

**Solomons Island Cycling (SIC)  
SIC Leaders Meeting**

Meeting Minutes

**Date:** February 20, 2016

**Time:** 0800

**Location:** Patuxent Adventure Center

**Address:** 13860 Solomons Island Road

**City and State:** Solomons Island, Maryland 20688

**Opening Statements:** Continuation of previous week's meeting, Saturday, February 13, 2016, for moving forward with the next-steps to becoming a legitimate and independent club. This event was created by Brad Hall via Facebook to the ride leaders of SIC.

**Present: 10 out of 13 Ride Leaders**

Brad Hall

Gunner Rempel

Nadine Hughes

John Sison

Richard Mervine

Shannon Pasch

Tom King

Brian Raines (Facetime)

Eric Welch (Facetime)

Wes Chester (PAC) representative

**Absent:**

Haydin Grotz

Luis Soto

Melissa McCormick

**Guest Members: N/A**

**Quorum Validation:**

Majority

**Approval of Agenda:** Verbal Discussion Prior to the meeting

- Motioned by:  
Vote:

**Approval of Minutes from February 13, 2016 submitted by Brad Hall**

- Motioned by: Nadine Hughes, seconded by Tom King  
Vote: All in favor, none opposed  
Motion Carried

**Old Business**

- Wes Chester was able to obtain the EIN number
- Bank account was determined that one cannot be obtained until bylaws are established
- Legal Zoom for nonprofit was determined to be worthy of use for legal filing.
- Dues from members of approximately 135 of the FB members, more like 50 members.
- Mailing address for EIN number- Wes Chester used his personal address.

**Fees for startup**

- Through Leagues of American Bicyclist- \$3.53 per person- (50-100 members)  
American Specialty Insurance Liability for general insurance type.
- Registering as a non-profit with the State of Maryland- \$300.00

**New Business-****Approval of Tax Exempt Status as a 501 (7) (C) tax exempt status for filing with the Internal Revenue Service- (see note at end for more information about tax exempt status).**

Motioned by: Brad Hall, seconded by Richard Mervine  
Vote: All in favor, none opposed  
Motion Carried

**Approval of a Temporary Board of Directors**

**President:** Brad Hall, nominated by Nadine Hughes, seconded by Shannon Pasch

Vote: All in favor, none opposed

Motion Carried

**Vice President:** Gunnar Rempel, nominated by Wes Chester, seconded by Tom King

Vote: All in favor, none opposed-

Motion Carried

**Treasurer:** Richard Mervine, nominated by Shannon Pasch, seconded by Brad Hall

Vote: All in favor, none opposed

Motion Carried

**Secretary:** Nadine Hughes, nominated by Brad Hall, seconded by John Sison

All in favor, none opposed -Motion Carried

**Committees: Volunteers**

**Board Member Public Relations- Tom King**

**Ride Lead Coordinator- Wes Chester**

**Special Projects:**

- Reword bylaws- Board members to work together on this prior to the next meeting can be done via SIC table.

**Questions and Concerns:**

- Is it really necessary to have a physical address or can a Post Office Box work as a mailing address?
- Will Brian Raines be willing to maintain the <http://solomonsislandcycling.com/> page?
- What is the best way to collect money?

**Next Meeting:**

**Date:** February 27, 2016

**Time:** 0800

**Location:** Patuxent Adventure Center

**Address:** 13860 Solomons Island Road

**City and State:** Solomons Island, Maryland 20688

**Adjournment:** 0930

**Respectfully Submitted by:**

Nadine Hughes

Signature Required:

Note about tax exempt filing status.

[Incorporation Tax Exempt Clubs](#)

All of the below forms were discussed and it was determined that the best fit was the 501 (c) 7

Applying for Tax Exempt Status from the IRS Cycling clubs and advocacy organizations generally fall under one of three tax-exempt designations, as described in IRS publication 557:

501(c)3 - Public Charities o Tax deductions for donors o Preferred status by corporate donors/sponsors o Organization must have "charitable purpose," towards which 85% of its activities (which is to say effort and expenditures) must be directed o Most stringent requirements for entry and maintenance of status

501(c) 4 - Civic Leagues and Social Welfare Organizations o Organization "operated only to promote social welfare to benefit the community" o Typically the status of advocacy/lobbying organizations, as it has broader allowances for political activity than (c) 3 o Could apply to clubs with 50% of their activities directed to a charitable purpose; the other 50% could be social and recreational activities o No tax deductions for donors

501(c) 7 - Social and Recreation Clubs o A good fit for bike clubs, especially those with few educational or outreach activities o Management of income from event rides is crucial because of restrictions on income from nonmember sources o Status can be claimed without applying to the IRS for the designation o No tax deductions for donors Two important notes applying to all of these statuses: All tax-exempt organizations, regardless of size or income,