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# FORRESTAL VILLAGE COMMUNITY SERVICES ASSOCIATION POLICY RESOLUTION NUMBER 59

### **FVCSA FINANCE COMMITTEE**

WHEREAS, the authority for the Association's operations lie in legal documents which are the Articles of Incorporation, Bylaws, Declaration of Covenants and Restrictions and Supplementary Declarations of Covenants and Restrictions (the "Governing Documents"); and

WHEREAS, the scope and operation of the Association is further defined in the Book of Resolutions which contains the policy resolutions of the Board of Directors (the "Board") which have been duly adopted; and

WHEREAS, the Association is a non-profit corporation organized and existing under the laws of New Jersey and is charged with the duties and vested with the powers prescribed by law and set forth in the Governing Documents; and

WHEREAS, the Board has all powers for conduct of the affairs of the Association which are enabled by law or the Governing Documents which are not specifically reserved to the Members, the Developer, or the Covenants Committee by these Governing Documents; and

WHEREAS, the Board has determined that it is in the best interest of the Community to establish a Finance Committee in accordance with the rules and regulations set forth in this Resolution.

**NOW THEREFORE**, the Board adopts the Resolution as follows:

#### A. Establishment of a Finance Committee

The Board of Directors shall appoint a Finance Committee (the "Committee") within one (1) month of the Annual Meeting each year. The Committee shall consist of the Finance Chair from each of the Parcels (collectively, the "Finance Chairs"). If any Parcel Finance Chair is also on the Board of Directors, then the Parcel Committee of such Parcel Finance Chair shall nominate someone else from said Parcel to be a member of the Finance Committee. The members of the Committee shall nominate a Chairperson amongst themselves, but such nominee must meet the requirements outlined in this Resolution. The purpose of the Committee is to provide advice and guidance to the Treasurer.

The Chairperson of the Committee must be a current Finance Chair and the Finance Chair must have served on the Finance Committee for at least one year. If there are no individuals who meet these criteria OR the individual(s) who meet this criteria do not wish to be the Chairperson, the Board of Directors shall have the power to nominate an individual from the Finance Chairs to serve as the Chairperson of the Committee.

#### B. Goals and Objectives

The Goals and objectives of the Committee are as follows:

- 1. This Committee shall function as an advisory board for the Board and its Treasurer but shall not be bestowed any decision-making power. The Committee shall serve as the forum for the Finance Chairs to provide their collective opinions and advice to the Board and its Treasurer with respect to the financial decisions made for the community at large, which the Board and its Treasurer can evaluate and consider for implementation.
- 2. The Committee shall also ensure that there is continued oversight of the community finances in case of any changes in the Treasurer and/or Management Company during the fiscal year.
- 3. The Committee will provide a forum for the Finance Chairs to raise Parcel-specific issues brought to them by residents, and utilize the experience of each of the Parcel Finance Chairs to come up with solutions and recommendations for the Board related to such issues.

#### C. Organization and Governance

The Committee shall be separate and independent from the Investment Committee. As previously detailed, the Committee shall consist of the Finance Chair from each of the Parcels, the Treasurer and a Chairperson nominated in accordance with this Resolution. Within this Committee, the members shall nominate one member to act as Secretary and record minutes for each meeting of the Committee, but the Secretary cannot be the Chairperson. The Committee shall have no decision-making powers related to the finances of the community and shall only be an advisory role.

The Chairperson of the Committee and Treasurer of the Board of Directors shall, in their sole and absolute discretion, determine what confidential financial documents shall be disclosed to the other members of the Committee. As fiduciaries to the Association, the Committee and its members must adhere to confidentiality at the strictest level as they are managing confidential financial information for the Association. Each member of the Committee must sign the Non-Disclosure Agreement, a form of which is attached hereto as Exhibit A. Any member of the Committee who does not sign a Non-Disclosure Agreement shall not be permitted to be a member of the Committee, and shall not be permitted at the Committee meetings.

In accordance with this Resolution, the Chairperson of the Committee shall have the power to create the following core work groups within the Committee:

- 1. Audit Review: The purpose of this work group is to review findings from the Association's annual audit and provide recommendations, as necessary, to finalize such audit.
- 2. Orientation: The purpose of this work group is to provide the option for any Parcel Finance Chair to request a familiarization review of the Association's financial

affairs, including, but not limited to, financial procedures, financial reports and information availability and access.

- 3. Budget Planning: The purpose of this work group is to assist the Management Company with preparation of the Association's annual budget.
- 4. Financial Policies: The purpose of this work group is to guide the fiscal management of the Association and to document, review, assess and recommend changes, as appropriate, to the key Association financial policies and processes.
- 5. Strategic Planning: The purpose of this work group is to work directly with the relevant Board Liaison and focus on infrastructure replacement and related funding.
- 6. Management Company Accounting Review: This work group shall provide a forum for resolution of Parcel level and community level accounting and reporting errors, disputes, and challenges

Additionally, the Chairperson of the Committee shall have the power to create any other work group that the Chairperson deems necessary. A member of the Committee may not be a member of more than two (2) work groups. Chairperson should be an ex officio member of each work group in order to keep current with the deliberations of each work group, however, the Chairperson shall not have the power to vote in any work groups. In the unlikely event of a tie vote on a motion by the Finance Committee, that tie vote and the deliberations on which it is based both should be forwarded to the whole Board for their consideration. As the Liaison and non-voting member of the Finance Committee, the Treasurer should not have the power to break the tie.

## D. Meetings

The Committee shall meet at least one (1) time per month, preferably a week in advance of each month's Open Board Meeting. In addition to the monthly meetings, the Committee shall meet at least quarterly to focus on strategic planning and any major projects occurring within the community. The Chairperson of the Committee shall have the discretion to call additional meetings of the Committee during the year as the Committee's advisory role may be required as it relates to an audit or budget review for the community.

Policy Resolution was adopted on	, 2023
ATTEST:	
Name: Judette BORSUK Title: PRESIDENT	Name: Jerry U. ME(-1100g) Title: Secretary

## Exhibit A

# Form Non-Disclosure Agreement