**FSCC FINANCE COMMITTEE AGREEMENT**

This Finance Committee Agreement is made this \_\_1\_\_ day of July, 2009, between The Figure Skating Club of Cincinnati (hereinafter referred to as FSCC,) by and through its Board of Directors herein referred to as the “Board”, and Dottie Janson, Bonnie Fraser, and Suzanne Tanguay, the initial members of the Finance Committee, herein referred to as the “ Finance Committee.”

Whereas, FSCC is now the owner of the property described in Exhibit A attached hereto and made a part hereof, and

Whereas, such property was obtained from the proceeds of the 1987 World Championship, and

Whereas, the members at the time of said 1987 World Championship established a “Restricted Fund” with the express intention that the principal of such Restricted Fund would remain intact and assure the long term fiscal security of the Club, and

Whereas, the management of the Restricted Fund by Amendment to the Constitution of the Club is unwieldy due to the quorum requirements and the necessity for special membership meetings, and unnecessarily public due to the notice requirements, and

Whereas fluctuations in financial markets, have caused the principal amount of the Restricted Fund to fall below its original level, and

Whereas the Board desires to utilize the experience and expertise of past presidents, treasurers and board members of the Club to manage the Restricted Fund in the best interest of the club, provide financial advice to the Board, and allow the current board members to focus on the day-to-day operations of the Club, and

Whereas, the Board desires to make provision for the care and management of the Restricted Fund by the Finance Committee, and the collection of the income therefrom, and the disposition of both such income and such property in the manner herein provided, and

Whereas, the Board desires to set forth the duties and responsibilities of the Finance Committee,

Now, therefore, for the reasons set forth above, and in consideration of the mutual covenants set forth herein, The Board and the Finance Committee agree as follows:

1. Creation and Membership of the Finance Committee: A Finance Committee is hereby created, consisting of three voting members and two ex-officio members. The current President and Treasurer of FSCC shall be ex-officio members of the Finance Committee. They shall be invited to attend all meetings, but shall not have the right to vote on Committee matters. One voting member of the Finance Committee shall be elected by the Finance Committee itself and shall serve an initial term of one year. Dottie Janson shall be the initial Finance Committee Representative to the Finance Committee. A second voting member of the Finance Committee shall be elected by the Board of Directors of FSCC and shall serve an initial term of two years. Bonnie Fraser shall be the initial Board Representative to the Finance Committee. A third voting member of the Finance Committee shall be elected by the membership of FSCC and shall serve an initial term of three years. Suzanne Tanguay shall be the initial Membership Representative to the Finance Committee. Upon expiration of the initial terms of the foregoing members of the Finance Committee, successor representatives shall be elected by the Finance Committee or the Board or the membership of FSCC, respectively, to serve a term of three years and all subsequent members of the Finance Committee shall serve staggered three-year terms. Any member of FSCC is eligible to serve as a member of the Finance Committee, however, it is strongly recommended that Finance Committee members shall be elected from among the following:

 A. Past Presidents or Past Treasurers of the Board;

 B. Past Board members;

 C. Members who have contributed substantial volunteer efforts to the club over a period of several years;

 D. Members who have a financial background and whose membership has spanned a period of several years.

1. Duties and Responsibilities:

 A. The Finance Committee shall protect the long-term financial health of FSCC and for that purpose, shall manage the Restricted Fund. The Finance Committee shall set the investment and allocation strategy for the Fund; shall determine the amount of funds available to the Board in the form of an annual grant; shall establish a policy for determining the amount of annual grant, if any, to be made available to the Board; shall create and maintain a long term financial plan (e.g. five to ten years); and shall provide a written report to the Board regarding the investments of the Fund and the amount of grant available to the Board during the upcoming fiscal year no later than June 30th of each year. The Finance Committee shall also consider any requests for grants made by the Board for special projects, such requests must be made in writing.

 B. The Board shall provide regular reports to the Finance committee regarding Club operations, fundraising efforts and the results thereof, membership, ice package purchases, the operating budget and projections. The Board shall transfer all funds in excess of one year’s operating budget to the Finance Committee for investment and growth of the Restricted Fund.

