

Salem Trap and Skeet Club
Board of Directors
Board Meeting Minutes:
March 29, 2012

REVISED APRIL 9, 2012

Call to Order

President Ted Sapoznik called the meeting to order in the conference room of the Super 8 Motel in Woodburn, Oregon at 6:30 PM.

Roll Call

The following persons were present:

Ted Sapoznik, President
Duane Hesketh, Vice President
Don Nussmeier, Treasurer
Craig Rhea, Secretary
Ellen Deleganes, Board Director
Max Kloster, Board Director
Brent McTaggart, Board Director
L.T. Spring, Board Director

Not Present: Justin Moore
David Farley

Quorum Present

Ted Sapoznik confirmed that a Quorum was present at the meeting. Eight Directors were present at the meeting.

February 23, 2012 Meeting Minutes

Minutes from the previous meeting were reviewed. Two corrections were suggested, those were that a correction of the spelling of Justin Moore's name on page 1, and the correction of the spelling of Ellen Deleganes name on page 3. The Secretary promised to make these corrections and email a new Board Minutes to be included in each Directors Board Meeting Minute Book.

Duane Hesketh made a motion to approve the minutes as corrected, seconded by LT Spring. The seven Directors present voted positively on the motion.

Club Name Salem Trap and Skeet Club

President Ted Sapoznik pointed out that the legal name of the Corporation is the Salem Trap and Skeet Club. In the future only that name will be used to identify corporation's minutes and related documentation.

Treasurer's Report – Don Nussmier

Don Presented the Treasurer's Report indicating there was \$1,902 in the general checking account, on March 27, 2012 and \$180,411.23 in the investment account on March 27, 2012. A copy of each report is attached to these minutes.

The Key Bank Line of Credit was used to purchase the residential house located on the club property. The line of Credit is set to expire on May 5, 2012. After meeting with the bank Don reported that the banks requirements for renewing the line of credit are extensive, and part of a new application process. The bank would require a new application, that would need to include environmental studies, audited financial statements, and other requirements, deemed significant and time consuming to document.

A discussion occurred, and the general consensus was that having a line of credit was an advantage for the Club, however meeting the application requirements to renew and extend the existing line would be very difficult, in the 30 day time frame available. The Board resolved to make application for a new line of credit with either Key Bank, or another bank.

There was a discussion about what to do with the existing balance of \$65,000 on the Key Bank Line of Credit. Duane Hesketh made a motion that funds from the Investment Fund be withdrawn to pay down the balance on the line of credit. Ellen Delegates seconded the motion. The seven directors present voted in favor of the motion.

Don presented a bill from Saalfeld & Griggs PC the Legal Firm retained by the board. This bill was for work on the Rental Agreement, and other items in the amount of \$893.00. A motion was made by Don seconded by Duane Hesketh that the bill be paid. All directors present voted in favor of the motion.

Finally, Don reported that cash requirements to pay down the line of credit, and future organization cash needs, would require him to transfer half of the investment funds to the general checking account. The amount being transferred is \$90,200.00.

A brief discussion occurred about the potential termination of the existing investment account. Ted requested that Board Members who had ideas of how to manage the clubs investment funds provide this information to each other by way of e-mail, and that the board would revisit this issue at a future date.

With no other questions the Board accepted Don's Report.

Secretary's Report – Craig Rhea

Craig presented the Secretary's Report with the following items:

- There were 191 members in the Club in March, the same number as February. This compares with 182 members in January of 2012. The roster is available to Board Members electronically if a copy is needed. For brevity sake a copy will not be attached to these minutes.
- A package of information was presented from the Office of the Secretary of State, Corporation Division, concerning the club's registration with the State. In the past the state has received two different Articles of Incorporation, with two Registry Numbers. A second corporation, also called Salem Trap and Skeet, was formed in March of 1991 which was dissolved in September of 1991. Copies of the records in the files for these two numbers were provided. This information will be used to document corporate activities in the past. The Salem Trap and Skeet Club's current and active registry number is 03196417 assigned by the Oregon Secretary of State, Corporation Division, Business Registry at 158 12th Street NE, Salem, OR 97310-0210, phone 503 378-4166.

With no further business, the Board accepted the Secretary's Report.

Finance and Legal Committee – Ted Sapoznik

Ted reported that the Club received notification that the IRS Penalty of \$2,000 for the late filing of the Club's tax returns for the year 2010 has been rescinded.

It has been confirmed that there are two addresses for Club mail. One address is PO Box 9097 and is located in the Brooks Post Office. This box receives mail for four other businesses besides the Club. All other businesses are affiliated with the Club, and relate to Mitchell or Park's business operation. The second mail address for the club is 6181 Concomly Rd, a mail box located directly across the street from the Rental House location on the south side of Concomly road. This mail box is supported by the Post Office located in Woodburn.

Ted presented a work sheet, detailing the work necessary by attorneys and accountants to support the 501-c-7 status of the organization, in the form of major bullet points. The Finance and Legal Committee has interviewed several law firms and accounting firms. Following this process, proposals were solicited and received and evaluated. Ted presented the board with three law firms and three CPA firms as having the necessary experience and expertise to meet club requirements. In addition, Ted and Don made a recommendation to the board. Attached with these minutes please find the work sheet presented to the board with detailed information. Craig Rhea made a motion to accept Mike Bragg of the firm Buckley Law and Don Schmidt of Hoffman, Stewart and Schmidt to perform the work outlined by the committee, starting first with a scope review of the Lease and Operating Agreement. The motion was seconded by Max Kloster. The Directors present voted in favor of the motion.

