

Cutthroat Chapter Board of Directors
Meeting Minutes – January 12, 2008
9:00 A.M. – Meeting
at The Shack – 151 West Mineral Ave. [303-795-7241]

Present: Jim Crawford, John Aaron, Ralph Absetz, Bill Smith, Jim Rasmussen, Leon Solomon, Keith Lucas, Harry Hall, Rob Coley, Richard Mead, Richard Pilatzke

9:10 am: Meeting was called to order at by Jim Crawford.

Intro: Rob Coley was introduced to the BOD

November board meeting minutes – Keith Lucas

- Added Bill Richards to attendee list
- Richard Mead made comments on page 2, not Richard Pilatzke
- Adopted with changes above

December Treasurer's report - Ralph Absetz

- Waiting on the approx \$15K from the Auction (credit cards) being mailed
- When we receive the \$15K we will have almost \$46K in the treasury
- Ralph needing some assistance with Quicken and reports. Keith to assist.
- Treasurer's report was accepted.

Committee Report – Jim Crawford

- CPA fees paid recently - 2 payments of \$50 & \$250 related to recent inquiries.
- No additional charges on the matter are anticipated

Misc. Business – Richard Mead

Chapter members Richard Mead and Richard Pilatzke addressed the BOD about a donation in January 2007 of fly-tying materials and equipment from the estate of Major David Mohnsen.

- Both gentlemen contended that according to the IRS Publication 78, Cutthroat may never have received IRS recognition as a 501c3 entity, and as such Cutthroat may not be eligible to accept a charitable donation.
- Harry and several others at the table responded that we do have this status under the TU State Council, and that we have in our possession a document stating we are a non-profit.
- Jim C said he will consult TU Finance Vice President Hilary Coley to verify our standing as a 501c3 organization.
- Richard P. provided a list of fly donations to the November auction, and stated we had not sent acknowledgement letters to these donors. Bill R. said acknowledgements to all auction donors are about to be mailed, and he would check the list Richard P. supplied against the list he already had. They should be mailed within the next week.

- Richard P. then provided Jim C. with a bag of fly tying tools belonging to the chapter, stated that he had in his truck 11 boxes of CCTU property, including books, swap meet materials, flies and other items he is returning.
- Jim C. asked Leon if he would be willing to take custody of the materials. Leon stated he would only if we formalized the chapter inventory controls. It was agreed and Leon and Bill R. would be accepting the items from Richard P.
- Richard M. then provided a copy of a letter from Major Mohnsen's heir, Ms. Candy Mohnsen, stating that he had arranged for an appraisal of items from her brother's estate, and authorizing him to represent her in securing from the chapter a signed acknowledgement of the donation on IRS form 8283, to qualify her for a tax deduction.
- Richard M. then went on to point out that the letter of thanks the chapter had sent to Ms. Mohnsen on Dec 20th included no statement that the chapter is a charitable organization. He asked for a letter stating as much. It was restated that we would not be providing the donor any tax advice.
- The discussion turned to how the donation was obtained. Jim C. stated he had received a call from Cathy Houser saying that help was needed with the salvage of fly-tying items from the home of the late Major Mohnsen.
- Jim then spoke with Mohnsen's close friend, Don Stern, who had asked Cathy to assemble a salvage team. Jim then recruited volunteers to help with salvage. Jim acknowledged he failed before doing so to verify that Mr. Stern had authority to donate the items on Ms. Mohnsen's behalf, a point Richard P. and Richard M raised. Jim noted that though Richard P. and Richard M were actively involved months ago in sorting the items, neither had voiced this concern until quite recently.
- Richard M. – Ms. Mohnsen has made a donation, and wants to claim a tax deduction for the value of the items.
- Jim C. – The concern here focuses on IRS rules that the chapter maintain arm's length relationships with donors of such items. Our CPA says the chapter must have no role in appraising donated items. Likewise, for a donation of this size, the chapter should only sign a tax form 8283 when submitted by or on behalf of the donor, to avoid being seen as offering a donor tax advice. Richard Mead, while a chapter member, and without notice to the Cutthroat board, arranged for an appraisal for Ms. Mohnsen's benefit. The board never authorized Richard Mead to do so, and likewise never asked him to represent Ms. Mohnsen in submitting IRS forms for chapter signature. Jim proposed that Richard M sign an affidavit acknowledging those facts. Richard M refused to sign an affidavit, but verbally acknowledged that he had arranged the appraisal and submitted the tax form solely on Ms. Mohnsen's behalf, and was not acting for the Cutthroat Chapter.
- Bill R. – moved we sign the IRS Form 8283 Richard Mead had prepared, as it is only an acknowledgement of receipt of items donated. Motion carried.
- Jim C. then signed the IRS Form 8283, and agreed to update the December 20 letter with a new version, as requested.

