

## 12. Stormont Yacht Club Financial Management Policy

*Approved March 3, 2025*

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## Definitions:

**Amortization:** The process of allocating the cost of a capital asset over its useful life, ensuring accurate financial reporting and proper asset management.

**Board of Directors:** The governing body of SYC, responsible for major decisions, including the approval of financial policies, budgets, and expenditures.

**Board Approval:** The formal process by which the Board of Directors must approve certain decisions, including major expenditures, borrowing, and policy changes.

**Budget Performance Review:** A process where the club reviews its financial performance against the approved budget, reporting variances, and adjusting as necessary to align with actual financial activities.

**Capital Planning Process:** A systematic approach for planning and prioritizing major capital investments, such as building repairs and asset replacements, often outlined in a rolling 10-year capital plan.

**Capital Reserve Fund:** A fund established to cover large capital expenditures, such as facility repairs and upgrades, typically funded by surplus revenue, grants, or designated contributions.

**Contract Awarding Process:** A procedure by which contracts above a specific value require competitive bids, ensuring transparency and accountability in awarding contracts for services or goods.

**Credit Line:** A financial arrangement allowing the club to borrow funds up to a set limit. Borrowing above a certain threshold requires Board approval.

**Debt Management:** The practice of carefully planning, approving, and repaying borrowing, with consideration given to the club's ability to meet financial obligations on time and ensuring that no new borrowing is undertaken until existing debt is managed.

**Expenditure Approval Process:** A formalized process by which expenditures above a certain amount require Board approval, with specific thresholds set for individual members (e.g., Treasurer) to authorize smaller expenditures.

**Expenditure:** A financial outflow or cost incurred by the club for operational, capital, or other needs.

**External Accounting Firm:** An independent firm hired to perform audits or review engagements to ensure the accuracy and compliance of the club's financial statements.

**Financial Management Policy:** A document outlining the procedures, principles, and rules for managing the financial operations of the Stormont Yacht Club (SYC), ensuring accountability, transparency, and alignment with the club's mission.

**Financial Report:** A detailed report summarizing the club's financial transactions and activities, typically presented to the Board of Directors.

**Internal Controls:** Policies and procedures designed to safeguard assets, ensure the accuracy of financial records, and promote operational efficiencies. Includes segregation of duties, dual approval for transactions over a certain threshold, and restricted access to financial systems.

**Initiation Fee:** A one-time payment required from new members to join the club. This fee represents an equity contribution to the club's long-term capital and infrastructure.

**Investment Selection:** The process by which SYC chooses secure, principal-guaranteed investment instruments, such as GICs and Treasury Bills, to manage its reserve funds.

**Operating Reserve Fund:** A fund set aside to cover unexpected financial shortfalls, typically maintained at a minimum of three months of operating expenses, to ensure financial stability during disruptions.

**Petty Cash:** The phasing out of petty cash in favor of more secure and traceable payment methods, such as corporate credit cards and direct vendor payments.

**Reserve Funds:** Financial assets set aside for future needs, such as capital projects, operating reserves, and restricted funds for specific purposes (e.g., projects with a defined scope or timeline).

**Review Engagement:** A formal financial review conducted by an external accounting firm to verify the accuracy of the club's financial statements, typically performed annually unless exempted by a membership vote.

**Signatory Authority:** The authorized individuals who have the power to sign cheques or authorize payments on behalf of SYC, including the Treasurer and designated Board members.

**Treasurer:** The officer responsible for overseeing the financial operations of the club, ensuring adherence to policies, managing day-to-day financial activities, and reporting to the Board of Directors.

**Treasurer's Authorization:** The authority granted to the Treasurer to manage borrowing and approve expenditures up to a set limit, as outlined in the policy.

## **1. Purpose, Authority, and Responsibility**

### **1.1 Purpose**

The purpose of this Financial Management Policy is to provide a clear framework for managing the financial resources of the Stormont Yacht Club (SYC or the Club). This policy ensures effective management, accountability, and transparency of all financial transactions, aligning with the organization's mission and values.

### **1.2 Authority**

This policy has been prepared by the Finance and Risk Management Committee and approved by the SYC Board of Directors in accordance with SYC Bylaws Section 2.05 and Section 4.

### **1.3 Responsibility for Policy**

In accordance with SYC Bylaws Section 5.05, the Treasurer is responsible for overseeing the implementation of this policy, with support from the Finance and Risk Management Committee. The Committee shall operate in accordance with its Terms of Reference, as set out in Annex 1 of this policy.

