

CHARTER
CAPITAL IMPROVEMENT & FINANCE COMMITTEE
OF THE

LAKE SAINT LOUIS COMMUNITY ASSOCIATION

Approved by Board of Directors on June 25, 1996 - - Revised October 22, 1996

MISSION STATEMENT: To assist the Board of Directors whose mission is to provide facilities and services and to protect, maintain, and improve the assets of the Community Association in the best interest of all its members.

PURPOSE:

1. The purpose of the Capital Improvement & Finance Committee will be to perform duties and have such powers as may be provided by resolutions of the Board.
2. The Capital Improvement and Finance Committee (the Committee) will review planned spending and monitor actual expenditures for any project directed by the Board of Directors. The Committee will recommend options for financial matters related to the function, management, enhancement and maintenance for the services and/or facilities of the Community Association, for the best use and enjoyment of the LSLCA members. The Committee will analyze actual and planned expenditures and identify economic implications and financial options for use by the Board of Directors in making decisions. All Committee recommendations are subject to approval by the Board of Directors.

RESPONSIBILITIES AND LIMITATIONS:

1. Standing committees are established under Article XVII, Section 2 of the LSLCA By-Laws. Therefore, the Committee does not have and cannot exercise the authority of the Board of Directors in the management of the affairs of the Association.
2. The Committee will seek approval from the Board of Directors PRIOR to contacts with outside agencies (local, city, county, state, federal, etc.) and will immediately inform the Board of all such contacts. The Committee shall not obligate the CA in any way (financially, legally, etc.) without specific approval by the Board of Directors.
3. The Committee will review, analyze and modify, as appropriate, the Operating Budgets, both annual and five year, that is prepared by the LSLCA staff. These budgets will then be forwarded to the Board of Directors for approval.
4. The Committee will review, analyze and modify, as appropriate, the annual Capital Improvement and Replacement Reserve Budget that is prepared by the LSLCA staff. This budget will then be forwarded to the Board of Directors for approval.

5. The Committee will review, analyze and modify as appropriate, proposals for funding new amenities or services prior to approval for these new expenditures, and prior to execution of contracts related to these new expenditures.
6. The Committee will monitor all expenditures of CA funds within the guidelines as set out by the 1984 member referendum.
7. The Committee will monitor and advise the Board of Directors on the expenditures of the Capital Reserve Account (12% of Assessment Income) as per the 1984 member referendum.
8. The Committee will review and advise the Board of Directors concerning any loan arrangements.
9. The Committee will monitor the payment of any loan acquired by the Community Association.
10. The Committee will review and recommend improvements in procurement and payment practices.
11. The Committee will review all banking practices and procedures.

CONFLICT OF INTEREST:

Any member of the Committee who stands to gain personally, professionally, legally, or financially, through any affiliation with a company or organization, or through partial or total ownership of any asset involved in a CA decision, may not be involved in any way with competitive procurement procedures, such as cost estimates, line item budgeting, contract review, preparation of bid specifications, evaluation of proposals, contractor selection, and/or assessment of contractor performance. Such member must inform the Committee of such conflict of interest and may not participate in the discussions or voting regarding said procurement or transaction. In special cases where this member may be in a unique position to supply critical information pertinent to the decision to be made, the issue may be presented to the Board of Directors for a decision regarding the potential conflict of interest.

COMMITTEE MEMBER SELECTION, TERM AND QUALIFICATIONS:

1. Members of this committee will be approved by the Board of Directors. Candidates for membership shall be reviewed by the committee and comments shall be submitted to the Board.
2. Term will be three (3) years with a minimum of two (2) terms expiring each year. Terms will commence in January and expire in December.

3. Vacancies on the committee will be for an unexpired term.
4. All Committee members must be members of the LSLCA in "good standing", as defined in the LSL Covenants and Restrictions and/or By-Laws
5. The committee will consist of seven (7) members: three (3) LSLCA members with financial experience and/or expertise; two (2) members of the Engineering and Facilities Committee, and two (2) members of the Dam Compliance Subcommittee of the Lakes and Parks Committee.
6. Any member of the committee desiring to serve an additional term may do so with the approval of the Committee and the Board of Directors.
7. The Committee members may serve as a voting member on only one standing committee, except for the two members from the Dam Compliance Subcommittee of the Lakes and Parks Committee, who may vote on both the Lakes & Parks Committee and the Capital Improvement and Finance Committee and two members from the Engineering and Facilities Committee, who may vote on both the Engineering and Facilities Committee and the Capital improvement and Finance Committee.
8. Any individual or recognized group may submit a name of one of their members to the Committee for consideration and approval by the Board of Directors.
9. Any Committee member missing three (3) consecutive meetings may be removed from the Committee by the Board of Directors.
10. No more than one (1) member of a household may serve on the Committee.
11. Desirable qualifications for membership on the Committee include:
 1. Ability to interpret a financial statement
 2. Ability to perform financial analyses
 3. Familiarity with procurement practices, including bid and proposal analysis and evaluation

LEADERSHIP:

1. The Committee shall elect a chairperson, vice chairperson, and secretary subject to the approval of the Board of Directors. The chairperson or a designated person shall attend all regularly scheduled Board meetings and other meetings/functions as requested by the Board. The Committee member presenting the Committee report at the Board of Directors meeting should have attended the Committee meeting being reported on.

