



## ATTENDEES

Jean Cheszek, Pres.	Jeanne Osterlund, V.P.	Trish Kelly, Sec.	Deb Shelton, Treas.
Marlyce Mycka, Events	Brenda Armenia, Sponsorship	M Hawkins, Social	
Lorraine Smith, Play day	Stephanie Gaskill, Membership	C.J. Kerley, Comm.	Joyce DeYoung

President Jean Cheszek called the meeting to order. An agenda was previously distributed via e-mail.

## OLD BUSINESS

1. **January Meeting Minutes:** The BOD minutes of January 9 were approved.

## NEW BUSINESS

### 1. **TREASURY:**

- **Treasury Report:** D Shelton submitted the treasury report (exhibit A). There are no changes.
- **Budget:** D Shelton provided the operating budget (see exhibit B).
  - ✓ It was decided to allocate \$50 per quarter for rangers (operating 4 quarters per year).
  - ✓ It was agreed that we need to carry over approximately \$1500 to the next operating year in order to fund events occurring in the first quarter of the next operating year.

2. **SPONSORSHIP:** We have one new sponsor, Gerry Hause/Long Realty, and a returning sponsor, Golf Cars of America. Four prior sponsors have not renewed to date, and eight more potential sponsors have been contacted. Funds have been designated as follows:

- a. Coyote Golf Carts (Premium) funds towards the Queen of Swings.
- b. W&W Physical Therapy (Gold) funds towards range balls.
- c. Kim Tucker, M.D. (Gold) funds towards the Solheim Cup.
- d. Golf Carts of America (Gold) funds towards the President's Cup.

- **Robson Challenge Sponsorship.** The Sponsorship Chairs are pursuing a sponsorship opportunity with Robson for the Robson Challenge.
- **Sponsorship Procedures.** B Armenia Informed the Board that the co-chairs have changed the Sponsorship Invoice to Sponsorship Commitment.
- **Sponsor Visibility.**
  - a. We now have a range ball sponsor. Our current signage will not withstand the overnight irrigation, so new and improved signage is on order.
  - b. A large, portable, sign frame is on order. The frame can accommodate interchangeable sections for enlarged business card signs, affording great flexibility in how we utilize it.
  - c. Golf Genius will be utilized for recognizing our sponsors. We will embed sponsor business cards into notifications distributed from Golf Genius.
- **ACTION:** B Armenia will provide sponsor business cards for the website.

3. **EVENTS:**

- **The SBR Solheim Cup.** M Mycka announced that the event is likely to come in under budget. We have 40 players and 2 alternates. She has adequate assistance from a number of committee members not playing. The Golf Pros will be doing the scoreboard.
- **Robson Challenge.** SBR will host the 2018 Robson Challenge and we need a Committee to orchestrate it. B Armenia suggested that the Pros' scores not be included in the team scores but continue to have their own competition against each other.
  - **ACTION:** Thanks to J Osterlund, M Mycka, and M Hawkins, who have agreed to Co-Chair this event. Their first order of business is to establish a play day in November.
- **Senior Club Championship.** Having now received the support of the general membership, J Cheszek has suggested we obtain a multi-year style plaque for this award.
  - **ACTION:** J Osterlund will investigate the purchase of plaque for the club house.

4. **PLAY DAY:** Today is the first day in which our Tuesday results will be posted for us.

- a. **Golf Genius** L Smith will conduct training on Feb 20 for T Kelly, C Mihal, and J Osterlund.
- b. **Pairings.** In future, the pairings for the Queen of Swings will be by Handicap. ***Be note that in the event of late adds or withdrawals, the Play Day coordinator can place an individual within a pairing without strict adherence to handicap matching.***
- c. **Maximum 9-Stroke Rule.** Clarification on the maximum 9-stroke per hole is needed.
  - **ACTION:** J Cheszek will furnish the membership with further instructions on how and when to implement this rule. T Kelly will update the Policy and Procedures accordingly.

