

Silver City Food Co-op Finance Committee (FC) Charter

Purpose

The FC provides guidance and recommendations to the full board concerning fiscal decisions.

Composition

Members of FC shall consist of the treasurer and at least one other board member, the general manager or designee, the finance team members, and co-op member-owners approved by the committee. The treasurer or designee shall chair the committee. All committee members and attendees must sign a confidentiality statement annually.

All board members are encouraged to attend the meetings of FC.

Authority

FC reports to the board.

Duties and Responsibilities

1. Discuss co-op finances to better understand current and future financial challenges.

A. Review the General Manager's reports for Financial Condition and Activities (B1)

B. Review the General Manager's Planning and Financial Budgeting activities (B2) concerning annual and multi-year budgets.

C. Discuss the General Manager's plans for Asset Protection (B3).

D. Concerning Membership Rights and Responsibilities (B4) make a determination each year as to whether any of the Cooperative's net profit will be allocated and distributed to member-owners.

2. Review requests for return of equity investments forwarded by operations and recommend to the board what actions to take.

3. Board Budget:

A. In November, monitor board expenses against the board budget and propose to the board the board budget for the upcoming fiscal year.

B. In August, monitor board expenses against the board budget for January through June.

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4. In May, based on the audited or reviewed prior year-end financials, recommend to the board the application of net savings for the prior year, specifically:

A. Deposits to the surplus fund

B. Additional funds for capital investment

C. Additional funds for educational purposes

D. Patronage refunds: amount to distribute and amount to retain

5. In August, recommend to the board the share price for the upcoming fiscal year.

6. In August, review the existing agreement (engagement letter) with the board's independent, certified, public accounting firm. Propose to the board periodic reviews or audits by a recommended independent, certified, public accounting firm (e.g., the proposal might be to continue the existing agreement, to change the existing agreement, or to change firms).

7. Perform other duties (a) assigned by the board or (b) requested by the general manager and approved by the board.

Meetings

FC will meet at least quarterly in February, May, August, and November at least one week prior to the board meeting. The chairperson will call meetings, set the agenda, and report to the board.

This charter will be reviewed in February

Adopted 1/4/2003

Revised 5/21/2014

Revised 6/15/2016

Revised 8/15/2018

Revised 2/22/2023

Revised 2/28/2024

