

## EXECUTIVE AND FINANCE COMMITTEE

### Terms of Reference

#### Preamble:

The Board of Directors of the MGAA may, establish, repeal or amend the Terms of Reference of the standing committees of the Association at their discretion. The Executive and Finance Committee is a standing committee of the MGAA.

#### Committee Chair and Members:

The chair of the Executive and Finance Committee shall be a director of the MGAA and shall be appointed to serve as chair of this Committee by the Board.

The Executive and Finance Committee shall be made up of at least five (5) individuals acceptable to the Board. These appointments will be based on recommendations made by the chair of the Executive and Finance Committee to the Board. The chair of the Committee may recommend the removal of any member to Board and in the interim the chair may suspend member participation until the Board has made a decision on the removal.

The Committee shall also have the authority to invite individuals to serve as seconded members to the Committee. The nature and length of the secondment shall be at the discretion of the committee chair.

#### Meetings:

The Committee may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit and may from time to time adopt, amend or repeal rules or procedures in that regard.

**At least three (3) Committee members** shall form a quorum for the transaction of business by the Committee.

The Committee chair shall preside at all meetings of the Committee and, in consultation with the other Committee members shall set the frequency and length of each meeting of the Committee and the agenda of items to be addressed at each meeting.

The Committee chair will ensure that the following documents are circulated at least five (5) days in advance of each meeting:

1. the agenda for the meeting;
2. any other documentation related to the business to be conducted by the Committee.

Committee members can by unanimous consent waive the requirement for the five (5) day period. However, this practice should be limited to only rare and unusual circumstances which do not allow for the information to be prepared and circulated within the prescribed time limit.

The Committee may hold meetings in person or by teleconference or by such other electronic means that permit all persons participating in the meeting to properly communicate with each other. There should be at minimum four (4) meetings annually and wherever possible, at least one in-person meeting.

Questions arising at any meeting of the Committee shall be decided by a majority of votes of the Committee members. Each Committee member is authorised to exercise one (1) vote. In case of an equality of votes, the Committee chair shall have a second or casting vote.

#### Reporting:

At each meeting of the Board, the Committee chair shall report on the work undertaken by the Committee since the last report.

#### Confidentiality:

All business transacted by the Committee is confidential.

#### Budget:

The committee will advise the Board on any projects covered by its remit and will from time to time request a budget for approval.

#### Committee's Role:

The Committee shall perform the following functions:

1. Consider and advise on all aspects of the Association's finances, financial policies, controls and strategy, and review these periodically.
2. Give consideration and recommend to the Board, an annual budget for revenue income and expenditure and any associated capital expenditure.
3. Periodically review the budget and recommend any in-year budget adjustments, if necessary.
4. Monitor the cash flow position of the Association and recommend any corrective action to maintain an acceptable reserve.
5. Monitor the planning, implementation and progress of approved major capital expenditure projects the Association wishes to engage in.
6. Review the annual financial statements and recommend them to the Board for approval.
7. Consider and make recommendations on improving the solvency of the Association and the safeguarding of its assets.
8. Periodically review the arrangements for insurance.
9. Periodically review the Associations investments and borrowing.
10. Make necessary changes to the job description of the General Manager.
11. Review and recommend the appointment of staff to the Board.
12. Review the remuneration package, including pension contributions, for staff and make recommendations to the Board.
13. Assess the performance of senior management, relative to the Association's strategic plan.
14. Monitor and review the succession planning process for senior management and the training and development of the executive officers as part of such succession planning process.