



McCullough Neighborhood Association Committee Charter

Finance Committee

Basic Mission:

The Finance Committee is commissioned by and responsible to the HOA Board of Directors for the purpose of fulfilling certain of the Board's financially related fiduciary duties. The Committee's role is to act on behalf of the HOA Board and oversee all material aspects of the HOA's budget, financial reporting, and audit functions, except those specifically related to the responsibilities of another standing committee of the Board of Directors.

Responsibilities:

- Budget – Preparation of the annual budget. Final review of the annual budget prior to its approval by the Board. Monitor performance against the approved budget, provide projections and recommendations for significant variances against the budget or changes in circumstances that require revisions to the approved budget.
 - Ensure budget includes projected reserve expenses for the current year.
- Financial Reporting – ensure the financial records of the HOA are prepared and maintained in accordance with typical accounting standards appropriate for a Not-for-Profit HOA and ensure that appropriate records are provided to the Board and applicable external entities in accordance with required delivery dates.
- Review monthly Profit & Loss statements for inaccuracies/changes in account classifications and provide guidance to Property Management Company on suggested corrections/changes, as appropriate.
- Reserve Studies – Ensure reserve studies remain up to date and are at a frequency which corresponds with major changes in capital structure of the neighborhood. This includes recommending to the Board when new reserve studies are necessary (no less frequently than every five (5) years).

Committee Composition & Terms:

The Committee shall be comprised of a minimum of (1) but no more than six (6) members. At least one member must be considered a "Financial Expert" by either having relevant professional job experience and/or professional credentials (e.g. "CPA"). The term of service will be two (2) years with an option to extend.

Committee members shall communicate freely and as needed with the HOA Board liaison. The chairperson shall be appointed by the Committee and approved by the Board. The Board reserves the right to remove any committee members, including the chairperson, at will. Committee members shall serve two-year terms, with the option to renew for an additional term, as long as they remain HOA members in good standing.

The Chairperson and Secretary shall be appointed annually, with no term limits.

The HOA BOARD reserves the right to remove any committee member or chairperson if they are found to be in violation of the committee's charter, the HOA governing documents, or for conduct detrimental to the community.

The Finance committee will meet quarterly to review action items, discuss new opportunities, and fulfill their mission as outlined above. Minutes will be provided to the Onsite Community Manager and/ or Kuester within 10 days of said meeting.