

**Sun City Mesquite Homeowners' Association
Anthem Mesquite Master Association
Amended: Resolution 16-01 Establishing "Finance" Committee**

WHEREAS, the Sun City Mesquite Homeowners' Association and Anthem Mesquite Master Association (hereinafter "Associations") was established by the Articles of Incorporation on May 10, 2007; and

WHEREAS, in accordance with the Declaration of Covenants, Conditions and Restrictions (hereinafter "CC&R's"), the affairs of the "Associations" shall be conducted by the Board of Directors ... (Article 6, The Association, Section 6.2, Directors and Officers, Item 6.2.5); and

WHEREAS, the By-Laws of the Sun City Mesquite Homeowners' Association and Anthem Mesquite Master Association grant the right to the Board of Directors (hereinafter "Board") to establish such committees as it deems appropriate (Article 3.23); and

WHEREAS, it is the desire of the Board to establish and appoint a "Finance" Committee (hereinafter "Committee") for the benefit of the Associations.

NOW THEREFORE BE IT RESOLVED, the purpose of the Committee shall be to function under the guidance of a Chairperson, appointed by the Board, to learn the budget and other fiscal matters of the Associations and to assist the Board in educating the homeowners in the Associations matters as directed by the Board. The Committee will be included in reviewing the Reserve Study and Annual Audit prior to mailings to the membership.

The Committee shall be appointed by the Board as its research and analysis arm and to inform the Board of possible trends and other matters of which the Committee believes the Board should be aware. The Committee shall:

- (1) Provide administrative and/or general support and, upon request from the Board, perform comparison studies, and evaluate new opportunities.
- (2) All recommendations made by the Committee are to be submitted, in writing, to the Board for its consideration. Recommendations made by the Committee shall have no force and effect unless adopted by a Resolution or motion of the Board. The Board will communicate back to the Committee through the General Manager of its decision in a timely manner.
- (3) No Committee member is permitted or allowed to direct any Associations employee, entity, consultant, contractor, company or organization with regard to their duties without the prior permission of the General Manager or as otherwise approved by the Board in advance.

BE IT FURTHER RESOLVED that the duties and responsibilities of the Committee shall be as follows:

- (1) The Committee will conduct monthly Committee meetings and shall be responsible to maintain minutes and attendance records for all meetings and to report activities to the Board seven (7) days prior to each regularly scheduled Board meeting.
- (2) The Committee will be expected to provide a short update at each board meeting.

- (3) The Committee recommendation shall be submitting to the board in writing.
- (4) Meet quarterly, with the Association's Treasurer, to review and analyze the Association's monthly financial statements and compare with the adopted budget and prior relevant periods.
 - a. (3) Review and analyze the Annual Reserve Study along with the Association's Treasurer.
- (5) Regularly review the investments of the Associations, and consult with the Treasurer regarding risk, liquidity, and adequacy.
- (6) Perform additional functions as may be assigned or referred to this Committee by the Board as well as those that may be necessary and prudent to fulfill the Committee's duties and responsibilities.
- (7) The Committee's primary duty is to make recommendations to the Board. The Committee is not authorized to take action independent of the Board unless the action is specifically assigned herein or by subsequent Board resolution.
- (8) Committee members shall not have the authority, nor shall they attempt to issue any instructions to Associations staff, contractors or members of other committees.
- (9) The Committee shall not have the authority to appoint any other committees or designate any members of any other committee.
- (10) The Committee will be provided a draft of all financial communications with homeowner at least 15 days prior to circulation of said communications and the Committee will review the communication and report to the Board on the accuracy of the communication within 10 days of receipt of said communication.

BE IT FURTHER RESOLVED that the members and qualifications shall be as follows:

- (1) The Committee shall consist of five (5) members and may be increased or decreased by the Board as it deems necessary. The Board shall appoint the Chairperson; the Committee shall elect a Vice Chairperson and Secretary at the first meeting of each year. The same Committee member may be elected to serve consecutive terms during their tenure on the Committee provided the Board shall give priority to new members willing to serve on the Committee as set forth in Section 2 of Terms of Service, below. The Chairperson, Vice Chairperson, and Secretary may be removed from their positions at any time, without cause, by a majority vote of the Committee members present at a meeting of the Committee. The Secretary shall record the minutes of each meeting and shall sign all Committee minutes after approval by the Committee. Copies of all Committee minutes shall be forwarded for review (and final acknowledgement) to the Board .
- (2) Board members and staff may serve as nonvoting liaisons to the Committee.
- (3) Only Committee members in good standing may serve on Associations committees.
- (4) Each Committee member will be required to sign the Code of Ethics and Conduct form.

