

## **Role of the Spring Valley Lake Finance Committee**

The role of the Finance Committee is primarily to serve as a financial advisory committee for the Association. The Finance Committee is fully engaged in an annualized budgeting process in cooperation with the General Manager. The tasks include budget and financial review.

### **Budget and Financial Review**

1. Review the Association Budget as developed by the General Manager.
2. Make recommendations for changes as needed to assist the General Manager in developing a comprehensive budget for presentation to the Board for approval.
3. Monitor the budget against actual revenue and expense accounts on a quarterly basis at minimum.
4. Review a multi-year capital budget that integrates strategic plan objectives and initiatives.
5. Review all **Capital Expense Request Documents** for proper documentation to ensure all pertinent information is included and sent to the General Manager and Board for review.
6. Review the annual audit and discuss any recommendations or address management concerns provided by the auditors.

### **Reporting**

The Finance Committee is dedicated to ensuring a financial information reporting system that best allows the General Manager to evaluate and clearly present financial information to the community. The Finance Committee should review existing financial reports with the General Manager; and furthermore, make recommendations or revisions to the General Manager regarding the financial reports and timelines for presentation to the Board. These reports should help to focus the Board's discussion about expected outcomes and potential strategies for overcoming setbacks or changes in the financial environment.

1. Review existing report formats with the General Manager, especially in relation to the annual budget. Recommend any improvements and changes.
2. Develop an annual calendar for the Spring Valley Lake Finance Committee so the General Manager can plan for the type of financial information needed for review by the Finance Committee.
3. Ensure the financial reports presented to the Board contain all pertinent information.

### **Internal Controls and Accountability Policies**

The Board carries full fiduciary responsibility for the Association and the Finance Committee assists to review and advise in the area of internal controls and policy. In accordance with the approved Operating Policy, the Committee will:

1. Review financial policies as needed to ensure practical application.
2. Evaluate appropriate internal control procedures to ensure financial transactions are properly documented.
3. Review the bid process as it relates to the Operating Policy and ensure it is followed to protect integrity of the Association in purchasing equipment or undertaking capital projects.
4. Work to develop a 5-year capital expenditure plan, whereby by the Association can plan and track future and ongoing projects.