

ADMINISTRATIVE

GUIDELINES / POLICES

REGARDING

DELEGATION OF FINANCIAL

AND SIGNING AUTHORITY

ADOPTED BY WPOA BOD

28 FEB 2019

- **Consider and Possibly Approve 2019 Budget Proposal--As Budget**

Chairman, Mike Goodwin thanked these individual people for their tireless efforts on the proposed budget, and getting us where we ought to be: Betty Holman, Carla McKee, Dan Shaddock, Ken Mercer, Kathy Attaway, Lynn Bender, Steve Monk and Greg Milne. At this time, Chairman, Mike Goodwin asked for a motion to adopt the 2019 Budget Proposal as Budget. Steve Monk made the motion, and Greg Milne seconded the motion. The motion carried with a unanimous vote.

At this time Vice Chairman, Greg Milne gave brief highlights of the Budget Proposal:

In the 2019 Budget there are funds for personnel costs. There will be some salary movement. We are going to do an audit this year. Carla has already started the process of putting together scope and work for the audit. We are looking at a firm that will actually do the audit. General repair work around the area, changing out street signs, rental units need upgrade general maintenance around the whole area, and the cost for supplies for doing some of these jobs. There will be some additional maintenance work that is required at the dam.

There are two areas that we budgeted funds for, and we don't have a plan to spend it yet. Those areas are traffic compliance, advertising and marketing. We have set aside some funds in these area and we will put a plan together later to further benefit Wildwood.

On the Capital side, most of the money budgeted will be for the 48" pipe. We have some other items such as getting a new security vehicle, and installing an emergency generator at the Mill House. Some other things include the Wildwood Sign, and the front gate items have already been mentioned. Those are the main things that are in the budget and hopefully this will give everyone a perspective on what is in the 2019 budget. (See attachment #5 Pgs. 1-15)

- **Consider and Possibly Approve Delegation of Financial and Signing Authority Policy-**

Chairman, Mike Goodwin stated that he was not at the last work session, and he asked Greg Milne to share this information about that document, what it is for and the reasoning behind it. Vice Chairman, Greg Milne reported this information: This document is a fundamental control document. Most companies should have this document. The main purpose of this statement is to delineate the authorities for different positions and levels within a company. For our case in Wildwood our policy indicates what the authority level is for Carla as Business Manager, for Art as Facilities Manager, to determine what things need to go before the board for approval. This policy was originally approved in 2017. Since that time, we recognized that some areas within the document needed to be corrected, upgraded, and clarified. At that time the board asked the Budget & Finance Committee to take another look at the document and make those changes, and come back to the board for approval. They did this and the board has reviewed the revised document with Carla and Art as the two recipients. They are ready for the document to be approved by the board. Chairman, Mike Goodwin asked for a motion to accept the document as written. Steve Monk made the motion, and Cory LeBlanc seconded. Motion carried by a unanimous vote. (See attachment # 6 Pgs. 1-2)

Financial Commitments - Signing Authority Levels

Item	Board of Directors	President / General Manager	Vice President /Business Manager
1) Approval of Annual Operating Budget	BOD Approval		
2) Approval of Expenditures within Budget	>50\$k	<50\$k	<20\$k
Note: Items <10k\$ not in budget can be approved if the department budget can be balanced to that in the approved budget (shown as a revised outlook)			
3) Lease of operating or capital equipment	>50\$k	<50\$k	<20\$k
4) Approval of Expenditures not in approved Budget that exceeds 10k\$ or <10k\$ and cannot be balanced in department budget	BOD Approval		
5) Approval of annual Capital budget (includes equipment, building and IT projects)	BOD Approval		
6) Compensation and employee benefits (within approved budget) and policies related to Management, supervisory and support staff		Approves	
7) Presidents Compensation and Benefits	BOD Approval		
8) Annual staffing plan approval (to be included as part of annual budget submission)	BOD Approval		
9) New Hires replacing an existing budgeted position (except Vice President)		Approves	
10) New Hires where there is no budgeted position	BOD Approval		
11) Release of funds from Capital Reserve	BOD Approval		
12) Borrow up to 300k\$ for the purpose of improving or maintaining the common properties and in aid thereof mortgaging the same	BOD Approval		
13) Single Source approval for items >2.5k\$ and <10.0k\$		Approves	Endorses
14) Single Source approval for items >10.0k\$	BOD Approval	Endorses	Endorses
15) Approval of annual WPOA "Other Fees"	BOD Approval		
16) Temporary Changes to WPOA "Other Fees" for operational issues	>10k\$ (annual Value)	<10k\$ (annual value)	

• Note – Board approval can be written approval (email) and does not require waiting for monthly meeting. Email approval has to be unanimous for all sitting Board members

Delegation of Financial and Signing Authority Policy**Purpose:**

The purpose of this policy is to document in writing the Board of Directors' delegation of authority for financial administration to the President and other designated officers of Wildwood Property Owners Association (WPOA). This policy is intended to support an effective system of financial administration that satisfies managerial requirements for sound financial stewardship, accountability and control.

Principles:

- Approval by the Board of Directors of WPOA confers authority and accountability to the senior managers of WPOA to make expenditures within the amounts and scope of the accounts allocated to them in the budget (assuming funds are available)
- Signing officers will not authorize procurements or payments when they are the direct or indirect beneficiaries, or for expenses that may have a personal benefit to them (e.g. travel expenses, cell phones etc.) The person of the next higher authority (or in accordance with a procedure agreed to by the Board of Directors) must approve any such transaction
- When processing financial and capital commitments, there shall be appropriate segregation of duties. In accordance with Broader Public Sector Supply Chain Guidelines, at least three of the following functions must be appropriately segregated and performed by different individuals with respect to a commitment, namely:
 - i) Requisition (authorizing purchasing)
 - ii) Budget (authorize that funding is available)
 - iii) Commitment (PO issue)
 - iv) Receipt (physically receiving item)
 - v) Payment (authorize release of payment)
- Commitments must relate directly to the mandate of the signing officer's responsibility, within the limits set out in this policy and within approved budgets. Where budgets are likely to be exceeded signing officers must ensure measures are in place to address the deficit.
- It is the policy of WPOA that all purchases be made in a manner to maximize the value of all goods and services for the amount expended. Therefore, competitive bids shall be solicited in accordance with the following:
 - Costs for a single good or service with a value of less than 2.5k\$ does not require competitive bids unless the Business Manager indicates that a better price can be obtained and is worth the effort. Verbal quotes will be sufficient
 - Where possible, items above \$2.5k require 3 written quotes
 - A sealed bid process should be considered for all items in excess of 25k\$
 - A Single source for items above 2.5k\$ requires additional approvals as per attached table