2. Each officer elected shall serve one year (Jan.-Dec.). If there is an officer vacancy the Committee will elect a recommended new officer at its next regular meeting to submit for Board approval. Newly approved Committee officers will assume their responsibilities at the first Committee meeting following their approval by the Board.
3. The vice-chairperson shall conduct committee meetings in the absence of the chairperson or at the direction of the chairperson and assist the chairperson with committee business/functions.
4. The secretary shall record minutes of committee meetings, keep records of members attendance and assist the chairperson with committee business/functions.

MEETINGS AND REPORTS:

1. Meetings will be open to the CA membership. Regular meetings shall be held monthly (Jan. - Dec.) Special meetings can be held at the discretion of the Committee or the Board of Directors as required to conduct the business of the Committee. The chairman of the Committee shall keep the CA office staff and the Board of Directors informed of the dates of the regular meeting and shall give the CA office staff and the Chairman of the Board of Directors at least 5 working days notice of the date and time for any special meetings.
2. Minutes, including members present, topics discussed and recommendations should be forwarded to the Board of Directors by 12:00 Noon on the Wednesday before the Board's monthly meeting. In addition, as a minimum, a separate summary sheet (standard format), including the actions the Committee requests the Board of Directors to take, must be submitted to the CA office by 12:00 Noon on the Wednesday before the Board's monthly meeting.
3. Members in attendance at meetings lacking a quorum (more than half of the voting membership) can conduct discussions only. No vote will be taken and no minutes recorded. The committee chair shall report to the Board of Directors that no quorum was present, therefore no meeting was held.
4. The Committee will follow Roberts Rules of Order, newly revised, and the Special Rules of Order, defined in Article XXIV of the LSLCA By-Laws, in conducting its meetings.
5. The Committee cannot direct LSLCA Staff. If the Committee requires Staff support or attendance, the Committee must first seek Board approval. Upon approval, the Board will direct the CA staff to provide the agreed to support.
6. The Committee will also be responsible for preparing and submitting to the Board reports of special studies, and research. Approval by the Board is required before any report is published and distributed to others beside the Board. All documentation will be complete enough to ensure that other committees and the Board will understand the activities, strategy,

decisions and recommendations of the Committee. Special attention will be paid to documenting important decisions for future reference.

7. Designated Committee members will attend meetings of the other standing committees as required to gain an understanding of the financial implications of the project development plans and issues concerning the amenities of the CA.
8. Members of other committees will be welcome at Committee meetings and will be accommodated on the agenda for presenting project descriptions and plans so that the Committee will gain an understanding of the financial implications of the projects and plans.

LIAISONS:

1. The Committee will have a Board Director assigned to function as a Liaison to the Committee. This Liaison:
 - a. Attends all Committee meetings.
 - b. Does NOT vote.
 - c. Speaks only when acknowledged by the Committee Chair.
 - d. Must clearly identify whether they are representing their person views, or are imparting previous Board votes or actions.
 - e. Is not an advocate for the Committee to the Board, nor responsible for ensuring Committee information is forwarded to the Board.
 - f. Must send an alternate in their absence, so the Committee has a Board Liaison at each meeting.
2. The Committee will also have a liaison from the CA Staff, namely, the Business Manager. This Liaison:
 - a. Attends all meetings
 - b. Does NOT vote.
 - c. Speak only when acknowledged by the Committee Chair.
 - d. Serves as an information facilitator and provides support as required to the Committee.
 - e. Notifies, in advance, the Committee Chairman and CA General Manager whenever he is unable to attend a meeting. The CA General Manager shall serve as a substitute Staff Liaison whenever the Business Manager is unable to attend.
3. The Committee may request the Board of Directors to assign additional Liaisons from other committees, CA Recognized Groups, CA Staff or others. These Liaisons:
 - a. Attend all meetings
 - b. Do NOT vote.
 - c. Speak only when acknowledged by the Committee Chair.
 - d. Serve as information facilitators, but must clearly identify whether they are representing their personal views, or are imparting previous votes or actions.

CHARTER APPROVALS AND REVISIONS:

1. All proposed charter revisions are to be submitted to the Board of Directors using the current document showing additions in Bold highlights and deletions as strikeouts.
2. When approved, a revised Charter is to be signed by the Chairperson of the Board of Directors and dated.

Harry Slyman, Chairman Board of Directors October 22, 1996
Date

Connie Mueller, Secretary Board of Directors October 22, 1996
Date