

SUNRISE PICKLEBALL CLUB

Board of Directors Meeting Minutes

January 13, 2020

OPENING

The Board of Directors Meeting for Sunrise Pickleball Club (SPC) was called to order at 6:00pm in room 1 of Rusch Community Park by Amy Papenfuss, President.

Present (In-Attendance) :

Amy Papenfuss (President), Gail Kenney (VP), Elaine Dykhous (Secretary, 2020), Karen Seminoff (Membership Dir., 2020), Reine Steel (IT Dir), Rodney Coleman (Event Coord), Lisa Hicks (Ambassador), Lee Swayne (Past President), Teresa Ward (Treasurer)

GUEST: Duane Chinnow, President of Folsom Pickleball Club

GUEST: Steve Cooper, Rusch Park Liaison

ABSENT

NONE

Gail Kenney motioned to approve December 17, 2019 minutes as presented. Rodney Coleman second. Unanimous approval.

OLD BUSINESS

- 1) Discussion of 501(c)3 topic – Please refer to the various attachments surrounding this topic.

DUANNE – Presented his experience operating under both a 501(c)7 and a 501(c)3. Income from NON-MEMBERS can't exceed 65% of the total club income. This includes non-members that register to play in a tournament, non-members that provide a donation and highly probable (may need to consult with a CPA) the TOT grant would be considered non-member income.

To convert from, refer to www.Calnonprofit.org to assist with the requirements.

Vote postponed to February 2020 BOD meeting as Amy will consult with a CPA regarding questions surrounding converting from a 501(c)7 to a 501(c)3.

- 2) Outstanding Loan – Loan is \$11,000
LEE spoke with Dave Mitchell, Park Admin. Due to the light upgrade, the park Admin agreed to defer the loan payment in 2020. BOD thought is to cut a \$5500 check sometime in Q3, 2020 and depending on the financial position of the club, may pay the balance off in Q4, 2020.
- 3) Insurance Premium increase – Lee informs there was \$130 service charge that he was unaware, in comparison to the other bid, still favorable to switch and Lee agreed to the fee.

- 4) Membership signatures – no update yet regarding acquiring membership signatures for insurance. Reine is still thinking about best way to obtain if IT is involved.
 - 5) Wall of Fame – Steve Cooper has suggested to create the Wall of Fame on a street sign like material to withstand weather and other potential damage. Steve still working on the signage.
 - 6) TOT (Transient Occupancy Tax) - Lee has updated the BOD that SPC was awarded a \$10,000 grant to convert the current court lights to LED lights. City of Citrus Heights has also informed that another grant will be provided due to the energy efficient improvement. Total expense to the club is \$384 to convert all lights. Conversion will begin in approximately three weeks. Lee will inquire with Jake to see if the lights will be off anytime at night so membership will be informed.
- ➔ BOD also discussed having another “Grand Opening” event once the lights are installed and invite Sue Frost to the event for without her support, SPC may not have received a grant two years in a row.

NEW BUSINESS

- 1) Steve Cooper - SRPD Liaison

MOTION - Lee has motioned to add Steve Cooper onto to the Member at Large position on the BOD, will full voting rights, filling in the 10th and final Member at Large position. Gail Kenny second, motion has passed unanimously

- 2) Amy has put out on the table to expand the BOD to 12 members, thus required to change the by-laws. Reasoning is due to the growth of the club thus needing more assistance. BOD is wanting to differ until the decision is made regarding the club's IRS status of a 501(c)7 or a 501(c)3.

- 3) Amy has **MOTIONED** to use PIG (Pickleball is Great) organization to run SPC's spring tournament. Refer to attachment for financial expense / income.

DISCUSSION

PICKLE BALL IS GREAT is an organization that runs PB tournament.

- + provides the registration, the balls, the brackets, does NOT include the PB.com fees
- + PB.com (which will advertise the tournament) **COST Approximately \$650**
- + It is estimated that the club will be able to make some income.
- + PIG does tournaments all around CA.
- + PIG brings all of his own equipment, computers, printers, etc.
- + has a staff of about three people
- + non-sanctioned tournament

- + Could be an expense that helps offset income (tax issues)
- + take stress of running a tournament from members and BOD
- + Chris Mayberry tournament

VOTE – Amy motioned, as stated above, Gail Kenney second, passed unanimously

President Report – Addressed above

Vice President – No report

Treasurer – Treasurer report as presented, no questions. (Report attached)

Membership –

- ➔ 2020 membership count - 288 including lifetime members and 35 new members
- ➔ 2020 membership dues paid- \$14,190
- ➔ 2020 donations paid - \$515
- ➔ 2019 members who have not (yet) renewed - 182 (email reminder to go out later this month)

Events Dir. – Nothing to report

IT Dir – Will change all the passwords on PayPal, Gmail and Database. Bank account was already changed. Renewal of “Go Daddy”, web posting and domain, is before June, Will renew for five years, \$20/yr for domain and \$10/mo for hosting. Hopefully a discount will be offered for five year extension.

