

Pagosa Pickleball Club Board of Directors Meeting – October 25, 2022

Meeting Minutes

Ruby Sisson Library Meeting Started: 1:10 p.m. – Adjourned: 4:40 p.m.

Board attendees: Steve Chaney, Al Pfister, John Costa, Tina Heffner, Ann Mayer, Mark McNown via Zoom

Non-Board attendees: Laura Metallo, Ruby Osberg, Elizabeth Brewer, Mont McAllister

OLD BUSINESS

Treasurer's Report

John presented the following Net Asset and Income Statement reports. This was the first presentation of the information based on a calendar year as opposed to the July-June period.

There were no questions on the Net Asset report.

Pagosa Pickleball Club Net Assets 10/24/2022

ASSETS	
Cash Balances	
Checking	\$10,009
Savings	\$8,655
PayPal	\$50
Total Cash	\$18,714
Other Assets	
Prepaid Expense	\$1,964
Balls/Equipment *	\$1,880
Shirts	\$295
Total Other	\$4,139
Total Assets	\$22,853
LIABILITIES	
Long Term Commitments	
Wild Apricot	\$1,964
Total Liabilities	\$1,964
NET ASSETS	\$20,889

* Equipment

Indoor Balls - new	48	\$120
Outdoor Balls - new	24	\$60
Portable Net - new	1	\$170
Portable Net - used	7	\$1,050
Loaner Paddles	12	<u>\$540</u>
		\$1,940

On the Income Statement There was some confusion as to the difference between the Donations listed as "New Courts/Expense" and those as "Expense Donations" under Operating Expense donations. John relayed that the "New Court/Expense" income was deposited to our savings account in January and was related to the new court construction. The "Expense Donations" were made later in the year

and deposited to checking account for general expenses. John indicated he would update the heading to avoid confusion.

John explained the donations for gym rental included donations from the previous winter that were made after January 1, 2022, plus member fees received for this winter's rental.

Al Pfister asked about the \$0 recorded in 2022 for the grant from the Community Foundation. John said this was recorded as income in 2021 but he would check to confirm. Note: After the meeting this was confirmed as a 12/9/2021 deposit.

Ann asked about the negative net income of -\$95,494. John explained this was the result of the 2022 payment of \$100,000 for the court construction and income for this had been reported in prior years. As per the statement we received \$12,735 as of 10/24/22 and have expenses totaling \$108,229 for the same period.

Income Statement as of 10/24/22

INCOME	YTD 10/24/22	EXPENSE	YTD 10/24/22
Membership Dues	\$4,230	Supplies	
Donations		Indoor Balls	\$338
New Courts / Expense	\$1,600	Outdoor Balls	\$229
Festival of Trees	\$0	Nametags	\$918
New Court Challenge	\$0	Other Equipment	\$75
Fly High	\$0	Court Repair/Expense	\$0
Mont 1200	\$0	Office Supplies	\$152
Lukes Match	\$0	TOTAL SUPPLIES	\$1,712
TOTAL DONATIONS	\$1,600	Gym Rental	
Operating Expense Donations		Rent	\$1,600
Expense Donations	\$1,916	Paid Member ID	\$0
Gym Rental	\$2,505	TOTAL GYM EXPENSE	\$1,600
TOTAL for EXPENSE	\$4,421	Shirt Expense	\$1,468
Grants		Administration	
19th Hole Grant - unrestricted	\$0	Software Expense	\$2,244
CF SW Colorado - restricted	\$0	Liability Insurance	\$0
Other Grants	\$0	Processing Funds PayPal - WA	\$209
TOTAL GRANTS	\$0	Annual Meeting	\$986
Other Fund Raising		Social Expense	\$0
Shirts / Merchandise Sales	\$2,379	Filings	\$10
Amazon Smiles	\$89	Miscellaneous	\$0
TOTAL OTHER FUND RAISING	\$2,468	TOTAL ADMINISTRATION	\$3,449
Interest on Savings Account	\$16	Court Construction	\$100,000
TOTAL INCOME	\$12,735	TOTAL EXPENSES	\$108,229
		NET INCOME	-\$95,494

New Courts Update

Fencing and net posts are expected to be installed over the next two weeks. Once that is completed the gates at the courts will be locked over the winter. Once the overnight temperatures are 50 degrees or higher for at least a five-day period the surface coating will be applied. It is possible this may not happen until June or possibly July 2023.

