



## January 2021 Board Meeting - 1/10/2021 @ 6pm

**Attendees:** Rebecca Dauterman (graphicsgirl19), Carson Monroe (ACME\_WildCachers), Chris Stolte (MTCLMBR), Aaron Wurster (MASKinWI), Renee Vanselow (AuntieNae), Jason Johnston (jnj-wi), Jim Peterson (bigjim60), Kelly King (King54130)

Brian Zubowski (zeeman\_clan) was not able to attend.

Aaron called the meeting to order at 6:01pm.

### Standing Topics

#### Treasurer's Report

- Just one change this month.
- Kelly asked about the amount of merchandise sales. She submitted \$41. Jim confirmed that the difference is the transaction fee.

Beginning Balance 10/4/2020	\$7,635.43
Merchandise Sales	\$39.51
Ending Balance 11/1/2020	\$7,674.94
Cash on Hand	\$0.00
PayPal Balance	\$0.00
Path Cash	\$306.00

#### Committee Reports

- Community Education
  - Renee is doing a Geocaching 101 at Janboree. Chris asked if this is usually people just attending the Janboree event or mostly geocachers. Renee said it's a combination: some just there for Janboree, some new cachers, and some looking for information on how to do their own Geocaching 101 event. She plans to use the presentation Carson worked on for the virtual event last spring.
- Photo of the Month
  - There was a three-way tie for December that is now up for voting. Once the winner is determined, we can do Photo of the Year.
- Newsletter
  - Becca mentioned she is waiting on the newsletter until the December Photo of the Month is awarded.

- Chris asked if Becca has enough articles. She said she could use one or two more.
- Jason asked if she ever got the article from 2 book lovers. Becca confirmed she did.
- Becca said she also needs a travel bug update. Kelly said she would reach out to Marie (Lacknothing) right then.
- LCG
  - Aaron mentioned 2020 is done. Becca thinks she's probably in last place, but Carson said he might give her a run for her money. Kelly thinks she'd do better if she actually submitted her qualifying finds.
  - Chris mentioned that the website has been updated for 2021 scoring and rule changes. He also got the January/February list posted.
- Website
  - Chris did some minor visual updates for elections (both public and behind the scenes) on the current website. He also figured out an easy fix for the reported number of forum topic pages!
  - Chris also mentioned he's been working on login and registration workflows for the new website. He also added Slack and Mailchimp integration. The website will be able to post to Slack when a new member joins and will allow users to sign up for the newsletter directly from their profile.

#### Next Event: Spring Picnic

- Carson mentioned that we had previously settled on a location of Yellowstone Lake State Park but hadn't officially picked a date since the site wasn't booked. Jim did not hear back from the park when he asked about hiding caches in the area.
- Carson asked what date we were targeting? Kelly said it was May 22.
- There was some member concern on Facebook that we might not be able to hide caches in the area because it is a State Wildlife Area. Carson and Chris both said we should be OK because it's only the State Natural Areas that are off limits, but there may not be any cachers in that area to hide. It doesn't have many caches currently.
- Jim added a motion for the park reservation to the website.

## Unfinished Topics from Prior Meetings

#### 2021 Theme

- *[Secretary's Note: We talked about the theme for next year and how to design a coin around it. Then after the meeting, we came up with a new idea that everyone liked better. But we're keeping it under wraps until spring!]*

#### Board of Directors Nominations and Election

- Chris said we have six confirmed candidates and a seventh who just needs to formally accept but has informally accepted to Jason. There is one candidate who has not yet made a decision on their nomination.
  - Becca Dauterman (graphicsgirl19)
  - Renee Vanselow (AuntieNae)
  - Mark Olson (chevyole)
  - Marie Lackore (Lacknothing)
  - Russ Whipple (awhip80)
  - Bethany Fredericks (BFredericks88)
  - Jodi Bauer (jodibee)

## Virtual Event Like Cache Advance Mappy Hour

- Kelly suggested we should table this until after the new board is elected. Carson agreed said he had very little chance of doing anything with virtual events before then anyway.