## **2. Investments**

### **2.1 Purpose**

The purpose of this investment policy is to ensure the prudent management of the Stormont Yacht Club's (SYC) Reserve Funds by prioritizing capital preservation, maintaining liquidity, and achieving reasonable returns to support the Club's long-term financial stability.

### **2.2 Investment Selection**

SYC shall invest its Reserve Funds in secure, principal-guaranteed instruments such as Guaranteed Investment Certificates (GICs) and Treasury Bills issued or insured by the Canadian government or financial institutions covered under the Canada Deposit Insurance Corporation (CDIC).

### **2.3 Financial Goals**

Investments shall be managed to:

- Minimize the risk of principal erosion.
- Generate a reasonable return while maintaining security.
- Align with the Club's cash flow requirements, ensuring adequate liquidity to meet both planned expenditures and unforeseen financial needs.

### **2.4 Restrictions**

To mitigate risk and comply with CDIC coverage limits, no more than \$100,000 per category shall be invested in any single account or financial institution. Investment decisions must also align with the Club's operational and capital funding requirements.

Capital Asset Funds may be established and any amount over \$50,000 will be placed in Cashable GICs and used as directed by the Board of Directors for Capital Projects.

SYC may maintain a high interest savings account that will facilitate capital project savings identified or savings for a specific project to be completed within a 5 year period identified. Interest rates will determine cash over \$ 50,000 to be moved between cashable GICs vs high interest savings accounts.

## **2.5 Accountability**

The Board of Directors shall, by resolution, appoint an individual annually to oversee investment decisions. This individual may be the Treasurer or another designated member with appropriate financial expertise. All investment decisions must be made in accordance with this policy and reported to the Board on a regular basis.

## **3. Budget**

### **3.1 Annual Budget Preparation**

The Stormont Yacht Club (SYC) shall prepare an annual budget that serves as a living financial plan, incorporating expected income, planned expenditures, and financial commitments. The budget will provide a detailed breakdown of projected revenues, operating expenses, capital projects, and reserve allocations. It will also account for grants, contracts, and agreements to ensure accurate financial planning.

### **3.2 Budget Development Considerations**

- The budget shall prioritize fixed and essential costs before considering discretionary expenditures.
- Revenue projections shall be based on realistic expectations, avoiding speculative funding sources.
- Consideration will be given to inflation, economic conditions, and any extraordinary circumstances that may impact financial planning.
- Timing inconsistencies in revenue collection, such as seasonal donations or membership dues, shall be factored into cash flow planning.
- Input from key stakeholders, including the Treasurer, Committee chairs, and other designated members, will be sought to ensure a comprehensive budget.

### **3.3 Approval and Presentation**

The budget will be prepared on Calendar year basis. The Board of Directors should endeavor to finalize the budget by the beginning of May in each calendar year. The budget will be published as part of the minutes to the Board of Directors meeting where the budget is approved.

### **3.4 Ongoing Review and Adjustments**

- Budget performance will be reviewed quarterly to ensure alignment with actual financial activities.

- Variances between budgeted and actual figures will be reported through the Financial Report to the Board.
- Significant overages or project changes shall be reported to the Board, with approval requested for necessary adjustments.
- The budget may be revised throughout the year as needed to reflect new financial realities while maintaining fiscal responsibility.

#### • Financial Reporting

The Stormont Yacht Club (SYC) is committed to maintaining transparency and accuracy in all financial reporting.

##### 4.1 Compliance with Accounting Standards

All financial transactions will be recorded in accordance with Generally Accepted Accounting Principles (GAAP). The Club will maintain accurate, up-to-date financial records for all revenues, expenses, and assets.

##### 4.2 Monthly Reporting

A monthly **Statement of Financial Position** (Balance Sheet), **Statement of Operations** (Profit and Loss), and **Capital Project Report** (including budget comparisons) will be prepared and presented at each Board meeting.

##### 4.3 Annual Review Engagement

The annual financial statements shall undergo a **Review Engagement** by an appointed third-party accounting firm. This review is required unless the Membership has voted on an extraordinary resolution as outlined in SYC Bylaw 9.01 #5.

##### 4.4 Availability of Financial Statements

The financial statements will be made available to the Membership at the **Annual Meeting**, in accordance with SYC Bylaw 9.01.

