

# Kingstream Community Council

## Finance Committee Charter

As Article V of the Kingstream Community Council Declaration of Covenants, Conditions, and Restrictions provides the Board of Directors with the authority to adopt rules and regulations on a variety of matters, the Board of Directors hereby adopts the following committee charter to outline the roles and responsibilities of the Finance Committee:

### **Purpose:**

The purpose of the Finance Committee is to ensure sound financial management for the Kingstream Community Council. The committee will provide financial counsel and perspective to help the Board and Property Manager manage all community assets and make sound business decisions.

**Members:** Committee members shall be appointed annually by the Board of Directors. Committee members may be removed or replaced at any time at the discretion of the Board of Directors. The committee shall consist of three members of the Board of Directors.

Committee members shall receive no compensation for services rendered other than reimbursement for any expenses incurred by them in performing their duties. Committee members have a fiduciary responsibility to serve in the best interest of the entire community. The committee's primary role is to establish sound financial practices and provide information and options to enable the Board to make fully informed decisions for the Association. Though Committee members do have special duties to perform, their position does not afford them special consideration and privileges. Every committee member has an equal right to express their opinions and ideas as how to best serve the interests of the community.

### **Meetings:**

The committee shall meet as often as necessary to complete its assigned responsibilities. Committee meeting dates shall be published at least one week in advance, and open for any KCC homeowner to attend. Minutes shall be taken at the meeting, provided to the Board and property manager within 60 days and saved in the association's books and records. Any Committee vote that results in a tie will be determined to have failed. The Committee is expected to have representation at all Board meetings and the Annual HOA meeting.

### **Duties and Responsibilities:**

- Maintain & recommend internal control procedures to protect the financial assets of the association.
- Review monthly financial reports, track operating expenses and reserve spending.
- Assist Property Manager with development of an annual operating expense budget.
- Annually develop a 5-year reserve expenditure and contribution plan, including comparison to Reserve Study.
- At year end develop a cash outlook to determine optimal cash level to maintain in operating bank account.
- For the reserve investment portfolio; review monthly statements, implement Board approved transactions, recommend investment actions, ensure portfolio conforms to the Investment Policy Statement, and meet annually with outside Financial Advisor.
- Review delinquent homeowner's dues.
- Review annual accounting audit.
- Review annual tax return.
- Assist Property Manager with analysis of all multi-year service contracts and major reserve spending projects.

Adopted by the KCC Board of Directors \_\_\_\_\_

Date

  
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KCC President, Frank Shaffer