## New Topics

### LCG Event

- The LCG event will be virtual. Who should we ask to present? Becca suggested others who were on the committee. Chris wondered if we should try to involve someone not on the committee.
- What date should we shoot for? Jim said he thinks a virtual event makes it easier to do it sooner. Becca and Chris think we should do it in late January or early February.
- Aaron suggested he'd like to clear the election. Carson said voting closes EOD on February 14, so we'd have to go several weeks into February.
- Carson suggested that we shouldn't set the date until we know who will present, but we should have a goal of doing it before the end of February.

### Tax-Exempt Status

- *[Secretary's Note: This topic requires some additional background for context. Several board members spent time in the late fall and early winter working toward an application to obtain 501(c)(3) tax-exempt status from the IRS. Jim submitted the application in early November before receiving a request for additional information about a month later. After providing everything requested, Jim learned in late December that our application was denied because the WGA was deemed not exclusively charitable or educational in nature. The IRS rep said that we could pivot our application into another tax-exempt designation like 501(c)(4) (a social welfare group) or 501(c)(7) (a social or recreational organization) but would need to do so quickly in order to apply the initial filing fee to the new application. She also indicated we were unlikely to qualify for 501(c)(7) as someone from the WGA had previously applied for that designation and been denied. We had no idea that the WGA had previously applied. This development left us with about a week to decide whether to apply for a different designation or forfeit our filing fee. I offered to dig through the forums on the website to see if I could build a history of the WGA's quest for tax-exempt status to help the board make the best decision. My findings were previously shared with the board and a decision made, but I wanted to make sure this information made it into the minutes as well.]*
- Carson read through his research into the WGA's quest for tax-exempt status over the years. He said that many of the old meeting minutes seem to have been lost in various website transitions, so a lot of the history was pieced together from other forum discussions that were still available
  - There are comments as far back as June 2004 about "getting this done" where "this" appears to be official designation as a tax-exempt organization. The board was originally working with an attorney but was not satisfied with either the costs involved, the pace of progress, or both. jthorson had a friend (Jeff Stobbe) who agreed to do some pro bono work. With his help, the WGA got its Tax ID (EIN) and applied to be a Wisconsin Corporation. jthorson further submitted paperwork to apply for a non-profit designation, but there was no indication of what paperwork was actually submitted.
  - In February 2005, there was discussion about topics for the annual board meeting. jthorson provided an update from Jeff the lawyer about what would be necessary in order to obtain non-profit designation. There's also a bit about specific tax forms and the IRS's ability to audit.

As long as you keep your donations (for a year) under \$25,000, you do not have to file form 990 or 990EZ. However, if you do, the IRS has 3 years (from filing date) to challenge or audit. If you do not file, the IRS has infinity (indefinitely) to challenge anything. However, In

addition to filing Form 990 or 990-EZ, your club must file Form 990-T, Exempt Organization Business Income Tax Return, if your club has \$1,000 or more of gross receipts from an unrelated trade or business during the year. The organization must pay quarterly estimated tax on unrelated business income, if the organization expects its tax for the year to be \$500 or more.

There was further discussion at the meeting, but the minutes themselves are lost.

- In November 2005, there was a discussion about whether the board should have collected sales tax when selling/shipping geocoins. This eventually led to the tax-exempt status coming up, when kbraband made comments indicating the paperwork filed by jthorson was not complete and needed to be refiled. This was the first indication that jthorson definitely submitted paperwork that was not successful, but there was still no indication of specifically what designation was being sought.
- In early 2006, kbraband indicated that the tax-exempt paperwork came back for missing required information (quite a bit actually). The original paperwork and response were turned over to him. Later in the same thread, kbraband indicated that the paperwork submitted was the 1024 form, and further discussion in that thread indicates jthorson attempted to go for the social organization designation which would be 501(c)(7). GrouseTales indicated the original goal was 501(c)(3) for the educational designation and expressed concern that the WGA wouldn't qualify for 501(c)(7) because members aren't charged dues.
- In September 2006, there was a long thread about what questions should be asked of a lawyer to further pursue tax-exempt status. Multiple board members reached out to others they thought could help, and all answers came back similarly. Should've Bought Him The Tie contacted a reviewer he thought might have background on non-profit stuff (Electric Mouse) who said it is next to impossible to get 501(c)(3) status but suggested trying for 501(c)(7) status where the WGA would not pay tax, but contributions to the organization would not be tax deductible. He also reached out to Trippy (Michigan reviewer and part of MiGO) who said MiGO opted not to pursue 501(c)(3) due to poor fit for the organization and the cost of compliance but did pursue 501(c)(7). Flushingrouse reached out to Stephanie of FolkTrackers who didn't think the WGA would ever be able to qualify as a 501(c)(3), but there might be other viable options that would be beneficial.
- Discussion continued into 2007. In March, greyhounder posted a bunch of details from research of other geocaching organizations that appeared to be non-profits. She found a mix of statuses with some that got 501(c)(3) or thought they could, and groups that opted for 501(c)(7) as a better fit. The groups that got 501(c)(3) seem to have had different circumstances from the WGA.
- In February 2008, meeting minutes imply that 501(c)(3) was previously pursued and denied, so the board wanted to go for 501(c)(7) instead. Based on the info Carson found, that wasn't quite right. The original attempt was actually for 501(c)(7), and 501(c)(3) was never attempted. Either way, this is where historical focus shifted to getting the 501(c)(7) designation that originally failed. A little while later, there was discussion with another lawyer and potential costs became a barrier. That same thread contains some interesting comments from Jvechinski:

