

Financial Review Committee Scope of Work

~~DRAFT v1.2 as of 1/6/2016~~

Approved 2/8/16

Mission Statement

Reviews the audited financial statements of Chevy Chase Village with Village management and the Village's independent auditors; monitoring any unusual adjustments proposed by the independent auditors, the internal controls the Village is employing, the need for additional clarifying language, and similar matters. Meets at least once a year with the Village Treasurer to discuss investment of Village reserves and matters relating to income tax revenue and *SafeSpeed* Program assumptions used in the Village budget, future years' revenue and expenditure assumptions, and the adequacy of Village financial reserves.

Composition

The Financial Review Committee consists of five members appointed by the Board of Managers. The committee chair will be appointed from among the committee members by the Board of Managers; however, before that appointment is made, the committee may recommend to the Board a member to serve as chair if they choose to do so.

The Board Treasurer shall serve as the Board's representative to the Financial Review Committee and the Village Manager and Finance Director shall serve as the staff liaisons.

Tasks

The Financial Review Committee works with the Board Treasurer, Village Manager and Finance Director as follows:

- The committee will be responsible for oversight of and advice relating to the external audit of the Village's financial statements at the conclusion of each fiscal year (June 30).
- The committee will meet at least annually with the Village Manager and Treasurer to jointly consider the status of Village finances, investment of Village reserves, and assumptions regarding future year income and expense.
- Additionally, when requested by the Board, the Committee will provide recommendations to the Board regarding aspects of the proposed operating and capital budgets, including reviewing the proposed revenue and expenditure assumptions, adequacy of the Village's financial reserves and the appropriateness of the proposed property tax rates. To ensure adequate awareness for such requests from the Board, the Committee may meet to familiarize itself with the operating and capital budgets.