



CARSON
RIFLE AND PISTOL CLUB

November 21, 2019

SUBJECT: President's Annual Report for 2019

This report is provided in accordance with the Carson Rifle and Pistol Club bylaws, dated May 25, 2019 which require an annual report from the President and the Treasurer. The intent of this report is to identify issues and possible solutions for our membership and for the future leaders of the club.

I ran for president of our club for two primary reasons: first, to enable the members of our club to have access to the Carson City range and second, to enable the club to provide service to our shooting community. In both regards, I was only marginally successful for a myriad of reasons, some of which are articulated below.

Corporate Health: At the beginning of my term, I found that the corporate health of our club was not sound. The club is incorporated under the laws of Nevada and subject to Nevada Revised Statute and federal law. Prior to my first meeting of the Board of Directors, my research revealed that our bylaws are largely ignored and our corporate executive officers were not well informed on the legal obligations of the board. This was concerning for many reasons, most importantly that the executive officers have an obligation to the membership and that the club had a contract with the city of Carson City to administer the range.

During December 2018 and January 2019, I clarified our standing with the Nevada Secretary of State that the club was a non-profit properly organized under the law and the club was exempt from income taxation under Internal Revenue Service rule 501(c)7 (a social club). This countered assumptions and statements that the club was a charity and that donations to the club were therefore tax-deductible.

My research further revealed that over the years, the executive board had not maintained good records, particularly with regards to dealing with Carson City staff. Consequently, there were no documents to support the club's investment in the range or alleged agreements with Carson City staff that benefitted the club or pertained to the development and maintenance of the range facility.

At our first board meeting, the executive officers were provided with the Nevada Attorney General's guidance on non-profits, and various "best practices" for non-profits to allow the board to set mutually understandable goals for the club's corporate health. This was critical, as the board officers are not merely managing a social organization, they are the corporate officers of a non-profit.

Over the next several months, the board revised our bylaws, reducing the executive board by one member. It is my opinion that the executive board is still too large, that

the bylaws are too cumbersome, and the executive board does not follow the best practices of non-profits regarding the administration of the club. Moreover, administration of the club's records is frequently inaccurate and cumbersome due to the failure to adopt information technology and electronic record keeping. However, we are in compliance with applicable federal and state law.

Recommendations for the corporate health of the organization:

- The bylaws should be revised to reflect a board consisting of the president, vice-president, secretary, treasurer, and one at large director. This will enhance the flexibility of the board and reduce bureaucracy.

- The membership should also take care to elect executive board members who will exercise the "duty to care" as defined by the Attorney General and will take an active role in managing the club to the benefit of the majority of the members. For most of this year, I was the only board member interacting with the city staff regarding the range.

- The importance of the Secretary for the club cannot be overemphasized; the cooperate responsibilities of this position exceed simple note taking. While we are in a good position today, this was not always the case. It is the entire executive leadership's responsibility to ensure the club's administrative records are well maintained; not simply the Secretary's duty. Selection of the Secretary should therefore be done with care and an eye towards the legal requirements of the club.

- The executive board should ensure there is clear delineation between the personal interests of the board members and the conduct of business by the club. This avoids the appearance of a conflict of interest and is consistent with both the Nevada Attorney General's guidance and best practices of non-profits.

- The club should make a concerted effort to embrace available information technology to reduce the administrative burden on the executive board, ensure accuracy of records and communications, and enable to membership to access club information. The longstanding unwillingness to evolve our club data management and communications runs the risk of disenfranchising portions of the membership and inducing administrative errors.

Financial health: the club was and is today, financially healthy. During this year we incurred some additional expenses not seen in previous years including insurance to cover "acts and omissions" of the executive board, additional filings with the Nevada Secretary of State, and administrative expenses related to the Range Safety Officer program.

The club's first annual audit was conducted this year which revealed no discrepancies in our financial management or property accountability. My sincere gratitude to the members who conducted this audit.

Recommendations:

- The club formally adopt an itemized monthly and annual financial accounting report that clearly articulates revenue and expenses for the calendar year. This was repeatedly addressed this year and is another "best practice" of non-profits that the club has not adequately addressed. This will allow better planning in the future and enable the membership to clearly see where their dues and fees go.

- The executive board plan for additional expenses regarding the maintenance and disposition of the clubs firearms and match property.

- With the termination of the club's contract with the city for the range, the executive board may feel it does not need "acts and omissions" insurance; however, the decision not to renew should be well informed. I recommend the club retain this insurance as a best practice of non-profit corporations.

General management:

- The club was initially structured as a social organization and is one today. The contract with the city to administer the range was not well constructed for a social organization to operate as a corporate business entity. Essentially, the club possesses the expertise and experience to operate the range but no financial resources; the city has the financial resources but not the expertise. My efforts to enable the club to continue to assist the city in operating the range ultimately failed. This was partly due to changes at the city but primarily due to the lack of support from a majority of the club's range safety officers. Less than half of the club's initial volunteers actually assisted at the range and there was constant friction between factions of the club which wanted to do public service and those that were focused on their own interests. Consequently, efforts to sustain the contract with the city were ultimately supported by a very small minority and other efforts (firearms safety/new shooter workshops, expanded range events, target building workshops) never got off the ground. Likewise, the "Training Committee" was never established.

- I revamped the club's website and social media presence and established independent accounts belonging to the club for its website management, PayPal, Google tools and email. These accounts are now paid forward for at least the next two years. Additionally, the current website was built with commonly used industry standard software at my own expense. Tutorials for managing the site are readily available on the internet or from the software designers at no charge. There are no recurring expenses related to this software; however, the site will require maintenance. In the event that no member with sufficient technological skills steps forward, I recommend the membership hire an IT skilled person to conduct periodic maintenance.

Today the club stands at 158 members. We host two matches per month which are attended by an average of nine shooters. I failed in my efforts to develop events or services that would interest the majority of our membership and the club's "Match

Committee" remained focused on a limited menu of matches attended by an average of nine shooters. In early 2020, the city will begin charging for use of the range and I believe that without more popular events, the perceived value of membership in the club will be minimal for a majority of our current members.

Recommendations:

- The executive board respond to the membership's request for new shooting events.
- The executive board, with support from the membership, support a partnership with the city and occasionally assist with range maintenance.

I would like to recognize several individuals who contributed greatly to the success of the club during my tenure. They have my sincere gratitude for their hard work, substantial hours of community service, and wise counsel they afforded me. I hope their efforts will be recognized by the club in the following years. In no particular order, my sincere appreciation to: William Bryant, David Branchcomb, Mary Snider, Don Johnson (and his wife for keeping him humble) and my long suffering wife, Lori. Their steadfast support for the club and my efforts enabled the club to do well in the past year.

Thank you all for allowing me to serve and I wish the club well in the coming years.



Chris Carver
President (2019)
Carson Rifle and Pistol Club