Ambassador - Contacted the Children’s receiving home to perhaps spark some interest in Pickleball but no response yet.

Agenda for Next Meeting

- + 501(c)3 discussion

Adjournment

Meeting was adjourned at 7:55pm by Amy Hardison-Papenfuss, President.

The next Board meeting will be on **February 10, 2020 6:00pm** at Rusch Park, room 1.

501(c)(3) Qualified Charity**501(c)(7) Social Club**

<i>Purpose</i>	Religious, Educational, Charitable, Scientific, Literary,	Pleasure, recreation, social activities
<i>Examples</i>	churches, charities, private schools, homeschool programs with an educational or religious purpose	Fraternities, sororities, country clubs, hobby clubs, homeschool support groups
<i>Requirements</i>	No private inurement allowed. Upon dissolution all assets must be distributed to another 501(c)(3) organization.	Personal contact, fellowship and comingling of members. No private inurement allowed.
<i>Activities</i>	Can hold programs, sell services and products as part of their exempt purpose.	Can provide meals or services only to members in connection with club activities
<i>Tax deductible donations allowed</i>	Yes	No
<i>Tax exempt (no taxes on profits)</i>	Exempt from federal income tax unless the organization has unrelated business income	Exempt from federal income tax on income derived from members; other income taxed
<i>Source of Income</i>	Membership fees, fees for services, donations, fund raisers, program fees	Primarily (65% or more) of the income must come from the membership
<i>Membership</i>	Serving the public or the "public good" (i.e. the education of children is a public good)	Limited membership and consistent with the purpose of the club
<i>IRS Application Required?</i>	Yes, if gross revenues over \$5,000/year. File Form 1023 or 1023-EZ	No. The IRS does not require 501(c)(7) organizations to file an application. They can "self-proclaim" tax exempt status.
<i>Annual IRS Reporting</i>	Form 990-N, Form 990-EZ or Form 990	Form 990-N, Form 990-EZ or Form 990

P.I. G. Jan. 13, 2020

	low	good	high	max
Revenue				
Number of players	200	250	300	350
Early registration	160	200	240	280
	\$ 35	\$ 35	\$ 35	\$ 35
Late registration	40	50	60	70
	\$ 50	\$ 50	\$ 50	\$ 50
Event	1.5	1.5	1.5	1.5
	\$ 15	\$ 15	\$ 15	\$ 15
Gross Revenue	\$ 12,100	\$ 15,125	\$ 18,150	\$ 21,175

total players

Expenses				
PIG fees	\$ 2,880	\$ 3,380	\$ 3,880	\$ 4,305
SNACKS	\$ 300	\$ 300	\$ 300	\$ 300
Software	\$ 600	\$ 750	\$ 900	\$ 1,050
SWAG	\$ 800	\$ 1,000	\$ 1,200	\$ 1,400
Referee Fees	\$ 1,000	\$ 1,250	\$ 1,500	\$ 1,750
Total Expenses	\$ 5,580	\$ 6,680	\$ 7,780	\$ 8,805
medals (low)	\$ 800	\$ 1,000	\$ 1,200	\$ 1,400
medals (mid)	\$ 1,000	\$ 1,250	\$ 1,500	\$ 1,750
medals (high)	\$ 1,400	\$ 1,750	\$ 2,100	\$ 2,450

ESTIMATE

MINIMUM

PBT.COM

\$4 ITEM

OPTIONAL

good (\$4)

better (\$5)

best (\$7)

Estimated Profit Low	\$ 5,120	\$ 6,695	\$ 8,270	\$ 9,920
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2019

Sunrise PickleBall Club

Profit & Loss
2019

Beginning Cash	\$16,670
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Income:

Interest	\$18
Member Dues	\$23,985
New Court Donations	\$7,581
PickleBalls	\$3,431
Raffle Sales	\$1,237
TOT Grant	\$10,000

Total Income:	\$46,251
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Expenses;

Bank Fees:

GoFund	\$3
Paypal	\$866
Business	\$1,111
Equipment/Supplies	\$553
Gene Ahner Fund	\$613
Improvements	\$41,100
Insurance	\$640
Pballs Exp	\$2,536
Promotions	\$1,191
Round Robin	\$293

Total Expenses;	\$48,907
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Net Profit/(Loss)	-\$2,656
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Ending Cash	\$14,015
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Prepared 1.13.20 by TBW