## 5. Operational Reserve Fund

### 5.1 Purpose:

The purpose of the Operational Reserve Fund is to ensure financial stability by maintaining a reserve to cover unexpected financial shortfalls, such as loss of revenue or unplanned expenses. It will also allow for continued operation of programs and services during financial disruptions.

### 5.2 Target Amount:

- Maintain operating reserves equal to a minimum of **three months and a maximum of one year of operating expenses**.
- The target amount will be reviewed annually based on budgetary needs.



- An annual surplus beyond operational needs and one year of operating expenses may be allocated to Capital Asset Reserve Fund or Restricted Reserve Funds, if established by the Board.
- Restricted funds are established to provide funds for specific projects or for the 10 year capital plan.

### 5.3 Funding Sources:

- Surplus from annual operations.
- One-time revenue sources such as grants, bequests, or special fundraising that are not dedicated to a specific capital project.

### 5.4 Use of Funds:

- Approved for covering **temporary budget gaps**, emergency expenses, or unforeseen operational needs.
- Not to be used for **long-term deficits**.

### 5.5 Approval Process:

The **Commodore and Treasurer** may approve use up to a set limit of \$10,000. Amounts exceeding the limit require approval from the **Board of Directors**.

### 5.6 Replenishment:

Any funds used must have a replenishment plan, ideally within **12 months**.

### 5.7 Monitoring & Reporting:

The Treasurer will report the fund balance and any usage to the Board **quarterly**.

## 6. Capital Reserve Fund

### Purpose:

The purpose of the Capital Reserve Fund is to ensure funds are available for significant capital projects such as dock repairs, facility upgrades, and new asset acquisitions. It will also reduce financial strain from large, infrequent capital expenditures.

### 6.2 Capital Planning Process:

- SYC will establish a rolling 10-year capital plan, updated and reviewed each year during the budget process.
- The capital plan will identify priorities for asset renewal, replacement, and new capital investments based on the club's asset management plan.

### 6.3 Target Amount:

- Maintain a minimum balance based on an **asset management plan**, with adjustments based on upcoming capital needs.
- The club will target an annual operating surplus of at least 1% of budgeted revenues to support capital needs.

### 6.5 Funding Sources:

- Surplus annual revenue.
- Annual budget allocation based on asset depreciation.
- Grant or disbursements.
- Initiation fees.
- Levies or debentures.
- Capital campaigns or designated contributions.

### 6.6 Use of Funds:

- Limited to **capital improvements, major repairs, and acquisitions** as approved by the Board.
- Not for routine maintenance or operational expenses.

### 6.7 Approval Process:

The **Board of Directors** must approve all expenditures from the Capital Reserve Fund.

### 6.8 Monitoring & Reporting:

- The Finance and Risk Management Committee will review the fund status annually and report to the Board.
- Amortization expenses will be recorded annually to reflect the use and aging of the club's capital assets.

### 6.9 Amortization of Capital Assets

The Stormont Yacht Club (SYC) will amortize its capital assets in accordance with Generally Accepted Accounting Principles (GAAP) to ensure accurate financial reporting and proper asset management.

#### 6.9.1 Capitalization Threshold:

SYC will capitalize assets with an initial cost of **\$1,000 or more** that are long-lived, tangible, and have a useful life exceeding one year. Capital assets are recorded at cost, including all expenses necessary to acquire and prepare the asset for use.

#### 6.9.2 Amortization Methods:

- The **Straight-Line Method** is the preferred approach, providing consistent expense recognition over an asset's useful life.

**Formula:** Amortization Expense = (Cost of Asset – Residual Value)/Useful Life

- Alternative methods may be used if appropriate to the asset's usage pattern and with Board approval:
  - **Declining Balance Method:** Accelerates amortization in earlier years for assets that lose value rapidly.
  - **Units of Production Method:** Amortizes based on usage or output, suitable for assets whose wear correlates with utilization.

### 6.9.3 Determination of Useful Life:

Useful life will be established per GAAP guidelines and asset characteristics, with typical ranges as follows:

- Buildings: 20–40 years
- Equipment: 3–10 years
- Furniture: 5–10 years
- Computers: 3–5 years

### 6.9.4 Amortization Schedule:

An amortization schedule will be prepared annually, detailing:

- Each capital asset's cost, residual value (if any), useful life, and chosen method.
- Annual amortization expense for each asset until fully amortized.

### Example (Straight-Line Method):

If SYC acquires equipment for **\$10,000** with a **5-year useful life** and **no residual value**:

- **Annual Amortization Expense:**  $\$10,000 \div 5 \text{ years} = \$2,000$
- SYC will record **\$2,000 annually** until the equipment is fully amortized.