I would be willing to fill out the paperwork for tax exempt status under 501(c)(7), Social and Recreation Clubs. This is what we tried for before (I think) and only reason we failed is because we failed to provide adequate documentation. I would take a shot at filling out the paperwork first and then would like a consult with some lawyer (whoever we pick) to make sure that we've got it done right so it goes through this time.

Basically, we are doing all of this to get a 3 page letter that says we don't have to pay taxes. It looks like this:

<http://www.hobonickels.org/sec501.htm>

Note that we NEVER have had to file taxes, at least the way I read the laws. The IRS filing limit for any type of charitable or tax exempt organization is \$25,000 of gross income. The Wisconsin limit for most types of organizations is \$10,000. We would have to pay taxes on any investment income we have, but I believe the WGA checking account does not earn interest.

- In March 2009, a thread about the February meeting minutes has a snippet that seems to be the official stance of the board at the time.

The WGA is not required to file a tax return because we have less than \$25,000 in income.

To obtain tax exempt status, we still need to file IRS Form 1023.

Of course, form 1023 is not the form for the 501(c)(7) designation they talked about seeking...

- Things appeared to be quiet for a while until March 2011, when Teem DeeJay asked a question about non-profit status and days of sales. zuma! followed up with a comment indicating that the last effort to get an official tax-exempt status had been stymied by the lack of a budget. This either indicates a misunderstanding of what was missing from the original attempt at 501(c)(7), or that there was a subsequent attempt for which there was no discussion to be found.
- Official Tax-exempt status became a hot topic again in early 2013. Minutes from the in-person meeting indicated the board consulted a lawyer:

We were advised by free legal counsel (Mr Curly Girls) Attorney at law: As of right now we are not violating any issues and being a non-for-profit non-stock org and do not have to worry about paying taxes.

Two days later, labrat\_wr asked to confirm that "non-stock corporation" also implies non-profit. The same lawyer confirmed it does, and also mentioned that the WGA was listed as being in good standing with the Wisconsin Department of Financial Institutions. That seemed to satisfy the board at the time.

- Nothing shows up again until the 2018 in-person meeting minutes. The only mention was that another topic was tabled until "status of non-profit is known." The later years are when the board started using means of communication other than the forums, so a lot of the discussions are not available on the website by this point. The topic reappears on its own in the February 2019 minutes (not the in-person meeting), but not again until the Feb 2020 in-person meeting.
- In the 2020 in-person minutes, Carson wrote that the WGA is currently an LLC, but we need to be filed as a non-profit. Based on this research, this comment is just wrong. We are a formal corporation that is already properly registered as a non-profit with the state of Wisconsin.
- Obtaining an official federal tax-exempt status may have originally been driven by a desire to reap some of the benefits specific to 501(c)(3) orgs (like receiving discounts and a better chance of getting donations), but the conversation shifted at some point. Carson believes the reason the board kept coming back to the idea of getting official tax-exempt status was a fear that we might be doing something wrong by not filing a tax return and/or paying taxes. However, there seem to be repeated indications (including at least one from a lawyer) that it isn't strictly necessary. We don't have enough income to require filing a tax return, so are just fine continuing to file paperwork with the state every year without official tax-exempt designation as long as our circumstances don't change significantly.
- Our attempt at 501(c)(3) this year was likely doomed from the start, but there's nothing we can do about that now. The remaining question was whether we should try to pursue 501(c)(7). More than once Carson saw past board members ask whether it would be worth it, and more than once the question was left without a compelling answer. He thinks the main reason to pursue it at this point would be for peace of mind, that we would never have to worry about whether we might, some day, when our income explodes (ha!), need to start paying taxes.
- In the Slack discussion that followed, we talked about the potential barriers to going for 501(c)(7), the fact that we'd have to shell out more money, and the fact that none of it seems

