

Draft Meeting Minutes
Spokane River Regional Toxics Task Force
Administrative and Contracting Entity (ACE)
February 28, 2013

Directors in Attendance

Tom Agnew
Dale Arnold
Rick Eichstaedt
Doug Krapas
Bud Leber
Bruce Rawls

Directors Absent

None

Guest in Attendance

Steve Faust

1. Additions to agenda – none.
2. **Meeting minutes from previous meeting approved** – Dale motioned – Rick seconded, approved unanimously.
3. Discussion – Steve Faust, GU Business Law Clinic on 501(c)(3) businesses. Discussion included the following:
 - Steve discussed potential conflict given Rick’s involvement. He will look into.
 - Discussed 501(c)(3) tax issues – donations are tax deductible.
 - Need to have adopted bylaws and initial officers.
 - Officers have duty of exercise reasonable care (enough information in front of you and make discussion) and duty of loyalty interests of organization ahead of personal interest
 - Can make decisions by committee if bylaws allow
 - Members - not required to have members
 - Ought to have Officer and Board Insurance to cover corporation’s obligation. \$1000-1500 year for coverage.
 - ACE Bylaws should indicate that it is alright to take direction from another body (the Taskforce).
 - May want to change purpose statement – implementing task force direction.
 - Need to adopt bylaws – before signing contracts.
 - Need tax ID #.
 - Compliance issues with the IRS:
 - Information return every year.
 - If you don’t file for 3 years, you lose status
 - More than \$50,000 in receipts/ assets of less than \$500,000 on balance sheet, you file the 990EZ form.

- Form990 – more than \$200k in receipts/assets or \$500,000 in balance sheet.
 - Political activity – endorsing candidates is prohibited
 - Lobbying is ok/influencing legislation with limits.
 - Executing /enforcing law is not lobbying
 - Issue oriented advocacy is ok
 - Exempt purpose – social benefit
 - Needs to be operated sustainably for exempt purposes
 - Pay excise tax on unrelated business activities at corporate tax rate
 - Record keeping burden – minutes should reflect decision making process
 - Need to get a city business license.
 - B&O taxes -- if you are a nonprofit and would qualify as 501C3 you are exempt from B&O taxes.
4. **Motion to adopt bylaws:** Rick motioned, Dale seconded, approved unanimously. Reaffirm existing directors
 5. **Motion to Adopt Officers:** Rick motioned, Bud seconded, approved unanimously.
 - President – Bud
 - Vice president - Rick
 - Sect’y – Rick
 - Treasurer – Bruce
 6. Bruce indicated that Cyndi will file EIN.
 7. Doug will take the lead on opening the bank account.
 8. Rick indicated that he will facilitate check from Center to open account.
 9. Bruce indicated that he will facilitate a purchase of QuickBooks.
 10. **Motion to Buy QuickBooks:** Tom motioned, Dale seconded, approved unanimously.
 11. **Motion to Approve Limnotech Contract:** Dale motioned, Tom seconded, approved unanimously.
 12. **Meeting Adjourned per unanimous motion.**