

08/1 PMCPOA COMMITTEE CHARTER

OVERVIEW

By resolution passed at its regular meeting held on SEP 1 5 2018 the Board of Directors of the Pine Mountain Club Property Owners Association, Inc. hereby grants this charter to the Finance and Budget committee, a standing committee of the Association.

PURPOSE

The purpose of the Finance and Budget committee is to:

The committee's role is to advise the Board of Directors on all material aspects of the Corporation's financial reporting, control and audit functions, except those specifically related to the responsibilities of another standing committee of the Board. The Finance Committee's role includes a particular focus on the qualitative aspects of financial reporting to members and on corporate processes for the management of business/financial risk and for compliance with significant applicable legal, ethical and regulatory requirements. The role also includes coordination with other Board committees and maintenance of strong, positive working relationships with management, auditors, and other committee advisors.

The committee chair will review and discuss with the committee the Common Rules of All Committees at the beginning of the fiscal year.

CHARTER

Functions and Responsibilities

1. Review the annual budget prepared by the General Manager and staff. Review should focus on determining that:
 - a. budget is consistent with Board guidelines
 - b. financial assumptions are reasonable

Submit a report and recommendations to the Board at the March Board meeting on the proposed budget for the next fiscal year.

2. Review the monthly financial statements prepared by management. This should include, as appropriate, a review of the accounting policies and procedures used to prepare the statements. Submit comments considered appropriate and necessary to the Board and/or Treasurer and General Manager.

3. Review the conduct and results of the annual audit.
 - a. submit a recommendation to the Board prior to the June annual meeting on the selection of a Certified Public Accountant from a list prepared by the Treasurer
 - b. review the audit program with the CPA
 - c. review the results of the audit with the CPA and submit a report to the Board
4. Review, at least annually, the investment policy and results of investing operating cash and reserve funds. Submit appropriate comments and recommendations to the Board.
5. Review, at least annually, and prior to the annual audit, the composition and adequacy of the Reserve Funds. Submit appropriate comments to the Board.
6. Advise the Board and the General Manager on the preliminary recommended amount to be budgeted for projects including development projects.

MEMBERSHIP

Desired qualifications for this committee include but are not limited to:

While committee membership is open to all members in good standing, it is preferred that committee members have:

1. knowledge and interest in California property owners associations;
2. the ability and experience to read and understand fundamental financial statements, including a company's balance sheet, income statement, cash flow statement and key performance indicators;
3. the ability to understand key business and financial risks, and related controls and control processes; and
4. employment experience in finance, accounting, law or related business/management experience.

The Committee is limited to seven members.

Members of this committee are required to follow the Association rules for all committees in article 19.

MEETING TIMES

Wednesday prior to the Saturday Board Meeting

Pool Pavilion @ 5:00pm