

Harmon Ranch Homeowners Association

Charter of the Finance Committee

STATEMENT OF PURPOSE

The Board of Harmon Ranch Homeowners Association (HRHA) has formed a Finance Committee (FC) and is responsible for the oversight of all HRHA financial matters conducted during the course of the HRHA's financial year (January 1 to December 31).

The HRHA Treasurer shall act as Chair of the FC. In addition to the Treasurer, the FC shall consist of no fewer than two additional Board members. The FC, in its capacity to support the HRHA Treasurer, shall make recommendations to the HRHA Board of Directors as appropriate. The committee will provide information and recommendations to the Board regarding any and all Finance matters related to the Board's administration of the affairs of the Association in a manner that ensures Harmon Ranch is maintained as a model neighborhood in which to live.

I. RESPONSIBILITY

The primary responsibilities of the Committee are to:

1. Review and approve actions taken by the Management Company with respect to financial matters of HRHA.
2. Maintain fiduciary oversight responsibility, with assistance from the Management Company, concerning all HRHA financial matters.
3. Ensure, with the assistance from the Management Company, that the financial records of HRHA are maintained in accordance with standard accounting practices.
4. Arrange, with the assistance from the Management Company, for annual review of certain accounting transactions and procedures performed by the HRHA staff and by officers of the Board of Directors.
5. Provide oversight, with the assistance of the Management Company, in preparation and execution of an annual budget to be approved by the HRHA Board.
6. Provide, with the assistance of the Management Company, regular monthly financial reports to the HRHA Board. General Quarterly financial reports will be prepared and presented to the HRHA Board for approval and presentation to homeowners.

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II. MANNER OF ORGANIZATION

A. General

1. The Finance Committee shall consist of three (3) or five (5) or seven (7) voting members appointed by the Board of Directors upon recommendation of the Committee Chair.
 - When there is a three-member Committee, a quorum shall consist of two (2) voting members.
 - When there is a five-member Committee, a quorum shall consist of three (3) voting members.
 - When there is a seven-member Committee, a quorum shall consist of four (4) voting members.
2. If at any time a quorum is not present, the Committee may continue to meet as long as no formal votes are taken.
3. Non-voting members may be appointed to the Committee by the Chair to inform and support its work relative to a specific aspect of a matter under consideration.
4. Committee members shall be owners and there will be only one member of the Committee per household.
5. Members of the households of sitting HRHA Directors will not be eligible for appointment to Committee membership to protect against any disproportionate influence on Committee and Board deliberations and actions.
6. A Committee member absent from two consecutive, regularly scheduled meetings shall no longer qualify for the Committee, unless excused by the Chair.

B. Terms

Finance Committee members shall serve a term of two (2) years.

C. Chairperson

The Board shall appoint the Finance Committee Chair. In the event the Chair is not in attendance at a meeting of the Committee at which a quorum is present, a majority of the Committee members shall elect a presiding Chair who shall be a voting member of the Committee and shall function as the Chair for that meeting.

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D. Vacancies

The Board may remove a member of the Finance Committee with cause. The Committee may vote to recommend to the Board the removal for cause of its Chair or any Committee member. Vacancies created for any reason shall be filled by Board appointment.

III. MANNER OF OPERATION

The Committee shall conduct its business in the best interest of the Harmon Ranch Homeowners Association and in accordance with its Charter, the Association's Articles of Incorporation, Bylaws and Declaration of Covenants, Conditions and Restrictions (CCRs).

A. Functions of the Chair

Functions of the Chair (or the presiding officer of the meeting) shall include the following:

1. Identify homeowners for membership on the Finance Committee and present their names for approval to the HRHA Board along with the rationale for their selection.
2. Coordinate and supervise Committee activities and meetings to assure responsibilities are met.
3. Present written Committee reports (see C. below) to the Board in time for Board meeting document distribution and review.
4. Assure that records and minutes are submitted to and retained in the Management Company's Business Office.
5. Represent the Committee to the Board or assign a member of the Committee to this role if the Chair is unable to be present at a Board meeting.
6. Prepare recommendations of the Finance Committee for Board action or approval in writing and for presentation at the meeting of the Board of Directors.
7. Appoint a Committee member as recorder at all meetings.
8. Participate in Board discussions on matters within the scope of the Finance Charter.

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B. Meetings

1. The Committee shall meet as required to transact the business of the Committee. Meetings shall be posted and may be deemed open meetings in accordance with Civil Code and governing documents of the Harmon Ranch Homeowners Association. The Chair will make a reasonable attempt to schedule meetings of the Committee with at least four (4) days' notice but is not mandatory.
2. The Committee shall, at its own discretion, determine the agenda and conduct of all meetings of the Committee with input from the HRHA Board as required.
3. If a meeting is open, it is deemed open only to the Association's membership, Board of Directors, Management Company representative or assigned staff member as required, and any invited guests deemed necessary to assist in the business of the meeting. No person who is not a homeowner has a right to attend meetings of the Committee.

C. Reporting and Channels of Communication

1. The Committee shall submit to the Board a written report on Committee activities, in a format acceptable to the Board. This report shall include at least the following:
 - a. Dates of meetings held
 - b. Attendance
 - c. Agenda
 - d. Recommendations requiring Board action or approval
2. The recorder shall prepare and submit minutes of Committee meetings for review first to the Chair and then to Committee members for review. Minutes of previous meetings will be an agenda item on the next scheduled Committee meeting.

Committee Charter Approved by the Board: George J. J. 8 Feb 19

Secretary: BATG