

Blue -  
Deligate  
edits

# Tahoe Donner Association

## Financial Projects Finance Committee Charter

Dated as of January xx, 2020

Purple -  
Treasurer

### AUTHORITY

Pursuant to the powers vested in the Board of Directors ("Board") by the Articles of Incorporation, the Bylaws, and the Covenants and Restrictions of TAHOE DONNER ASSOCIATION ("Association"), the Board hereby establishes the Finance Financial Projects Committee ("Committee") as a ~~standing~~ standing committee of the Association.

The Committee is established under the provisions of:

- Section 1-, ARTICLE X, Restated Bylaws of Tahoe Donner Association
- Resolution 2008-2, Committee Policy, Tahoe Donner Association Board of Directors, December 20, 2008
- ARTICLE VIII, Board Meetings, Restated Bylaws of Tahoe Donner Association

### PURPOSE

The purpose of the Committee shall be to provide financial advice, analysis and information to the Board on key financial projects so as to better enable the Board to make sound business decisions on behalf, and for the benefit, of the broader Association. The issues addressed shall be primarily those of financial significance and- will focus on recurring and special tasks of overall importance to the Association. In addition, the Committee will may serve as a support area for Association Management management ("Management") when financial analytics are needed for which the expertise and or manpower is not readily available from staff. Further it will be available to other Committees as a support area when it come to the financial side of their projects. Further the Committee, at the direction of the Board, will be available to other Association committees to help support the financial aspects of that committee's projects.

The Committee shall have no authority to act on behalf of the Association, other than to formulate and present recommendations to the Board related to its stated purpose and assigned tasks. The tasks the Committee may be assigned are entirely at the discretion of the Board. The Committee shall not engage in any activities that have not been requested by the Board either specifically or via the annual task list of the Committee, which will be set by the Board at each year's January regular Board meeting.

## **TASKS AND RESPONSIBILITIES**

There are two general types of tasks:

- Tasks of a recurring nature (“Recurring Tasks”) such as the annual audit, management of the Association’s investment portfolio, and the annual budget review.
- Tasks of an infrequent or special nature (“Special Tasks”) such as consideration of major capital expenditures, determination of the adequacy of capital funds, and such other non-recurring tasks of a significant nature as assigned by the Board.

The Committee will undertake Special Tasks as requested by the Board of Directors., Management or other Committees. The Committee will undertake Special Tasks as requested by other Association committees but only if approved by the Board. Additionally, the Committee may recommend to the Board additional tasks provided that no significant Committee action shall occur without Board approval. Such recommendations shall be made through the Board Liaison-(s).

With respect to Recurring Tasks, the Committee will usually be involved in the following:

- Recommendations to the Board regarding Tahoe Donner Association's major financial policies, such as those dealing with investments, depreciation, capital expenditures, cost allocation, reserve funding and expenditures, financial budgeting and reporting, etc.
- Recommendations to the Board regarding the design of the business planning process. The degree to which the Committee becomes involved in business planning itself will depend upon Board preferences and will be determined and described in the design of the process. Most commonly, the Board will direct the Committee to review aggregate or selective portions of business plans prior to their submission to the Board. It is unlikely that the Committee will be deeply involved in Management’s development of individual business plan elements unless the Board specifically requests otherwise.
- Recommendations to the Board regarding the design of the annual budget process. The degree to which the Committee becomes involved in the budget itself will depend upon Board preferences and will be determined and described in the design of the process. Most commonly, the Board will direct the Committee to review aggregate or selected portions of the budget prior to its submission to the Board. It is unlikely that the Committee will be deeply involved in Management’s development of individual budget elements unless the Board specifically requests otherwise.

- Periodic analyses for the Board of financial trends. Although a formal analysis of each month's financial statements is not expected, the Board expects the Committee to review financial statements and operating results no less frequently than quarterly and would welcome any significant observations from the Committee.
- Recommendations to the Board regarding selection of an auditor, an analysis for the Board of the auditor's reports and monitoring of any required corrective actions.

When the Board, Management, or another Committee -is considering ~~special tasks~~ Special Tasks, the following circumstances would make Committee support more appropriate:

- When a decision will be "financially driven" rather than be driven by the general preferences of the Tahoe Donner community.
- When the analysis of the issue is especially complex.
- When the Committee has members with special expertise on which the Board can draw.
- When there is sufficient time to put an issue through the committee process, rather than an issue that has arisen so urgently that the Board must act alone.
- ~~When there is sufficient time to put an issue through the committee process, rather than an issue that has arisen so urgently that the Board must act alone.~~
- When Management does not have available resources or lacks specific expertise that might be found in the Committee or the overall Tahoe Donner membership.

