

LVE II HOMEOWNERS ASSOCIATION, INC.
ADMINISTRATIVE RESOLUTION NO. AR 23-02

Financial Advisory Committee Charter

WHEREAS, Section 7.14 of the LVE II Homeowners Association Inc.'s Bylaws provides that the Board of Directors (the Board) shall have and exercise all power and duties necessary for the proper administration of the affairs of the Association; and

WHEREAS, Section 8.04 of the Bylaws states that the President shall have the power to appoint committees from the Membership, from time to time, as he may deem appropriate to assist in the conduct of the affairs of the Association; and,

WHEREAS, the Board desires to establish and maintain a Financial Advisory Committee (FAC).

NOW, THEREFORE BE IT RESOLVED THAT the Board has establishes a Financial Advisory Committee and has adopted the following procedures for the conduct of the committee.

I. Purpose. The Financial Advisory Committee that shall be the primary advisor to the Treasurer and Board on all matters relating to the fiscal policies and procedures, budget, expenditures, and financial status of the Association.

II. Committee Organization

A. Membership. The committee shall consist of a maximum of five (5) and a minimum of three (3) resident owners in good standing who shall be appointed by the Board. Resident owners who desire to serve on this committee must submit a written request to the Board via the Management Agent no later than 30 days before the Association's Annual meeting, A request for candidates will be announced through the newsletter and the Association's website. The Association Treasurer is a permanent member of the committee with full voting rights. The Association's on-site manager is a permanent committee member but without voting rights.

B. Terms and Appointments. Upon initial establishment of the committee and charter, two (2) appointed members shall serve a one (1) year term, and the remaining three (3) appointed members shall serve a two (2) year term. Thereafter, all appointed members shall serve a two (2) year term. Terms and appointments start at the first meeting of the Board of Directors after the Annual Meeting of the Association. Members appointed to fill vacancies that occur during the year shall serve out the remainder of the term of the Committee member they are replacing.

C. Committee Chairman. The committee shall elect a chairman from its members at the committees first meeting after the Association's Annual meeting. The chairman shall serve a one year term and preside over meetings. The chairman shall provide the Board with meeting minutes, and serve as the liaison to the Board,

D. Vice-Chairman. The Association Treasurer shall serve as the Vice-Chairperson of the committee. The Vice-Chairperson shall have all powers, rights and responsibilities of the Chairperson in the Chairperson's absence.

E. Member Removal. The Board may remove any committee member with or without cause upon three (3) days written notice, and a committee member may be removed by the Board upon written notice from the committee chairperson for failure to attend three consecutive committee meetings.

III. Duties and Responsibilities. The FAC shall have the following duties and responsibilities:

- A.** Maintain oversight of all Association revenue, expenditures, monetary assets; and capital reserves;
- B.** Prepare an annual Operating Budget and review the Capital Reserve Budget in accordance with Association policy for submission to the Treasurer;
- C.** Review all Association fiscal policies and procedures and recommend changes to the Treasurer as appropriate;
- D.** Review all proposed contracts and purchase orders in excess of \$5,000 and make recommendations to the Treasurer as appropriate;
- E.** Review investment policies, procedures and performance on specific investments and make recommendations to the Treasurer as appropriate;
- F.** Monitor Budget performance and make periodic reports to the Board on Budget performance and review all proposed Budget amendments; and,
- G.** Perform such other actions or undertake such other duties as may be directed or requested by the Board.

IV. Procedures

- A. Meetings.** Regular meetings of the FAC shall be held monthly. When necessary, additional meetings may be called by the Chairperson or upon the request of two voting members. All FAC meetings shall be open to all Association members and residents. The date and time of regular FAC meetings and, to the extent possible, extraordinary meetings shall be published in the Associations newsletter and web site.
- B. Voting.** Any actions by the FAC may be taken by a majority vote of the voting members present at any meeting. A quorum will be no less than three appointed members present at a meeting of the FAC.
- C. Agenda.** The Chairperson shall establish an agenda for each FAC meeting as reasonably far in advance of the meeting as possible. The Chairperson shall provide a copy of the agenda to the on-site manager who will provide the agenda to any person requesting it at the Associations offices. Any resident may place an item on the agenda by notifying the Chairperson, orally or in writing, at least one week in advance of the meeting. Consistent with time constraints and the orderly conduct of business, agenda items may be added during any meeting. Any agenda item not dealt with at a regular FAC meeting shall be added to the agenda of the next regular FAC meeting or taken up at a special meeting as determined by the Chairperson of the FAC.
- D. Conduct of Meetings.** Committee meetings shall be controlled by the FAC Chairperson. Resident input will be accommodated at all FAC meetings and the FAC Chairperson may establish the procedures, order, and duration for resident input consistent with the orderly conduct of the business.

V. Communications.

A. Minutes. The FAC shall maintain written minutes of its meetings and provide a copy of the minutes to the on-site management for inclusion in the BOT monthly meeting book.

B. Reports to the Board. The Chairperson shall submit a report of each FAC meeting, as soon as practicable after the FAC meeting, to the BOT for consideration at the next BOT meeting following the FAC meeting. Such reports may be oral or in writing. The Chairperson, or an alternate Chairperson shall attend each BOT meeting. The Chairperson shall provide all recommendations of the FAC for formal changes in any procedures or policies to the Board in writing. All Budget reports shall be provided in the manner prescribed by the Treasurer.

VI. Effective Date. This Resolution is effective April 4, 2023.

LVE II HOMEOWNERS ASSOCIATION, INC.

Date: April 4, 2023

Shashidhar Koukuntla, President

I hereby certify that a vote was duly taken, and the above Resolution was adopted by a majority vote at the meeting of the Board of Directors on the 7th day of March 2023.

SEAL

Sreenivas Bhaskara, Secretary