We will continue to use 8th Street until the courts are ready.

Steve has approached Darren about allowing the club to purchase and install some type of storage. Darren won't allow a shed but may allow us to use a metal storage chest like those seen on construction sites. The cost of the chest is around \$700. We will review this at a future board meeting as the courts are completed.

Status of Wild Apricot Implementation

John reported that we made the transition to Wild Apricot on October 1st. Jarrett Chaney helped to transfer our domain from the wildapricot.com we used during testing to our domain pagosapickleball.org. Everyone agreed that the new website looked great. We've encountered a few minor issues as we learn but all have been easy to address. Tina will continue to send updates via Google Group explaining features within the new website to encourage people to check it out.

At the time of the switch to our domain, we had 285 members on our roster. We were able to load 237. The remaining 48 members were sharing a single email address. John sent an email to this group asking for a second email so we could set up their profile. As members respond their profile is loaded. We still have 12 people who have not supplied a second email and have not been loaded into the new system. John will continue to monitor.

Of the total 285 members 90 were not current with their dues. Because of the plan to implement Wild Apricot, notices had not been sent regarding the past due payment. These people had their profile created with a dues renewal date due of 11/15/22. On 10/16 the system sent an email to each person reminding them of the need to renew their membership.

As of 10/24, 31 of the 90 have renewed their membership. After John reviewed the list of the remaining 59 he estimates that an additional 35 are likely to renew.

The system sent out the first reminder to renew on 10/16. It will send additional emails 11/8, 11/15, 12/15, 1/15. Those who have not renewed after the last notice will be considered lapsed and their membership will be suspended. They can rejoin at a later date.

Winter Gym Rental

The first email announcing the Thursday Winter Gym rental went to all members whose profile was loaded into Wild Apricot as of 10/6. We currently have 38 people registered and have collected \$1,520. We will send out additional announcements on 10/20 and 10/27.

Al Pfister will be picking up plastic key tag rings that we will use to identify those that have paid the \$40 fee. We will have a list of these members at the gym on Thursday 11/3. We will be able to accept payment at the gym on 11/3 but only paid-up members will be able to participate. No daily use fee will be available for "drop ins". A question was raised as to how we will monitor attendance making certain only paid members participate. Al said he would be at most of the sessions will solicit help as needed.

We have not set a limit as to how many people can sign up for Thursday play. We agreed that this is an experiment and we will look at any issues that may develop on a case-by-case basis.

Members Survey Report

Ann Mayer presented the results of the survey she sent out asking members what kind of things or events they would like to see. The top 4 activities with a tie for fourth were:

1. Saturday AM Round Robins
2. Skills & Drills
3. Intermediate Clinic
4. Advanced Clinic tied with Rated Play on Certain Days

She noted that 74% of the responses used the phrases "by level", "segregated", "rated play" or chose activities that were by level.

Based on this information, Ann proposed we consider how we can offer some of these activities next summer. The board agreed the survey provided good information and we would look to incorporate as many of the suggestions as possible.

Several the suggestions dealt with "rated play". The board agreed that due to the potential issues with self-rating, it would make the most sense to limit rating categorization to beginner, intermediate and advanced. The board also agreed that our priorities should focus on skill development events and then look to setting up structured round robins. All agreed to continue with the Saturday morning round robins as a great way to socialize at all levels of play.

It was recognized that there are many details that will need to be addressed before we can commit to anything. Once the new courts are completed we will need to understand how we will be allowed to use them for specific activities and regulated play.

Over the winter, Ann has agreed to form a committee to develop a more detailed plan to how we can organize and run some of these activities. BJ Jones and Tina Heffner have agreed to work with her. John indicated our Wild Apricot event management can support any scheduling and registration required. Ann will continue to report on this at our next meeting.

Intermediate Skills Clinics

As indicated in the member survey, there is a desire for the club to offer some type of clinic for members who have progressed beyond the beginner level and would like to improve their skills to be able to play a more competitive game.

Ann presented an outline for the creation of a clinic that would be organized by volunteers to meet this objective. The clinic would be divided into 4 stations or groups of 4 people at each station. Each station would be conducted on a separate court. Ann recommended a structured approach at each station that covers pre-defined fundamentals.

Ann suggested we could charge for the clinic. Steve said that if we charge for anything using the courts we would need to pay rent. Additionally, it was agreed that we want to continue with free clinics as a benefit and a means to continue to build membership.