The tasks of the Committee shall not include the following:

- Direct or indirect involvement in the daily operations of Tahoe Donner Association.
- Interactions with management or staff except when arranged through the General Manager or the ~~DFA~~ Director of Finance and Accounting ("DFA")
- Interference in the traditional relationship between the Board and the General Manager.
-

## **COMMITTEE ADMINISTRATION**

### **Organization**

~~The Committee shall consist of six (6) regular, voting members. There may also be up to four (4) alternate, non-voting members. Alternate members are encouraged to attend all meetings and participate in Committee decisions, but may only vote if an insufficient number of regular members are present to constitute a quorum.~~

The Committee shall consist of ten (10) regular, voting members.

There shall be at least one, and no more than two, non-voting Board Liaisons to the Committee. ~~and up to two, Board Liaisons.~~ Liaisons shall be Board Members chosen by the Board to attend Committee and subcommittee meetings and whose primary function shall be to facilitate communications between the Board and the Committee. ~~./subcommittee.~~ Additionally, the DFA Director of Finance and Accounting (DFA) shall serve as ex officio non-voting member of the Committee.

In support of the Committee's purpose for activities for the Board, the General Manager, the DFA and/or other staff members (as appropriate) will may attend all or part of most Committee and subcommittee meetings. Other staff participation shall be at the discretion of the Committee and the Committee shall always be respectful of the limited time and other responsibilities of staff.

### **Membership**

Any member of the Association who is in good standing, who has a positive interest in contributing to the welfare of the Association, who is prepared to invest the necessary time, and whose membership in the Committee does not present a conflict of interest, is eligible to apply for appointment as a member ~~of~~ of the Committee.

Association members ~~Members~~ who possess experience in such areas as business modeling, finance, accounting, investment management, insurance, real estate ~~and~~ business planning, ~~and general management and general management~~ will be given preference in appointment to the Committee. Directors and their immediate family members are ineligible for appointment. Co-owners of a property and immediate family members shall be ineligible to serve simultaneously on the Committee.

The Board shall make all ~~appointments to the Committee.~~ ~~appointments to the Committee~~ ~~core~~ ~~appointments to the Committee.~~ ~~Alternatively~~ In addition, at the request of the Board, the Committee may solicit Association members to serve as temporary short-term participants (“Special Members”) of a sub-committee of the Committee because the Special Members ~~who~~ ~~a)(i) have an interest in a particular financial project that has been assigned to the Committee by the Board,; and b)(ii) possess the necessary special skills and e)and subject matter expertise not found in the Committee membership. Such participation by these Special Members shall be for the duration of the specific project.~~

Other than when the Board finds an exception, ~~regular and alternate~~ members shall be appointed for a finite term of ~~two~~ three years (subject to reappointment). Said terms shall be staggered where practicable in order to promote continuity within the Committee.

All prospective ~~new committee~~ Association members wishing to be appointed to the Finance Committee, and current Committee members desiring reappointment, shall submit to the Executive Secretary a written request stating their interest in serving on the Committee; all such requests shall be forwarded to the Board. Initial applications shall include a brief resume of the applicant's talents or experience which is relevant to the contribution that the applicant can bring to the Committee; a brief resume is not required for reappointment applications.

### **Election of Committee Chair**

The Committee shall elect, from among its membership, the Committee Chair ("Chair"), who will serve for a period of one year. If no other Committee member is then willing to assume the duties of the Chair, the incumbent Chair may be reappointed by the Board. ☺

3

o Meetings:

In addition, each project shall be governed by a project chairlead who will be appointed by the the specific task force.Chair.

DRAFT

## Meetings

Committee and subcommittee meetings shall be at the discretion of the Chair~~;~~(s), unless otherwise directed by the Board. Meetings ~~shall~~may be held monthly; ~~however~~but at least quarterly. However, additional meetings may be necessary and may be scheduled by the Chair~~;~~(s). Meetings are open to all property owners and will be noticed on the Northwoods Clubhouse bulletin board; notice is required by Restated Bylaws of Tahoe Donner Association, ARTICLE VIII.

Committee members are expected to attend scheduled meetings on a regular basis. If a Committee member fails to attend at least 75% of the regularly scheduled Committee meetings in a given calendar year then their membership in the Committee may be subject to termination by the Board at the January Board meeting in the following year. The Board, as part of their deliberation for termination, may take into consideration any extenuating circumstances that affected the member's ability to attend meetings.

