

SLRC Policy 4.8

Date: May 8, 2024



SLRC Debt Policy

Summary

SLRC maintains conservative financial policies to assure strong financial health both in the short- and long-term. SLRC infrequently uses debt, with debt used as a tool to finance large capital purchases such as for boats or other Club improvements. The Head Coach shall make recommendations to the Board of Directors for the purchase of capital equipment, or otherwise respond with recommendations, to requests, to purchase capital equipment that may come from the Board of Directors.

Any proposed debt incurred on behalf of the Club to support such purchases are subject to the following requirements:

Supersedes

None

Definitions

For the purposes of this section, "debt" includes but is not limited to loans, lines of credit, or any financial obligation requiring repayment.

Requirements

Criteria for issuance:

- a. Describe the intent for the use of Debt for the capital purchase (i.e., take advantage of 0% financing, cash flow improvement).
- b. Terms of the debt; interest rate, number of payments, length of loan. creditor.
- c. Establish funding for the repayment of the debt which may include; using uncommitted reserves, capital campaign/fundraising, or other means.
- d. Identify and report the impact in the Capital Plan and/or Operating budget.

Approval Requirements:

- a. Debt equal or less than 30% of the budgeted gross annual operating revenue is approved by the Board of Directors without Membership feedback.
- b. The Board of Directors shall provide notice and seek feedback from the Membership prior to incurring any proposed debt exceeding in total, **30%** of the budgeted gross annual operating revenue.

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Communication to Membership:

- a. The Membership presentation should include a breakdown of the purpose, amount, terms, and anticipated impact on the financial health of the St Louis Rowing Club as well as fundraising efforts to support repayment.
- b. Members shall have the opportunity to provide feedback, ask questions, and express concerns.
- c. Meetings called for the purpose of communicating or voting on debt exceeding the above limits will be held in accordance with the Notice and Quorum requirements of Article III and Voting requirements of Article IX.

Documentation:

Following the approval of the debt incurrence, the Board shall maintain accurate and complete records of the transaction, including but not limited to the terms of the debt, repayment schedule, and any other relevant details.

References

By-Laws of St. Louis Rowing Club Purchase and Use of Club Equipment Article IX 9.9 and Notice and Quorum requirements of Article III and Voting requirements of Article IX.

Maintained By

SLRC Treasurer and President

Approved By

Signature on File

SLRC Treasurer

Signatures on File

SLRC President