5. **MEETING PROCEDURES:** We will adopt the following process when requiring a membership vote.

- ✓ A more "formal" sign-in sheet will be used that contains names per the most recent roster.
- ✓ If the topic in question will result in a change of by-laws, the membership will be notified in advance of the meeting by our President, via e-mail. Such topics will be handled by a **secret ballot vote**, ("yes" or "no" vote on paper). The vote will be counted immediately.
- ✓ All topics requiring a vote will be preceded by a discussion period during which the topic will be clarified, and member comments acknowledged and questions addressed.
- ✓ The Vice-President will close the period of discussion before a motion will be entertained.
- ✓ When a member wants to make a motion, they are to **STAND** and clearly state their motion, using the phrase "I move that ....". It can be as simple as referring to what has already been stated in a written proposal.
- ✓ A person who **seconds** a motion, will also **STAND** to state their intention. Only then will voting from the floor commence.

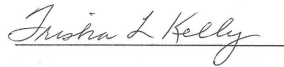
6. **TAX-EXEMPT STATUS:** J Cheszek previously distributed a document (exhibit C) for our consideration. According to IRS guidelines, we have annual reporting obligations to ensure that we continue to be recognized as tax-exempt. SBRWGA was issued an EIN tax number in 2012. The Board also discussed whether we should consider filing the necessary paperwork to become a (501-c-7) "Social and Recreational Club", which is a specific type of nonprofit.

- Our obligation is to file an electronic notice (Form 990-N) annually, and in doing so, we acknowledge that we are NOT required to file a Form 990 or 990-EZ because our gross receipts are under \$50,000. We must also retain supporting records to this effect.

- **SBRWGA is in non-compliance of this requirement.** Failure to submit a 990-N for 3 consecutive years can lead to having our tax-exempt status revoked and a penalty imposed. It was decided to attempt back-filing a 990-N for the last 3 years (2014, 2015, and 2016), and proceed from there.
  - **ACTION:** J Cheszek, J Osterlund, and D Shelton will look into back-filing 990-N for the past 3 years, and more, providing the IRS allows it. *[Since this meeting, it has been determined that while the 990-N can be submitted without charge for the current tax year through the IRS website, prior years can only be submitted through an e-file provider on a fee-by-form basis].*

**ADJOURNMENT:** The meeting adjourned at 3:30 p.m.

Respectfully Submitted,



Trisha Kelly, SBRWGA Secretary

## Exhibit A

## SBRWGA TREASURY REPORT

### JANUARY 29, 2018 - FEBRUARY 5, 2018

#### INCOME STATEMENT

##### REVENUE

Solheim Cup lunches	\$	344.00
New Member Fees-2 @ \$45	\$	90.00
GHIN Only Fees-5 @ \$35	\$	175.00
Sponsor-Golf Cars of Arizona	\$	600.00
<b>TOTAL REVENUE</b>	<b>\$</b>	<b>1,209.00</b>

##### EXPENSES

AWGA-Annual Meeting	\$	25.00
Range Balls-Feb/Mar	\$	126.58
SDWGA Dues-2 Members	\$	10.00
Tee Prizes-Solheim Cup	\$	276.57
Solheim Cup lunches deposit	\$	327.85
Gift cards-Solheim Cup	\$	80.00
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>846.00</b>

<b>NET REVENUE</b>	<b>\$</b>	<b>363.00</b>
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##### BALANCE SHEET

Checking account balance as of Jan 9, 2018	\$	8,327.28
Net revenue	\$	363.00
Checking account balance as of Jan 29, 2018	\$	8,690.28

