

**CHAPTER SIXTEEN - Section 16.04**

**FINANCE COMMITTEE CHARTER**

Date:	January 23, 1989
Amended:	March 13, 1991
Amended:	September 5, 1992
Amended:	March 23, 1995
Amended:	May 25, 1995
Amended:	July 17, 1997
Amended:	May 24, 2001
Amended:	June 20, 2002
Amended:	October 28, 2004
Amended:	December 16, 2004
Amended:	May 26, 2005

**I. PURPOSE**

- A. The Finance Committee shall be an advisory committee of the LMOA Board of Directors. Its primary purpose shall be to:
  1. Review the financial operations of the Association;
  2. Make recommendations for improving the financial operations;
  3. Prepare and recommend budgets for each fiscal year and establish systematic methods for the development thereof.

**II. MEMBERSHIP AND STRUCTURE**

- A. The Finance Committee shall be comprised of no less than five nor more than nine members who shall be appointed in accordance with PM 16.0 - Committees. The Treasurer of the Association shall have oversight responsibility as outlined in Bylaw 6.09.
- B. At the first meeting of each calendar year, the committee shall elect a chairperson from within its membership. Aside from chairing each meeting of the Committee, the responsibility of the chairperson shall include the following:
  1. Aid the Treasurer in special research projects.
  2. Present the Treasurer’s Report to the Board of Directors when the Treasurer is unavailable.
  3. Assist a new Treasurer in getting acclimated to his/her responsibilities.

**III. DUTIES AND RESPONSIBILITIES**

The Finance Committee shall be responsible for:

- A. Preparation and presentation of recommended annual LMOA Operating and Capital Budgets. This includes detailed explanation of both revenues and expenditures. These recommended budgets shall be presented to the LMOA Board of Directors not later than November 1 of each fiscal year.
- B. Monitoring the status of the Operating and Capital Budget, as to (a) status of line item expenditures, (b) status of revenue, and (c) emergency needs (unbudgeted).
  1. The Committee will meet at least quarterly and will report in writing the results of each meeting to the Board of Directors not later than 30 days after each meeting.

2. The Committee will make recommendations, as appropriate and necessary, as to revisions in the Operating and Capital Budgets during the fiscal year.
- C. Review of all regular Board of Directors agenda items that have a financial impact, to recommend source(s) of funding and analyze the effect on the operating budget. These items shall include, but not be limited to:
1. Policy changes
  2. Staffing requests
  3. Requests for funding from Undesignated Reserves
  4. Requests for re-allocation of budget funds
- The Finance Committee's recommendations shall be presented to the Board of Directors in open session when the Board deliberates on the agenda item(s).
- D. Such other responsibilities as may be referred to it from time to time by the Board of Directors.

All actions of, and conduct by, the Finance Committee shall be in strict compliance with PM 16.0 Committees, unless specifically prescribed otherwise by adoption of this Charter by the LMOA Board of Directors.

Cross-Reference: PM 16.0 - Committees