BE IT FURTHER RESOLVED that the terms of service shall be:

- (1) The terms of Committee members will be staggered so that two (2) Committee members' terms expire in even years and three (3) Committee members' terms expire in odd years. Beginning with the initial appointment of Committee members effective April 2016, two (2) Committee members

will be assigned an initial term of two (2) years and three (3) Committee members will be assigned an initial term of one (1) year by the Board. Thereafter, each Committee member will serve at the pleasure of the Board generally for terms of two (2) years. New Committee members will be appointed to fill the expiring positions each year in January by the Board. New Committee members that are appointed to fill less than one half (1/2) of the un-expired term of a former Committee member, or less than one (1) full year, may serve the consecutive full term upon completion of the un-expired term (subject to Board approval for reappointment). The Board may remove a Committee member from this committee at any time without cause or with cause for nonparticipation, disruptive behavior, loss of good standing status or whatever conduct the Board deems inappropriate and divisive in nature. The Board may appoint another person as soon as practicable to fill any vacancy so created.

- (2) Residents are limited to serving on a maximum of one (1) committee at any given time unless approved by the board.
- (3) Residents from the same dwelling, for example husband and wife or significant other, may not serve concurrent terms on the same committee and/or may not serve successive terms on the same committee with the exception of Board members may appoint any resident it deems qualified to serve on one of the Association's standing and/or Ad-hoc Committees.
- (4) Any Committee member may resign or be recommended to the Board for removal upon a majority vote of the Committee.

BE IT FURTHER RESOLVED that the meetings and notices shall be as follows:

- (1) The Chairperson shall give all Committee members at least four (4) calendar days' notice of the time and place of all meetings. Such notices may be in person, by mail, or by electronic means and should include the agenda.
- (2) The Chairperson shall conduct all meetings of the Committee. The Chairperson shall also review and approve all correspondence from the Committee. In the absence of the Chairperson, the Vice Chairperson shall perform those duties.
- (3) If a Committee member misses more than three (3) meetings during any calendar year, said member will be subject to dismissal. The dismissal will be determined by the Board and will be based upon unexcused absences. The Committee Chairperson is responsible to report such excessive, unexcused absences to the Board. Excused absences granted by the Chairperson, such as vacation and non-prolonged illness, will not subject a member to dismissal.

BE IT FURTHER RESOLVED that it is the intent of the Board that the Finance Committee remains a permanent Committee of the Community Association. The Board has developed the following procedures to provide a consistent and equitable method for the selection of members to Board Committees:

- (1) Management will prepare a list of names for each Committee using Volunteer Interest Forms submitted for consideration of appointment to the Committee.

- (1) The Chairperson of the Committee will hold interviews for each applicant prior to forwarding the Volunteer Interest Forms to the Board. Committee members whose positions are to be filled will be excused from participation, voting and being present during the Committee member selection process. Interviews are to be conducted by:
 - a. Chairperson of the Committee, including the General Manager, or
 - b. An ad hoc committee selected by and from continuing members of the Committee, including the General Manager, or
 - c. Any combination of the above (a and b).

- (2) The name(s) of the applicant(s) selected by the Committee are to be forwarded to the Board for approval and appointment to the Committee prior to the next board meeting.

- (3) All applicants interviewed by the Committee and General Manager are to be notified in a timely manner by the Committee, or General Manager, as to the selection results.

Committee Members:

Adopted this 15th day of January 2019 at a duly constituted meeting of the Board of Directors of the Sun City Mesquite Homeowners Association and Anthem Mesquite Master Association.



 John Schippert, President 1/15/19
Date



 Donna Eads, Secretary 1/15/19
Date

 Jim Karras, Treasurer Date