to be necessary. Ultimately, we agreed that it did not make sense to further pursue this any further.

- Carson said he couldn't understand why tax-exempt status had popped back up in recent years after being abandoned previously. Aaron suggested that part of the motivation may have been an attempt to keep the store available on the website for more than the restricted number of days we are currently allowed.
- Renee confirmed she was present during the meeting with Curly Girl's (now ex) husband the lawyer and confirmed Carson's research was correct about the advice given.
- Aaron, Kelly, and others thanked Carson for his hard work digging up all of this history.
- Carson did also reiterate that we should not be telling people making donations to the WGA that those donations are tax deductible, because that is only true for 501(c)(3) organizations.
- Carson also mentioned that this exercise made it very clear how important it is to keep ourselves organized should someone on a future board need to do similar research. He wants one of his focuses for the next year to be better organizing the WGA's past history.
- Jason said we need to recognize John Sudar (hack1of2). When it became apparent that many of the old minutes documents seemed to be missing, Jason reached out to John to see if he had any of them from his time as WGA Historian. John spent a good chunk of time collecting and organizing what he had before sending it our way. Thanks, John!

#### Trailer

- Aaron mentioned that Jim has the trailer back.
- Lois has a new sticker for the travel bug race winners. Kelly said she might take a trip her way to grab it from her.
- Chris asked if the Square stuff had made it into the trailer. Renee has it currently because she wanted to figure it out before the next event.
- Kelly said she still has some merchandise that she took to the Winter Solstice event. She asked if she could sell hats at Janboree. The board agreed it was fine. It also gives an opportunity to get the extra merchandise and the point-of-sale stuff back together before they are eventually reunited with the trailer.
- Renee mentioned she has a second set of keys to the trailer.

#### Do we need a meeting with the current board in early February?

- Carson said he would be in favor of meeting to handle anything else that needs to be done before the new board is elected. But he's not interested in meeting on 2/7 because it's Super Bowl Sunday.
- Chris suggested we should play it by ear and decide closer to the date.

#### Chris asked what we should do with Slack for the new board?

- He has added the WGA Gmail address to have its own account in our Slack workspace. He's also asked Brian to make that account the owner of the current workspace and last year's as well.
- Carson asked whether we want to keep using the same workspace, or if we want to start fresh each year with a new workspace. He suggested we can continue the discussion on Slack with a goal of having a decision before the new board is elected.
- Kelly asked how much it costs for a paid Slack plan. Carson indicated the price is based on the number of users and would not be practical for the WGA. *[Secretary's Note: For anyone curious, the cheapest standard plan costs \$8/user/month or \$6.67/user/month when billed yearly. With 9 users paid yearly, it would be \$720.36/year. And we'd probably need to add a 10th user if we wanted the WGA Gmail account to be the owner of the workspace.]*

### Appreciation for Board Members

- Kelly thanked Aaron for his hard work during a tough year. Others echoed the sentiment.
- Kelly also said Becca was a great VP this year as well.
- Chris also said we better recognize Renee just in case. 😊

Aaron adjourned the meeting at 7:16pm.

### Outstanding Action Items

- Do we need our own insurance policy on the trailer? - Jim
- Research display board options for the WGA geocoin collection - Chris
- Develop Slack export plan - Chris, Carson
- Planning for monthly cache spotlight - Aaron, Chris
- Virtual events - Carson
- Work with Linda (lostcheq) to reset expectations for Amnicon Falls SPS cache - Kelly
- Planning for spring picnic event - Kelly, Jason
- Add stated goal of LCG and more explanation for how caches make the list - LCG Committee