3. Meetings: The Finance Committee shall meet at least two times each year (one meeting per six month period) and at least one of those meetings shall include a representative of the financial firm in which the majority of the Fund is invested (the Financial Advisor.) The Finance Committee shall report to the Board at least twice each year (one time in the spring and one time in the fall) providing current statements of investments and balance as well as a progress report with respect to the long term financial plan and expected grants, if any, for the subsequent year.

4. Transfer of Property: The Board, in consideration of the acceptance by the Finance Committee of the duties and responsibilities set forth herein, hereby conveys, transfers, assigns, and delivers to the Finance Committee, its legal successors (if any), the property described in Exhibit A attached hereto and made a part hereof, by this reference, which property, together with all other property that may from time to time be held by Finance Committee hereunder, is herein referred to as the Restricted Fund. The Board, and any other persons shall have the right at any time to add property acceptable to the Committee to the Fund and such property, when received and accepted by the Finance Committee, shall become part of the Fund.

5. Grant to Board of Directors: The Committee shall care for and manage the Fund and collect the income derived therefrom, and, after the payment of all [taxes](http://www.lectlaw.com/forms/f180.htm%22%20%5Ct%20%22_top) and assessments thereon and all charges incident to the management thereof, dispose of the net income therefrom and principal thereof, as follows:

A. Grant from Income: Subject to Item 7, the Committee shall make available so much of the income of the Fund as is requested by the Board. If requested by the Board, all of the annual income (interest and dividends) shall be paid by the Finance Committee to the Board in such installments as the Committee shall determine, for the purpose of such operations of the Club as the Board, in its discretion, shall deem appropriate.

B. Grant from Principal: The Committee shall preserve, invest, allocate and manage the principal of the Fund, and subject to Item 7, and beginning in fiscal year 2012-2013, shall make available to the Board so much of the principal of the Fund (including realized or unrealized capital gains) as the Committee shall, in its discretion, deem appropriate. Grants of principal shall also be made available by the Finance Committee to the Board in such installments as the Committee shall determine, for the purpose of such operations of the Club as the Board, in its discretion, shall deem appropriate.

C. Transition Period: For the fiscal year 2009-2010, the Committee shall make available (from Income and Principal) at least 75% of the grant to which the Board would have been entitled under the previous subsidy policy of the Board (i.e. 5% of the fund balance based on the lower of the current Fund balance as of March 31st of the current year, or the average of the preceding 6 months’ balances).

For the fiscal year 2010-2011, the Committee shall make available (from Income and Principal) at least 50% of the grant to which the Board would have been entitled under the previous subsidy policy of the Board.

For the fiscal year 2011-2012, the Committee shall make available (from Income and Principal) at least 25% of the grant to which the Board would have been entitled under the previous subsidy policy of the Board.

During the transition period, funds available from income under Item 5A above shall be available to the Board, even if such funds exceed the total grant amount provided in this Item. Grants made available from Income under Item 5A shall be subtracted from the minimum amounts required to be made available.

7. Minimum Balance: The balance of the Restricted Fund shall not be permitted to drop below $100,000 and should market conditions cause the balance of the Restricted Fund to drop below a minimum balance of $100,000, then no expenditures (either from Income or Principal) shall be made until such time as the balance of the Fund is greater than $100,000, except for a grant previously approved for the current fiscal year. The original balance of the Restricted Fund was $205,000 and the Committee shall, consistent with its other duties, strive to restore the minimum value of the Restricted Fund to its original $205,000.

8. Revocation and Amendment: Any amendment or revocation of this Agreement must be made in writing in accordance with the provisions of Article VIII of the Constitution of the Figure Skating Club of Cincinnati.

9. Acceptance by Finance Committee and Board: This Agreement has been accepted by the initial members of the Finance Committee and approved by the Board of Directors of FSCC and will be administered in the State of Ohio and its validity, [construction](http://www.lectlaw.com/forms/f180.htm%22%20%5Ct%20%22_top), and all rights thereunder shall be governed by the [laws](http://www.lectlaw.com/forms/f180.htm%22%20%5Ct%20%22_top) of that state.

In Witness Whereof, we have executed this Agreement on the date above written.

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Dottie Janson Stacy Brinkman, President

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Bonnie Fraser Jeff Privett, Secretary

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Suzanne Tanguay

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Witness 1 Witness 2

Exhibit A (Separate Page)

(Listing of property included in this agreement)

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