

Preservation of Reserve Assets Committee (PRAC) Charter

Revised 11/17/21

Purpose/Mission

The purpose of the Preservation of Reserve Asset Committee (PRAC) is to assist the Sunflower Community Association with the management of the Reserve Asset Fund.

Authority and Responsibilities

Policies

1. Review and make recommendations to the Board for updating Reserve asset planning policies.
2. Oversee the adoption of appropriate requests for proposals and project guidelines for approval by the Board.

Areas of Responsibility

1. Meet with the Reserve Study contractor annually to review the Sunflower assets for being current, complete, and correct. A Board Member and the General Manager shall also be in attendance.
2. Advise on the maintenance and preservation of the reserve assets of the Sunflower Community Association. Reserve assets are defined as buildings, structures, equipment, and other capital items that belong to the Sunflower Community Association.
3. Regularly inspect the reserve assets to determine condition, estimated remaining useful life (RUL) and anticipated repairs.
4. Work with the General Manager to maintain a record of reserve assets with information such as asset value, depreciation, condition, estimated remaining life and other pertinent data.
5. Using records, the reserve study, and inspections, prepare a prioritized recommendation to the Board as to what action (if any) the Board should take with respect to maintenance, repair, or replacement. An overall recommendation shall be provided to the Board at least annually, with updates and revisions as needed.

Limitations

1. PRAC will not act as a substitute for licensed or professional advice.
2. PRAC cannot enter into contracts or agreements.
3. PRAC cannot approve projects or proposals.
4. PRAC does not have authority to spend Association funds.
5. The scope of the Committee deals only with the Association's reserve assets.
6. The authority of the PRAC is otherwise defined by the Board and Association policy.

Implementation Responsibilities

1. Provide support to the Board and to the General Manager for the day-to-day management of Sunflower reserve asset records and requests-for-proposals (RFP).
2. Report any issues related to Board approved reserve asset projects to the General Manager and to the Board.

Evaluate Performance

1. May assist the General Manager in reviewing and evaluating the performance of contracted projects and services related to Reserve assets.
2. Annually evaluate the performance of the PRAC Committee and make suggestions to the Board as to the Committee's makeup, accomplishments, duties, and responsibilities.

Assist and Educate the Board

1. Regularly report on project plans, issues, and opportunities.
2. Report on the anticipated scope, costs estimates, and budget amounts for reserve asset related projects.
3. Execute other such duties as delegated by the Board.

Organization

Review of Charter

1. This charter shall be reviewed and reassessed by the PRAC at least annually, and any proposed changes shall be submitted to the Board for approval.

Membership/Structure/Quorum

1. The PRAC shall consist of at least five (5) but not more than nine (9) members.
2. All Committee members must be members of the Sunflower Community Association.
3. The Committee Chairperson shall be elected by the PRAC committee and approved by the Board.
4. A board member will be appointed, by the board, as the Committee liaison.
5. All new memberships require recommendations from the Committee and require Board approval.
6. The Chairperson may establish working groups to accomplish Board of Directors assigned and/or chartered responsibilities. Appointment to each work group will be filled by the Chairperson and/or by volunteers from the membership.

7. On an as needed basis, the Chairperson may recruit qualified Sunflower homeowners as advisors to the PRAC team for aiding on specific projects. Advisor applicants require Board approval. Advisors are not PRAC members and are not required to attend meetings.