BOARD APPROVED

ACTION ON 1-22-2016

VERIFIED Lee A. Gray

E.A. - TDA ASSOC.

TAHOE DONNER ASSOCIATION
FINANCE COMMITTEE CHARTER

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 Committee ("Committee") as a 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 so as to better enable the Board to make sound business decisions. The issues addressed shall be primarily those of financial significance and will focus on recurring and special tasks.

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:

- Recurring Tasks; such as the audit, and the annual budget review.
- Special Tasks; such as major capital expenditures.

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.

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 & 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 staff'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 selective portions of the budget prior to its submission to the Board. It is unlikely that the Committee will be deeply involved in staff'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 be reviewing monthly statements 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 is considering special tasks, the following circumstances would make Committee support more appropriate:

- When a Board 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.

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.
- 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.

There shall be at least one non-voting Board Liaison to the Committee. Liaisons shall be Board Members chosen by the Board to attend Committee meetings and whose primary function shall be to facilitate communications between the Board and the Committee. Additionally, the Director of Finance and Accounting (DFA) shall serve as ex officio, non-voting member.

In support of the Committee's purpose for the Board, the General Manager, the DFA and/or other staff members (as appropriate) will attend all or part of most Committee 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 who does not present a conflict of interest, is eligible to apply for appointment as a member of the Committee. Members who possess experience in such areas as finance, accounting, investment, insurance, real estate, business planning 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.

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

All prospective new committee members wishing to be appointed, 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.

Meetings:

Committee meetings shall be at the discretion of the Chair, unless otherwise directed by the Board. Meetings shall be held monthly; however, additional meetings may be necessary and may be scheduled by the Chair. 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. A quorum of at least five (5) members (regular, or if insufficient regular members are present, alternate) 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 majority vote of members present and constituting a quorum.

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 agree upon an Annual Tasks List to be addressed by the Committee. This list may be changed as circumstances require at the discretion of the Board and after consultation with the Committee.
- A concise written report of each Committee meeting 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, or in his or her absence the presiding Board member, shall promptly give written instructions to the Chair notifying the Committee of formal Board decisions or instructions regarding Committee tasks. Board members shall not otherwise provide instructions to individual Committee members. In addition to providing official Board decisions and directives, the Board Liaison shall facilitate communications by helping the Committee interpret Board policy and goals
- The Committee shall provide written reports and recommendations on specific issues to the Board 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.

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.

January: The Committee shall establish its meeting calendar and elect a Chair for the upcoming year. The Chair will submit a report to the Executive Assistant indicating the Committee's meeting calendar and elected Chair. At its regularly scheduled Board meeting in January, the Board shall approve, disapprove, or modify the Committee's agenda for that year. The Committee's agenda may be changed as circumstances require at the discretion of the Board and after consultation with the Committee.

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 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.

ACCEPTED AND DATE: January 22, 2016

Courtney Murrell, Board Secretary