

THE MOORINGS AT LEWES RESIDENTS' ASSOCIATION

Board of Directors' Meeting Minutes
Monday, February 12, 2024

WELCOME: President Don Smith

CALL TO ORDER: President Don Smith

MOMENT OF SILENCE:

OPENING COMMENTS:

The minutes reflect that Don cancelled the January 2024 Board Meeting and the All Residents' Meeting due to a COVID outbreak in Independent Living.

Before the recent update on the expansion, a resident criticized the Board for not spending some of TMALRA's money. Stating we always use the excuse "that is The Moorings' responsibility". An item now being suggested is something for the exercise room: a recumbent bike. An item suitable for the gym would cost approximately \$4000.

BOARD'S DECISION: After a discussion, it was decided to table this issue with no further action being taken at this time.

Dating back to a December email from Annette, she requests that the Board, possibly including residents, take a position on whether or not prayer, songs of religious connotations, etc., should be allowed. Apparently, during Lights of Love, the Choir Director suggested Christmas Carols be sung, but because issues were experienced in the past, no Carols were presented.

BOARD'S DECISION: After a discussion, it was decided to table this issue with no further action being taken at this time.

Don thanked Gail for having a representative from Beebe speak to the wellness Committee on Advanced Planning.

Don announced Annette provided him a binder with the responses from the expansion development team for placement in the Library. This binder is a repository of current and future responses from the development team of questions or concerns from residents."

TREASURER'S REPORT: Tom Reed wasn't able to attend, Assistant Treasurer, Larry Myers reported the January Treasurer's report has been uploaded to the TMALRA website. Diane will cover the gift shop. In addition, we received \$100 in a donation for the Employee Appreciation program. The expenses in December included \$260 for music for the chorus music and \$640 for printing the January pictorial directory. At the end of the month, our operating balance was \$32,400 and we have \$2,250 for next year's Employee Appreciation campaign.

ASSISTANT TREASURER'S REPORT: No report.

COMMUNICATIONS REPORT: No report.

FINANCIAL WORKING GROUP REPORT: No report.

BOARD/COMMITTEE ISSUES TO BE DISCUSSED AND POSSIBLY VOTED UPON:

- As a result of a discussion during an earlier Board meeting, Don, Tom, and Ed reviewed the situation with the CPA firm of FAW Casson. Sarah Patterson's FAW Casson, comments are as follows:
 1. *The Resident Association currently meets the requirements to be a tax-exempt Social Club under 501 (c) (7). [Social Clubs / Internal Revenue Service \(irs.gov\)](#)
 - a. *To keep this status, nonmember sources of income, including investment income must be 35% or less of your total income.*
 - b. *If investment income reaches \$1,000 or more, then you would need to file 990-T and possibly have some tax due.**
 2. *There is no tax filing required to apply for tax-exempt status.*
 3. *There is an annual filing requirement with the IRS. As long as gross receipts are under \$50,000 each year, all that is required is the 990-N postcard. [Annual Electronic Notice \(Form 990N\) for Small Organizations FAQs: How to File / Internal Revenue Service \(irs.gov\)](#)*
 4. *You should also register with the State of Delaware. [How to Form a New Business Entity – Division of Corporations – State of Delaware](#)*
 5. *You may want to have something in writing explaining the pass-through of employee gifts, specifying that they are gifts, not income.*

Ed will take the necessary action to address the recommendations by Ms. Patterson.

- Question was raised by Area Representatives regarding information submitted on their respective reports – originally to the Board and All Residents Meeting. At present the report is only given at the All-Residents Meeting. Discussion followed. Don suggested a meeting to be held with the Area Reps and he would invite Marketing to attend. Area Reps will be informed when the meeting is to be scheduled.

ADJOURNMENT: There being no further business, the meeting was adjourned at 4:15pm.

Respectfully submitted:

Carol Lader, Corresponding Secretary (sitting in for Secretary Kathy Holstrom)