## 7. Special Opportunities (Restricted) Reserve Fund

### Purpose:

The purpose of the Special Opportunities Reserve Fund is to provide funding for strategic initiatives, such as program expansion, research, or infrastructure investments that align with the club's long-term vision.

### Target Amount:

- No fixed minimum; amounts will be allocated as strategic opportunities arise.

### Funding Sources:

- Assessments or debentures assigned to club members via debt financing options.
- Accumulated funds raised through special levies.
- Special fundraising efforts.
- Grants or unrestricted donations designated for innovation and strategic growth.

### Use of Funds:

- For one-time initiatives that **enhance the club's capacity, services, or member experience**.
- Not for regular operations or emergency needs.

**Approval Process:**

- Projects below two times annual revenues may be approved by the Board by resolution.
- Projects exceeding two times annual revenue must have the consent of the membership by ordinary resolution.

**Monitoring & Reporting:**

The Finance Committee will provide **biannual updates** on fund usage and availability.

**8. Initiation fees**

The SYC Member Initiation Fee is a one-time payment required of new members upon joining the Stormont Yacht Club. This fee represents an equity contribution to the club's long-term capital and infrastructure. Unlike annual dues, which cover the club's operating expenses, the initiation fee helps fund major capital projects which may include the ongoing major maintenance and improvement of SYC's facilities for current and future members.

**9. Delegated Authority**

The Board of Directors holds ultimate authority over financial decisions. The Treasurer is responsible to oversee the day-to-day financial management of SYC, with authority to approve expenditures of up to \$2,500. Expenditures above \$2,500 require Board approval, except in cases of emergency, where the Commodore and Treasurer may authorize spending with subsequent Board ratification.

**10. Signing Authority****10.1 Cheque Signing Authority**

The Treasurer is responsible for preparing all cheques across all bank accounts, ensuring that each cheque is accompanied by the relevant approved invoice or supporting documentation. All cheques require two signatures for authorization.

Authorized signatories include the Treasurer and one of the following four designated Board members, or any two of the four designated Board members:

- **Chairperson (Commodore)**
- **Vice Chairperson (Vice Commodore)**
- **Rear Commodore**
- **Treasurer**

**10.2 Electronic Payments & Documentation**

For each electronic transaction, all required forms, accounting information, approvals, and signatures shall be consolidated into a single PDF file and uploaded into the accounting software at the time of payment. Pre-authorized payments are established for recurring expenses such as utilities and credit card payments.

**Interac e-Transfers** may be used for payments, provided that each transfer is supported by an appropriate invoice to ensure transparency and proper documentation.

### 10.3 Approval for Large Expenditures

Any expenditure exceeding **\$10,000** must receive prior approval from the Board of Directors before payment is processed. If, in extenuating circumstances, an invoice exceeding **\$10,000** has not been pre-approved by the Board, the payment must be authorized by **two of the four designated Board members** before it can be processed.

## 11 Awarding of Contracts

Any contract worth more than \$5,000 shall only be awarded following a competitive process whereby at least three competitive bids are solicited and submitted to the Board of Directors. The Treasurer (or other Director responsible for a specific contract) may make a recommendation to the Board of Directors to waive the requirement for a competitive bid process where there is a justifiable reason for sole-sourcing the contract.

### 11.1 Contract negotiations –financial due diligence

Any lease, or any contract for recurring expenses, such as maintenance agreements, shall be reviewed by the Chairperson, Vice Chairperson and Treasurer and may be signed by any two of the Chairperson, Vice Chairperson, Treasurer or Director responsible for the contract's operations. In addition, all leases shall be co-signed by any two of the Chairperson, Vice Chairperson and Treasurer.

## 12. Internal Controls & Financial Transparency

Internal Controls are necessary for SYC to safeguard assets, ensure the accuracy of financial records and promote operational efficiencies. These controls are key to reducing risks and ensuring that financial operations are conducted in compliance with the GAAP, laws, and regulations. Payments and expenditures will adhere to the following guidelines:

- All payments shall be made via traceable methods (e.g., cheques, e-transfers) and require dual approval for transactions over \$2,500.
- Segregation of Duties ensuring no one single individual is responsible for all aspects of a financial transaction (authorization, record keeping and review)
- Restricted access to the financial systems and records to authorized personnel only to reduce risk of fraud and errors.
- Monthly reconciliation of financial statements and general ledger to identify discrepancies and errors.
- Continuous assessment and review of financial processes to ensure compliance with policies and help identify areas of improvement.