**Exhibit B – Working Budget**

Revised 2-5-18	"Operating" Revenue & Expenses	"Discretionary" Revenue & Expenses
<b>CHECKBOOK CARRYOVER</b>		\$ 4,115.00
Less Reserve for Hole in One		\$ (185.00)
<b>Unrestricted Carryover</b>		<b>\$ 3,930.00</b>
<b>DUES</b>		
RENEWAL MEMBERSHIP FEES 63@\$60	\$ 3,780.00	
HANDICAP ONLY MBRSHIP FEES 20@\$35	\$ 700.00	
Coyote Golf Cars Sponsorship		\$ 1,200.00
Other Sponsorship		\$ 2,800.00
<b>TOTAL REVENUE</b>	<b>\$ 4,480.00</b>	<b>\$ 7,930.00</b>
<b>EXPENSES</b>		
FULL MEMBERSHIP FEES TO AWGA 63@\$30	\$ 1,890.00	
HANDICAP FEES ONLY TO AWGA 20@\$30	\$ 600.00	
SOUTHERN DISTRICT FEES 63@\$5	\$ 315.00	
Annual Association fee to AWGA	\$ 30.00	
AWGA Rep Meetings	\$ 200.00	
Operating Expenses (signs, stamps,etc)	\$ 400.00	
Recognition (ringers, etc.)	\$ 300.00	
Misc expenses (Weebly Website, GoDaddy, etc)	\$ 300.00	
Southern District Obligation (@\$5)	\$ 315.00	
Sunshine Fund	\$ 100.00	
State Medallion	\$ 100.00	
President's Cup		\$ 400.00
Club Championship		\$ 400.00
SBRWGA Solheim		\$ 900.00
Home and Home		\$ 400.00
Sadie Hawkins		\$ 500.00
Member/Member		\$ 1,200.00
Robson Cup		\$ 500.00
Holiday Party		\$ 800.00
Queens of Swing		\$ 800.00
Option #1 (e.g. range balls)		\$ 700.00
Option #2 (e.g. shirts)		\$ -
<b>TOTAL EXPENSES</b>	<b>\$ 4,550.00</b>	<b>\$ 6,600.00</b>
<b>Revenue minus Expenses</b>	<b>\$ (70.00)</b>	<b>\$ 1,330.00</b>
<b>End of Year Balance (Target \$1500)</b>		<b>\$ 1,260.00</b>

## Exhibit C: Synopsis of our Tax-exempt status by C Cheszek

### Summary of the issues around nonprofit status

- SBRWGA has an EIN number (presumably for a tax exempt, or nonprofit, organization).
- The SBRWGA falls under the IRS definition of a 501c7 organization or “social club” which is a specific type of nonprofit.
- An organization can choose to apply for a determination letter from the IRS that recognizes its exempt status. An organization can also choose not to apply and still operate as a 501c7 exempt organization.
- All exempt organizations are required to file with the IRS a Form 990 each year. **Failure to file for three years and the IRS will treat your organization as a taxable entity.** (For organizations with revenue less than \$50k/year, the form is 990-N which is shown below.)
- To remain a 501c7 organization, there’s a requirement that “substantially all” of the “gross receipts” come from the members. There’s a limit of 35% of gross receipts coming from nonmembers. However, *the organization may maintain its exempt status if it can show through facts and circumstances that "substantially all" of its activities are for "pleasure, recreation, and other nonprofitable purposes."* (This is from the IRS web site.)
- Arizona does not require 501c7 organizations with less than \$50k/year revenue to file any forms.
- Other clubs that file under an exempt status include Pickleball, Tennis, MV women’s golf; SBRMGA is looking at doing this

### Form 990-N (e-Postcard) (From the IRS web site)

An organization with gross receipts normally \$50,000 or less is not required to file Form 990 (or Form 990-EZ). Instead, the organization is required to electronically submit Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required To File Form 990 or 990-EZ.

An organization is required to provide the following information on Form 990-N:

- the organization’s legal name;
- any other names the organization uses;
- the organization’s mailing address;
- the organization’s Web site address (if applicable);
- the organization’s taxpayer identification number (TIN);
- name and address of a principal officer of the organization;
- the organization’s tax year;
- a statement that the organization’s annual gross receipts are normally \$50,000 or less; and,
- if applicable, a statement that the organization has terminated or is terminating (going out of business).

Jean referenced two IRS documents about tax-exempt organizations.