Ellen Delegates made a motion that Don Schmidt of Hoffman Stewart and Schmidt be authorized to complete the 2011 tax return for the Salem Trap and Skeet Club, due on May 15th, 2012, and file for an extension. LT Spring seconded the motion. The Directors present voted in favor of the motion.

Membership Committee

Craig Rhea introduced a topic to the Board of what the 2012-2013 Membership Fee should be. The club is rapidly approaching renewal of annual memberships with a plan to send notice to club members on May 1, 2012. Craig presented a survey of annual membership fees for clubs in western Oregon, and Washington for comparison purposes. In addition Craig presented a forecast of the Club's Source and Use of Funds, anticipated for 2012. These documents are attached with these minutes.

After lengthy discussion, LT Spring made a motion that the Annual Membership Fee for 2012-2013 for Salem Trap & Skeet Club be reduced to \$75.00. LT Spring's primary argument in favor of this motion was to make membership more attractive to members, so that all members would renew and shoot more targets. After additional discussion a vote was taken with the following results:

Ted	Yes	Ellen	Abstain
Duane	yes	Brett	yes
Don	yes	Max	yes
Craig	yes	LT Spring	yes

The motion passed.

The Board has discussed in general the advantages of completing a membership survey. The purpose of the survey is to find out more about club member's preferences surrounding shooting and utilizing the club facilities. Craig Rhea agreed to draft a survey for Board Member review, and comment.

Ellen agreed to work on converting the club member list mailing address to labels, so that a survey can be mailed to each member.

Ellen continues to work on the development of the club website and will get with Sonny at Primebiz to answer questions regarding member security and passwords. Ellen commented that the cost of using Primebiz was very reasonable. The board looks forward to being able to use a website as a means of communicating with its members on numerous issues including the posting of board meeting minutes and club newsletters.

House Rental Agreement – Ted Sapoznik

Ted presented to the Board the signed Rental Agreements with Stephen and Susan Park. The agreements were provided for the Clubs permanent record.

The test results on well water have been completed for both the house well, and for the well that supplies the clubhouse and the RV parking area. The test results indicate the water was safe to drink, and were also provided to the Secretary for the Clubs, permanent records.

New Business

Stephen and Suzanne Parks have requested permission to install a new sink in the kitchen of the rental house at their expense. Max Kloster made a motion to provide Board permission, seconded by LT Spring. The Directors present voted in favor of the motion.

Ted Sapoznik reported to the Board that the safe was opened and 23 silver troy ounce coins were found. LT Spring made a motion to transfer custody of the coins to the Treasurer with instructions to sell them and deposit the cash in the organizations checking account. The motion was seconded by Craig Rhea. The Directors present voted in favor of the motion.

The Board has received a request for payment of Electricity and Security Bills from November 1, 2011, through March 18, 2012. After discussion the Board agreed to pay for those expenses during the period the Club owned the building. It was determined that this period was January 27, 2012, through March 18, 2012. A motion was made by Craig seconded by Ellen that the Club pay, the actual electrical and security cost for this period. The Directors present voted in favor of this motion. It was agreed that Ted will discuss payment for the remaining balance with Stephen and Suzanne Parks.

Stephen and Suzanne Parks sent a letter requesting the right to sublease a portion of the rental property lot to Ellen and Sam Delegates. At this point Ellen left the meeting, to avoid a conflict of interest. The Board had a lengthy discussion about this request reaching the following conclusions:

1. The sublease needs to be at prevailing market rate, to avoid any perceived or real preferential treatment to Sam and Ellen.
2. We need a study of comparable rental values.
3. The Board wants to investigate whether there is land use restrictions associated with a sublease for an RV in this location.
4. In general, there was an expressed concern that the septic system may not be able to handle the additional load.

Ted was requested to talk with Stephen so that they would know that the Board needs to complete this investigation if it is to enter into a sublease agreement.

Stephen and Suzanne Parks have presented a hold harmless agreement, for the Board's review and approval. The Parks are aware that the Horse Agreement was a one year agreement that expires in May. The request would be to extend the Horse Agreement for multiple years. After much discussion the Board reached a conclusion on this item. The Board would like to link the Horse Agreement term to the term of the rental house agreement. Secondly, the Board is comfortable with the existing agreement, and are willing to renew under the same terms and conditions. Don made a motion to renew the existing agreement, which provides revocable permission to pasture two horses, owned by the Park's, while reserving the right to cancel the agreement with 60 days notice, or at the end of the term. The Board chose not to agree to expand the area that the horses could be pastured in. The motion was seconded by LT Spring, and voted on in favor by the Directors present at the meeting.

Ted gave the board an update on the tower repair project. He has obtained current pricing for the hoist from the supplier. He also confirmed with Stephen that the larger hoist motor sizing would be preferable from an operating perspective. Ted is working to confirm the electrical requirements with the supplier and review with Justin so that we have a solid plan to supply power to the hoist. We should be able to order the hoist next week. Ted also noted that Stephen would be ordering two new traps to be placed on the tower platform when the hoist is installed.

The board discussed the email that Ted had sent out regarding the development of a Vision Statement for the Club. Brent, Craig and Ted shared their proposed statements with other Board members. Ted asked each Board Member to think about what they would like to see contained in a Vision Statement for the club and come prepared to discuss this topic at the next meeting.

The final item of new business was considering action to be taken on the Gentech Death Benefit Life Insurance Policy purchased to benefit the Salem Trap and Skeet Club. After some discussion a motion was made by Max to move to an executive session. The motion was seconded by Duane, and the Board Members present voted in favor of the motion.

Next Meeting

The next Board Meeting will be scheduled for Monday April 16, 2012 at 6:30 pm in the Super 8 Motel, conference room.

With no further business, a motion was made by Duane, seconded by LT Spring that the meeting be adjourned. The Board Members present voted in favor of the motion.