

ALTO LAKES GOLF & COUNTRY CLUB

CORPORATE POLICIES

(Revised & Effective 1-30-24)

FINANCE COMMISSION

The Finance Commission shall be established and maintained in accordance with Article V section 10 of the Club's by-laws.

Finance Commission Mission Statement:

The Finance Commission is appointed by the President of the Board and approved by a majority vote of the Board of Directors. The members of the Finance Commission serve at the pleasure of the Board of Directors. The Finance Commission will assist the Board with the financial affairs of the Club. The Finance Commission is to work in harmony with the Board and provide recommendations and guidance regarding overall financial policies and procedures of the Club.

Finance Commission Responsibilities:

1. Review Monthly Financial Statements.
2. Review and evaluate with management the Club's annual operating budget.
3. Review Long Range Planning and Capital Replacement Schedules annually.
4. Review and evaluate with management the Club's annual capital replacement budget.
5. Review and evaluate with management the Club's reserve funding annually.
6. Assist the Board of Directors with the selection of the Club's audit firm as required.
7. Assist the Board of Directors with the review of the annual audit each year.
8. The Finance Commission shall report their findings and recommendations, which have been made to the Board of Directors, in the Finance Commission monthly minutes and through the Board liaison assigned to the Finance Commission.
9. The Board of Directors may assign other tasks from time to time and request further assistance of the Finance Commission.
10. Review of Insurance policies and coverages.

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CORPORATE POLICIES

ACCOUNTING POLICIES AND PROCEDURES

GENERAL

1. All corporate bank accounts shall be reconciled on or before the fifteenth day of each month. The Controller shall review and approve all monthly reconciliations and then initial and date the report for approval.
2. The Controller of the Club shall make every effort to have the financial statements completed and available for review prior to the monthly finance commission meeting.
3. The General Manager (GM) shall be the primary signer of all checks that are issued. In the GM's absence, signing authority proceeds to the Assistant General Manager or an officer of the Club. In the event that none of the above is available, signing authority will be granted to a member of the Board of Directors.

4. If a check is to be issued in the amount of \$7,500 or more, two signatures are required, and at least one signature is that of a Board member.
5. The HR Manager and Controller will review the employee payroll report for accuracy, specifically considering rates of pay and hours worked. Both HR Manager and the Controller shall sign/initial the payroll report prior to the electronic transfer of payroll funds to employee accounts. In the absence of either the HR Manager or the Controller, the GM, or the Assistant GM if the GM is not available, shall review and approve the payroll report.
6. The payroll week will begin on Saturday and end on Friday of each week.
7. Employees will be paid bi-weekly (once every two weeks).
8. For hourly employees, any work documented over forty hours per work week (overtime hours) will be paid at a rate equal to time and a half.
9. Any purchase of assets having a life greater than three years and an acquisition cost of more than \$2,500, shall be capitalized and recorded in fixed assets. *Management will follow the ALGCC Fixed Asset Policy (rev.10-29-21) in reference to new asset acquisition, asset disposal, sale of assets, or transfer of assets.*
10. Any purchase of an individual asset with an acquisition cost of less than \$2,500, shall be expensed.
11. The Accounts Receivable Manager shall post all payments received to the appropriate member account. Bank deposits of payments received shall not be made by the same person who posts the payment receipts to the member accounts.
12. The managers of each department will code all invoices to the correct operating or capital account. The Controller and Accounts Payable Manager will check all coding by managers for accuracy and code all payments to the correct operating or capital account.

DELINQUENT POLICY

The Board of Directors of Alto Lakes Golf & Country Club recognizes that proper, effective management of membership accounts is important and necessary to protect the rights and privileges of every ALG&CC Member. Accordingly, it is necessary to institute the following policies and procedures with regards to those Members who do not maintain their membership account on a current basis.

This delinquency policy is effective 1-30-24.

1. PAST DUE COLLECTION PROCEDURE

- a. The Club shall send each member a monthly statement with all charges, assessments, and fees to the address maintained on file at the Club. It is the members responsibility to notify the Club with any changes in contact information.
- b. Members have 30 days from the date of their monthly statement to dispute charges.
- c. The member's statement is due upon receipt and becomes delinquent if not paid by 4:00pm on the last day of each month.
- d. A delinquent member may have the option to pay any and all indebtedness by credit card.
- e. The accounting office may begin calling a member upon an account becoming delinquent.
- f. The Club shall apply a monthly late charge equal to 2% of the unpaid balance of any delinquent account not paid by 4:00pm on the last day of each month.
- g. If a member's account remains unpaid after a delinquency of 30 days, the Club will send a reminder letter to the delinquent member.
- h. If after delinquency of 30, 60 or 90 days, the Club may initiate reminder calls with written documentation of the person to whom they spoke and the response of the member.

