

## UIL Music Region 8

Minutes of the Executive Committee meeting held on June 16, 2020 at the Midway ISD Administration Office.

The meeting was called to order at 12:11 by Chairman Michael Hope. All members were present: Eric Eaks, Karen Herrera, Michael Hope, George Kazanas, Mike Kelly, Joe Kucera and JR Proctor. Also present were Executive Secretary Tony Clines and Assistant Executive Secretary Darrell Umhoefer.

Michael Hope moved and Joe Kucera seconded that George Kazanas be elected as Chairman for the 2020-2021 academic term. The motion carried unanimously. Hope and Kazanas have accepted new three-year terms on the committee. Clines reminded the committee members of the two online training programs they are required to take in order to serve on the committee and all said that they had completed them.

Minutes of the June 27, 2019 meeting, the December 4, 2019 meeting held by Google Hangout, the March 31, 2020 meeting held by Google Hangout and the list of votes taken by email for 2019-2020 were presented. JR Proctor moved and Mike Kelly seconded that they all be approved as presented. The motion passed unanimously.

Clines then presented the Financial Statement and the Statement of Revenue and Expense for 2019-2020. In the presentation he noted that due to the corona virus pandemic the total number of contest entries for 2019-2020 was 224. Entries totaled 484 for 2018-2019. This dramatic decrease in entries and the resulting loss of entry fees for all those entries lost lead to a deficit of \$28,657.07 for the year. Total receipts for the year were \$126,644.74. Disbursements were \$155,301.81. The region started the 2019-2020 year with a bank balance of \$44,967.54 and the balance as of June 16, 2020 was \$16,310.47. Clines said that sightreading music that had been ordered and paid for prior to the cancelation of contests scheduled for the last week of March had been returned to J.W. Pepper & Son and that a refund check of \$2,300 should be received in the near future. Clines also noted that beginning in May he had reduced his monthly salary by 60% to help make sure that the region would have operating funds to last until the spring semester of 2021 in case marching contests should not take place this fall. Also, Darrell Umhoefer voluntarily forfeited the second half of his honorarium that was due on May 1 since events scheduled for the last week of March and the month of April were all canceled. Joe Kucera made a motion and Eric Eaks seconded that the Financial Statement be approved as presented and the vote passed unanimously. Then Kucera moved and Karen Herrera seconded that the Statement of Revenue and Expense be approved as presented. The vote passed unanimously.

Clines then presented the document showing that the region has an awards inventory valued at \$8,236.41. Combined with the band fund balance of \$16,310.47 the region has a net worth of

\$24,546.88. Herrera moved and Hope seconded that this be approved. The vote passed unanimously.

A discussion of the proposed budget for 2020-2021 came next. Clines pointed out that the budget is difficult to determine due to the uncertain status of school openings in the fall as well as the effect the corona virus might have on marching contest participation. The figures presented are based on all events taking place during the year. The estimated revenue is \$227,000 and the estimated expenses are \$226,890. Herrera moved and Kucera seconded that the budget be approved as presented with the understanding that it might have to be amended later. The motion passed unanimously. Herrera then suggested that awards not be purchased in advance of our events this year since our financial situation is not secure. We should use what we have in inventory then order what is needed to present to organizations earning them later. Clines agreed with the suggestion and will let directors know in advance that they may not receive awards the day of events.

Clines then presented the letter reporting on the review of financial books for 2019-2020 made by Jo Ann Brown, retired bookkeeper for Robinson ISD. It said that she examined bank balances, revenues and expenditures for the region and found them to be accurate and in good order. She further stated that there was adequate documentation for all deposits and checks, that deposits were made in a timely manner and all bank statements were reconciled. She noted that revenue for the year was \$126,644.74 and total expenses were \$155,301.81. She presented a graph showing by object number (6200, 6300, 6400). She also noted that \$38,976 was received in entry fees that were refunded to the schools due to cancelations of contests. Also, \$8,570 was deposited from gate receipts for the Area D Marching Contest. A check was then immediately issued to Area D in that amount. Those refunded fees and the gate receipts were not included in revenue and expenditures. Mike Kelly made a motion and Michael Hope seconded that her report be accepted. The vote passed unanimously.

Next, JR Proctor moved that Tony Clines be rehired as Executive Secretary and Eric Eaks seconded the motion. Clines said that determining a salary is difficult due to the uncertainty of events and the low fund balance that the region currently has. Salary may be adjusted as the year progresses. The motion passed unanimously.

Proctor moved and Herrera seconded that Darrell Umhoefer be rehired as Assistant Executive Secretary. The motion passed unanimously.

At last year's meeting Clines and Proctor were assigned looking into whether the region should apply for 501(c)3 status with the Internal Revenue Service. Clines thanked Proctor for his assistance then presented his view that it is not necessary based on information put together using information from the IRS webpage and the Texas Comptroller's webpage. The University of Texas is a governmental unit, established by law in the Texas State Constitution. The University

of Texas has dual tax exemption as both an educational organization and a governmental entity. The University Interscholastic League was established by the Texas Education Code and is a part of the University of Texas. The University Interscholastic League is an affiliate of a governmental unit (the University of Texas), is exempt under section 501(c) of the IRS code, and is not required to file an annual tax return. Karen Herrera made the motion and JR Proctor seconded that we not apply for 50(c)3 status, that we follow the guidelines listed on the Texas Comptroller's webpage and use tax exempt forms given there for sales tax and state hotel tax exemptions. The motion passed unanimously.

Clines gave a review of the four rule violations that the committee had ruled on during the March 31, 2020 Google Hangout meeting as well as presenting letters of explanation from three groups that withdrew from region events after the entry deadline had passed. No action was necessary on these points.

Next, Clines presented the recommended contest schedule for 2020-2021. Michael Hope moved to accept the schedule and Joe Kucera seconded. The motion passed unanimously.

Finally, Clines presented his recommendation for entry fees for 2020-2021 noting that it might be necessary to adjust them prior to the August region meeting with directors from all schools as well as during the school year. He also said that in order to help our fund balance that his recommended fees are slightly more than last year's fees. The increase for events that were held last year are \$10 higher. For events that were canceled the fee is \$20 higher. Hope moved and Kucera seconded that the recommended fees be approved with the stipulation that the committee will review them prior to the August 8 meeting of directors. The motion passed unanimously.

Having no further business, Eric Eaks made a motion and Mike Kelly seconded that the meeting be adjourned at 1:21. The motion passed unanimously.