There was general agreement on the boards desire to move forward with this or a similar type of clinic. At the board's request, Ann agreed to form a committee to develop this idea further with more details as to how it would be organized and conducted. BJ volunteered to help and they will provide an update at our December board meeting.

It was understood that whatever type of clinic we decide on we will need to reevaluate our decision once the courts are completed and we understand any restrictions or direction we received from Parks and Recreation.

Schedule for Future Board Meetings

At the last board meeting we created a schedule for future board meetings. Unfortunately, the first meeting was scheduled on short notice and we did not have enough members for a quorum. All board members agreed we should amend the schedule.

Steve made the following motion, seconded by Tina

MOTION:

Move to amend the Board meeting schedule to follow a list of bimonthly meetings on the second Tuesday of every other month beginning December 2022, with the likely availability of a quorum for the next meeting date determined at each Board meeting and revised or cancelled as determined by the Board.

The motion passed with 7 in favor and 0 opposed

NEW BUSINESS

Open Position for Secretary

When Bob Eggleston resigned in 2019, John Costa agreed to take on the duties of Treasurer along with his duties as Secretary. The board agreed to the creation of the position of a Secretary/Treasurer. With her recent addition to the board, Ann Mayer expressed an interest in becoming our Secretary. John has submitted his resignation as Secretary and will focus his time on his duties as Treasurer.

Steve made the following motion, seconded by BJ

MOTION:

Move to amend the structure of the Board officer roles to separate the roles of Secretary and Treasurer with John Costa remaining as Treasurer and the election of a new Secretary.

The motion passed 7 in favor 0 opposed.

Our bylaws state officers are elected by the board and serve for a two-year term. Current terms will expire after the 2023 election for the Board of Directors.

BJ made the following motion, seconded by AI

MOTION:

Nominate Ann Mayer as the Secretary for the Board of Directors with a term to begin with the next Board meeting and run concurrently with the remainder of the Board officers through the election of new Board members in 2023.

The motion passed with 7 in favor and 0 opposed.

Ann will assume the duties in conjunction with the board meeting scheduled for December 13, 2022. She will complete the current term until the next election of officers in 2023.

Cloud Storage for Documents and Photos

Currently all documents related to club business and activities are stored on John Costa's computer and backed up on his personal Dropbox account. All agreed this is not the best solution for our long-term document retention. John consulted with Jarrett Chaney to get a recommendation for a cloud storage provider that would cost effectively meet our needs.

Jarrett recommended Dropbox. John presented an option that provides 2Tb of storage, allows for up to 6 users and allows us to set files to be accessed for updates or only viewed. The cost of a 12-month plan is \$203.88.

John made the following motion, seconded by AI

MOTION:

Move to set up a Dropbox account for the Pagosa Pickleball Club. The plan recommended is the Family Plan that provides 2Tb of storage, allows for up to 6 users, allows us to set files to be accessed for updates or only viewed and has an annual cost of \$203.88.

The motion passed with 7 in favor and 0 opposed

John will set up the Dropbox account for the Pagosa Pickleball Club and make the annual payment. The initial "users" will be set up as treasurer.pagosapickleball@gmail.com and board.pagosapickleball@gmail.com

2023 Budget

John presented a first draft of a budget for 2023. He explained that the amounts listed for both income and expense are intended to initiate discussion and not final recommendations. The draft included actuals for the 2021 calendar year, our 2022 year to date figures and the projected 2022 final numbers.

Steve initiated the discussion with an analysis of our recurring obligations and our recurring annual income. Our recurring obligations are those expenses that we will incur just to operate the club. They include liability insurance, software expense, card processing fees, our annual meeting, supplies, and equipment such as balls, paddles and nets. Our recurring income is our membership dues. His analysis listed our recurring obligations as approximately \$4,100 and our recurring income at approximately \$4,200. It was recognized our recurring income just covers our recurring expenses.

His analysis then listed potential recurring obligations for gym rental, D&O insurance and chemical toilets totaling approximately \$2,300. Potential non-fixed annual income including donations, merchandise sales, grants and a tournament could total approximately \$3,000. Tina added that she wanted to present a sponsorship program at our next board meeting.

In addition, there is the potential for expenses like a storage building, equipment storage box, foam rollers and court signs that could total over \$6,500.