- i. The Club shall add a monthly collection fee of \$35 to the unpaid balance of any delinquent account of 60 or more days past due.
- j. If a member's account remains unpaid after delinquency of 60 days, the Club shall send a certified collection letter indicating that the membership has been suspended, and all usage privileges of Club facilities have been suspended. A member whose account has been suspended twice in a rolling twenty-four-month period due to a 60-Day delinquency will be required to go on auto debit or auto pay with a credit card from that date forward.
- k. If a member's account remains unpaid after a delinquency of 90days, the Club shall send a final collection letter to the delinquent member indicating that the account will be subject to any or all of the following collection actions: assignment of a collection agency, use of attorney, and/or filing proceedings with an appropriate court for collection. All of the collection cost incurred, including reasonable attorney fees and court costs, will be added to the subject member's account.
- l. If the membership account continues to be unpaid, the Club shall seek all legal recourse available, up to, and including foreclosure of the real property of the member. Any account remaining unpaid for ~~180~~ 120 days will have a title & lien search performed. After review of title and lien search, recommendation will be made as to foreclosure. The account will be reviewed by with the Finance Advisory Commission to determine if foreclosure of the property is the appropriate course of action and for further recommendation to the Board of Directors after review of title search and ALGCC Deeded Back Properties Checklist. If the Board of Directors rules to move forward with foreclosure, the account will be turned over to legal counsel for the appropriate action. Delinquent members will be charged for all legal or collection fees associated with the collection of their debt to the Club.

See paragraph 3 for additional polices regarding real property liens

2. SUSPENSION OF MEMBERSHIP

- a. A suspended member will not be allowed the use of any ALG&CC facilities and/or privileges including but not limited to: golf course, driving range, fitness center, pro shop, dining areas, tennis courts, swimming pool, tournaments and social events, catering or events;
- b. During a suspension, dues, fees, and other charges shall continue to accrue.
- c. The suspended club member shall be entitled to be reinstated as a member in good standing with the rights and privileges of the category of membership to which the club member belongs only if at that time all dues and charges owed the Club are paid in full;
- d. No suspended club member shall be entitled to a refund of initiation fees, dues, or other charges.

3. REAL PROPERTY LIENS

- a. After 120 days of delinquent status, the suspended member's real/physical property shall be subject to a lien filed by ALG&CC, thereafter, any liens filed will be updated annually and the Club may pursue foreclosure proceedings in addition to all legal recourse available.

CASH FUNDS

1. Operating Accounts
2. Reserve Accounts

OPERATING ACCOUNTS

These accounts are established to account for general operating revenues and expenditures, as well as, current year capital project obligations.

1. The Club's Controller and accounting office shall maintain separate identifiable general ledger accounts to track capital projects.
2. After the capital budget have been approved by the Board of Directors, the General Manager and/or the Construction Commission shall have the authority to proceed with capital projects. However, just because a project has been budgeted does not mean it has been approved for expenditure until it is brought back to the Board of Directors with bids and estimated cost to complete the project.
3. The expenditure for each capital project shall be reviewed and approved by the Board of Directors prior to starting the subject project. The General Manager and/or the Construction Commission shall attempt to seek three competitive bids for each Capital project costing \$50,000 dollars or more.
4. Capital construction project bids shall not be approved until the contractor has provided ALGCC with the current required certifications, licensing and signed contract. All contractors will provide to ALGCC a certificate of insurance to include general liability, auto liability and workmen's compensation prior to beginning work for the Club.
5. The Board of Directors shall not have the authority to spend funds of the Club to add additional structures or to make significant structural changes or additions to existing structure at the Club or the golf course without the approval of a majority of the members voting. Structures to which this provision applies and significant structural changes shall be those costing in excess of Five Hundred Thousand Dollars (\$500,000), either individually or in the aggregate. This does not limit the Board's authority to do maintenance, repair and routine or minor structural changes. (By-Laws, Art 1, Section 6)

RESERVE ACCOUNTS

1. For the purpose of accumulating funds for future capital projects and/or capital repair or replacement projects, the Board will establish Reserve Funds.
2. Funds designated for the Reserve funds will be maintained in separate, identifiable general ledger cash accounts.
3. Expenditures of Reserve Funds will be made only with the specific approval of the Board of Directors.

REVISIONS TO THIS POLICY

The Board of Directors may adopt and amend from time to time this policy and or rules as needed.

NO WAIVER CLAUSE

No failure of the Club to impose any of the above sanctions as provided herein will constitute a waiver of any right of the Club.