### **13. Credit and Debit Cards**

The Stormont Yacht Club (SYC) has established the following guidelines for the use of corporate credit and debit cards to ensure responsible financial management and accountability.

#### **13.1 Authorized Use**

The SYC Board has approved the use of corporate credit cards strictly for official Club purposes. Credit cards may only be used for expenses directly related to the operational needs of SYC. Under no circumstances may a corporate credit card be used for personal expenses, even if the cardholder intends to reimburse the Club.

#### **13.2 Prohibited Transactions**

The following expenses are not permitted on the corporate credit card:

- Personal purchases of any kind
- Cash advances or loans
- Purchases made on behalf of other organizations
- Personal entertainment expenses
- Fuel for personal vehicles

#### **13.3 Documentation & Reconciliation**

All credit card transactions must be supported by itemized receipts. Cardholders must submit receipts to the Treasurer in a timely manner to facilitate accurate reconciliation with the credit card statement. Any unapproved or undocumented expenses may be subject to reimbursement by the cardholder.

### **14. Petty Cash**

The Stormont Yacht Club (SYC) is phasing out the use of petty cash to enhance financial security, improve traceability, and reduce administrative challenges. Instead, the Club will implement the following secure payment methods:

#### **14.1 Corporate Credit Cards**

Corporate credit cards will be used for authorized Club expenses, providing a clear and traceable record of transactions. Monthly statements will be reconciled against invoices to ensure transparency and proper documentation.

#### **14.2 Direct Payments to Vendors**

Whenever possible, payments will be made directly to vendors via electronic transfers, reducing the risk of errors and discrepancies. Electronic payments provide a reliable transaction record for both the vendor and the Club.

#### **14.3 Member Reimbursement Process**

Members who incur approved expenses on behalf of the Club will be reimbursed upon submission of proper receipts. All reimbursements must align with Generally

Accepted Accounting Principles (GAAP) and be properly documented for financial reporting purposes.

#### 14.4 Audit Trail & Compliance

The implementation of traceable payment methods shall ensure a well-documented audit trail, enhancing financial accountability and compliance with reporting standards. The elimination of petty cash will improve financial oversight and reduce the risk of fraud or mismanagement.

### 15. Borrowing and Credit Line

The Stormont Yacht Club (SYC) recognizes the importance of maintaining sound financial management while ensuring responsible use of borrowing and credit lines. Any borrowing of funds in the name of SYC must receive approval from the full Board of Directors, ensuring proper oversight and accountability. This section outlines the procedures and approvals required for the Club to access and manage credit.

#### 15.1 Credit Line Approval

The Board of Directors is responsible for approving both the application for and acceptance of any credit lines.

#### 15.2 Treasurer's Authorization

Once a credit line has been approved by the Board, the Treasurer is authorized to manage borrowing up to a limit of **\$2,500**. Any borrowing exceeding this limit requires additional approval from the Board of Directors.

#### 15.3 Consideration of Repayment Capacity

The Board must carefully evaluate the Club's ability to repay any loans or credit lines before approval, ensuring that SYC can meet its financial obligations on time.

#### 15.4 Membership Approval for Large Borrowing

If the borrowing amount exceeds **two year's annual revenues**, as per the Articles of Incorporation for SYC, the Board must present the borrowing proposal to the Membership, along with a rationale and a repayment plan, for approval.

#### 15.5 Repayment Schedule and Debt Management

For any significant borrowing, the Board will establish a clear repayment schedule. No new substantial borrowing will be considered until existing debts are fully repaid, ensuring the Club maintains financial stability.

**16. Approval and Acknowledgement:**

This policy shall take effect upon the date approved by the Stormont Board of Directors. Reviews will be conducted every three years or sooner if necessary.

**Approval:**

This Policy was approved by Stormont Yacht Club Board of Directors on March 3, 2025



## **ANNEX A – Financial and Risk Management Committee Terms of Reference**

### **Stormont Yacht Club Committee Terms for the Financial and Risk Management Committee**

This terms of reference outlines the structure, responsibilities, and governance of the Stormont Yacht Club (SYC) Financial and Risk Management Committee (FRMC). The FRMC shall operate in accordance with this guidance document to ensure consistency, accountability, and alignment with the club's mission and objectives. The FRMC is appointed by and reports directly to the Board of Directors through the Treasurer.