The message Steve wanted to convey was although we have approximately \$17,000 in reserve funds we need to be aware of the relationship of our recurring obligations and recurring income as we formalize and approve our budget.

The final 2023 budget will be finalized by the end of the calendar year.

Insurance Needs

The club currently has general liability insurance. Ann and Tina have proposed we also purchase Directors and Officers insurance. They are concerned about board member liability in an increasingly litigious society.

As of the meeting the board is divided on the need. The argument against is based on the belief that we are a small organization with no employees or shareholders. We currently have a net asset balance of approximately \$17,000 but in general do not deal with large sums of money. We have low expense transaction volume with no long-term contracts or individual expenses and have little opportunity for conflicts of interest. The bulk of the club's activities occur on Town facilities and the Town's insurance covers any liability in the case of injury and a subsequent lawsuit. Our general liability policy covers us in situations where we have rented courts or other facilities for club functions. D&O insurance policies exclude general liability.

The argument in favor of D&O insurance is based on the belief that the club and its officers and directors are exposed beyond general liability. We cannot control who might file a frivolous lawsuit for any reason. Regardless of the merit, the suit would require the club, officers or directors to finance a defense. To avoid this, D&O insurance offers a relatively low-cost solution to avoid this expense.

After a very productive discussion exploring both sides it was agreed that we would continue to investigate this and come to a decision at the December board meeting. John will request a quote from Affinity, the provider for Peak to Peak's D&O policy. He will speak with the carrier to see about the possibility of setting up a meeting with their representative and our board to discuss what the policy covers and why we would need it. John will also speak with the Treasurer of the Peak to Peak Pickleball Club to get an understanding of their reasoning and experience.

Code of Conduct and Liability Waiver Requirement

Tina and Ann have requested that we update our Code of Conduct backed by a reference document referred to as "Proposed Behavior Policy". Tina provided a draft of changes in the verbiage she is proposing. Additionally, Tina has proposed that we amend our bylaws to include a summary of the Code of Conduct and a review process and course of disciplinary action to be taken by the club in situations where it has been determined that someone has violated the code.

All agreed on the need for a Code of Conduct however there was much discussion on the wording as presented and the process that we would follow in instances where there has been a suspected or confirmed violation.

There was general agreement that this requires additional review and revision before a motion can be entertained. Tina, Ann and BJ have agreed to meet to review and present an updated proposal. They agreed to send out a draft of this to the board before the December board meeting.

Tina has proposed that members be required to acknowledge that they have read and agree to a Code of conduct and Liability Waiver. In addition to the Code of Conduct draft she presented, she provided a draft of a Liability Waiver.

John raised the issue of what do we do when members refuse to sign. Tina clarified her position that she is suggesting we require this for new members as they complete the membership application process. She is suggesting we add a check box to the application form that requires an applicant to check the box acknowledging that they have read and agree to follow the policies. If they don't check the box they won't be able to complete the application.

We agreed to discuss this further at our December meeting and after we reach agreement on the Code of Conduct policy.

Chamber of Commerce Membership

There was a brief discussion as to whether the club should join the Pagosa Springs Chamber of Commerce. On the plus side it is an opportunity to promote the club in the local business community which could help with future fund raising. On the negative side was the question as to whether membership could be associated with any political position which would not be in line with the requirements we must meet as a 501(C)(3) nonprofit.

It was agreed we would table this until after we reach a decision on D&O insurance.

Facility Use Agreement with the Town of Pagosa Springs

The board feels it is important to have a Memorandum of Understanding or Facility Use Agreement with the Town of Pagosa Springs to provide definition or structure as to use of the courts in terms of how play would be organized and other roles and responsibilities for both the Town and the Club.

Steve and John had approached Darren about this several weeks ago. At the time Darren seemed open to considering this. Steve spoke with him recently and Darren stated he did not feel a MOU was necessary. Darren emphasized these are public courts. He stated that while he allowed the club to manage the courts at 8th Street that would not be the case with the new courts at South Yamaguchi.

Steve suggested we continue to work on a draft of a proposed agreement but put it on hold until after the courts are completed.

Public Comment

BJ pointed out that we had 4 non-board members attending the meeting and although some spoke we did not solicit public comment. Steve agreed that we would correct that and make certain we incorporate this into our future meetings.

Next Board Meeting

The Board was polled as to their availability for the next scheduled meeting date of December 13th. At least 5 members confirmed their availability for that date therefore the meeting date was confirmed.