

ASSOCIATION OF EDGEWATER LANDINGS OWNERS, INC

Finance Committee

Policies and Procedures

Policy: This Committee shall be responsible for preparing the proposed Annual Operating Budget (AOB) and a Capital Reserve Analysis and Funding Plan (CRAFP).

Committee Structure: The President of the BOD, shall appoint the Chairperson of the Committee on an annual basis. The Chairperson shall select committee members as required. Chairperson and members should have training and/or experience in financial matters.

Reporting: This Committee operates under the direction of the Treasurer and the BOD. The Committee shall make periodic reports to the BOD during the budget preparation process. Frequency of reports shall be as needed.

Procedure:

1. The Finance Committee, in cooperation with the Facilities Committee, shall prepare the draft AOB and CRAFP and present a report at the October BOD meeting.
2. Standing Committees, Clubs and interested residents shall be invited to provide input for the AOB and CRAFP. During the development process the Finance Committee shall keep the BOD and residents informed through such methods as email, notices on the bulletin board, website, and print media (currently the *Pelican's Pouch*).
3. Meetings shall be scheduled as required. A meeting shall be conducted prior to the October BOD meeting during which the Finance Committee shall present in detail the draft AOB and CRAFP to the residents. The presentation shall include an explanation of the overall budget process and backup for the various categories in the budget. Input shall be solicited from attendees and included as appropriate in the report to the BOD at the October meeting.
4. The BOD will evaluate the proposed budget, offer recommended changes and be prepared to vote on its adoption at the November BOD meeting.
5. The Finance Committee shall review monthly statements from the management company and compare them with the adopted operating budget.
6. The Finance Committee shall provide recommendations and research on financial matters as requested by the BOD.

Prepared: 04/03/2104

Approval Date: 12/04/2014

Finance Committee Customary Timeline and Details of Actions

May - Meeting with Facilities Committee and BOD representatives

- Review progress on this year's Capital Reserve (CR) plan
- Initial review of CR by line item
- Discussion of Operating Budget (OB) (up to and including end of March Financials)

June and July

- Request input from BOD, clubs, stakeholders, power users, etc, on their needs.

August - Meeting with Facilities Committee and BOD reps

- Final review of CR by line item & development of 3 year CR plan
- Final review and development OB (using end of June Financials)

September – Report to the Community Meeting (RCM), etc.

- Forward draft of Documents to BOD, invite BOD members to attend the RCM as observers.
- RCM (usually 4th Wednesday). Explain Process, Present Draft Operating Budget & Fees for Following Year, Present 3 year CR Candidate Projects List.
- Take input from Community.

October – BOD Meeting

- Present Draft OB & Proposed Fees and CR Recommended 3 year plan to BOD

November - BOD Meeting

- BOD votes on Operating Budget and Fees for following year.