

CROWLEY RANCH RESERVE OWNERS' ASSOCIATION
RULE AND REGULATION
REGARDING PAYMENT OF INVOICES

Because there currently is no procedure for the payment of invoices that affect the Crowley Ranch finances, the following Rule and Regulation is adopted to guide and assist the payment of Ranch incurred expenditures. Additionally, it sets out the circumstances wherein the Treasurer may pay invoices without first seeking Board approval as well as when the Board needs to approve expenses. The Rule and Regulation also requires that due diligence be used on the part of the Treasurer and the Board of Directors when expending Crowley Ranch Reserve monies.

SECTION I
AUTOMATIC MONTHLY PAYMENT AND MONTHLY CONTRACT PAYMENTS

AUTOMATIC MONTHLY PAYMENTS. There shall be no requirement for the Treasurer or the Board of Directors to approve monthly invoices that are currently set up for automatic withdrawal from the bank. These include: LaPlata Electric, Elite Recycling & Trash, and Century Link.

MONTHLY CONTRACT PAYMENTS: George Martinez' (dba Martinez Plowing and Grading Services) contract provides that he will be paid \$1,800.00 per month. This amount can be automatically paid each month by the accountant or bookkeeper. However, any amount that is over and above this \$1,800.00 amount will require approval by the Treasurer and two members of the Board of Directors.

MONTHLY CONTRACT PAYMENTS: Dennis Martinez' (dba Coyote Creek Enterprises) contract provides that he will be paid \$2,250.00 per month. This amount can be automatically paid each month by the accountant or bookkeeper. However, any amount that is over and above this \$2,250.00 amount will require approval from the Treasurer and two members of the Board of Directors.

SECTION II
APPROVALS NEEDED FOR PAYMENT OF INVOICES AND EXPENDITURES

When an expense is in the Membership-approved budget, the following limits shall apply:

1. For payment of invoices up to \$1,000.00: the Treasurer can authorize payment.
2. For payment of invoices between \$1,000.00 and \$2,000.00: one Board member must authorize payment.

3. For payment of invoices over \$2,000.00: three Board members must authorize payment.

When an expense is not budgeted for and is not in the Membership-approved budget, the Board of Directors shall consult with the Treasurer to ensure that adequate funds exist for payment of the expenditure and shall then vote on whether to spend the money. A majority vote is required to spend monies outside of the Membership-approved budget.

SECTION III REFERRAL OF ALL INVOICES TO TREASURER

If a member of the Board of Directors receives an invoice for payment, they must refer the invoice to the Treasurer prior to authorizing payment so that the Ranch records can remain complete and up to date.

SECTION IV OPEN SPACE COMMITTEE EXPENDITURES

The Open Space Committee has been given the authority to prioritize projects and to spend the budgeted amount contained in the Membership-approved budget under the heading: "Open Space: Open Space Committee". However, the following limits shall apply:

1. No prior approval is required for spending amounts up to \$200.00. To be reimbursed, the original receipt must be attached to the request and then be submitted to the Treasurer.
2. For amounts over \$200.00, the Open Space Committee must first seek Board approval for the expenditure. To be reimbursed, the original receipt must be attached to the request and then be submitted to the Treasurer.

SECTION V EXPENDITURES MADE BY THE TREASURER

Reimbursement for monies spent by the Treasurer for purchases that appear in the Membership-approved budget must be submitted to one Board member for approval. The original invoice must be attached to the request.

SECTION VI SUMMARY

Automatic Monthly Payments No approval needed

Monthly Contract Payments	No approval necessary for contract amount; Treasurer and two Board member approvals needed for overages
Up to \$1,000.00	Treasurer can approve
\$1,000.00 to \$2,000.00	One Board member
Over \$2,000.00	Three Board members

ADOPTED BY THE BOARD OF DIRECTORS THIS 28th day of October, 2022.

STEVE KOHLHAGEN
 President
 Crowley Ranch Reserve Owners' Association