Finance Committee Duties and Responsibilities

The Waters at Lake Anna Homeownerôs Association Finance Committee is established by the Board of Directors under the powers and duties delineated in the Associationôs Bylaws, Article IV, Section 4.14. The committee operates only at the direction of the Board, shall not have the authority of the Board of Directors, and shall not have any powers of the Board. The Board may direct the committee to take specific actions on an ongoing or ad hoc basis.

Purpose: The Finance Committee serves as an advisory committee to the Board of Directors and is responsible for assuring that the fixed assets (structures, systems, equipment, amenities, facilities, etc.) are properly maintained, replaced, and/or rehabilitated consistent with all appropriate factors, e.g. architectural integrity and character of any building and landscape, in order to meet the needs of the community.

In addition, it is the Finance Committeeôs fiduciary responsibility to invest surplus funds to maximize returns within regulatory guideline (permissible investments) with Board oversight.

Duties and Responsibilities of the committee are as follows:

Operational Budget

- Responsible for drafting the Associationôs Operations Budget for each upcoming year.
- The Committee will seek input from the Board of Directors, Committee Chairpersons, and the Office Manager for financial data to assist the committee in development of the annual Draft Budget.
- The Committee will develop a Draft Budget and will, upon completion, present this Draft to the Board of Directors for review and, ultimately, approval or modification.
- The final Budget will be prepared and presented to the Board of Directors for approval at the December Board meeting prior to that of a ñnew budget yearò.

Reserve Study

- Update the Master Reserve Study annually as required by statute and complete a full review of the Reserve Study every 5 years (or more often as determined by the Board).
- Annually, as certain specific components of the Master Reserves Study (facilities, buildings, or other physical plant improvements) become fundable or otherwise move up on the list of priorities, review and propose to the Board the reserve projects to be scheduled for the coming year. Typically, those items up for replacement in the coming three years are reviewed.
- As part of the annual budget process, provide the Board with an estimate of mandatory reserves projects for the coming budget year.
- Assure that the approved reserve projects are implementedé consistent with the resources made available.
- Reserve Funds cannot be spent without Full Committee review and Board approval

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Effective 28 January 2023