understand and address their concerns as appropriate.
- Monitor ongoing revenue and operating expenses and provide guidance to the Board, Advisory Committee and subcommittees as needed.
- Monitor the monthly financial reports for adherence to the approved operating budget and variations therefrom and submit recommendations to the Board relative to any such variations.
- Participate in development of a Reserve Study to ensure that the list of components in the Reserve Study is current, accurate and complete and that the Association is positioned to meet its operating requirements in the near future.
- Periodically determine the adequacy of the reserve funds and submit the results and recommendations to the Board.
- Conduct periodic review of Association checks & balances, internal controls and procedures for handling funds and submit recommendations to the Board.
- Periodically review the roster of delinquent accounts and recommend action regarding collections.

AUTHORITY:

The Finance Committee serves at the discretion of the Board of Directors. The Board of Directors may delegate any or all the authorities vested in the Board, by the Association's governing documents, for activities to the Finance Committee, and these authorities may change at any time in accordance with the desires of the Board. The Finance Committee shall develop an annual budget for the Association and any other specific authorities granted by the Board. The Finance Committee is not authorized to financially or legally obligate the Association in any manner (i.e. contract for services, hire contractors, borrow money, purchase equipment and supplies, or approve requests on behalf of the Board).

COMPOSITION:

The Finance Committee shall consist of a minimum of three (3) residents and a maximum of seven (7) residents from the community. At least three (3) members must be present to constitute a quorum and a majority of those present must vote in favor of a proposed action for it to carry. The Committee Chairperson shall be appointed by the Board of Directors. Members may either

be appointed by the Board, or the Board may delegate its authority to appoint the members to the Finance Committee Chairperson.

TERM:

Finance Committee members will serve a term of one (1) year (from annual meeting to annual meeting) and may be removed without cause by either: 1) the missing of three (3) called meetings; 2) by an affirmative vote of a majority of Finance Committee members at a meeting duly called for such purpose; or 3) by the Board of Directors. Committee members may be appointed to consecutive terms.

OPERATION:

The Finance Committee shall conduct its business in the best interest of the Association and in accordance with the Associations governing documents.

Functions of the Chairperson shall include the following:

1. Coordinate and supervise committee activities and meetings to ensure responsibilities are met;
2. Present Committee reports to the Advisory Committee;
3. Represent the Committee at the Advisory Committee and before the Board;
4. Attend the Annual Meeting of the Association and upon the request of the Board, be prepared to assist the Board in presenting the annual budget.

REPORTING:

The Committee shall frequently and fully report its activities to the Advisory Committee through its Chairperson. Such reporting shall at least be quarterly prior to or at the scheduled meetings of the Advisory Committee. Immediate communications with the Board shall be required for all items of an emergent nature or those, which may involve threat to life, health or property, or may otherwise involve potential litigation.