

RESOLUTION C-03

BUDGET AND FINANCE ADVISORY COMMITTEE

1. **Purpose.** The Budget and Finance Advisory Committee advises the Board of Directors and assists the General Manager in the preparation of budgets, both operating and capital; reviews financial performance and updates financial forecasts throughout the year; reviews and provides recommendations regarding the annual audit of the Association's financial statements; and develops programs of asset management and investment policies and procedures.
2. **Authority.** Article THIRD of the Charter and Section 10.01 of the By-laws of the Ocean Pines Association, Inc. authorize the Board of Directors to establish and appoint the members of such committees and other advisory bodies as may be necessary to, or convenient in the Association's discharging the duties entrusted to it. Resolution C-01, Committee General Policy, provides additional authority and instructions regarding committees of the Association.
3. **Functions.** In fulfilling its tasks, the Committee performs functions which include, but are not necessarily limited to, the following:
 - a. reviewing budget proposals as prepared by management and submitting recommendations to the Board;
 - b. reviewing and evaluating all financial statements and submitting recommendations and analysis to the Board;
 - c. advising the Board of Directors on the conduct of the Association's annual audit of financial statements, including meeting with the auditors and reviewing a draft of the audited financial statements before their finalization;
 - d. recommending changes in financial policies and in accounting or reporting procedures to the Board and General Manager;
 - e. advising the Board on the establishment of such reserve accounts, as required in the By-laws, or as the Committee deems appropriate, and aiding in the preparation of the necessary resolutions for their implementation;
 - f. assisting the Board and the General Manager, on request, in financial planning for major capital repairs and replacement or expansion of facilities;
 - g. conducting presentations on budget proposals, when requested;
 - h. assisting the Board of Directors, on request, in interpreting a proposed annual budget at the public hearing on the budget;
 - i. reviewing at least annually, all agreements entered into by the Association with any agent for the purpose of investing funds of the Association;
 - j. reviewing monthly, all investment accounts of the Association and submitting reports and recommendations to the Board of Directors and Treasurer, as deemed appropriate;

k. reviewing at least annually, all established investment guidelines and procedures and recommending changes to the Board of Directors and General Manager, as deemed appropriate;

l. assisting the Board of Directors and Treasurer in determining the distribution or method of handling income derived from investments;

m. receiving periodic reports from the agents managing the Association's investments and reviewing and evaluating the performance of such agents, and meeting with such agents, as deemed appropriate, but at least annually; and

n. performing other functions as directed by the Board of Directors.

5. **Membership.** The Committee shall have not less than five (5) or more than nine (9) members.

6. **Reports.** The Chairperson of this Committee shall submit by October 31 of each year the annual report of the status of the Committee in the format specified in Resolution C-01. This is in addition to any report the Chairperson may bring to the attention of the Board of Directors at any time on any matter deemed appropriate.

7. **Effective Date:** November 19, 2008

Adopted by the Board of Directors on November 19, 2008

 /S/ David M. Stevens President Attest: /S/ Les Purcell Secretary

Review History:

General Manager: /S/ Thomas J. Olson Date: December 4, 2008

Legal: _____ Date: _____

By-laws and Resolutions Advisory Committee: /S/ James Trummel

Date: December 5, 2008