

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

Meeting Minutes

Date: February 27, 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 20, 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: 8 out of 13 Ride Leaders

Brad Hall

Gunner Rempel

Nadine Hughes

Brian Raines (conference call)

Eric Welch (Facebook video chat)

Wes Chester (PAC) representative

Richard Mervine (Facebook video chat)

Luis Soto

Absent:

Haydin Grotz

Melissa McCormick

John Sison

Tom King

Shannon Pasch

Guest Members: N/A

Quorum Validation:

Majority

Approval of Agenda:

- Verbal Discussion Prior to the meeting
- Motioned by:
Vote:

Approval of Minutes from February 20, 2016 submitted by Nadine Hughes:

- Approval was gained by written vote on the SIC Table Facebook Group
- Motioned by:
Vote:
Motion Carried

Old Business

- Using a PO Box for a mailing address versus a physical address?

- It is possible to use the POB but address needs to be changed on EIN that has already been obtained. Wes Chester has agreed to pursue this.
- Reword bylaws- Board members to work together on this prior to the next meeting.
 - To be continued next meeting with hard copy in hand. More time and effort is needed to finalize.
- Brian Raines is willing to continue maintaining the SIC webpage at <http://solomonsislandcycling.com/>

Fees for startup

- Through Leagues of American Bicyclist- \$3.53 per person- (50-100 members)
American Specialty Insurance Liability for general insurance type.
- Membership with LAB- Free for the first year.
- PO Box \$66.00
- Registering as a non-profit with the State of Maryland- \$175.00

New Business-

- **Wes Chester** to provide a post office box for the purpose of receiving mail for SIC business.
- **Gunnar Rempel** will provide LAB insurance details for review by members of the board.
- **Gunnar Rempel** will inquire about the availability of the Wildwood Club House as a possible meeting place to review and edit SIC bylaws – for Thursday, March 3, 2016 at 1800/6:00pm.
- **Brad Hall** to poll SIC ride leaders on the SIC Table for individuals that are truly interested and willing to seriously commit in being a part of helping to make SIC a club.
 - “Are you committed in taking an active role on the SIC board for the purpose of the formation, creation and on-going maintenance needed for making SIC an independent Club?”
- **Brian Raines** to investigate a better option for video/conference calls.

Committees: Volunteers: NA

Special Projects:

Questions and Concerns:

- What is the best way to collect money?
 - Encourage members to pay with cash, check, or money order to save on money collection fees.
- What is the rush for bylaws?
 - Time should be spent finalizing a draft as it is what governs the corporation and it a legal and binding document.
- Should everyone have an input on bylaws?
- When is it necessary to file with the state for 501- (c) 7 tax exemption?
- LAB insurance costs confirmation is needed.
 - Is it really only \$3.53 per person? Is this premium due monthly or annually?
 - Is LAB insurance for liability for the whole membership (GAP) insurance?
 - What if a member does not have any insurance?
- What is the best way to collect money?
 - Encourage members to pay in cash versus using credit card
- PO Box for SIC business was discussed and agreed upon to proceed and use personal money for startup.
- Do we want to join forces with SMMB- Southern Maryland Mountain Biking?
- Should we offer a seat on our board as a representation of SMMB?

After discussion, it was decided that it would be more of a challenge to rework what SMMB has in place rather than starting up new as an independent club of our own. There are only a small amount of mountain bike riders currently as SIC members. It was suggested that we offer a seat on the SIC board as a representation from SMMB. It was noted that Brad Hall is currently a board member with SMMB.

Next Meeting:

Date: March 3, 2016

Time: 1800/6:00 pm

Location: Wildwood Club Hall

Address: Wildwood Community

City and State: California, Maryland, 20619

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,