#### **1. Purpose**

The Financial and Risk Management Committee is responsible for supporting the Treasurer and the Board of Directors in ensuring sound financial oversight of the Club. The Financial and Risk Management Committee is a Standing Committee of SYC. The Committee plays a vital role in maintaining the financial integrity of the Club by providing informed guidance and oversight.

#### **2. Objectives**

The Committee's key responsibilities include:

- Providing advice on financial matters that support SYC's mission.
- Advising on compliance with all legal and regulatory standards and best practices.
- Developing and executing strategies in the area of financial and risk management.
- Contributing to the club's financial sustainability, member engagement, and operational success.

#### **3. Membership**

- The Treasurer shall Chair the meetings of the FRMC.
- The FRMC shall appoint a Secretary, and other members as required and will include a minimum of 4 members including the Chair.
- The criteria for service on the FMRC is a background in finance, accounting and/or experience with financial governance and risk management in business, government or the non-profit sectors. Members must meet the same criteria for service as required for Directors under the Ontario Not For Profit Corporations Act.
- The Treasurer serves on the FRMC for duration of their term as Treasurer on the Board of Directors.
- Other Members of the FRMC are appointed by the SYC Board of Directors and serve for terms of three years, which may be renewed.
- Resignations from the FRMC shall be in writing and reported to the Board of

Directors.

- Additional FRMC members may be added to the Committee with the approval of the Board.

#### 4. Roles and Responsibilities

- **Chairperson:** Leads the committee, sets agendas, ensures objectives are met, and serves as the primary liaison with the Board of Directors.
- **Secretary:** Maintains records, distributes minutes and/or meeting summaries, and handles correspondence.
- **Members:** Actively participate in meetings, contribute expertise, and complete assigned tasks.

All members must:

- Declare conflicts of interest and avoid participation in decisions where such conflicts arise.
- Maintain confidentiality
- Act in the club's best interests, promoting transparency and collaboration.

#### 5. Meetings

- The FRMC shall meet as needed to complete tasks and meet timelines.
- A quorum consisting of ½ committee membership plus 1 is required to make decisions.
- Decisions are made by majority vote; A tie vote defeats a motion. The Chair generally does not cast a vote but may cast a vote to break a tie or to defeat a motion by casting the tying vote.

#### 6. Reporting and Accountability

- The FRMC reports directly to the Board of Directors, providing regular updates on activities, progress, and recommendations.
- An annual report summarizing activities, key decisions, and recommendations is required for review by the Board and presentation at the Annual Meeting of Members.
- Committees are responsible for maintaining clear records of their activities.

#### 7. Working Groups

- Working groups may be formed within a committee as necessary to focus on tasks or initiatives without requiring a separate formal structure.

#### 8. Specific Committee Deliverables

The Finance committee assists the Board in discharging its oversight responsibilities

relating to financial management, policy development and review, and investment performance.

- Analyze and comment on the financial position of the Club.
- Develop and review accounting practices, capital assets and financial management policies, and propose changes to the Board of Directors.
- Review and recommend improvements to the financial management and reporting systems.
- Review risks facing SYC's assets and operations and ensure safeguards.
- Making policy recommendations to the Board regarding financial management and risk mitigation.
- Assisting the Treasurer in overseeing the implementation of financial policies.
- Reviewing financial statements to ensure accuracy and transparency.
- Providing recommendations for investment decisions in alignment with the Club's financial goals and risk tolerance.
- Reviewing financial statements and documentation in preparation for submission to an external Review Engagement.

Deliverables must be agreed upon with the Board of Directors and progress reported regularly to ensure alignment with SYC's objectives.

## **9. Review and Amendments**

- The terms of reference for the FRMC shall be reviewed annually by the Board of Directors to ensure they remain relevant and effective.
- Amendments may be proposed by any FRMC member. Amendments require approval by the Board of Directors.

## **10. Comportment:** Committee members shall:

- Act with integrity, respect, and professionalism.
- Ensure inclusivity and fairness in decision-making.
- Uphold the reputation and values of the SYC.
- Ensure confidential information entrusted to them remains confidential.

**11. Dissolution:** In the event of Committee dissolution, its responsibilities, records, and assets shall be returned to the Board of Directors for management and oversight in accordance with the SYC's by-laws or articles of incorporation and relevant policies.

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## **Approval:**

This Terms of Reference is approved by Stormont Yacht Club Board of Directors on March 3, 2025