- Richard M. – stated that any donations of \$250 or more, we needed to supply the donor with a signed copy of Form 8283.
- Harry H. – as a volunteer organization, we must follow clearly documented procedures for this type of activity.
- Jim C. – A board officer will be named to assure compliance.
- Leon S. – voiced regret that Richard M. and Richard P. have chosen to leave the chapter. He then asked them both to reconsider their decisions.
- Jim C. – echoed this sentiment, adding that he never questioned that both felt they were acting in what they felt was in the best interest of Ms. Mohnsen.
- 10:30 am – Discussion was closed. A brief recess was called to execute the transfer of items from Richard P. to Leon and Bill R.

10:45 Meeting was reconvened.

- Jim C. expressed regret that the previous exchange happened. When a member of the chapter provided Ms. Mohnsen an appraisal on the goods we received, a red flag went up for him. Jim will contact Hilary to confirm the chapter's 501c3 status.
- Jim C. – nominations for officers and directors will be held at the next Membership meeting. (Rob C. excused himself during discussion.) Jim noted we have a vacancy in the Secretary position and recommended Rob Coley for a Director position. Rob's nomination was moved and approved.
- Question was raised on the terms for Directors and Officers. Officers serve for 1 year and Directors for 3 years.
- Leon suggested we change the number of Directors from 13 to 10. It was noted that we can discuss this at the Strat Planning Session coming up.
- Jim C. noted that Ken M. would facilitate the elections at the Membership meeting.
- Rob returned and was notified of his approval by the board for presentation to be made at the Membership meeting.

Committee reports

■ CPR – (Jim Rasmussen)

- Jim R. – CPR
 - o John Bruno from CUSP presented several projects for our consideration
 - o CTU wants work on the lower end of Trail Creek, we will probably do that work.
 - o River Watch – costs are for Macro Invert testing. We just received the 2005 testing results.
 - o John A. – he is using two labs that can turn results in 7 days. John and Jim to discuss using an alternate lab.
- Harry H. – handing over Cheesman trail work to Jim R..
 - o Denver Water has budget of \$50K for work on trail.

- Leon asked about efforts to publicize the work in the canyon. Harry acknowledged that we have no PR Program
- John A. – asked if a contractor had been selected for the work?
- Denver water has a preferred contractor. John suggested we push for competitive bids in this process.
- Jim C. – to Harry many thanks for the efforts on trail work. Publicity and credit to Harry and Denver Water would be good.

■ **Member Services – (Keith Lucas)**

- Jim C. – Sharing Library
 - Leon has agreed to take over the function as the librarian.
 - Leon to change the process to involve more members. His suggestion is to make the list of item avail on website and have the ability to phone, email or mail him to receive the items. The time to borrow would be two weeks.
 - Leon Asked for a budget of \$1000 to seed the library with books, videos etc
 - John A. – suggested that we move to a monthly borrow to eliminate the need to mail items around. It was agreed we would try this out.
 - Leon to provide item reviews for members to view.
 - Harry – Motion to approve the \$1000 expenditure. Motion carried.
 - Jim C. – We need mechanism to verify membership in chapter before lending items out. Leon will get listing of members from Bill R.

■ **Other/New Business**

- Jim C. – Strategic planning session – no date has been chosen.
 - Jim C. to send email soliciting session date, items to be discussed, etc.
 - Jim R. to provide a list of projects to consider.

■ **Adjournment**

- 11:25am – Meeting was adjourned