

PMCPOA COMMITTEE CHARTER

OVERVIEW

By resolution passed at its regular meeting held on October 19, 2019 the Board of Directors of the Pine Mountain Club Property Owners Association, Inc. hereby grants this charter to the Budget and Finance committee, a standing committee of the Association.

PURPOSE

The purpose of the Budget and Finance committee 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. The committee's focus pays particular attention to (1) the qualitative aspects of financial reporting to PMCPOA property owners; (2) corporate processes for the management of business and financial risks; and (3) our compliance with significant applicable legal, ethical and regulatory requirements. The role may occasionally require coordination with other committees. Members will maintain strong, positive working relationships with Management, auditors, and other committee members. 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. The review should specifically focus on determining that the budget is consistent with Board of Director Guidelines, and that the financial assumptions are reasonable.
2. Each March meeting of the Board of Directors, submit a report and recommendation on the proposed budget for the following fiscal year.
3. Review the monthly financial statements prepared by management. This shall include, when appropriate, a review of the accounting policies and procedures used to prepare the statements. Submit any comments considered appropriate and necessary to the Board of Directors, the Treasurer, and the General Manager.
4. Review the conduct and results of the Annual Audit:
 - a. Prior to each June Annual Meeting, submit a recommendation to the Board of Directors (from a list provided by the Treasurer) for the selection of a Certified Public Accountant.

- 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 of Directors.
5. At least annually, review our investment policy and the results of investing operating cash and reserve funds. Submit appropriate comments and recommendations to the Board of Directors.
6. Prior to the annual audit, review the composition and adequacy of our reserve funds. Submit appropriate comments and recommendations to the Board of Directors.
7. Provide the Board of Directors and our General Manager with preliminary budget adjustments to accommodate projects, including development projects.

MEMBERSHIP

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

1. a knowledgeable interest in California property owners associations;
2. the ability and experience to read and understand fundamental financial statements including a company 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 Budget and Finance 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

Wednesdays prior to the Saturday Board Meeting

Pool Pavilion @ 5:00 p.m.

Approved:

Committee Liaison

Corporate Secretary

Date:

October 19, 2019

October 19, 2019

Approved
10/19/2019