

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 an advisory 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
- Committee Resolution 2018-7, Committee & Task Forces of the Board of Directors, Principles of Conduct Policy.

PURPOSE

The purpose of the Committee shall be to provide financial advice, analysis, and information to the Board to better enable the Board to make sound business decisions on behalf, and for the benefit, of the 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.

Further, the Finance Committee has a prospective focus. The Committee is advisory to the Board in response to analysis and recommendations by management.

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.

Commented [JD1]: Added reference to Principals of Conduct Policy pertaining to Committee and Task Forces. Should be applicable to all committee charters.

TASKS AND RESPONSIBILITIES

There are two general types of tasks:

- Tasks of a recurring nature (“Recurring Tasks,”), and
- Tasks of an infrequent or special nature (“Special Tasks”).

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

- Recommendations to the Board regarding Tahoe Donner Association's review of major financial resolutions and policies.
- Recommendations to the Board regarding the financial impact to the Association and homeowner members from the Association’s business planning policies and processes.
- Recommendations to the Board regarding the annual budget process. The degree to which the Committee becomes involved in the budget itself will depend upon Board preferences.
- Periodic analyses for the Board of financial trends and the implications for future operating results and financial condition.
- Review, on a quarterly basis, the Association’s list of expected capital investments and the funding thereof.
- Review on a regular basis, but no less frequently than quarterly, the Association’s investment portfolio and its adequacy to fund the Association’s expected requirements for capital investment.

Commented [JD2]: Resolution Review Working Group

Commented [JD3]: Should this be under Special Tasks? Is this the same as previous bullet point? Is this aimed at financial analysis like what is being done for Downhill Ski Lodge?

Commented [JD4]: Revision of Resolution 2014-1, Financial Planning, Budgeting, and Reporting Procedures needs to be accomplished.

Commented [JD5]: What does this mean? How do we do this without being aware of the status of monthly financial conditions? Conflict with 5501 Subcommittee and backward and forward-looking concept?

Commented [JD6]: Investment Working Group

Commented [JD7]: Capital Funds Projection (CPF)

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).

Guidelines for Special Tasks that fall within the purview of this committee include:

- There are financial implications either to the Association as an organization, or to its members; or,
- The financial expertise of committees can augment the available expertise of staff; or,
- There is sufficient time for volunteer committee review, analysis and/or advice within the time parameters for a Board decision.

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 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 seven (7) regular voting members.

There shall be at least one, and no more than two, non-voting Board Liaison(s) to the Committee. Board Liaison(s) shall be Board Members chosen by the Board to attend Committee, and when necessary Working Group meetings, whose primary function shall be to facilitate communications between the Board and the Committee. Additionally, the DFA shall serve as an ex officio non-voting member of the Committee.

In support of the Committee's activities for the Board, the General Manager and/or other staff members (as appropriate) may attend all or part of Committee and Working Group 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 the Committee.

Association members who possess experience in such areas as business modeling, finance, accounting, investment management, 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. In addition, at the request of the Board, the Committee may solicit Association members to serve as temporary short-term members (Ad hoc Members) of a Working group of the Committee because the Ad hoc Members (i) have an interest in a particular financial project that has been assigned to the Committee by the Board, and (ii) possess specialized skills and subject matter expertise not found in the Committee membership. Such participation by these Ad hoc Members shall be for the duration of the specific project.

Commented [JD8]: This number may be impacted based upon the number of tasks expected to be performed by the Committee.

Commented [JD9]: Removed “, the DFA” because he is already an ex officio member of the committee.

Other than when the Board finds an exception, regular members shall be appointed for a finite term of three (3) years, subject to reappointment. Said terms shall be staggered where practicable to promote continuity within the Committee.

All prospective Association members wishing to be appointed to the Finance Committee, and current Committee members desiring reappointment, shall submit to the Executive Project Manager (EPM) a written TDA Committee Application Form stating their interest in serving or remaining on the Committee; all such requests shall be forwarded to the Board. ~~Initial pplication~~Initial Application Forms 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") and Vice Chair ("Vice Chair"), who shall serve for a period of one year. If no other Committee member is then willing to assume the duties of the Chair and the Vice Chair, the incumbent Chair and Vice Chair may be reappointed by the Board. In addition, each working group shall be governed by a Working Group Chair who will be appointed by the Chair.

Meetings

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

Committee members are expected to contribute actively and meaningfully to the work of the Committee. Committee members are expected to attend scheduled Committee meetings on a regular basis. If a Committee member (i) fails to attend at least 75% of the regularly scheduled Committee meetings in a given calendar year, and (ii) they fail to participate actively in the work of the Committee 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 or be an active participant in Committee work.

In addition to the above, all committee members are expected to be familiar with and abide by the provisions of Committee Resolution 2018-7, Committee & Task Forces of the Board of Directors, Principles of Conduct Policy with expounds upon standards of professional conducts common to all volunteers.

A quorum of at least four (4) members shall be required to conduct business of the committee. Reports 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 a majority vote of members present and constituting a quorum. A brief description of any dissenting opinion(s) shall be included in the reports provided to the Board to give the Board and Management a full view of all the related issues.

Commented [JD10]: Suggest changing this to 3 years. When committees were first chartered a term of 2 years was selected because the term of directors was 2 years. Director terms were changed to 3 years however change was ever made to committee member terms. Verbiage in governing documents indicated that construct of committees should mirror that of boards so 2-year terms were established. Time to bring charter in line with terms of directors.

Commented [JD11]: Introduced acronym to shorten length of document. Used throughout.

Commented [JD12]: Inserted hyperlink for form.

Commented [JD13]: Added: Draws attention to Board resolution pertaining to committee member personal conduct and collegiality.

Commented [JD14]: REMINDER: If number of regular voting members is changed may need to change quorum requirement.

Attendance at Board meetings is not required but is 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 annual basis agree upon a list of tasks (the “Task List”) to be addressed by the Committee along with expected time for completion of each task. This list may be changed as circumstances require at the discretion of the Board and after consultation with the Committee and Management. The Committee on a quarterly basis shall provide reports to the Board regarding progress on assigned tasks.
- A concise written report of each Committee meeting, and where appropriate, those of a Working group, 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 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(s) shall facilitate communications by helping the Committee interpret Board policy and goals.
- The Committee may provide written reports and recommendations on specific issues to the Board and Management after consideration and approval by the Committee. A brief description of any dissenting opinion(s) shall be included in the reports provided to the Board to give the Board and Management a full view of all the related issues.
- Coordination and collaboration between other Association committees is encouraged to accomplish the Committee's tasks.

Commented [JD15]: GPC Liaison falls into this area.

Reporting Requirements

The Chair, the Vice 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.

Schedule of Key Events

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

At its regularly scheduled Board meeting in January the Board shall approve, amend, or disapprove the Committee’s Task List. The Committee's Task 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 recommendations as to Committee Chair and Vice Chair. Working Group Chairs may be chosen by the Committee after consultation with Management and the Board.

Vacancies

The Chair shall advise the EPM of any membership changes that either have occurred or are anticipated. The EPM 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. Any changes, amendments, or modifications hereafter may only be accomplished at a properly noticed meeting of the Tahoe Donner Association Board of Directors.

APPROVAL

This Charter was approved by the Tahoe Donner Association Board of Directors on this ____ day of March, 2021.

Courtney Murrell
Board Secretary