

Chapter 4 - Section 4.2

Date of Board Approval: 1/26/2023

Monthly Financial Reports

I. POLICY:

The Board has the fiduciary responsibility for the Association's funds. The Board will ensure that financial reports are prepared on a monthly basis in accordance with Generally Accepted Accounting Principles.

II. Application:

Financial Statements:

Monthly financial reports will be submitted to the Board by the Treasurer at the regular meetings of the Board. The reports will include the month to date and year to date Balance Sheet, Statement of Revenues and Expenses with comparisons to Budget, Reserve Statement, and the check register.

The Treasurer will also provide a Report of the Treasurer to the Board.

Summary financial statements will be available to residents.

Review of Financial Data:

The Manager will reconcile all accounts prior to preparing financial statements. The financial statements will be submitted to the Treasurer for review at the monthly Budget & Finance Committee Meeting.

The Treasurer, with the assistance of the Budget and Finance Committee and the Manager will:

1. Provide an analysis of the revenues and expenses with comparisons to the current year's budget. Deviations from the budget will be reviewed. The Treasurer, with the assistance of the Budget and Finance Committee will make recommendations to the Board regarding any operational changes that need to be made as a result of budgetary deviations.
2. Review cash balances to ensure adequate funds are available for operations.
3. Review timeliness of collections of assessments and report deficiencies to the Board.

4. Review the balances in reserve accounts and monthly activity to ensure expenditures are within the approved budgets for reserve projects. All reserve expenditures and any changes to the reserve accounts or budgets must have prior Board approval.

Sources:

RWA Governing Documents
CAI. Best Practices -Financial Operations.