A quorum of at least five (5) members shall be required to conduct business. Summaries of the discussions, along with a record of actions and recommendations made, shall be maintained and provided to the Board. Recommendations of the Committee shall be reached by ~~the~~a majority vote of members present ~~and constituting a quorum~~. A brief description of any dissenting ~~dissenting~~ opinion(s) may be included in the summaries provided to the Board so as to give the Board and Management a full view of all of the related issues.

Attendance at Board meetings is not required~~;~~ but is ~~strongly~~encouraged. In general, Members are expected to stay abreast of significant issues at Tahoe Donner using all reasonable means available.

## Communications:

Effective communication and teamwork shall be facilitated in the following manner:

- The Committee and the Board shall on an ~~quarterly~~ annual basis agree upon an Annual Tasksa list of assignments (the "Project List") to be addressed by the Committee along with expected time for completion of the projects. ~~Along with expected timings~~. This list may be changed as circumstances require at the discretion of the Board and after consultation with the Committee and Management.
- A concise written report of each Committee meeting, and where appropriate, those of a sub-committee, ~~project task force~~ shall be given to the Board in advance of each Board meeting. Such reports shall be first circulated to Committee members and other meeting participants for comments and/or approval.
- The Board Liaison(s), or in his or her absence the presiding Board member, shall promptly give written ~~ins~~tructions~~instructions~~ to the ~~Chair~~(Chair (s)) notifying the Committee of formal Board decisions or instructions regarding Committee tasks.

Board members ~~shall~~should not otherwise provide instructions to individual Committee members. In addition to providing official Board decisions and directives, the Board Liaison(s) shall facilitate communications by helping the Committee interpret Board policy and goals.

- The Committee ~~shall~~may provide written reports and recommendations on specific issues to the Board and Management after consideration and approval by the Committee. Committee members shall not otherwise make reports or recommendations to the Board or to individual Board members.
- Coordination between other Association committees is encouraged when deemed necessary or appropriate to accomplish the Committee's purpose.
- ~~Coordination between other Association committees is encouraged when deemed necessary or appropriate to accomplish the Committee's purpose.~~

### **Reporting Requirements:**

The Chair, or a duly appointed representative, shall report periodically to the Board, General Manager or Staff Liaison on the actions of the Committee. Reports may be written, oral, or a combination thereof.

4

### **⊖Schedule of TimingsKey Events**

At the Committee's January meeting, or the first meeting of the calendar year, whichever comes first, the January: The Committee shall establish its meeting calendar and elect a Chair for the upcoming year. The Chair will submit a report to the Association's Executive Assistant indicating the Committee's meeting calendar and elected Chair.

~~-At its regularly scheduled Board meeting in January, and each quarter thereof, the Board shall approve, disapprove, or modify, amend or disapprove the Committee's quarterly Project List agenda for that year. The Committee's agenda Project List will be reviewed by the Board on a quarterly basis and may be changed as circumstances require at the discretion of the Board and after consultation with the Committee. At the January Board meeting the Board will decide whether to accept the Committees thinking as to Committee Chair. Subcommittee Chairs leads may be chosen by the Financial Projects Committee. After after consultation with Management and the Board.~~

**Vacancies:**

The Chair shall advise the Executive Assistant of any membership changes that either have occurred or are anticipated. The Executive Assistant shall communicate the current or pending vacancies to the Communications Department, which shall publish notices of the vacancies in all Association media.

**Committee Support:**

The Chair (s) will direct requests for statistical data, or any other type of information needed for the work of the Committee to the Staff Liaison assigned by the General Manager.

**TERM OF CHARTER AND AMENDMENTS**

This Committee Charter shall remain in effect as presented herein until such time as it is amended or revoked by the Board. ~~This Committee shall remain in existence until dismissed by the Board.~~

---

**APPROVAL**

~~Approval of the Investment Policy and any changes, amendments, or modifications thereafter, may only be accomplished at a properly noticed meeting of the Board.~~

This Charter was approved by the Tahoe Donner Association Board of Directors on this \_\_\_\_\_ day of January 2020.

---

\_\_\_\_\_

Jim Roth

Board Secretary

5

This Charter was approved by the Board of Directors on this \_\_\_\_\_ Day of December 2019.

Board Secretary \_\_\_\_\_

James Roth

DRAFT