

THE ASSOCIATION OF RIVERDALE COOPERATIVES AND CONDOMINIUMS



TREASURER'S DUTIES AND RESPONSIBILITIES

Stephen J. Budihas

The Board of Directors of each cooperative or condominium ultimately bears the responsibility for the oversight of all financial matters of the Corporation, and it usually hires a building manager to oversee the day-to-day operations. Consequently, the daily financial dealings of the corporation are determined by the Board, managed by the agent it hires.

To protect itself, the Corporation, its physical property and all of its shareholders' interests, the Board traditionally designates at least one resident-shareholder officer, usually called the TREASURER of the Board, to lead it through its fiscal duties.

The duties of the TREASURER, whose position is similar to that of a Chief Financial Officer but without the pay, are wide-ranging but all simply reflect the fundamental responsibility of the Board of Directors to protect the interests of the Corporation and each and all of its investors (i.e., shareholders) — all the while complying with the appertaining laws and regulations that define the financial responsibilities of the Corporation.

The TREASURER is traditionally designated to *recommend* the following to the Board for approval:

- Annual budget, in advance of each operating year
- Carrying charges (maintenance) commensurate with the needs of the building
- Charges for services and provisions that may not be specifically provided for in the proprietary lease, such as parking, laundry, rentals of community space, etc.
- Budgetary capability to support vendors' contracts
- Sources of new revenue (e.g., flip "taxes", move-in/out fees, sublet fees, etc.)
- Development and preservation of reserve funds that are sufficient to provide for liquidity in the event of unforeseen problems
- Expending costs appropriate to the optimum maintenance of the building

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In order to properly fulfill his/her duties, it is the TREASURER's **direct responsibility** to

- request bids from reputable contractors; check their work references; make inquiries of them to other co-ops & condos.
- regularly meet with the Board &/or its designated Finance subcommittee to ensure compliance with all of the Board's intentions and directives.
- prepare and provide regular (usually monthly) reports regarding the all funds held by the Board (i.e., Reserve Accounts).
- apprise shareholders of the financial health of the Corporation.
- regularly compare budgeted figures with actual income and expenditures.
- work with the building's accountant to ensure the completion of all required financial reporting and plan for the future financial needs of the corporation.

In **conjunction with the managing agent** of the building, the TREASURER must work to

- ensure that the (draft) annual budget is prepared in a timely manner in advance of each fiscal year.
- conserve operating funds by monitoring staff, work orders, purchase orders, etc. and implementing proper controls on each.
- approve bills presented by the managing agent based on the production of satisfactory evidence of the delivery of goods or completion of service.
- investigate financing sources (banks, finance companies) and make recommendations for refinancing of the corporate mortgage(s).
- monitor shareholder arrears, cash balances and disbursements.
- develop new sources of revenue in addition to maintenance common charges.